

2.99% APR Special Offer (5.25%—8.59% APR fully indexed rate) Home Equity Line of Credit Disclosure



Borrower(s) has opened a Harborstone Credit Union home equity line of credit. By taking advantage of the HELOC special offer, borrower and credit union have agreed to modify the current obligations of the original HELOC. This HELOC Special Offer Disclosure amends the parties' original HELOC agreement. Except as expressly changed by this Special Offer Disclosure, the original terms of the HELOC agreement remain unchanged and in full force and effect. This Special Offer Disclosure is not a satisfaction of the current obligation. Property insurance is required.

Fixed-Rate Balance: Borrower requests a single advance of at least \$10,000 by April 15, 2019, from borrower's HELOC to be deposited to one of borrower's Harborstone Credit Union accounts. The advanced amount will have a fixed 2.99% annual percentage rate. This is a limited-time offer, and the line must be applied for, approved, and drawn from by April 15, 2019. Borrower must take a minimum draw of \$10,000 from the new HELOC in order to be eligible for the special-offer rate. The special APR of 2.99% will be fixed until April 30, 2020, and is then subject to change quarterly. The fixed rate will not exceed that of the current annual percentage rate. Rates are effective as of March 15, 2019. At the end of the promotional period, the variable APR will be calculated using your credit score, with a maximum APR of 12.5%.

The fixed-rate portion of the loan will be displayed as a separate trade line on borrower's credit. The borrower will be responsible for two separate loan payments every month.

Annual Percentage Rate: Borrower understands that any future advances on the master line of credit account will continue to bear interest at the existing variable rate, as previously disclosed.

Payment on Fixed-Rate Balance: Your minimum payment for the fixed-rate balance will be an amount sufficient to repay the balance over the remaining term in equal monthly payments ending on the maturity date. Your payment will never be less than \$100 and will be rounded up to the nearest dollar. As you make payments reducing the principal balance of the fixed-rate advance, the available balance on your master line of credit will automatically increase by the corresponding principal-reduction amount.

Payment Application: Borrower agrees that the fixed-rate balance will require a separate minimum monthly payment from the variable-rate balance minimum monthly payment. If the credit union receives only one payment on your account, the credit union will apply the payment to the variable-rate balance and will not allocate amounts between the balances. This may result in a late fee or missed payment.

Other Charges: You agree that if your payment on the fixed-rate balance is more than 15 days late, we may charge you \$25 or 5% of your payment, whichever is greater. This late fee is in addition to any late fee on the variable-rate balance.