

SCITUATE FEDERAL SAVINGS BANK
72 FRONT STREET, SCITUATE, MA 02066

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

FIXED RATE PLAN

THIS DISCLOSURE CONTAINS IMPORTANT INFORMATION ABOUT OUR "**FIXED RATE**" 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 **5** years (the "draw period"). During the draw period, payments will be due monthly. Your minimum monthly payment will equal the greatest of (1) **\$50.00** or (2) **the accrued finances charges** at the end of the preceding month, or (3) the full outstanding balance plus finance charges if their sum is less than \$50.00. Your minimum monthly payment will also include any past due amounts and any amount by which your principal balance exceeds your maximum 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 **10** years (the "repayment period"). During the repayment period, payments will be due monthly. Your minimum monthly payment will equal **1/120th** 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, however, in no event shall the principal and interest payment be less than **\$50.00** monthly, or the full outstanding balance plus finance charges if their sum is less than \$50.00. Your minimum monthly payment will also include any past due amounts.

Minimum Payment Example - If you made only the minimum monthly payments and took no other credit advances, it would take **15 years** to pay off a credit advance of \$10,000 at an ANNUAL PERCENTAGE RATE of **6.75%**. During that period, you would make **120** monthly payments varying between **\$57.33** and **\$51.78** followed by **120** monthly payments varying between **\$140.66** and **\$83.80**.

Fixed Rate Information - This is a fixed rate plan with an ANNUAL PERCENTAGE RATE OF **6.75%**. The Annual percentage rate includes only interest and not other costs..

Fees and Charges - To open and maintain a line of credit, you may be required to pay certain fees to third parties. These fees, if any, generally range between **\$365.28** and **\$888.78**. If you ask, we will give you an itemization of the fees you may be required to pay to third parties. **You must carry insurance on the property that secures this line of credit.**

Minimum Draw and Balance Requirements - The minimum credit advance you can receive is **\$500.00**. There is no minimum balance that you must maintain.

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