Guide to Home Equity Lines

The following information is intended to help consumers understand home equity lines of credit. This information consists of two separate items:

(1) A consumer brochure entitled: **"What You Should Know About Home Equity Lines of Credit"** published by the Federal Reserve Board, and

(2) A description of the Lender's home equity plan entitled **"Important Terms of Our Home Equity Line Account"**

What You Should Know About Home Equity Lines of Credit

If you are in the market for credit, a home equity plan is one of several options that might be right for you. Before making a decision, however, you should weigh carefully the costs of a home equity line against the benefits. Shop for the credit terms that best meet your borrowing needs without posing undue financial risks. And remember, failure to repay the amounts you've borrowed, plus interest, could mean the loss of your home.

What is a home equity line of credit?

A home equity line of credit is a form of revolving credit in which your home serves as collateral. Because a home often is a consumer's most valuable asset, many homeowners use home equity credit lines only for major items, such as education, home improvements, or medical bills, and choose not to use them for day-to-day expenses.

With a home equity line, you will be approved for a specific amount of credit. Many lenders set the credit limit on a home equity line by taking a percentage (say, 75%) of the home's appraised value and subtracting from that the balance owed on the existing mortgage. For example:

Appraised value of home	$100,000
Percentage	x 75%
Percentage of appraised value	= $75,000
Less balance owed on mortgage	- $ 40,000
Potential line of credit	$ 35,000

In determining your actual credit limit, the lender will also consider your ability to repay the loan (principal and interest) by looking at your income, debts, and other financial obligations as well as your credit history.

Many home equity plans set a fixed period during which you can borrow money, such as 10 years. At the end of this "draw period," you may be allowed to renew the credit line. If your plan does not allow renewals, you will not be able to borrow additional money once the period has ended. Some plans may call for payment in full of any outstanding balance at the end of the period. Others may allow repayment over a fixed period (the "repayment period"), for example, 10 years.

Once approved for a home equity line of credit, you will most likely be able to borrow up to your credit limit whenever you want. Typically, you will use special checks to draw on your line. Under some plans, borrowers can use a credit card or other means to draw on the line.

There may be other limitations on how you use the line. Some plans may require you to borrow a minimum amount each time you draw on the line (for example, $300) or keep a minimum amount outstanding. Some plans may also require that you take an initial advance when the line is set up.

Home Equity Plan Checklist *Ask your lender to help fill out this checklist.*

Basic Features	Plan A	Plan B
Fixed annual percentage rate	%	%
Variable annual percentage rate	%	%
• Index used and current value	%	%
• Amount of margin		
• Frequency of rate adjustments		
• Amount/length of discount (if any)		
• Interest rate-cap and floor		
Length of Plan		
Draw period		
Repayment period		
Initial fees		
Appraisal fee		
Application fee		
Up-front charges, including points		
Closing costs		

Repayment Terms	Plan A	Plan B
During the draw period		
Interest and principal payments		
Interest-only payments		
Fully amortizing payments		
When the draw period ends		
Balloon payment?		
Renewal available?		
Refinancing of balance by lender?		

What should you look for when shopping for a plan?

If you decide to apply for a home equity line of credit, look for the plan that best meets your particular needs. Read the credit agreement carefully, and examine the terms and conditions of various plans, including the annual percentage rate (APR) and the costs of establishing the plan. Remember, though, that the APR for a home equity line is based on the interest rate alone and will not reflect closing costs and other fees and charges, so you'll need to compare these costs, as well as the APRs, among lenders.

Variable interest rates

Home equity lines of credit typically involve variable rather than fixed interest rates. The variable rate must be based on a publicly available index (such as the prime rate published in some major daily newspapers or a U.S. Treasury bill rate). In such cases, the interest rate you pay for the line of credit will change, mirroring changes in the value of the index. Most lenders cite the interest rate you will pay as the value of the index at a particular time, plus a "margin," such as 2 percentage points. Because the cost of borrowing is tied directly to the value of the index, it is important to find out which index is used, how often the value of the index changes, and how high it has risen in the past. It is also important to note the amount of the margin.

Lenders sometimes offer a temporarily discounted interest rate for home equity lines – an "introductory" rate that is unusually low for a short period, such as 6 months.

Variable-rate plans secured by a dwelling must, by law, have a ceiling (or cap) on how much your interest rate may increase over the life of the plan. Some variable-rate plans limit how much your payment may increase and how low your interest rate may fall if the index drops.

Some lenders allow you to convert from a variable interest rate to a fixed rate during the life of the plan, or let you convert all or a portion of your line to a fixed-term installment loan.

Costs of establishing and maintaining a home equity line

Many of the costs of setting up a home equity line of credit are similar to those you pay when you get a mortgage. For example:

- A fee for a property appraisal to estimate the value of your home;
- An application fee, which may not be refunded if you are turned down for credit;
- Up-front charges, such as one or more "points" (one point equals 1 percent of the credit limit); and
- Closing costs, including fees for attorneys, title search, mortgage preparation and filing, property and title insurance, and taxes.

In addition, you may be subject to certain fees during the plan period, such as annual membership or maintenance fees and a transaction fee every time you draw on the credit line.

You could find yourself paying hundreds of dollars to establish the plan. And if you were to draw only a small amount against your credit line, those initial charges would substantially increase the cost of the funds borrowed. On the other hand, because the lender's risk is lower than for other forms of credit, as your home serves as collateral, annual percentage rates for home equity lines are generally lower than rates for other types of credit. The interest you save could offset the costs of establishing and maintaining the line. Moreover, some lenders waive some or all of the closing costs.

How will you repay your home equity plan?

Before entering into a plan, consider how you will pay back the money you borrow. Some plans set a minimum monthly payment that includes a portion of the principal (the amount you borrow) plus accrued interest. But, unlike with typical installment loan agreements, the portion of your payment that goes toward principal may not be enough to repay the principal by the end of the term. Other plans may allow payment of *interest only* during the life of the plan, which means that you pay nothing toward the principal. If you borrow $10,000, you will owe that amount when the payment plan ends.

Regardless of the minimum required payment on your home equity line, you may choose to pay more, and many lenders offer a choice of payment options. Many consumers choose to pay down the principal regularly as they do with other loans. For example, if you use your line to buy a boat, you may want to pay it off as you would a typical boat loan.

Whatever your payment arrangements during the life of the plan - whether you pay some, a little, or none of the principal amount of the loan - when the plan ends you may have to pay the entire balance owed, all at once. You must be prepared to make this "balloon payment" by refinancing it with the lender, by obtaining a loan from another lender, or by some other means. If you are unable to make the balloon payment, you could lose your home.

If your plan has a variable interest rate, your monthly payments may change. Assume, for example, that you borrow $10,000 under a plan that calls for interest-only payments. At a 10% interest rate, your monthly payments would be $83. If the rate rises over time to 15%, your monthly payments will increase to $125. Similarly, if you are making payments that cover interest plus some portion of the principal, your monthly payments may increase, unless your agreement calls for keeping payments the same throughout the plan period.

If you sell your home, you will probably be required to pay off your home equity line in full immediately. If you are likely to sell your home in the near future, consider whether it makes sense to pay the up-front costs of setting up a line of credit. Also keep in mind that renting your home may be prohibited under the terms of your agreement.

Lines of credit vs. traditional second mortgage loans

If you are thinking about a home equity line of credit, you might also want to consider a traditional second mortgage loan. This type of loan provides you with a fixed amount of money, repayable over a fixed period. In most cases, the payment schedule calls for equal payments that pay off the entire loan within the loan period. You might consider a second mortgage instead of a home equity line if, for example, you need a set amount for a specific purpose, such as an addition to your home.

In deciding which type of loan best suits your needs, consider the costs under the two alternatives. Look at both the APR and other charges. Do not, however, simply compare the APRs, because the APRs on the two types of loans are figured differently:

- The APR for a traditional second mortgage loan takes into account the interest rate charged plus points and other finance charges.
- The APR for a home equity line of credit is based on the periodic interest rate alone. It does not include points or other charges.

Disclosures from lenders

The federal Truth in Lending Act requires lenders to disclose the important terms and costs of their home equity plans, including the APR, miscellaneous charges, the payment terms, and information about any variable-rate feature. And in general, neither the lender nor anyone else may charge a fee until after you have received this information. You usually get these disclosures when you receive an application form, and you will get additional disclosures before the plan is opened. If any term (other than a variable-rate feature) changes before the plan is opened, the lender must return all fees if you decide not to enter into the plan because of the change.

When you open a home equity line, the transaction puts your home at risk. If the home involved is your principal dwelling, the Truth in Lending Act gives you 3 days from the day the account was opened to cancel the credit line. This right allows you to change your mind for any reason. You simply inform the lender in writing within the 3-day period. The lender must then cancel its security interest in your home and return all fees - including any application and appraisal fees - paid to open the account.

What if the lender freezes or reduces your line of credit?

Plans generally permit lenders to freeze or reduce a credit line if the value of the home “declines significantly” or, when the lender “reasonably believes” that you will be unable to make your payments due to a “material change” in your financial circumstances. If this happens, you may want to:

- **Talk with your lender.** Find out what caused the lender to freeze or reduce your credit line and what, if anything, you can do to restore it. You may be able to provide additional information to restore your line of credit, such as documentation showing that your house has retained its value or that there has not been a “material change” in your financial circumstances. You may want to get copies of your credit reports (go to the Federal Trade Commission’s website, at www.ftc.gov/freereports, for information about free copies) to make sure all the information in them is correct. If your lender suggests getting a new appraisal, be sure you discuss appraisal firms in advance so that you know they will accept the new appraisal as valid.
- **Shop around for another line of credit.** If your lender does not want to restore your line of credit, shop around to see what other lenders have to offer. You may be able to pay off your original line of credit and take out another one. Keep in mind, however, that you may need to pay some of the same application fees you paid for your original line of credit.

Glossary

Annual membership or maintenance fee

An annual charge for access to a financial product such as a line of credit, credit card, or account. The fee is charged regardless of whether or not the product is used.

Annual percentage rate (APR)
The cost of credit, expressed as a yearly rate. For closed-end credit, such as car loans or mortgages, the APR includes the interest rate, points, broker fees, and other credit charges that the borrower is required to pay. An APR, or an equivalent rate, is not used in leasing agreements.

Application fee
Fees charged when you apply for a loan or other credit. These fees may include charges for property appraisal and a credit report.

Balloon payment
A large extra payment that may be charged at the end of a mortgage loan or lease.

Cap (interest rate)
A limit on the amount that your interest rate can increase. Two types of interest-rate caps exist. *Periodic adjustment caps* limit the interest-rate increase from one adjustment period to the next. *Lifetime caps* limit the interest-rate increase over the life of the loan. By law, all adjustable-rate mortgages have an overall cap.

Closing or settlement costs
Fees paid when you close (or settle) on a loan. These fees may include application fees; title examination, abstract of title, title insurance, and property survey fees; fees for preparing deeds, mortgages, and settlement documents; attorneys' fees; recording fees; estimated costs of taxes and insurance; and notary, appraisal, and credit report fees. Under the Real Estate Settlement Procedures Act, the borrower receives a good faith estimate of closing costs within three days of application. The good faith estimate lists each expected cost as an amount or a range.

Credit limit
The maximum amount that may be borrowed on a credit card or under a home equity line of credit plan.

Equity
The difference between the fair market value of the home and the outstanding balance on your mortgage plus any outstanding home equity loans.

Index
The economic indicator used to calculate interest-rate adjustments for adjustable-rate mortgages or other adjustable-rate loans. The index rate can increase or decrease at any time. *See also* Selected Index Rates for ARMs over an 11-year Period (www.federalreserve.gov/pubs/arms/arms_english.htm) for examples of common indexes that have changed in the past.

Interest rate
The percentage rate used to determine the cost of borrowing money, stated usually as a percentage of the principal loan amount and as an annual rate.

Margin
The number of percentage points the lender adds to the index rate to calculate the ARM interest rate at each adjustment.

Minimum payment
The lowest amount that you must pay (usually monthly) to keep your account in good standing. Under some plans, the minimum payment may cover interest only; under others, it may include both principal and interest.

Points (also called discount points)
One point is equal to 1 percent of the principal amount of a mortgage loan. For example, if a mortgage is $200,000, one point equals $2,000. Lenders frequently charge points in both fixed-rate and adjustable-rate mortgages to cover loan origination costs or to provide additional compensation to the lender or broker. These points usually are paid at closing and may be paid by the borrower or the home seller, or may be split between them. In some cases, the money needed to pay points can be borrowed (incorporated in the loan amount), but doing so will increase the loan amount and the total costs. Discount points (also called discount fees) are points that you voluntarily choose to pay in return for a lower interest rate.

Security interest
If stated in your credit agreement, a creditor's, lessor's, or assignee's legal right to your property (such as your home, stocks, or bonds) that secures payment of your obligation under the credit agreement.

Transaction fee
Fee charged each time a withdrawal or other specified transaction is made on a line of credit, such as a balance transfer fee or a cash advance fee.

Variable rate
An interest rate that changes periodically in relation to an index, such as the prime rate. Payments may increase or decrease accordingly.

Where to Go for Help
For additional information or to file a complaint about a bank, savings and loan, credit union, or other financial institution, contact one of the following federal agencies, depending on the type of institution.

State-chartered bank members of the Federal Reserve System
Federal Reserve Consumer Help
PO Box 1200
Minneapolis, MN 55480
888-851-1920 (toll free)
877-766-8533 (TTY) (toll free)
877-888-2520 (fax) (toll free)
e-mail: ConsumerHelp@FederalReserve.gov
www.FederalReserveConsumerHelp.gov
National banks and national-bank-owned mortgage companies[1]
Office of the Comptroller of the Currency (OCC)
Customer Assistance Group
1301 McKinney Street, Suite 3450
Houston, TX 77010
800-613-6743 (toll free)
713-336-4301 (fax)
e-mail: customer.assistance@occ.treas.gov
www.occ.treas.gov
www.helpwithmybank.gov

Federally chartered credit unions[2]
National Credit Union Administration (NCUA)
Office of Public and Congressional Affairs
1775 Duke Street
Alexandria, VA 22314
800-755-1030 (toll free)
703-518-6409 (fax)
e-mail: consumerassistance@ncua.gov
www.ncua.gov/ConsumerInformation/index.htm

For state-chartered credit unions, contact the regulatory agency in the state in which the credit union is chartered.
www.ncua.gov/consumerinformation/consumer%20complaints/statechartered.htm

Federally insured state-chartered banks that are not members of the Federal Reserve System
Federal Deposit Insurance Corporation (FDIC)
Consumer Response Center
2345 Grand Blvd., Suite 100
Kansas City, MO 64108
877-ASK-FDIC (877-275-3342) (toll free)
e-mail: consumeralerts@fdic.gov
www.fdic.gov/consumers/consumer/ccc/index.html

Savings and loan associations[3]
Office of Thrift Supervision (OTS)
Consumer Affairs
1700 G Street, NW
Washington, DC 20552
800-842-6929 (toll free)
800-877-8339 (TTY) (toll free)
www.ots.treas.gov

Mortgage companies and other lenders
Federal Trade Commission (FTC)
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
202-326-3758 or (877) FTC-HELP
866-FTC-HELP (877-382-4357) (toll free)
www.ftc.gov

More resources and ordering information
For more resources on mortgages and other financial topics, visit www.federalreserve.gov/consumerinfo.

Print orders

To request additional copies of this brochure, please send your name, address, and the number of copies requested to Publications Fulfillment, Board of Governors of the Federal Reserve System, Washington, DC 20551, or see our online ordering instructions at www.federalreserve.gov/pubs/order.htm.

[1] Banks with "National" in their name or "N.A." after the name.
[2] Credit unions with "Federal" in their name.
[3] Federally chartered and some state-chartered associations.

Important Terms of Our Home Equity Line Account

This disclosure contains important information about our Home Equity Line of Credit ("Credit Account"). You should read it carefully and keep a copy for your records.

All of these terms may change in the future. If these terms change (other than the **ANNUAL PERCENTAGE RATE**) and you decide, as a result, not to enter into an agreement with us, you are entitled to a refund of any fees that you have paid to us or anyone else in connection with your application.

Security Interest:

We will take a mortgage on your home (we will call that the "Property"). You could lose your Property if you do not meet the obligations in your agreement with us.

Accessing Your Credit Account:

You may access your Credit Account by Credit Line Check or, if permitted by state law, an Equiline℠ Visa® Card. Equiline Cards must be activated prior to use by calling a designated toll free number. Transactions initiated by cards not properly activated may be rejected. Use of checks not issued by Chase is not permitted, and if used may be returned unpaid.

Possible Actions:

We can terminate your Credit Account, require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if:

1. You engage in fraud or material misrepresentation in connection with your Credit Account.
2. You fail to meet any of the repayment terms.
3. Your action or inaction adversely affects the Property or our rights in it.

We can refuse to make additional extensions of credit or reduce your credit limit if:

1. The value of the Property declines significantly below its appraised value for purposes of your Credit Account.
2. We reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances.
3. You are in default of a material obligation in the Credit Account Agreement ("Agreement").
4. Government action prevents us from imposing the **ANNUAL PERCENTAGE RATE** provided for in the Agreement.
5. Government action impairs our security interest such that the value of our interest is less than 120 percent of your credit limit.
6. A regulatory agency has notified us that continued Credit Advances ("Advances") would constitute an unsafe and unsound practice.
7. The maximum **ANNUAL PERCENTAGE RATE** permitted by the Agreement is reached.

The Agreement permits us to make certain changes to the terms of the Agreement at specified times or upon occurrences of specified events.

The following section applies to you if your residential mailing address, as indicated in your credit application, is in any State other than Illinois or Oregon, <u>except</u> if you submitted your application for a Credit Account in person to a Personal Banker at a JPMorgan Chase Banking Center located in Illinois or Oregon. If you submitted your application for a Credit Account to a Personal Banker, in person, at a JPMorgan Chase Banking Center located in Illinois or Oregon, the following section does <u>not</u> apply to you even if your residential mailing address is an address in a State other than Illinois or Oregon:

Fees and Charges: **All Credit Accounts:**

If you use your Credit Account to finance the initial purchase of your home, you will pay certain fees to third parties to open the Credit Account. The exact dollar amount of these fees will depend upon the amount of your credit limit and the location of the Property. These fees generally total between $0 and $1,500 (due at closing).

If your Property is located in AL, FL, GA, KS, MD, MN, NY, OK, TN, or VA, you will pay a mortgage recording tax of between .02% and 2.175% of the amount of your credit limit (due at closing). In Orleans Parish, Louisiana, you will pay a fee of $325.00 regardless of the loan amount.

For all purchase money transactions you must purchase mortgage title insurance (due at closing). Title insurance fees could range between $30 and $1,838 depending on your credit limit and Property.

To maintain your Credit Account, you will pay a non-refundable annual fee of $50.00. The annual fee is due each year during the draw period and will be charged to your billing statement on your anniversary date. This fee will be waived for the first year and if certain conditions are met. There is no annual fee for Texas Homestead properties (generally your primary residence).

You must carry hazard insurance and, if applicable, flood insurance on the Property. If you ask, we will give you an itemization of the fees you may have to pay to third parties.

Full Closing Costs Credit Accounts: You will pay an Origination Fee of $50.00 at closing.

Minimum Draw and Balance Requirements:

For Texas Homestead properties, the minimum Advance is $4,000. Certain solicitations that offer a specified **ANNUAL PERCENTAGE RATE** if you open a new Credit Account with us and transfer a balance from another lender may require a minimum transfer of up to $100,000. If this applies to you, the specific minimum transfer amount is disclosed in the offer you received.

Tax Deductibility:

You should consult a tax advisor regarding the deductibility of interest and charges for your Credit Account.

Variable Rate Information:

The Credit Account has a variable rate feature, and the **ANNUAL PERCENTAGE RATE (corresponding to the periodic rate) and the minimum payment can change as a result.** The **ANNUAL PERCENTAGE RATE** includes only interest and no other costs. The **ANNUAL PERCENTAGE RATE** is based on the value of an index ("Index"). The Index is the highest Prime Rate as published in the Money Rates Table of *The Wall Street Journal*. To determine the **ANNUAL PERCENTAGE RATE** that will apply to your Credit Account, we add or subtract a margin, which may be zero, to or from the value of the Index. If your Credit Account has an introductory rate period, the margin for the introductory rate will be discounted. The discounted formula will be in effect until the last day of the introductory rate period as set forth in your Credit Agreement. The length of the introductory rate period depends on the Property location and is subject to market availability.

Margins can vary based on Property location, credit line amount and credit history. Ask us for the current Index value, margins, discount, and **ANNUAL PERCENTAGE RATE**. After you open your Credit Account, rate information will be provided on periodic statements that we send to you.

Rate Changes:

The **ANNUAL PERCENTAGE RATE** can increase or decrease on the first calendar day after the Index changes. Also, your **APR** may decrease or increase if a temporary rate discount is applied, expires or is canceled for any reason. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 21%. Except for this rate “cap”, there is no limit on the amount by which this rate can change during any one-year period.

Variable Payment Option: Minimum Payment Requirements:

You can obtain Advances for 10 years (118 months in Connecticut), (the "draw period"). Payments will be due monthly during the draw period. Your minimum monthly payment will be the greater of: a) one (1.0) percent of the principal balance shown on your monthly statement; b) $100.00; or, c) the FINANCE CHARGE accrued on the outstanding balance. If the Credit Account balance shown on the statement is less than $100.00, the balance is due in full. Each month you must also pay any unpaid fees and other amounts then due.

After the draw period ends, you will no longer be able to obtain Advances and must pay the outstanding balance over 20 years (242 months in Connecticut), ("the repayment period"). Payments will be due monthly during the repayment period. Your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due. For Texas Homestead properties, your minimum payment during the repayment period will be the amount of payment necessary to repay all principal and interest in substantially equal installments over the term of the repayment period, plus any amounts past due.

Minimum Payment Examples:

If you made only the minimum monthly payments and took no other Advances, it would take 30 years to pay off an Advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of 8.25%. During the draw period, you would make 120 (118 in Connecticut) payments of $100. During the repayment period, you would make 240 monthly payments varying between $46.41 and $17.52 (in Connecticut, 242 monthly payments varying between $47.82 and $17.96). For Texas homestead properties, your repayment period would require 240 payments of $35.82. These examples do not reflect the effect of any lock selected.

Maximum Rate and Payment Examples:

If you had an outstanding Credit Account balance of $10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $175.00. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of your Credit Account. If you had an outstanding balance of $10,000 at the beginning of the repayment period, the initial minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $216.67 ($216.32 in Connecticut and $177.77 for Texas Homestead properties). This **ANNUAL PERCENTAGE RATE** could be reached during the first month of the repayment period. These examples do not reflect the effect of any lock selected.

Historical Example:

The following tables show how the **ANNUAL PERCENTAGE RATE** and minimum payments for a single $10,000 Advance would have changed based on changes in the Index over the past 15 years. The Index values are from April of each year. While only one payment amount per year is shown, payments would have varied each year. The tables assume that no additional Advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. They do not necessarily indicate how the Index or your payments will change in the future. These examples do not reflect the effect of any lock selected.

VARIABLE INTEREST RATE WITHOUT AN
INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$100.00
	1999	7.75	2.00	9.75	$100.00
	2000	9.00	2.00	11.00	$100.00
	2001	8.00	2.00	10.00	$100.00
	2002	4.75	2.00	6.75	$100.00
	2003	4.25	2.00	6.25	$100.00
	2004	4.00	2.00	6.00	$100.00
	*2005	5.75	2.00	7.75	$100.00
	** 2006	7.75	2.00	9.75	$100.00
	*** 2007	8.25	2.00	10.25	$100.00
Repayment Period (excluding Texas Homestead)	2008	5.25	2.00	7.25	$53.59
	2009	3.25	2.00	5.25	$43.69
	2010	3.25	2.00	5.25	$42.54

	2011	3.25	2.00	5.25	$41.40
	2012	3.25	2.00	5.25	$40.25
Repayment Period (Texas Homestead)	2008	5.25	2.00	7.25	$41.49
	2009	3.25	2.00	5.25	$35.59
	2010	3.25	2.00	5.25	$35.59
	2011	3.25	2.00	5.25	$35.59
	2012	3.25	2.00	5.25	$35.59

* This is a margin we have used recently.

** This rate reflects a discounted margin we have used recently. Margins can vary based on Property location, credit line amount and credit history. Ask us for the current margin values.

*** In Connecticut the draw period is 9 years and 10 months.

****In Connecticut the repayment period begins at 9 years and 11 months and the payment amount is $67.91...

VARIABLE INTEREST RATE WITH A SIX MONTH INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$100.00
	1999	7.75	2.00	9.75	$100.00
	2000	9.00	2.00	11.00	$100.00
	2001	8.00	2.00	10.00	$100.00
	2002	4.75	2.00	6.75	$100.00
	2003	4.25	2.00	6.25	$100.00
	2004	4.00	2.00	6.00	$100.00
	2005	5.75	2.00	7.75	$100.00
	***2006	7.75	2.00	9.75	$100.00
	***2007	8.25	2.00	10.25	$100.00
Repayment Period (excluding Texas Homestead)	2008	5.25	2.00	7.25	$53.69
	2009	3.25	2.00	5.25	$43.77
	2010	3.25	2.00	5.25	$42.62
	2011	3.25	2.00	5.25	$41.47
	2012	3.25	2.00	5.25	$40.32
Repayment Period (Texas Homestead)	2008	5.25	2.00	7.25	$41.57
	2009	3.25	2.00	5.25	$35.66
	2010	3.25	2.00	5.25	$35.66
	2011	3.25	2.00	5.25	$35.66
	2012	3.25	2.00	5.25	$35.66

* This is a margin we have used recently.

** This rate reflects a discounted margin we have used recently. Margins can vary based on Property location, credit line amount and credit history. Ask us for the current margin values.

*** In Connecticut the draw period is 9 years and 10 months.

****In Connecticut the repayment period begins at 9 years and 11 months and the payment amount is $68.04.

Interest Only Payment Option:

Minimum Payment Requirements:

You can obtain Advances for 10 years (118 months in Connecticut), (the "draw period"). Payments will be due monthly during the draw period. If you are eligible for this payment option, your minimum monthly payment will be equal to the amount of the FINANCE CHARGE accrued on the outstanding balance plus any fees and any amounts past due. **If you pay only your minimum monthly payment, you will not repay any of the principal balance outstanding on your Credit Account during the draw period.**

After the draw period ends, you will no longer be able to obtain Advances and must pay the outstanding balance over 20 years (242 months in Connecticut), (the "repayment period"). Payments will be due monthly during the repayment period. Your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due. For Texas Homestead properties, your minimum payment during the repayment period will be the amount of payment necessary to repay all principal and interest in substantially equal installments over the term of the repayment period, plus any amounts past due.

Minimum Payment Examples:

If you made only the minimum monthly payments and took no other Advances, it would take 30 years to pay off an Advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of 8.25%. During the draw period, you would make 120 (118 in Connecticut) payments of $68.75. During the repayment period, you would make 240 monthly payments varying between $110.42 and $41.67 (in Connecticut, 242 monthly payments varying between $110.07 and $41.33). For Texas Homestead properties, your repayment period would require 240 payments of $85.21. These examples do not reflect the effect of any lock selected.

Maximum Rate and Payment Examples:

If you had an outstanding Credit Account balance of $10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $175.00. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of your Credit Account.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the initial minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $216.67 ($216.32 in Connecticut and $177.77 for Texas Homestead properties). This **ANNUAL PERCENTAGE RATE** could be reached during the first month of the repayment period. These examples do not reflect the effect of any lock selected.

Historical Example:

The following tables show how the **ANNUAL PERCENTAGE RATE** and minimum payments for a single $10,000 Advance would have changed based on changes in the Index over the past 15 years. The Index values are from April of each year. While only one payment amount per year is shown, payments would have varied each year. The tables assume that no additional Advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. They do not necessarily indicate how the Index or your payments will change in the future. These examples do not reflect the effect of any lock selected.

INTEREST ONLY PAYMENT WITHOUT AN INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$87.50
	1999	7.75	2.00	9.75	$81.25
	2000	9.00	2.00	11.00	$91.67

	2001	8.00	2.00	10.00	$83.34
	2002	4.75	2.00	6.75	$56.25
	2003	4.25	2.00	6.25	$52.09
	2004	4.00	2.00	6.00	$50.00
	2005	5.75	2.00	7.75	$64.59
	**2006	7.75	2.00	9.75	$81.25
	**2007	8.25	2.00	10.25	$85.42
Repayment Period (excluding Texas Homestead)	2008	5.25	2.00	7.25	$102.09
	2009	3.25	2.00	5.25	$83.24
	2010	3.25	2.00	5.25	$81.05
	2011	3.25	2.00	5.25	$78.86
	2012	3.25	2.00	5.25	$76.68
Repayment Period (Texas Homestead)	2008	5.25	2.00	7.25	$79.04
	2009	5.25	2.00	7.25	$67.80
	2010	3.25	2.00	5.25	$67.80
	2011	3.25	2.00	5.25	$67.80
	2012	3.25	2.00	5.25	$67.80

* This is a margin we have used recently.

** In Connecticut the draw period is 9 years and 10 months.

*** In Connecticut the repayment period begins at 9 years and 11 months and the payment amount is $126.74.

INTEREST ONLY PAYMENT WITH A SIX MONTH INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$87.50
	1999	7.75	2.00	9.75	$81.25
	2000	9.00	2.00	11.00	$91.67
	2001	8.00	2.00	10.00	$83.34
	2002	4.75	2.00	6.75	$56.25
	2003	4.25	2.00	6.25	$52.09
	2004	4.00	2.00	6.00	$50.00
	2005	5.75	2.00	7.75	$64.59
	***2006	7.75	2.00	9.75	$81.25
	****2007	7.75	2.00	10.25	$85.42
Repayment Period (excluding Texas Homestead)	2008	5.25	2.00	7.25	$102.09
	2009	3.25	2.00	5.25	$83.24
	2010	3.25	2.00	5.25	$81.05
	2011	3.25	2.00	5.25	$78.86
	2012	3.25	2.00	5.25	$76.68
Repayment Period (Texas Homestead)	2008	5.25	2.00	7.25	$79.04
	2009	3.25	2.00	5.25	$67.80
	2010	3.25	2.00	5.25	$67.80
	2011	3.25	2.00	5.25	$67.80

	2012	3.25	2.00	5.25	$67.80

* This is a margin we have used recently.

** This rate reflects a discounted margin we have used recently. Margins can vary based on Property location, credit line amount and credit history. Ask us for the current margin values.

*** In Connecticut the draw period is 9 years and 10 months.

**** In Connecticut the repayment period begins at 9 years and 11 months and the payment amount is $126.74.

Lock Options:
You may exercise an option to lock your variable interest rate to a fixed rate calculated as explained in the "Rate Determination" section below. The following information is representative of lock features recently offered by us.

ANNUAL PERCENTAGE RATE Increase:
Your **ANNUAL PERCENTAGE RATE** may increase if you exercise this option to lock to a fixed rate.
Lock Periods:
You can exercise the option to lock to a fixed rate only during the following period or periods: At any time during the Draw Period, with our written consent, any one of you may lock the repayment schedule for either the entire outstanding balance on the Credit Account or any portion thereof for a term up to the lesser of 358 months or the remaining originally scheduled term of your Credit Account (a "Lock"). You may have up to five (5) Locks outstanding at any one time but may not make additional Advances to any one Lock once established. The minimum Lock amount for most Locks is $1,000. For some specialized products, the minimum is $50,000.

When each Lock is established, we will determine the payment amount that would be required to pay off the balance in that Lock in substantially equal payments over the term of the Lock at the fixed rate applicable to that Lock. Thereafter, your minimum payment due each month will be the sum of the fixed payment amount for each Lock plus the minimum payment amount for any balance of your Credit Account which has not been designated as a Lock. Upon conversion, the converted outstanding balance will accrue interest at a fixed rate calculated as explained in the "Rate Determination" section and will amortize over a specific period of time.

Rate Determination:
The lock rate is equal to the lesser of:
1) The rate offered by us on a comparable Chase Home Equity Loan,
2) 21%,
3) The maximum rate we are allowed to charge under applicable state and federal laws, or
4) The yield on U.S. Treasury Securities having a comparable period of maturity plus 10 percentage points.

We will provide a complete disclosure of the terms of the Lock at the time the Lock is established.

Fees:
If you cancel a Lock, you agree to pay the Lock cancellation fee in effect at the time of cancellation for each Lock you cancel. (Accounts opened after 7/21/2011 will not be charged a Lock cancellation fee on property addresses in: AK, IA, KS, MD, MO, NC, TX and VT.)

Special Lock Options:
Reduced Payment Lock Options:
During the Draw Period, if eligible, you can choose a 3, 5 or 7 year Lock term during which you will have a reduced payment requirement. At the end of the 3, 5 or 7 year period selected, your Lock will mature. However, you cannot choose a Reduced Payment Lock option that will mature later than 1 full month before the originally scheduled end of your Draw Period. At the time you select your Reduced Payment Lock option, you must choose from the following payment options that will apply during the term of your Lock:
(1) Pay the amount of interest that accrues on that Lock during each billing cycle.
(2) Pay the greater of: (a) the amount of interest that accrues on that Lock during each billing cycle, or (b) 1% of the outstanding balance on your Lock. If the balance on your Lock falls below $100.00, you will pay your Lock balance in full.
(3) Pay the amount that would be required to fully repay the Lock over a 360 month term in substantially equal installments.

Regardless of the payment option you choose, when your Lock matures: (a) any balance on your Lock will be added to your Credit Account and repaid in accordance with the standard credit line terms of your Credit Account; or (b) you may elect to re-lock the maturing balance, or any part of it, if permitted by the applicable Lock provisions of your Credit Account.

Rate Discount:
If you elect to Lock an initial Advance immediately upon opening your Credit Account (subject to any applicable rescission period), we may offer you a discounted rate for up to six (6) months from the Opening Date of your Credit Account (the "Discount

Period"). At the end of the Discount Period your rate on that Lock will accrue interest at the then-current fixed rate for the Lock for as long as that Lock remains open. Except for Reduced Payment Locks (if applicable), your monthly payment on the Lock during the Discount Period will be the amount that would be required to pay off the balance in that Lock in substantially equal payments over the term of the Lock at the discounted rate as if that rate would have applied for the entire term of the Lock.

Extended Lock:
At any time during the first five years of the draw period subsequent to your loan closing, you can choose a Lock that will fully amortize in substantially equal installments for a term of 360 months. If you choose this option, the draw period on the revolving portion of your Credit Account will be extended an additional 5 years resulting in total draw period of 15 years. The repayment period will remain at 20 years following the draw period. Availability of this option is limited in some states.

The following section applies to you if your residential mailing address, as indicated in your credit application, is in the States of Illinois or Oregon, or if you applied for a Credit Account with a Personal Banker at a JPMorgan Chase Banking Center located in Illinois or Oregon. If you submitted your application for a Credit Account to a Personal Banker, in person, at a JPMorgan Chase Banking Center located in Illinois or Oregon, the following section applies to you even if your residential mailing address is not an Illinois or Oregon address:

Fees and Charges: All Credit Accounts:
If you are applying for a home equity line of credit to refinance an existing mortgage, then in some limited circumstances we may require that you purchase mortgage title insurance (due at closing). Title insurance fees could range between $30 and $1,838 depending on the amount of your credit limit and the location of the Property.

To maintain your Credit Account, you will pay a non-refundable annual fee of $50.00. If we renew the draw period after the first year, the annual fee is due in connection with each annual renewal during the draw period and will be charged to your billing statement on your anniversary date. This fee will be waived for the first year and if certain conditions are met.

You must carry hazard insurance and, if applicable, flood insurance on the Property. If you ask, we will give you an itemization of the fees you may have to pay to third parties.

Minimum Draw and Balance Requirements:
Certain solicitations that offer a specified **ANNUAL PERCENTAGE RATE** if you open a new Credit Account with us and transfer a balance from another lender may require a minimum transfer of up to $100,000. If this applies to you, the specific minimum transfer amount is disclosed in the offer you received.

Tax Deductibility:
You should consult a tax advisor regarding the deductibility of interest and charges for your Credit Account.

Variable Rate Information:
The Credit Account has a variable rate feature, and the **ANNUAL PERCENTAGE RATE (corresponding to the periodic rate) and the minimum payment can change as a result.** The **ANNUAL PERCENTAGE RATE** includes only interest and no other costs. The **ANNUAL PERCENTAGE RATE** is based on the value of an index ("Index"). The Index is the highest Prime Rate as published in the Money Rates Table of *The Wall Street Journal*. To determine the **ANNUAL PERCENTAGE RATE** that will apply to your Credit Account, we add or subtract a margin, which may be zero, to or from the value of the Index. If your Credit Account has an introductory rate period, the margin for the introductory rate will be discounted. The discounted formula will be in effect until the last day of the introductory rate period as set forth in your Credit Agreement. The length of the introductory rate period depends on the Property location and is subject to market availability.

Margins can vary based on Property location, credit line amount and credit history. Ask us for the current Index value, margins, discount, and **ANNUAL PERCENTAGE RATE**. After you open your Credit Account, rate information will be provided on periodic statements that we send to you.

Rate Changes:
The **ANNUAL PERCENTAGE RATE** can increase or decrease on the first calendar day after the Index changes. Also, your **APR** may decrease or increase if a temporary rate discount is applied, expires or is canceled for any reason. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 21%. Except for this rate "cap", there is no limit on the amount by which this rate can change during any one-year period.

Variable Payment Option: Minimum Payment Requirements:

You can obtain Advances for one year. We will review your account and we may, at our sole option, renew the year-long period during which you can obtain Advances, up to nine times. The total period during which you can obtain Advances, assuming we renew your annual draw period all nine times, is 10 years (the period, including any renewals, during which you can obtain Advances is referred to as the “draw period”). Payments will be due monthly during the draw period. Your minimum monthly payment will be the greater of: a) one (1.0) percent of the principal balance shown on your monthly statement; b) $100.00; or, c) the FINANCE CHARGE accrued on the outstanding balance. If the Credit Account balance shown on the statement is less than $100.00, the balance is due in full. Each month you must also pay any unpaid fees and other amounts then due.

After the draw period, including any renewals, ends, you will no longer be able to obtain Advances and must pay the outstanding balance over 20 years (“the repayment period”). Payments will be due monthly during the repayment period. If we do not renew your draw period after the initial one-year term or after any other year, then for the first ninety (90) days after the end of the draw period your minimum monthly payment will be calculated using the formula that applies during the draw period (described above). Depending on the date when your draw period ends, this calculation may result in minimum monthly payments for the first three (3) or four (4) months during the repayment period that remain at the draw period level. Thereafter, during the balance of the repayment period, your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due.

If we renew your draw period all nine (9) times, so that your draw period is a full 10 years, then during the entire repayment period your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due.

Minimum Payment Examples:
If you made only the minimum monthly payments and took no other Advances, it would take 21 years (assuming we do not renew your annual draw period) to pay off an Advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of 8.25%. During the draw period, you would make 12 payments of $100.00. During the repayment period, you would make 240 monthly payments varying between $128.02 and $45.77. These examples do not reflect the effect of any lock selected.

Maximum Rate and Payment Examples:
If you had an outstanding Credit Account balance of $10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $175.00. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of your Credit Account. If you had an outstanding balance of $10,000 at the beginning of the repayment period, the initial minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $216.67. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of the repayment period. These examples do not reflect the effect of any lock selected.

Historical Example:
The following tables show how the **ANNUAL PERCENTAGE RATE** and minimum payments for a single $10,000 Advance would have changed based on changes in the Index over the past 15 years. The Index values are from April of each year. While only one payment amount per year is shown, payments would have varied each year. The tables assume that no additional Advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. They do not necessarily indicate how the Index or your payments will change in the future. These examples do not reflect the effect of any lock selected.

VARIABLE INTEREST RATE WITHOUT AN INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$100.00
	1999	7.75	2.00	9.75	$81.15
	2000	9.00	2.00	11.00	$91.38
	2001	8.00	2.00	10.00	$83.00
	2002	4.75	2.00	6.75	$55.93
	2003	4.25	2.00	6.25	$51.56
	2004	4.00	2.00	6.00	$49.25
	2005	5.75	2.00	7.75	$63.29
Repayment Period	2006	7.75	2.00	9.75	$79.32

	2007	8.25	2.00	10.25	$83.22
	2008	5.25	2.00	7.25	$99.29
	2009	3.25	2.00	5.25	$80.95
	2010	3.25	2.00	5.25	$78.82
	2011	3.25	2.00	5.25	$76.69
	2012	3.25	2.00	5.25	$74.57

* This is a margin we have used recently.

VARIABLE INTEREST RATE WITH A
SIX MONTH INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	1.75	10.25	$100.00
	1999	7.75	2.00	9.75	$81.15
	2000	9.00	2.00	11.00	$91.38
	2001	8.00	2.00	10.00	$83.00
	2002	4.75	2.00	6.75	$55.93
	2003	4.25	2.00	6.25	$51.56
	2004	4.00	2.00	6.00	$49.25
	2005	5.75	2.00	7.75	$63.29
	2006	7.75	2.00	9.75	$79.32
	2007	8.25	2.00	10.25	$83.22
	2008	5.25	2.00	7.25	$99.29
	2009	3.25	2.00	5.25	$80.98
	2010	3.25	2.00	5.25	$78.85
	2011	7.75	2.00	5.25	$76.73
Repayment Period	2012	3.25	2.00	5.25	$74.60

* This is a margin we have used recently.

** This rate reflects a discounted margin we have used recently. Margins can vary based on Property location, credit line amount and credit history. Ask us for the current margin values.

Interest Only Payment Option:

Minimum Payment Requirements:
You can obtain Advances for one year. We will review your account and we may, at our sole option, renew the year-long period during which you can obtain Advances, up to nine times. The total period during which you can obtain Advances, assuming we renew your annual draw period all nine times, is 10 years (the period, including any renewals, during which you can obtain Advances is referred to as the “draw period”). Payments will be due monthly during the draw period. If you are eligible for this payment option, your minimum monthly payment will be equal to the amount of the FINANCE CHARGE accrued on the outstanding balance plus any fees and any amounts past due. **If you pay only your minimum monthly payment, you will not repay any of the principal balance outstanding on your Credit Account during the draw period.**

After the draw period, including any renewals, ends, you will no longer be able to obtain Advances and must pay the outstanding balance over 20 years (the “repayment period”). Payments will be due monthly during the repayment period. If we do not renew your draw period after the initial one-year term or after any other year, then for the first ninety (90) days after the end of the draw period your minimum monthly payment will be calculated using the formula that applies during the draw period (described above). Depending on the date when your draw period ends, this calculation may result in minimum monthly payments for the first three (3) or four (4) months during the repayment period that remain at the draw period level. Thereafter, during the balance of the repayment period, your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due.

If we renew your draw period all nine (9) times, so that your draw period is a full 10 years, then during the entire repayment period your minimum monthly payment will be calculated as the total of (a) the unpaid principal balance divided by the number of remaining scheduled payments plus, (b) the amount of finance charges accrued plus any fees and any amounts past due.

Minimum Payment Examples:
If you made only the minimum monthly payments and took no other Advances, it would take 21 years (assuming we do not renew your annual draw period) to pay off an Advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of 8.25%. During the draw period, you would make 12 payments of $68.7. During the repayment period, you would make 240 monthly payments varying between $129.17 and $43.86. These examples do not reflect the effect of any lock selected.

Maximum Rate and Payment Examples:
If you had an outstanding Credit Account balance of $10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $175.00. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of your Credit Account.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the initial minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.00% would be $216.67. This **ANNUAL PERCENTAGE RATE** could be reached during the first month of the repayment period. These examples do not reflect the effect of any lock selected.

Historical Example:
The following tables show how the **ANNUAL PERCENTAGE RATE** and minimum payments for a single $10,000 Advance would have changed based on changes in the Index over the past 15 years. The Index values are from April of each year. While only one payment amount per year is shown, payments would have varied each year. The tables assume that no additional Advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. They do not necessarily indicate how the Index or your payments will change in the future. These examples do not reflect the effect of any lock selected.

INTEREST ONLY PAYMENT WITHOUT AN INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	2.00	10.50	$87.50
	1999	7.75	2.00	9.75	$81.25
	2000	9.00	2.00	11.00	$91.67
	2001	8.00	2.00	10.00	$83.33
	2002	4.75	2.00	6.75	$56.25
	2003	4.25	2.00	6.25	$52.08
	2004	4.00	2.00	6.00	$50.00
	2005	5.75	2.00	7.75	$64.58
	2006	7.75	2.00	9.75	$81.25
	2007	8.25	2.00	10.25	$85.42
	2008	5.25	2.00	7.25	$102.08
	2009	3.25	2.00	5.25	$83.23
	2010	3.25	2.00	5.25	$81.04
	2011	3.25	2.00	5.25	$78.86
Repayment Period	2012	3.25	2.00	5.25	$76.67

* This is a margin we have used recently.

INTEREST ONLY PAYMENT WITH A SIX MONTH INTRODUCTORY DISCOUNT

	YEAR	INDEX	MARGIN*	ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
		(%)	(%)	(%)	($)
Draw Period	1998	8.50	1.75	10.25**	$85.42
	1999	7.75	2.00	9.75	$81.25
	2000	9.00	2.00	11.00	$91.67
	2001	8.00	2.00	10.00	$83.33
	2002	4.75	2.00	6.75	$56.25
	2003	4.25	2.00	6.25	$52.08
	2004	4.00	2.00	6.00	$50.00
	2005	5.75	2.00	7.75	$65.58
	2006	7.75	2.00	9.75	$81.25
	2007	8.25	2.00	10.25	$85.42
	2008	5.25	2.00	7.25	$102.08
	2009	3.25	2.00	5.25	$83.23
Repayment Period (excluding Texas Homestead)	2010	3.25	2.00	5.25	$81.04
	2011	3.25	2.00	5.25	$78.86
	2012	3.25	2.00	5.25	$76.67

* This is a margin we have used recently.

** This rate reflects a discounted margin we have used recently. Margins can vary based on Property location, credit line amount and credit history. Ask us for the current margin values.

Lock Options:
You may exercise an option to lock your variable interest rate to a fixed rate calculated as explained in the "Rate Determination" section below. The following information is representative of lock features recently offered by us.

ANNUAL PERCENTAGE RATE Increase:
Your **ANNUAL PERCENTAGE RATE** may increase if you exercise this option to lock to a fixed rate.

Lock Periods:
You can exercise the option to lock to a fixed rate only during the following period or periods: At any time during the Draw Period, with our written consent, any one of you may lock the repayment schedule for either the entire outstanding balance on the Credit Account or any portion thereof for a term up to the remaining originally scheduled term of your Credit Account (a "Lock"). You may have up to five (5) Locks outstanding at any one time but may not make additional Advances to any one Lock once established. The minimum Lock amount for most Locks is $1,000. For some specialized products, the minimum is $50,000.

When each Lock is established, we will determine the payment amount that would be required to pay off the balance in that Lock in substantially equal payments over the term of the Lock at the fixed rate applicable to that Lock. Thereafter, your minimum payment due each month will be the sum of the fixed payment amount for each Lock plus the minimum payment amount for any balance of your Credit Account which has not been designated as a Lock. Upon conversion, the converted outstanding balance will accrue interest at a fixed rate calculated as explained in the "Rate Determination" section and will amortize over a specific period of time.

Rate Determination:
The lock rate is equal to the lesser of:

1) The rate offered by us on a comparable Chase Home Equity Loan,
2) 21%,
3) The maximum rate we are allowed to charge under applicable state and federal laws, or
4) The yield on U.S. Treasury Securities having a comparable period of maturity plus 10 percentage points.

We will provide a complete disclosure of the terms of the Lock at the time the Lock is established.

Fees:

If you cancel a Lock, you agree to pay the Lock cancellation fee in effect at the time of cancellation for each Lock you cancel. (Accounts opened after 7/21/2011 will not be charged a Lock cancellation fee on property addresses in: AK, IA, KS, MD, MO, NC, TX and VT.)

Special Lock Options:

Rate Discount:

If you elect to Lock an initial Advance immediately upon opening your Credit Account (subject to any applicable rescission period), we may offer you a discounted rate for up to six (6) months from the Opening Date of your Credit Account (the "Discount Period"). At the end of the Discount Period your rate on that Lock will accrue interest at the then-current fixed rate for the Lock for as long as that Lock remains open. Except for Reduced Payment Locks (if applicable), your monthly payment on the Lock during the Discount Period will be the amount that would be required to pay off the balance in that Lock in substantially equal payments over the term of the Lock at the discounted rate as if that rate would have applied for the entire term of the Lock.

JPMorgan Chase Bank, N.A.
Member FDIC

Catalog #41866 (07/12) (replaces 08/11)
Guide to Home Equity Lines HE-7565

EQUAL HOUSING OPPORTUNITY LENDER