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IMPORTANT TERMS of our HOME EQUITY LINE OF CREDIT

THIS DISCLOSURE CONTAINS INFORMATION ABOUT OUR HOME EQUITY LINE OF CREDIT. YOU SHOULD READ IT CAREFULLY AND KEEP THIS COPY FOR YOURSELF.

Availability Of Terms

All terms described 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 you paid to us or anyone else in connection with your application.

Security Interest

We will take a Deed of Trust/Mortgage on your home ("Security Property"). You could lose your home if you do not meet certain obligations in your agreement with us.

Possible Actions

Termination

If you fail to meet the terms of repayment, or if you act or fail to act in a way that adversely affects our security interest or other rights in the Security Property, or if you have committed fraud or made a material misrepresentation in connection with the account, we may, subject to the Governing Law, terminate the plan, require payment in full of the entire outstanding balance in a single payment or cause the Security Property to be sold and the proceeds of such sale to be applied to your obligation to us. You agree to pay any reasonable costs of protecting, retaking, repairing or selling the Security Property.

Suspension

Your right to request additional advances may be suspended, or your maximum credit limit reduced, at our option, in the following instances: (1) you fail to make the scheduled payments due to us; (2) you fail to make timely payments to the holders of Deeds of Trust/Mortgages senior to ours; (3) you fail to pay real property taxes prior to delinquency; (4) you fail to maintain the required property insurance; (5) the value of the Security Property declines significantly below the appraised value upon which we relied in approving your application; (6) we reasonably believe that your ability to meet your payment obligations is impaired because of a material change in your financial circumstances; (7) governmental action precludes our imposing the interest rate provided herein or adversely affects the priority of our security interest such that the value of our interest is less than 120% of your maximum credit limit; (8) the maximum interest rate under the plan is reached; or (9) government regulatory authorities find that further advances under this plan constitute an unsafe and unsound practice. When the condition which caused the suspension of advances or reduction of your maximum credit limit no longer exists, the original terms of your agreement will be reinstated. You understand that if your right to request additional advances is suspended or your maximum credit limit is reduced, you still owe us whatever sums you have already borrowed, all other charges under your agreement and applicable Finance Charges.

Minimum Payment Requirements

You can obtain credit advances for 120 months (the draw period). During the draw period, payments will be due on a monthly basis. Your minimum monthly payment will be established at the time of each advance at an amount equal to 1.50% of your then outstanding account balance, rounded up to the nearest \$1.00 and subject to the lesser of \$100.00 or your account balance.

After the draw period ends, you will no longer be able to obtain credit advances, and you must repay your outstanding account balance (the repayment period). The length of the repayment period will depend on the date and the amount of your last advance but in no event will exceed 180 months. During the repayment period, minimum payments will be established on the first day of the repayment period, or subsequent change in interest rate, to the amount necessary to fully amortize your then outstanding amount balance by the Agreement Maturity Date, rounded up to the nearest \$1.00 and subject to the lesser of \$100.00 or your account balance.

Paying only the minimum payment may not be sufficient to fully amortize your unpaid account balance by the end of the repayment period in which case, you will be required to pay your entire remaining account balance in a single balloon payment on the Agreement Maturity Date.

Minimum Payment Example

If you made only the minimum payments and took no other credit advances, it would take 82 months to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 6.00%. During that period, you would make 81 monthly payments of \$150.00 and a final payment of \$44.73.

Fees And Charges

To open and maintain a line of credit, you must pay certain fees to third parties. These fees generally total \$250.00 to \$1,300.00. If you ask, we will give you an itemization of the fees you will have to pay to third parties.

Insurance

You must carry insurance on the property that secures this plan.

Tax Deductible

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

Variable Rate Feature

This plan has a Variable Rate feature. The Annual Percentage Rate (corresponding to the periodic rate), the number of your scheduled payments during the draw period, and the amount of your scheduled payments during the repayment period can change as a result. The Annual Percentage Rate includes only interest and no other costs. The Annual Percentage Rate is based on the value of an index. The index is the highest Prime Rate as published in the Money Rates Section of The Wall Street Journal in effect on the 20th day immediately preceding the first day of April and October of each year. To determine the Annual Percentage Rate that will apply to your line of credit, we add a margin to the value of the index. Ask us for the current index value, margin and Annual Percentage Rate. After you open a line of credit, rate information will be provided in periodic statements that we send you.

Rate Changes

Your Annual Percentage Rate can change twice each year on April 1 and October 1. Your interest rate cannot increase or decrease more than 2.00 percentage points each year and is subject to the maximum and minimum Annual Percentage Rates that can apply to this plan at any time. The maximum Annual Percentage Rate at any time is the lesser of 6.00 percentage points above your initial rate or 18.00%. The minimum **ANNUAL PERCENTAGE RATE** at any time is 6.00%. Ask us for the specific rate limitations that will apply to your line of credit.

Maximum Rate And Payments Examples

If you had an outstanding balance of \$10,000.00 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 12.00% would be \$150.00. This Annual Percentage Rate could be reached in the 26th month of the draw period.

If you had an outstanding balance of \$10,000.00 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 12.00% would be \$121.00. This Annual Percentage Rate could be reached in the 26th month of the repayment period.

Historical Example

The following table shows how the Annual Percentage Rate and the monthly payments for a single \$10,000.00 credit advance would have changed based on changes in the index since 2001. The index is from The Wall Street Journal and is calculated on the first business day of February of each year. While only one payment amount per year is shown, payments may have varied during the year. The table assumes that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during the year. It does not necessarily indicate how the index or your payments will change in the future.

Year	Index	Margin (1)	ANNUAL PERCENTAGE RATE	Payment Period	Minimum Payment
2001	8.50	0.0	8.50	DRAW	\$150.00
2002	4.75	0.0	6.00 (2)	DRAW	\$150.00
2003	4.25	0.0	6.00 (2)	DRAW	\$150.00
2004	4.00	0.0	6.00 (2)	DRAW	\$150.00
2005	5.25	0.0	6.00 (2)	DRAW	\$150.00
2006	7.50	0.0	7.50	DRAW	\$150.00
2007	8.25	0.0	8.25	DRAW	\$150.00
2008	6.00	0.0	6.00	DRAW	\$9.95 (3)
2009	3.25	0.0	6.00 (2)	DRAW	\$0.00
2010	3.25	0.0	6.00 (2)	DRAW	\$0.00
2011	3.25	0.0	6.00 (2)	REPAYMENT	\$0.00
2012	3.25	0.0	6.00 (2)	REPAYMENT	\$0.00
2013	3.25	0.0	6.00 (2)	REPAYMENT	\$0.00
2014	3.25	0.0	6.00 (2)	REPAYMENT	\$0.00
2015	3.25	0.0	6.00 (2)	REPAYMENT	\$0.00

(1) This represents a margin we have recently used.

(2) This represents the Minimum Interest Rate.

(3) This represents the final payment.