



900 Main Street, Sanford, ME 04073, Telephone (207) 324-2285

HOME EQUITY LINE OF CREDIT TRUTH IN LENDING DISCLOSURE - Prime Rate + 0.00% ≤ 80% LTV Margin - Bank Pays Closing Fees

In this Disclosure, the words "I", "me", and "my" mean each person who has received this disclosure as a consumer. The words "we", "you", "your" or the "lender" mean Sanford Institution for Savings, Nine Hundred Main Street, Sanford, Maine 04073 or anyone who acquires your rights under my Home Equity Line of Credit Agreement with you.

This disclosure contains important information about my home equity line of credit. I should read it carefully and keep a copy for my records.

AVAILABILITY OF TERMS:

All of the terms described below are subject to change. If these terms change (other than the annual percentage rate) and I decide, as a result, not to enter into an agreement with you, I am entitled to a refund of any fees that I have paid to you or anyone else in connection with my application.

SECURITY INTEREST:

You will take a mortgage on my home. I could lose my home if I do not meet the obligations in my agreement with you.

POSSIBLE ACTIONS:

The lender can terminate my credit line and charge me certain fees if:

- I engage in fraud or material misrepresentation in connection with the line.
- I do not meet the repayment terms.
- My action or inaction adversely affects the collateral or your rights in the collateral.

The lender can refuse to make additional extensions of credit or reduce my credit limit if:

- The value of the dwelling securing the line declines significantly below its appraised value for purposes of the line.
- The lender reasonably believes I will not be able to meet the repayment requirements due to a material change in my financial circumstances.
- I am in default of a material obligation in the agreement.
- Government action prevents you from imposing the annual percentage rate provided for or impairs your security interest such that the value of your security interest is less than 120 percent of the credit line.
- A regulatory agency has notified the lender that continued advances would constitute an unsafe and unsound practice.
- The maximum annual percentage rate is reached.

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

MINIMUM-PAYMENT REQUIREMENTS:

Draw Period:

I can obtain advances of credit for 10 years (the "draw period"). During the draw period, payments will be due monthly. My minimum payment will be the amount by which my outstanding principal balance exceeds my credit limit, plus finance charges that accrued on the outstanding balance during the preceding billing cycle, and any charges other than finance charges which I may then owe you under the terms of the line. If these charges total less than \$50.00, then the minimum payment will equal \$50.00 or the outstanding balance on my line, whichever is less.

After the draw period ends, I will no longer be able to obtain credit advances and must repay the outstanding balance over a maximum of 15 years.

Repayment Period:

During the repayment period, payments will be due monthly and my minimum payment will be the amount by which my outstanding principal balance exceeds my credit limit, plus the finance charges that accrue on the remaining balance and any charges other than finance charges which I may then owe you under the terms of the line, plus the greater of \$50.00 or 1/180th of the principal balance (other than any amount by which this balance exceeds my credit limit) outstanding at the end of the draw period.

MINIMUM PAYMENT EXAMPLE:

If you made only the minimum monthly payments and took no other credit advances, it would take 25 years to pay off a credit advance of \$10,000 at an ANNUAL PERCENTAGE RATE of 5.50%. During that period you would make 120 monthly payments of \$45.83 followed by 180 monthly payments varying between \$101.39 and \$55.56.

MINIMUM DRAW REQUIREMENTS:

The minimum credit advance I can receive is \$250.00.

TAX DEDUCTIBILITY:

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

VARIABLE-RATE INFORMATION:

The plan 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 based on the value of an index. The index is the highest prime rate charged by U.S. banks as published in the "Money Rates" column of the Wall Street Journal (Eastern Edition). To determine the annual percentage rate that will apply to my line, we add a margin to the value of the index.

I should ask you for the current index value, margin and annual percentage rate. After I open a credit line, rate information will be provided on periodic statements that the bank will send me.

RATE CHANGES:

The annual percentage rate can change each month. The Maximum **ANNUAL PERCENTAGE RATE** the "cap" that can apply is 18.000%. The Minimum **ANNUAL PERCENTAGE RATE** the "floor" will apply is 5.50% Except for this 18.000% "cap" and 5.50 % "floor", there is no limit on the amount by which the rate can change during any one-year period.

MAXIMUM RATE AND PAYMENT EXAMPLE:

If the ANNUAL PERCENTAGE RATE during the draw period equaled the 18.00% maximum and you had an outstanding balance of \$10,000, the minimum monthly payment would be \$150.00. This annual percentage rate could be reached during the first month of the draw period. If you had an outstanding balance \$10,000, during the repayment period, the minimum monthly payment would be 205.56. This annual percentage rate could be reached during the first month of the repayment period.

EARLY TERMINATION CHARGE:

If you pay off your account balance in full and close your account within 36 months from the date of closing then you will pay a fee of the lesser of: (a) 2% of the credit limit or (b) \$400. This fee will be due at the time you close your account.

HISTORICAL 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 January 30th 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	Index (%)	Margin~ (%)	Annual Percentage Rate (%)	Monthly Payments (\$)
<i>Draw Period</i>				
2005	5.250	0.000	5.250	50.00**
2006	7.250	0.000	7.250	60.42
2007	8.250	0.000	8.250	68.75
2008	6.000	0.000	6.000	50.00
2009	3.250	0.000	3.250	50.00**
2010	3.250	0.000	3.250	50.00**
2011	3.250	0.000	3.250	50.00**
2012	3.250	0.000	3.250	50.00**
2013	3.250	0.000	3.250	50.00**
2014	3.250	0.000	3.250	50.00**

** Reflects minimum monthly payment

Repayment Period

2015	3.250	0.000	3.250	82.64
2016	3.500	0.000	3.500	82.78
2017	3.750	0.000	3.750	82.64
2018	4.500	0.000	4.500	85.55
2019	5.500	0.000	5.500	89.17

I (we) have received a copy of this disclosure and a consumer handbook on "When Your Home is On the Line: What you Should Know About Home Equity Lines of Credit."

Date: _____

Consumer: _____

Consumer: _____