

### Advertising – Open End Credit

<p><b>Basic Elements</b></p>	<p>Must disclose terms bank is willing to offer</p> <p>If any of the following is stated, the ad shall provide additional disclosures:</p> <ul style="list-style-type: none"> <li>• Finance Charge</li> <li>• Other charges that may be imposed as part of the plan</li> </ul> <p>Required Additional disclosures:</p> <ul style="list-style-type: none"> <li>• Any minimum, fixed, transaction, activity or similar charge</li> <li>• Any periodic rate shown as an APR</li> <li>• Variable rate feature</li> <li>• Any membership or participation fee</li> </ul>
<p><b>Catalog or other multiple-page advertisement; electronic advertisements</b></p>	<p>If a catalog or other multiple-page ad, or an electronic ad (web site), gives information in a table or schedule in sufficient detail to permit determination of the disclosures required above, it shall be considered a single advertisement if:</p> <ul style="list-style-type: none"> <li>• The table or schedule is clear and conspicuous; <i>and</i></li> <li>• Any triggering terms appearing anywhere else in the catalog or ad clearly refers to the page/location where the table/schedule begins</li> </ul>
<p><b>Additional requirements for home equity plans</b></p>	<p>If any of the following terms required to be disclosed <b>or</b> the payment terms of the plan stated, affirmatively or negatively, the advertisement shall also set forth additional disclosures:</p> <ul style="list-style-type: none"> <li>• Finance Charge</li> <li>• Other charges that may be imposed as part of the plan</li> </ul> <p>Additional Disclosures</p> <ul style="list-style-type: none"> <li>• Any loan fee that is a % of the credit limit under the plan &amp; an estimate of other fees imposed for opening the plan, stated as a single \$ amount or a reasonable range.</li> <li>• Any periodic rate used to compute the finance charge, expressed as APR</li> <li>• The maximum APR that may be imposed in a variable-rate plan.</li> </ul> <p>If an advertisement states an initial APR that is not based on the index and margin used to make later rate adjustments in a variable-rate plan, the advertisement also shall state with equal prominence and in close proximity to the initial rate:</p> <ul style="list-style-type: none"> <li>• The period of time such initial rate will be in effect; and</li> <li>• A current APR that would have been in effect using the index and margin.</li> </ul> <p>If an advertisement contains a statement of any minimum periodic payment and a balloon payment may result if only the minimum periodic payments are made, <b>even if such a payment is uncertain or unlikely</b>, the advertisement also shall state with equal prominence and in close proximity to the minimum periodic payment statement that a balloon payment may result.</p> <p>If a balloon payment will occur when the consumer makes only the minimum payments required under the plan, an advertisement which contains any statement of any minimum periodic payment shall also state with equal prominence and in close proximity to the minimum periodic payment statement:</p> <ul style="list-style-type: none"> <li>• That a balloon payment will result, and</li> <li>• The amount and timing of the balloon payment that will result if the consumer makes only the minimum payments for the maximum period of time that the consumer is permitted to make such payments.</li> </ul>

	<p>An ad that states interest expense may be tax deductible may not be misleading.</p> <p>If an ad distributed in paper or through the Internet is for a home-equity plan secured by the principal dwelling, and the ad states that the advertised loan may exceed the fair market value of the dwelling, the advertisement shall clearly and conspicuously state:</p> <ul style="list-style-type: none"> <li>• The interest on the portion of the loan that is &gt; than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and</li> <li>• The consumer should consult a tax adviser</li> </ul> <p>Home equity plan may not be referred to as "free money".</p>
<p><b>Promotional rates and payments for Home Equity Lines of Credit</b></p>	<p><b>Definitions:</b></p> <p><i>Promotional rate:</i> In a variable-rate plan, any annual percentage rate that is not based on the index and margin that will be used to make later rate adjustments if that rate is less than a reasonably current annual percentage rate that would be in effect under the index and margin that will be used to make later rate adjustments</p> <p><i>Promotional payment:</i> (1) For a variable-rate plan, any minimum payment applicable for a promotional period that: (i) Is not derived by applying the index and margin to the outstanding balance when such index and margin will be used to determine other minimum payments under the plan; and (ii) Is less than other minimum payments under the plan derived by applying a reasonably current index and margin that will be used to determine the amount of such payments, given an assumed balance. (2) For a plan other than a variable-rate plan, any minimum payment applicable for a promotional period if that payment is less than other payments required under the plan given an assumed balance.</p> <p><i>Promotional period:</i> A period of time, less than the full term of the loan, that the promotional rate or promotional payment may be applicable.</p> <p>If any annual percentage rate that may be applied to a plan is promotional, or if any payment applicable to a plan is promotional, the following must be disclosed (unless television or radio ad) with equal prominence and in close proximity to each listing of the promotional rate or payment:</p> <ul style="list-style-type: none"> <li>• The period of time for which the promotional rate/ payment will apply</li> <li>• In the case of a promotional rate, any APR that will apply under the plan</li> <li>• In the case of a promotional payment, the amounts and time periods of any payments that will apply under the plan. In variable-rate transactions, payments that will be determined based on application of an index and margin shall be disclosed based on a current index and margin.</li> </ul> <p>*The requirements do not apply to an envelope in which an application or solicitation is mailed, or to a banner advertisement or pop-up advertisement linked to an application or solicitation provided electronically</p>
<p><b>Television or Radio Ads</b></p>	<p>An ad for a home-equity plan made through television or radio stating any of the terms requiring additional disclosures may alternatively comply by stating the APR and including the fact that it is variable-rate, if applicable, and listing a toll-free telephone number or collect number with a reference that such number may be used by consumers to obtain additional cost information.</p>