



HILLIARD LYONS

PRIVATE BANKING

INTEREST CAPITALIZATION FORM

409 Silverside Road, Suite 105
 Wilmington, DE 19809
 P: 877.644.1513
 F: 302.791.5610
 www.hilliardlyonsprivatebanking.com

Use this form to request or terminate automatic advances of monthly interest payments from your securities-backed line of credit.

I/We authorize Hilliard Lyons Private Banking through The Bancorp Bank ("the Bank") to make my/our minimum monthly interest payments with automatic advances from my/our securities-backed line of credit (the "Interest Capitalization Option"), or I/we terminate my/our prior authorization to use the Interest Capitalization Option, as indicated by my/our marking the appropriate selection box in Part 2, shown below. I/We understand that by providing my/our authorization for these automatic advances, interest payments will continue in this manner until I/we provide written instructions to the Bank to stop such payments a minimum of five (5) business days prior to the interest payment due date, or the Bank notifies me/us that the Bank will no longer permit such interest payments.

I/We understand that transfers will be made monthly on the due date of the loan payment as shown on my/our monthly statement. If the due date falls on a holiday or non-business day, the transfer will be made the following business day. I/We acknowledge that the originator of this transfer must comply with the provisions of the U.S. law.

My/Our interest payment will be processed on the due date as shown on my/our monthly statement. If funds are not available on the due date, additional attempts will be made to satisfy the interest payment for a period up to 9 calendar days. If the interest payment is not paid at the conclusion of the ninth and final attempt, I/we must make a payment using a different payment method. A late fee may be assessed. If my/our interest payments fail for three (3) consecutive months, the Bank reserves the right to remove me/us from this service. I/We will be notified if this action is necessary.

In the event that applying my/our monthly interest payment to my/our securities-backed line of credit in any month exceeds my/our available credit line, the Bank will not arrange for an advance to cover the interest payment, and I/we will be responsible for making the interest payment by some other means. MAKING MY/OUR INTEREST PAYMENTS WITH ADVANCES ON MY/OUR SECURITIES-BACKED LINE OF CREDIT CONVERTS THE INTEREST PORTION OF THESE PAYMENTS INTO PRINCIPAL ON WHICH ADDITIONAL INTEREST ACCRUES AND RESULTS IN MY/OUR PAYING INTEREST ON INTEREST. THIS SIGNIFICANTLY INCREASES THE COST OF THE LINE OF CREDIT.

PART 1: Loan Account Information – Required	
Loan Account Name*:	Loan Account Number*:
Home Phone Number*:	Mobile Phone Number:
Email Address*: (Will not be used for marketing purposes)	

* Required fields

PART 2: Interest Payment Transaction Information
<input type="checkbox"/> Initiate a one-time monthly interest payment Payment Due Date: _____
<input type="checkbox"/> Initiate automatic monthly interest payment Please specify month and year that such payments should begin: _____
<input type="checkbox"/> Terminate automatic monthly interest payment Please specify month and year that such payments should terminate: _____ NOTE: The interest payment will be deducted on the same date as the payment due date referenced on your monthly loan statement.

PART 3: Signature of Borrower of Securities-Backed Line of Credit – Required	
Print Name:	
Signature of Authorized Borrower:	Date: (mm/dd/yyyy)

Please mail or fax this completed form to:
 Hilliard Lyons Private Banking, 409 Silverside Road, Suite 105, Wilmington, DE 19809 • Fax: 302.791.5610

PLEASE RETAIN A COPY OF THIS FORM FOR YOUR RECORDS

FOR BANK USE ONLY

Date Received: (mm/dd/yyyy)	Date ACH Set-up Completed	Processed by:
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PART 4: Liability for failure to stop payment of preauthorized transfer

If you instruct us to stop a transfer at least five (5) business days before it is scheduled to occur and we fail to do so, we will be liable for your losses or damages.

If the Bank does not complete a transfer to or from my/our account on time or in the correct amount according to the conditions of my/our loan agreement, the Bank will be liable for my/our losses or damages. There are some exceptions noted below, however, and there may be other exceptions, as set forth in my/our loan agreement with the Bank. The Bank will not be liable, for instance:

- If the transfer would exceed the credit limit of my/our securities-backed line of credit.
- If, despite taking reasonable precautions, the Bank is prevented from making the transfer due to circumstances beyond its control (such as fire or flood).