

What You Need to Know... Home Equity Line of Credit (HELOC)

Thank you for opening your new account at American Savings Bank (ASB). Please refer to your HELOC Agreement and Disclosure documents for the terms of your account. We're pleased to have you as a customer and look forward to serving all of your financial needs.

ACCESS OPTIONS

An "advance" or "draw" are terms that refer to usage of your Home Equity Line of Credit (HELOC), such as a recurring bill payment, writing an EquityExpressSM (EEX) check, doing an EEX Visa[®] card transaction or an ATM withdrawal using your EEX Visa card, Online Banking transfer of funds, etc.

- ❖ Your EEX Visa card can be used at ATMs or anywhere that accepts Visa
 - If you request a card(s), you should receive it by mail in seven to ten business days. Follow the activation instructions noted on the card.
 - When making payment at a retail location's terminal, select "Credit". You may be prompted to sign for your purchase; the amount of your purchase will be deducted from your HELOC account.
 - When using an ATM, select "Credit Card" to advance funds from your HELOC account.
- ❖ You should receive your EEX checks by mail in seven to ten business days.
- ❖ Transfer funds via Online Banking (enrollment required).
- ❖ Request an advance at an ASB branch.

ACCOUNT STATEMENT

- ❖ Account statements are generated on the 20th of each month or the prior business day if the 20th is on a weekend or holiday.
- ❖ Account payment is due only if your HELOC has an outstanding balance. The due date is 25 days after the statement is generated. There is no grace period.
- ❖ Access up to 24 months of statement history through Online Banking.

PAYMENT OPTIONS

- ❖ Establish automatic payments from your personal checking or savings account. Bring your completed Automatic Payments and Transfers form to an ASB branch or mail to:
American Savings Bank
ATTN: ACH Services
P.O. Box 2300
Honolulu, HI 96804-2300
- ❖ Via Online Banking (enrollment required).
- ❖ Visit an ASB branch with your account statement.

COMMON QUESTIONS

What is my monthly payment?

If there is an outstanding balance on your HELOC account, your monthly payment depends on the HELOC account you opened:

Equity Express

10-Year Draw Period – Interest only

20-Year Repayment Period – Fully amortized fixed principal amount plus accrued interest

Equity Express Total Line of Credit

10-Year Draw Period – 0.25% of principal plus accrued interest

20-Year Repayment Period – Fully amortized fixed principal amount plus accrued interest

COMMON QUESTIONS (continued)

Will I be able to immediately view my account on my Online Banking profile?

Your account will appear in your profile within two to five business days. If you don't see the account, contact Customer Banking via secure message in Online Banking or call (808) 627-6900 or toll-free (800) 272-2566.

What does "Credit Card" mean in the disclosure?

The term refers to the EEX Visa card which accesses your HELOC account.

Is there a replacement card fee for a lost, stolen or damaged EEX Visa card?

Yes. For fee details, refer to your Credit Agreement or the current Consumer Loan Fee Schedule.

Can I make extra principal payments for my HELOC? Is there a prepayment penalty?

Yes. Extra principal payments can be made with no additional charge or prepayment penalty.

Is there a late fee for payments not made by the due date?

Yes. For fee details, refer to your Credit Agreement or the current Consumer Loan Fee Schedule.

Is there an annual fee?

Yes. For HELOC applications submitted on or after 4/1/2021, a \$50 annual fee will be assessed during the 10-year draw period on the first periodic statement after loan signing, and annually thereafter. The \$50 annual fee may be waived by setting up automatic payments from an ASB Kalo DeluxeSM Checking or Private Banking Checking account at loan signing. Cancellation of automatic payments from the Kalo Deluxe Checking or Private Banking Checking account anytime during the draw period may cancel the annual fee waiver and the fee will be assessed thereafter.

Is there an early closing fee?

Yes. There is a fee if you request to close your HELOC account within three years from the Agreement date. This fee will not be charged if: (i) your line is \$25,000 or less, or (ii) you sell the collateral to an unrelated/unaffiliated third-party, or (iii) you payoff your loan with proceeds from a real estate secured loan from us. For fee details, refer to your Credit Agreement or the current Consumer Loan Fee Schedule.

What is a Returned Item Fee?

This fee is assessed if the payment submitted is returned unpaid to ASB (e.g., due to "insufficient funds").

If I have a promotional rate, will I be notified before it expires?

Your account will automatically revert to the variable rate the month after the end of your promotional period. The change in rate will be indicated on your statement.

What is a Fixed Rate Equity Loan Option (FRELO)?

A FRELO is a fixed rate loan for a specified term that you convert from the outstanding balance on the variable rate portion of your HELOC during the draw period. You can have up to five FRELOs with the flexibility of converting all or a portion of your HELOC to a FRELO. As you repay the FRELO, your HELOC line is replenished during the draw period.

How do I take advantage of a FRELO?

Visit an ASB branch to sign an Addendum and the FRELO Request Form – no application is required.

If you have questions, call our Customer Banking Center at (808) 627-6900 or toll-free (800) 272-2566. The information presented is subject to change at any time without notice.



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