

the Lender will calculate the new rate of interest as follows:

- A. The Lender will calculate the amount of the difference, if any, between the Current Index and the initial rate of interest on the Note. If the Current Index is higher than the initial rate of interest, the Lender will add the difference to the initial rate of interest. If the Current Index is lower than the initial rate of interest, the Lender will subtract the difference from the initial rate of interest.

The Lender will add 1.50 percentage points to the current index.

- B. The Lender will round the result of the above calculation to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new rate of interest for the Note.

5. Limit on Interest Rate Change:

A. Change of Monthly Payment: The Lender will determine the new amount of the Borrower's payment that would be sufficient to repay the outstanding principal balance in full on the maturity date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of the Borrower's payment.

B. Effective Date of Change: The new rate of interest will become effective on each Change Date. The Borrower will pay the new amount of the payment beginning on the first payment date after the Change Date and continuing on each payment date until the amount of the payment is changed again or the Borrower has fully repaid the loan.

C. Notice of Change: The Lender will mail or deliver to the Borrower(s) a written notice of any change in the rate of interest and amount of payment at least thirty (30) days before the effective date of any change. The Notice will include information required by law to be given to the Borrower(s) and also the title and telephone number of a person who will answer any questions the Borrower may have regarding the Notice.

D. Maximum and Minimum Interest Rate Limitations (interest rate floor and ceiling): The rate of interest the borrower is required to pay herein shall never be increased over 16.0 % or decreased below 10.0 % during the term of this note.

E. Interest after Maturity: In the event the full balance of this note is not paid at maturity, the Borrower agrees that the