

Important Terms of Our Home Equity Line of Credit

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

Availability of Terms: All of the terms disclosed below are subject to change. 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. You could lose your home if you do not meet the obligations in your agreement with us.

Possible Actions: Under certain circumstances, we can (1) terminate your line, require you to pay us the entire outstanding balance in one payment, and charge you certain fees; (2) refuse to make additional extensions of credit; (3) reduce your credit limit; and (4), as specified in the initial agreement, implement certain changes in the plan. If you ask, we will give you more specific information concerning when we can take these actions.

Minimum Payment Requirements: You can obtain advances of credit for **10** years (the “draw period”). During the draw period, payments will be due monthly. Your minimum monthly payment will equal all accrued finance charges. **Note:** Your minimum monthly payment **will not** reduce the amount of principal outstanding on this line of credit.

After the draw period ends, you will no longer be able to obtain credit advances and must pay the outstanding balance over **20** years (the “repayment period”). During the repayment period, payments will be due monthly. Your minimum monthly payment will be equal **1/240th** of the principal balance that was outstanding at the end of the draw period plus the finance charges that have accrued on the remaining balance.

Minimum Payment Example: If you made only the minimum monthly payments and took no other credit advances, it would take **30** years to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of **4.25%**. During that period, you would make **120** monthly payments varying between **\$36.10** and **\$32.60** followed by **240** monthly payments varying between **\$81.84** and **\$41.82**.

Fees and Charges: To open and maintain a line of credit, you may have to pay certain fees to third parties. These fees generally total between **\$00.00** and **\$700.00**. If you ask, we will give you an itemization of the fees you will have to pay to third parties.

Annual Maintenance Fee: There is an annual fee of **\$50.00** to maintain this account. This fee may be waived if you maintain an eligible relationship checking account with us. Please see your checking account agreement and schedule of fees for details and conditions.

Early Termination Fee: An early termination fee of **\$400.00** will be charged for lines closed within the first **24** months.

Property Insurance: You must carry insurance on the property that secures this line of credit.

Minimum Draw Requirements: The minimum credit advance you can receive is **\$500.00**.

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

Variable Rate Information: The line 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 not other costs.

The annual percentage rate is determined by adding the margin to the value of an index. The margin is minus 0.50 percentage points. The index is the Prime Rate published in The Wall Street Journal (if more than one Prime Rate is published, the higher rate shall be used), as most recently published at the beginning of each monthly billing cycle.

The initial annual percentage rate is discounted - that is, it is not based on the index and margin used for later rate adjustments. The initial rate will be in effect until the end of the **6th** complete billing cycle.

Ask us for the current index value, discount and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

Rate Changes: The annual percentage rate will change at the beginning of each monthly billing cycle. The maximum **ANNUAL PERCENTAGE RATE** that can apply is **18.0%**. Other than the initial rate, the **ANNUAL PERCENTAGE RATE** will never be lower than **3.50%**. Other than as disclosed in this paragraph, there are no annual or more frequent periodic limitations on changes in the Annual Percentage Rate.

Maximum Rate and Payment Examples: If you had an outstanding balance of \$10,000 at the beginning of the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **\$152.88**. This annual percentage rate could be reached at the start of the **7th** monthly billing cycle of the draw period.

If you had an outstanding balance of \$10,000 at the beginning of the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **\$194.55**. This annual percentage rate could be reached at the start of the **1st** monthly billing cycle of the repayment period.

Historic Example: The following table shows how the annual percentage rate and the minimum monthly payments for a single \$10,000 credit advance would have changed based on changes in the index over the past 15 years. The index values are from the last business day in the Index month of each year. While only one payment amount per year is shown, payments would have varied during each year. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. It does not necessarily indicate how the index, or your payments will change in the future.

YEAR	REPAYMENT PERIOD STARTS	JANUARY INDEX RATE	MARGIN <small>This is a margin we have used recently</small>	*ANNUAL PERCENTAGE RATE (Rounded if applicable)	MINIMUM MONTHLY PAYMENT
2006	<input type="checkbox"/>	7.25%	-0.50	2.99%**	22.94
2007	<input type="checkbox"/>	8.25%	-0.50	7.75%	59.45
2008	<input type="checkbox"/>	6.00%	-0.50	5.50%	43.58
2009	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2010	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2011	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2012	<input type="checkbox"/>	3.25%	-0.50	3.50%*	27.73
2013	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2014	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2015	<input type="checkbox"/>	3.25%	-0.50	3.50%*	26.85
2016	<input checked="" type="checkbox"/>	3.50%	-0.50	3.50%*	69.40
2017	<input type="checkbox"/>	3.75%	-0.50	3.50%*	67.18
2018	<input type="checkbox"/>	4.50%	-0.50	4.00%	69.29
2019	<input type="checkbox"/>	5.50%	-0.50	5.00%	74.27
2020	<input type="checkbox"/>	4.75%	-0.50	4.25%	68.61

*The Annual Percentage Rate has been adjusted to reflect any applicable interest rate caps or floor rates.

** The Annual Percentage Rate reflects a discount we have used recently.