

Classic Reserve Line Credit Application



Heritage BANK

A community of banks.
Whidbey Island Bank & Central Valley Bank



Important information about procedure for opening a new account—To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

*FOR INTERNAL USE ONLY	
Date Received: _____ / _____ / 20_____	
<input type="checkbox"/> By Mail	<input type="checkbox"/> Hand Delivered

New Account Update/Limit Increase Limit Desired: \$ _____ Heritage Bank Checking Account #: _____

Type of Account	<input type="checkbox"/> Individual	<input type="checkbox"/> We intend to apply for joint credit: <input type="checkbox"/> Joint with Spouse <input type="checkbox"/> Joint with Non-Spousal Co-Applicant			
		Applicant Initials	Date	Co-Applicant Initials	Date

Married applicants may apply for individual credit. Complete spousal information only if you are a resident of, or are relying on income or property from a community property state (CA, AZ, ID, NV, LA, WA, WI, NM, TX) or if applying for joint credit with Spouse. Complete marital status if applying for secured credit or if a resident of a community property state.

Applicant Information				Co-Applicant Information			
Name (First, Initial, Last)		Home Phone		Name (First, Initial, Last)		Home Phone	
Date of Birth	Social Security Number	Day Phone		Date of Birth	Social Security Number	Day Phone	
Dependents #	Driver License #	State	Issue Date ____/____/____ Exp. Date ____/____/____	Dependents #	Driver License #	State	Issue Date ____/____/____ Exp. Date ____/____/____
Email Address				Email Address			
Current or Residence Address		<input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other _____		Current or Residence Address		<input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other _____	
Mailing Address (IF DIFFERENT)				Mailing Address (IF DIFFERENT)			
City, State Zip		How Long There? Years ____ Months ____		City, State Zip		How Long There? Years ____ Months ____	
Previous Address				Previous Address			
City, State Zip		How Long There? Years ____ Months ____		City, State Zip		How Long There? Years ____ Months ____	
Nearest Relative Not Living With You		Relationship		Nearest Relative Not Living With You		Relationship	
Residence Address		Phone		Residence Address		Phone	
Current Employer		<input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <small>If Self Employed, Please attach Income Tax Returns</small>		Current Employer		<input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <small>If Self Employed, Please attach Income Tax Returns</small>	
Position		Gross Monthly Income \$		Position		Gross Monthly Income \$	
Address		Telephone		Address		Telephone	
City, State Zip		How Long There? Years ____ Months ____		City, State Zip		How Long There? Years ____ Months ____	
Previous Employer		How Long There? Years ____ Months ____		Previous Employer		How Long There? Years ____ Months ____	
Other Monthly Income \$				Other Monthly Income \$			
Source of Other Income (child support, separate maintenance or alimony need not be disclosed unless you want us to rely on it for repayment of this debt)				Source of Other Income (child support, separate maintenance or alimony need not be disclosed unless you want us to rely on it for repayment of this debt)			

General Credit Information

A: Applicant C: Co-Applicant Include Co-Applicant if any. Check both boxes for joint accounts. Include an additional sheet if necessary.

A	C	On deposit at Heritage Bank	Account Number	Present Value	A	C	<input type="checkbox"/> Mortgage <input type="checkbox"/> Rent Owed To/Account number	Payment Amount	Balance	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Cash on hand or on deposit at other financial institutions	Bank Name:	\$	A	C	Heritage Bank Loans	\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Automobile: Year, Make & Model		\$	A	C	Auto Loans	\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Automobile: Year, Make & Model		\$	A	C	Auto Loans	\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Personal Residence		\$	A	C	List all other creditors	\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Other Real Estate		\$	A	C		\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
A	C	Personal Property		\$	A	C		\$	\$	
<input type="checkbox"/>	<input type="checkbox"/>			\$	<input type="checkbox"/>	<input type="checkbox"/>		\$	\$	
TOTAL				\$	TOTAL				\$	\$

Classic Reserve Line Credit Application



Heritage
BANK

A community of banks.
Whidbey Island Bank & Central Valley Bank

Classic Reserve Line Credit Agreement

This Classic Reserve Line Credit Agreement (this "Agreement") governs the use of this Classic Reserve Line ("Line") account with us. The Applicant(s) request Heritage Bank to open the Line. By using your Line you accept the terms and conditions of this Account and all fees and charges imposed on the Line.

In this agreement, the words "you" and "your" refer to each person who signed the application for this Classic Reserve Line or otherwise requested us to establish this Line and the words "we", "our", and "Bank" refer to the Heritage Bank with whom you maintain your Checking Account. "Checking Account" means the checking account on which you want us to provide overdraft protection under this Agreement, as designated on your application.

Interest Rate and Interest Charges

Minimum APR*	10.00%
Maximum APR*	18.00%
Minimum Payment Amount	The minimum monthly payment will be an amount equal to 2.50% of the outstanding principal balance on your Line or \$50 , whichever is greater
Paying Interest	You will be charged interest from the transaction date
Fees	
Annual Fee	\$24.00
Penalty Fees • Late Payment	5.00% of the payment due, or \$5.00 , whichever is greater
How We Will Calculate Your Balance: We use a method called "average daily balance." See your account agreement for more details.	
Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.	
* Annual Percentage Rate	

1. **ADVANCES Automatic Advance:** Subject to the terms of this Agreement, we will make an Advance to you when the total amount of withdrawals from your Checking Account (including checks, automatic transfers, preauthorized charges or other written, electronic or telephonic withdrawals, and ATM and debit card transactions) and service charges we post to your Checking Account exceeds what is available for withdrawal. You request that these Advances be made and agree that the amount of these advances be added to your Classic Reserve Line. The Advance will equal the amount needed to cover the unpaid amount of withdrawals. All advances are in increments of \$100. We will deposit the Advance in your Checking Account. **Other Advances:** You may also obtain Advances by contacting the bank and signing a request for the amount of your Advance. You can request these types of Advances even if you have funds available in your Checking Account at that time.

2. **YOUR CREDIT LIMIT** Your Credit Limit is the maximum amount that may be outstanding on your Line at any time. The amount available to you as Advances will generally equal your Credit Limit minus the amount outstanding on your Line. We will notify you of your Credit Limit. We may change your Credit Limit at any time. You agree not to exceed your Credit Limit. The Bank is not required to make any Advances that would cause the outstanding balance on your Account to exceed your Credit Limit. If the outstanding balance of your Line ever exceeds your Credit Limit, we will include the excess in the monthly payment due under this Agreement.

3. **FIGURING THE FINANCE CHARGE** Periodic Finance Charges for credit advances under your Line will begin to accrue on the date Credit Advances are posted to your Line. There is no "free ride period" which would allow you to avoid a Finance Charge on your credit line advances. A daily Finance Charge will be imposed on all Credit Advances made under your Line from the date of each Credit Advance based on the "Average Daily Balance" method. To get the "Average Daily Balance", we take the beginning balance of your Line each day, add any new advances and subtract any payments or credits. This gives us a daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "Average Daily Balance". Then we multiply by the number of days in the billing cycle. This is your Finance Charge calculated by applying a Periodic Rate. Your Line has a variable rate feature. The Periodic Rate and the corresponding **Annual Percentage Rate** on your Classic Reserve Line are subject to change from time to time based on changes in an independent index which is the prime rate published in the Wall Street Journal (the "Index"). If the Index becomes unavailable during

the term of this agreement, we may designate a substitute Index after notice to you. The Periodic Rate and the corresponding **Annual Percentage Rate** on your Line will increase or decrease as the Index changes from time to time. We will determine the Periodic Rate and then add a margin of 4.50%. To obtain the Periodic Rate, we divide that sum by the number of days in a year (daily). To obtain the corresponding **Annual Percentage Rate** we multiply the Periodic Rate by the number of days in a year (daily). This rate is subject, however, to the following minimum and maximum rates. In no event will the corresponding **Annual Percentage Rate** be less than 10.00% per annum or more than 18.00%. Adjustments to the Periodic Rate and the corresponding **Annual Percentage Rate** resulting from changes in the Index will take effect quarterly. Notification of your initial daily Periodic Rate and corresponding **Annual Percentage Rate** will be provided to you.

4. **MONTHLY STATEMENTS AND LOAN PAYMENTS** We will send you a monthly statement as part of your Checking Account statement which will show each Advance made, the minimum payment due and the date your payment is due. The minimum monthly payment will be an amount equal to 2.50% of the outstanding principal balance on your Line or \$50 whichever is greater. The minimum payment will also include any past due amounts, fees and any amount outstanding under this Agreement in excess of your Credit Limit. You authorize us to debit your Checking Account on the payment due date shown on your monthly statement for the minimum payment due on your Line on that date. You can pay the outstanding balance on your Line in full at any time.

5. **APPLICATION OF PAYMENTS** All payments accepted by us will be applied to interest, fees and principle in the order that we determine is appropriate.

6. **LATE CHARGE** Your payment will be late if it is not received by us within 1 day of the "Payment Due Date" shown on your periodic statement. If your payment is late, we may charge you 5.00% of the payment due, or \$5.00, whichever is greater.

7. **ANNUAL FEE** We charge a non-refundable annual fee assessed on the Line. The fee will be automatically charged to your checking account at set-up, and annually thereafter. This fee will be charged on inactive and active accounts. This fee will be \$24.00.

8. **DEFAULT/ACCELERATION** At our option, we can declare the full outstanding balance on your Line immediately due and payable without notice (except notices required by applicable law), if you fail to make payments due on your Line or you otherwise breach the terms of this Agreement. If permitted by applicable law, we may also increase the rate of interest on your Classic Reserve Line up to the maximum rate permitted. We may also take any other collection action allowed by applicable law. If we need to hire an attorney to collect any part of your Line and applicable law permits us to charge you for attorney fees, you agree to pay us our reasonable attorney's fees, subject to any limits under applicable law, incurred in collecting your Line. If this is a joint account, each of you is jointly and severally liable for the entire balance. **Security Interest in Deposit Accounts:** As a condition of granting you credit under this Credit Line, you agree to give us a security interest in, and pledge us security for your obligations under this Credit Line, all funds, including interest, now on deposit or which may hereafter be placed on deposit with us (excluding deposits that if pledged are subject to penalties or restrictions under federal laws or regulations). Upon default we may apply such funds to your obligations under this Credit Line.

9. **CANCELLATION** You may close your Line to future transactions at any time by giving us written notice at the address printed on your monthly statement. We may cancel your Line at any time. The closing or cancellation of your Line for whatever reason will not affect obligations arising prior to such closing or cancellation and the terms of this Agreement will continue to apply until the outstanding balance due under this Agreement is paid in full. If you, or we, close the Checking Account, then the full outstanding balance on your line will be immediately due and payable.

10. **AMENDMENTS; APPLICABLE LAW** We may change the terms of this Agreement from time to time. If we do, we will give you prior notice or such other notice of a change as may be required under applicable law. Your continued use of this Credit Line constitutes acceptance of those changes. This Agreement is governed by federal law and the laws of the State where we maintain our main office.

Applicant/Co-Applicant Signature(s)

PLEASE READ THE FOLLOWING CAREFULLY BEFORE SIGNING

I/We hereby authorize anyone to release credit information concerning myself/ourselves to Heritage Bank. This statement is submitted to obtain credit and I/We certify that all information herein is true and complete. I/We agree that inquiries may be made to verify information and that credit references or verification may be given based on inquiries from other parties. This application is subject to the credit policies of Heritage Bank. Additional financial information may be required by Heritage Bank. I/We agree to be bound by the terms and conditions of the **Classic Reserve Line Credit Agreement**, attached to this application, receipt of such agreement and acceptance of such terms to be conclusively presumed by the applicant's use. If this is a joint application, the undersigned shall be jointly and severally liable for any and all credit extended from time to time. I/We acknowledge receipt of the Classic Reserve Line Credit Agreements.

CAUTION! ANY WILLFUL MISREPRESENTATION on this statement could result in a fine and/or imprisonment under provisions of the U.S. Criminal Code.

Applicant Signature

Date

Co-Applicant Signature

Date