The credit union offers three Home Equity Line of Credit Products.

The Important Terms of Our Home Equity Line of Credit Disclosures are attached for all three Products.

Your Loan Officer will review your request and advise you which product is applicable to your particular scenario.

HARVARD UNIVERSITY EMPLOYEES CREDIT UNION

104 Mt. Auburn Street, Cambridge, MA 02138

Prime -0.26
10 Year Draw
15 Year Repay

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

This disclosure contains important information about our 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 **10** years (the "draw period"). During the draw period, payments will be due monthly. Your minimum monthly payment will equal all accrued interest as of the closing date of the billing cycle, plus any amounts past due. **Interest Only Payments -** your minimum monthly payment during the draw period **will not** reduce the amount of principal outstanding on this 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 **15** years (the "repayment period"). During the repayment period, payments will be due monthly. Your minimum monthly payment will be equal **1/180th** 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.

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 **7.74%**. During that period, you would make **120** monthly payments varying between **$65.74** and **$59.38** followed by **180** monthly payments varying between **$120.93** and **$55.92**.

Fees and Charges – To open and maintain a line of credit, you must pay the following fees to us:

☒ Application Fee ....$ N/A
☒ Recording Fee...$ 181.00 – 205.00
☒ Title Examination Fee ....$ 160.00 – 200.00
☐ Preparation of Legal Documents ....$ N/A
☐ Title Insurance Policy..$ N/A
☒ Flood Determination Fee ....$ 10.50
☒ Credit Report Fee..$ 2.90 – 5.80
☒ Appraisal Fee ** $ $98.00 - $220.00
☒ Notary Closing Service Fee*** $ 365.00
TOTAL AMOUNT DUE ....$ 817.40 – 1,006.30

****Appraisal Fee** – If the credit limit is $250,000.00 or more an appraisal fee of $575.00 to $1,000.00 may be charged. If the property is located on Nantucket Island or Martha's Vineyard, the fee may be as much as $1,200.00.

Note - With respect to those closing costs which have been checked above, Lender will waive the payment of such costs by Borrower; provided, however, if Borrower terminates this Agreement and requests a discharge of the mortgage within **24** months from the date of this Agreement. Borrower shall then be obligated to pay Lender the full amount of the waived costs.

*** **Notary Closing Service Fee –** only applies to loans not closed at a credit union branch.

**Lender will not waive the payment of the appraisal fees If the credit limit is $250,000.00 or greater.

Property Insurance – You must carry insurance on the property that secures this line of credit.

Minimum Draw Requirements – There is no minimum credit advance you can receive.

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

Variable Rate Information – The line 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 Prime Rate published in the Money Rates section of The Wall Street Journal (if more than one Prime Rate is published, the higher rate shall be used), as most recently published at the beginning of each monthly billing cycle.

The initial rate is not based on the index and margin used for later rate adjustments and will be in effect until the beginning of the second monthly billing cycle.

To determine the annual percentage rate, we apply a margin to the value of the index.

Ask us for the current index value, margin, discount if applicable and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

Rate Changes – The annual percentage rate will change at the beginning of each monthly billing cycle. The maximum **ANNUAL PERCENTAGE RATE** that can apply is **18.0%**.

Other than as disclosed in this paragraph, there are no annual or more frequent periodic limitations on changes in the Annual Percentage Rate.

Maximum Rate and Payment Examples – If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$152.88**. This annual percentage rate could be reached during the **1st** monthly billing cycle of the draw period.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$208.44**. This annual percentage rate could be reached at the start of the **1st** monthly billing cycle of the repayment period.

Historic 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 the last business day in the Index month 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	REPAYMENT PERIOD STARTS	MARCH INDEX RATE	MARGIN – This is a margin we have used recently	*ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
2009	☐	3.25%	-0.26	2.99%	24.58
2010	☐	3.25%	-0.26	2.99%	24.58
2011	☐	3.25%	-0.26	2.99%	24.58
2012	☐	3.25%	-0.26	2.99%	24.51
2013	☐	3.25%	-0.26	2.99%	24.58
2014	☐	3.25%	-0.26	2.99%	24.58
2015	☐	3.25%	-0.26	2.99%	24.58
2016	☐	3.50%	-0.26	3.24%	26.56
2017	☐	4.00%	-0.26	3.74%	30.74
2018	☐	4.75%	-0.26	4.49%	36.90
2019	☒	5.50%	-0.26	5.24%	98.63
2020	☐	3.25%	-0.26	2.99%	78.43
2021	☐	3.25%	-0.26	2.99%	76.86
2022	☐	3.50%	-0.26	3.24%	76.86
2023	☐	8.00%	-0.26	7.74%	102.21

*The Annual Percentage Rate has been adjusted to reflect any applicable interest rate caps.

Prime -0.26
10 Year Draw
15 Year Repay
Discount

HARVARD UNIVERSITY EMPLOYEES CREDIT UNION

104 Mt. Auburn Street, Cambridge, MA 02138

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

This disclosure contains important information about our 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 **10** years (the "draw period"). During the draw period, payments will be due monthly. Your minimum monthly payment will equal all accrued interest as of the closing date of the billing cycle, plus any amounts past due. **Interest Only Payments -** your minimum monthly payment during the draw period **will not** reduce the amount of principal outstanding on this 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 **15** years (the "repayment period"). During the repayment period, payments will be due monthly. Your minimum monthly payment will be equal to **1/180th** 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.

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 **8.24%**. During that period, you would make **120** monthly payments varying between **$69.98** and **$63.21** followed by **180** monthly payments varying between **$125.15** and **$55.95**.

Fees and Charges – To open and maintain a line of credit, you must pay the following fees to us:

☒ Application Fee	$ N/A	☒ Flood Determination Fee	$ 10.50
☒ Recording Fee	$ 181.00 – 200.00	☒ Credit Report Fee	$ 2.90 – 5.80
☒ Title Examination Fee	$ 160.00 – 200.00	☒ Appraisal Fee **	$ $98.00 - $220.00
☐ Preparation of Legal Documents	$ N/A	☒ Notary Closing Service Fee***	$ $365.00
☐ Title Insurance Policy	$ N/A	TOTAL AMOUNT DUE	$ 817.40 – 1,001.30

Appraisal Fee – If the credit limit is $250,000.00 or more an appraisal fee of $575.00 to $1,000.00 may be charged. If the property is located on Nantucket Island or Martha's Vineyard, the fee may be as much as $1,200.00.

Note - With respect to those closing costs which have been checked above, Lender will waive the payment of such costs by Borrower; provided, however, if Borrower terminates this Agreement and requests a discharge of the mortgage within **24** months from the date of this Agreement. Borrower shall then be obligated to pay Lender the full amount of the waived costs.
**Lender will not waive the payment of the appraisal fees If the credit limit is $250,000.00 or greater.

*** **Notary Closing Service Fee –** only applies to loans not closed at a credit union branch.

Property Insurance – You must carry insurance on the property that secures this line of credit.

Minimum Draw Requirements – There is no minimum credit advance you can receive.

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

Variable Rate Information – The line 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 Prime Rate published in the Money Rates section of The Wall Street Journal (if more than one Prime Rate is published, the higher rate shall be used), as most recently published at the beginning of each monthly billing cycle.

The initial rate is not based on the index and margin used for later rate adjustments and will be in effect until the beginning of the second monthly billing cycle.

To determine the annual percentage rate, we apply a margin to the value of the index.

Ask us for the current index value, margin, discount if applicable and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

Discounted Rate – The initial rate is a Discounted Rate that is not based on the index and margin used for future adjustments. The initial rate will be in effect for the first 12 monthly billing cycles.

Rate Changes – The annual percentage rate will change at the beginning of each monthly billing cycle. The maximum **ANNUAL PERCENTAGE RATE** that can apply is **18.0%**.

Other than as disclosed in this paragraph, there are no annual or more frequent periodic limitations on changes in the Annual Percentage Rate.

Maximum Rate and Payment Examples – If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$152.88**. This annual percentage rate could be reached at the start of the **13th** monthly billing cycle of the draw period.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$208.44**. This annual percentage rate could be reached at the start of the **1st** monthly billing cycle of the repayment period.

Historic 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 the last business day in the Index month 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	REPAYMENT PERIOD STARTS	AUGUST INDEX RATE	MARGIN – This is a margin we have used recently	*ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
2009	☐	3.25%	-0.26	6.99%**	57.45
2010	☐	3.25%	-0.26	2.99%	24.58
2011	☐	3.25%	-0.26	2.99%	24.58
2012	☐	3.25%	-0.26	2.99%	24.51
2013	☐	3.25%	-0.26	2.99%	24.58
2014	☐	3.25%	-0.26	2.99%	24.58
2015	☐	3.25%	-0.26	2.99%	24.58
2016	☐	3.50%	-0.26	3.24%	26.56
2017	☐	4.25%	-0.26	3.99%	32.79
2018	☐	5.00%	-0.26	4.74%	38.96
2019	☒	5.25%	-0.26	4.99%	96.57
2020	☐	3.25%	-0.26	2.99%	78.43
2021	☐	3.25%	-0.26	2.99%	76.86
2022	☐	5.50%	-0.26	5.24%	90.01
2023	☐	8.50%	-0.26	8.24%	105.23

*The Annual Percentage Rate has been adjusted to reflect any applicable interest rate caps.
** The Annual Percentage Rate reflects a Discount we have used recently.

HARVARD UNIVERSITY EMPLOYEES CREDIT UNION

104 Mt. Auburn Street, Cambridge, MA 02138

Prime +1.0
10 Year Draw
15 Year Repay

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

This disclosure contains important information about our 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 **10** years (the "draw period"). During the draw period, payments will be due monthly. Your minimum monthly payment will equal all accrued interest as of the closing date of the billing cycle, plus any amounts past due. **Interest Only Payments -** your minimum monthly payment during the draw period **will not** reduce the amount of principal outstanding on this 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 **15** years (the "repayment period"). During the repayment period, payments will be due monthly. Your minimum monthly payment will be equal **1/180th** 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.

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 **9.00%**. During that period, you would make **120** monthly payments varying between **$76.44** and **$69.04** followed by **180** monthly payments varying between **$131.57** and **$55.98**.

Fees and Charges – To open and maintain a line of credit, you must pay the following fees to us:

☐ Appraisal Fee .... $	☐ Flood Determination Fee .... $
☒ Recording Fee .... $ 181.00 – 205.00	☐ Credit Report Fee .... $
☐ Title Examination Fee .... $	☒ Notary Closing Service Fee*** $ 365.00
☐ Preparation of Legal Documents .... $	☐ ________ $
☐ Title Insurance Policy .... $	TOTAL AMOUNT DUE .... $ 546.00 – 570.00

Note - With respect to those closing costs which have been checked above, Lender will waive the payment of such costs by Borrower; provided, however, if Borrower terminates this Agreement and requests a discharge of the mortgage within **24** months from the date of this Agreement. Borrower shall then be obligated to pay Lender the full amount of the waived costs.

*** **Notary Closing Service Fee –** only applies to loans not closed at a credit union branch.

Property Insurance – You must carry insurance on the property that secures this line of credit.

Minimum Draw Requirements – There is no minimum credit advance you can receive.

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

Variable Rate Information – The line 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 Prime Rate published in the Money Rates section of The Wall Street Journal (if more than one Prime Rate is published, the higher rate shall be used), as most recently published at the beginning of each monthly billing cycle.

The initial rate is not based on the index and margin used for later rate adjustments and will be in effect until the beginning of the second monthly billing cycle.

To determine the annual percentage rate, we apply a margin to the value of the index.

Ask us for the current index value, margin, discount if applicable and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

Rate Changes – The annual percentage rate will change at the beginning of each monthly billing cycle. The maximum **ANNUAL PERCENTAGE RATE** that can apply is **18.0%**.

Other than as disclosed in this paragraph, there are no annual or more frequent periodic limitations on changes in the Annual Percentage Rate.

Maximum Rate and Payment Examples – If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$152.88**. This annual percentage rate could be reached during the **1st** monthly billing cycle of the draw period.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.0%** would be **$208.44**. This annual percentage rate could be reached at the start of the **1st** monthly billing cycle of the repayment period.

Historic 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 the last business day in the Index month 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	REPAYMENT PERIOD STARTS	MARCH INDEX RATE	MARGIN – This is a margin we have used recently	*ANNUAL PERCENTAGE RATE	MINIMUM MONTHLY PAYMENT
2009	☐	3.25%	1.0	4.25%	34.93
2010	☐	3.25%	1.0	4.25%	34.93
2011	☐	3.25%	1.0	4.25%	34.93
2012	☐	3.25%	1.0	4.25%	34.84
2013	☐	3.25%	1.0	4.25%	34.93
2014	☐	3.25%	1.0	4.25%	34.93
2015	☐	3.25%	1.0	4.25%	34.93
2016	☐	3.50%	1.0	4.50%	36.89
2017	☐	4.00%	1.0	5.00%	41.10
2018	☐	4.75%	1.0	5.75%	47.26
2019	☒	5.50%	1.0	6.50%	108.98
2020	☐	3.25%	1.0	4.25%	88.07
2021	☐	3.25%	1.0	4.25%	85.83
2022	☐	3.50%	1.0	4.50%	85.15
2023	☐	8.00%	1.0	9.00%	109.81

*The Annual Percentage Rate has been adjusted to reflect any applicable interest rate caps.