

THIS ADJUSTABLE RATE RIDER is made this 23rd day of February, 1984, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to The First National Bank of S.C. (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 313 Hamby Drive, Mauldin, S.C. 29607

(Property Address)

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note provides for an Initial Rate of Interest of 11.625%. Section 4 of the Note provides for changes in the interest rate and the monthly payments, as follows:

**(A) Change Dates**

The interest rate I will pay may change on the first day of September, 1984, and on that day every six months thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is established monthly. It is the last weekly auction average for the six month United States Treasury bills for the preceding month as made available by the Federal Reserve Board. The most recent Index figure established as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

The first Index figure for this Note is 8.97%.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will determine any change in my rate of interest. The Note Holder will calculate my new interest rate by adding ~~two and five eighths~~ <sup>Two and Five Eighths</sup> percentage points (2.625) to the Current Index. The Note Holder will then round the result of this addition up to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Change Date.

**(D) Payments**

The payment change will occur every three years and will be limited to a 7 1/2% increase of principal and interest at the end of the first three years. There will be no ceiling after any subsequent three year period as to principal and interest increases. Negative amortization may occur but at no time will the outstanding principal balance exceed 125% of the original loan balance. If paying the amount of the monthly payment after any interest rate change would cause the unpaid principal balance to exceed that maximum amount at any time, you must pay instead the full monthly amount as your monthly payment until the next payment Change Date.

**(E) Notice of Changes**

The Note Holder will mail or deliver to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. CHARGES; LIENS**

Uniform Covenant 4 of the Security Instrument is amended to read as follows:

4. Charges; Liens. Borrower shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument; provided, that Borrower shall not be required to discharge any such lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien by, or defend against enforcement of such lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument.

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Security Instrument, Lender shall send Borrower notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of the giving of notice.

**C. NOTICE**

Uniform Covenant 14 of the Security Instrument is amended to read as follows:

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

**D. UNIFORM MORTGAGE; GOVERNING LAW; SEVERABILITY**

Uniform Covenant 15 is amended to read as follows:

15. Uniform Mortgage; Governing Law; Severability. This form of Security Instrument combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

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