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IMPORTANT TERMS of our HOME EQUITY LINE OF CREDIT

THIS DISCLOSURE CONTAINS INFORMATION ABOUT OUR VARIABLE INTEREST RATE HOME EQUITY SECURED OPEN-END 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.

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 annual percentage rate provided for or impairs our security interest such that the value of our interest is less than 120% of your maximum credit limit; (8) the maximum annual percentage rate under the plan is reached; or (9) a regulatory agency has notified Us 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.

The initial agreement permits us to make certain changes to the terms of the agreement at specific times or upon the occurrence of specified events.

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 an amount equal to the Finance Charges that have accrued during the billing cycle, plus any portion of the Minimum Payment(s) shown on prior statement(s) which remains unpaid and any other applicable charges. Your Minimum Monthly Payment is subject to a minimum in any event of the lesser of \$50.00 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 amount that you owe at the end of the draw period but in no event will exceed 120 months. During the repayment period, payments will be due on a monthly basis and 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 account balance by the Agreement Maturity Date, subject to the lesser of \$50.00 or your account balance.

Minimum Payment Example

If you made only the minimum payments and took no other credit advances, it would take 240 months to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE of 4.00%. During that period, you would make 120 monthly payments of \$50.00, followed by 119 monthly payments of \$76.40 with a final payment of \$77.40.

Minimum Draw and Balance Requirements

The minimum initial draw that you must take at the time your account is established is \$2,500.00.

Fees And Charges

To open and maintain a line of credit, you must pay us an application fee of \$150.00 at the time of application. This fee will become non-refundable three days after you receive this disclosure. We will refund this fee to you at the time your account is established if you take an initial advance of at least \$5,000.00 at that time. You may also be required to pay certain fees to third parties. These fees generally total from \$225.00 to \$500.00. If you ask, we will give you an itemization of the fees you may have to pay to third parties.

Insurance

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

Tax Deductibility

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

Variable Rate Feature

Following the expiration of the Introductory Rate period, this plan will have a Variable Rate feature. The Annual Percentage Rate (corresponding to the periodic rate) and the minimum payment during the draw and the repayment periods 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 and will be the rate in effect on the date that the Introductory Rate period expires and, subsequently, on the last day of each calendar month 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, discount, and Annual Percentage Rate. After you open a line of credit, rate information will be provided in periodic statements that we send you.