



## HOME EQUITY LINE OF CREDIT LOAN APPLICATION CHECKLIST

Thank you for your interest in a Utah Power Credit Union Home Equity Line of Credit. The following is a checklist of items that should accompany your loan application.

- \_\_\_\_\_ Complete and sign the enclosed application. Clearly mark any debts that are to be paid off with this new loan.
- \_\_\_\_\_ Include copies of your most recent paycheck stubs for a one-month period. If this is a joint application, please include copies for both applicants.
- \_\_\_\_\_ If you are self-employed, have investment income, or earn commissions, please provide copies of the last two years federal income tax returns.
- \_\_\_\_\_ Include a copy of your most recent county tax assessment notice. A recent appraisal may be submitted in lieu of a tax notice.
- \_\_\_\_\_ Complete the homeowner's information sheet.
- \_\_\_\_\_ If the property is in the name of a trust, please provide a copy of the trust.
- \_\_\_\_\_ Sign all copies of the enclosed disclosures.

If you need additional information, please feel free to call LeeAnn at (801) 220-4143.



## HOME EQUITY LINE OF CREDIT LOAN

There are no closing costs.

You must be in title on the home being used as security.

Property can be owner occupied, investment and second homes.

The maximum line of credit is \$150,000.00.

The minimum line of credit is \$5000.00.

No initial advance required, and the minimum subsequent advance is \$500.00.

## VARIABLE INTEREST RATE PROGRAM

*LTV up to 85% = Prime*

*LTV above 85% = Prime plus 1 ½%*

*LTV up to 65% = Prime plus 2% for investment property and second homes.*

## FIXED INTEREST RATE PROGRAM

*LTV up to 85% = Prime plus 1%*

ALL Home Equity loans have a 5-year draw period with a maximum 10-year repayment. During the draw period the interest rate is a variable rate with interest only payments required on the balance owing.

In the FIXED RATE PROGRAM the rate will not be fixed until the credit line is closed or the draw period has ended.

# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

I. TYPE OF MORTGAGE AND TERMS OF LOAN							
Mortgage Applied for:	<input type="checkbox"/>	VA	<input type="checkbox"/>	Conventional	<input type="checkbox"/>	Other (explain):	Agency Case Number
	<input type="checkbox"/>	FHA	<input type="checkbox"/>	USDA/Rural Housing Service			Lender Case Number
Amount	Interest Rate		No. of Months	Amortization Type:	<input type="checkbox"/>	Fixed Rate	<input type="checkbox"/>
\$	%				<input type="checkbox"/>	GPM	Other (explain):
					<input type="checkbox"/>	ARM (type):	

II. PROPERTY INFORMATION AND PURPOSE OF LOAN	
Subject Property Address (street, city, state & ZIP)	No. of Units
Legal Description of Subject Property (attach description if necessary)	Year Built

Purpose of Loan	<input type="checkbox"/>	Purchase	<input type="checkbox"/>	Construction	<input type="checkbox"/>	Other (explain):	Property will be:	<input type="checkbox"/>	Fixed Rate	<input type="checkbox"/>	Other (explain):	
	<input type="checkbox"/>	Refinance	<input type="checkbox"/>	Construction-Permanent			<input type="checkbox"/>	Primary Residence	<input type="checkbox"/>	Secondary Residence	<input type="checkbox"/>	Investment

*Complete this line if construction or construction-permanent loan.*

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	\$	\$	\$	\$	\$

*Complete this line if this is a refinance loan.*

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	<input type="checkbox"/>	made	<input type="checkbox"/>	to be made
	\$	\$		Cost: \$				

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain)		<input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)

Borrower		III. BORROWER INFORMATION				Co-Borrower			
Borrower's Name (include Jr. or Sr. if applicable)				Co-Borrower's Name (include Jr. or Sr. if applicable)					
Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School	Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School		
<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower)		<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower)			
<input type="checkbox"/> Separated		no.	ages	<input type="checkbox"/> Separated		no.	ages		
Present Address (street, city, state, ZIP)				Present Address (street, city, state, ZIP)					
<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.				<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.					
Mailing Address, if different from Present Address				Mailing Address, if different from Present Address					
<i>If residing at present address for less than two years, complete the following:</i>				<i>If residing at present address for less than two years, complete the following:</i>					
Former Address (street, city, state, ZIP)				Former Address (street, city, state, ZIP)					
<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.				<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.					

Borrower		IV. EMPLOYMENT INFORMATION				Co-Borrower	
Name & Address of Employer	<input type="checkbox"/>	Self Employed	Yrs. on this job	Name & Address of Employer	<input type="checkbox"/>	Self Employed	Yrs. on this job
			Yrs. employed in this line of work/profession				Yrs. employed in this line of work/profession
Position/Title/Type of Business	Business Phone (incl. area code)			Position/Title/Type of Business	Business Phone (incl. area code)		

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

Borrower		IV. EMPLOYMENT INFORMATION (cont'd)				Co-Borrower	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)		
		Monthly Income			Monthly Income		
		\$			\$		
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)			
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)		
		Monthly Income			Monthly Income		
		\$			\$		
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)			

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in describe other income," below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>Total</b>	<b>\$</b>	<b>\$</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income

*Notice:* Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed  Jointly  Not Jointly

ASSETS		Cash or Market Value	LIABILITIES		
Description			Name and address of Company	Month Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:	\$			\$ Payment/Months	\$
List checking and savings accounts below					
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$		Acct. no.		
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$		Acct. no.		
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$		Acct. no.		

**VI. ASSETS AND LIABILITIES (cont'd)**

Name and address of Bank, S&L, or Credit Union		Name and address of Company		\$ Payment/Months	\$
Acct. no.	\$				
Stocks & Bonds (Company name/ number & description)	\$	Acct. no.	Name and address of Company	\$ Payment/Months	\$
Life insurance net cash value	\$				
Face amount: \$		Acct. no.			
<b>Subtotal Liquid Assets</b>	<b>\$</b>	Name and address of Company		\$ Payment/Months	\$
Real estate owned (enter market value from schedule of real estate owned)	\$				
Vested interest in retirement fund	\$				
Net worth of business(es) owned (attach financial statement)	\$	Acct. no.	Name and address of Company	\$ Payment/Months	\$
Automobiles owned (make and year)	\$				
Other Assets (itemize)	\$	Acct. no.		\$	
		Alimony/Child Support/Separate Maintenance Payments Owed to:			
		Job-Related Expense (child care, union dues, etc.)		\$	
		<b>Total Monthly Payments</b>		<b>\$</b>	
<b>Total Assets a.</b>	<b>\$</b>	Net Worth (a minus b) ▶	\$	<b>Total Liabilities b.</b>	<b>\$</b>

**Schedule of Real Estate Owned** (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income) ▼	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
		\$	\$	\$	\$	\$	\$
Totals		\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS					
a. Purchase price	\$	<b>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</b>  a. Are there any outstanding judgments against you? b. Have you been declared bankrupt within the past 7 years? c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years? d. Are you a party to a lawsuit? e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment?  (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)		<b>Borrower</b> Yes No		<b>Co-Borrower</b> Yes No	
b. Alterations, improvements, repairs				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Land (if acquired separately)				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Total costs (add items a through h)				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VII. DETAILS OF TRANSACTION (cont'd)		VIII. DECLARATIONS (cont'd)				
j. Subordinate financing		<b>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</b> f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question. g. Are you obligated to pay alimony, child support, or separate maintenance? h. Is any part of the down payment borrowed? i. Are you a co-maker or endorser on a note? ----- j. Are you a U.S. citizen? k. Are you a permanent resident alien? l. <b>Do you intend to occupy the property as your primary residence?</b> If "Yes," complete question m below. m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)?  (2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	Borrower		Co-Borrower	
k. Borrower's closing costs paid by Seller			Yes	No	Yes	No
l. Other Credits (explain)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Loan amount (exclude PMI, MIP, Funding Fee financed)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. PMI, MIP, Funding Fee financed			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. Loan amount (add m & n)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p. Cash from/to Borrower (subtract j, k, l & o from i)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**IX. ACKNOWLEDGEMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

**Right to Receive Copy of Appraisal.** I/we have the right to a copy of the appraisal report used in connection with this application for credit. To obtain a copy, I/we must send Lender a written request at the mailing address Lender has provided. Lender must hear from me/us no later than 90 days after Lender notifies me/us about the action taken on this application, or I/we withdraw this application.

Borrower's Signature	Date	Co-Borrower's Signature	Date
<b>X</b> _____		<b>X</b> _____	

**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b>	<input type="checkbox"/>	I do not wish to furnish this information	<b>CO-BORROWER</b>	<input type="checkbox"/>	I do not wish to furnish this information
<b>Ethnicity:</b>	<input type="checkbox"/>	Hispanic or Latino	<input type="checkbox"/>	<input type="checkbox"/>	Hispanic or Latino
	<input type="checkbox"/>	Not Hispanic or Latino	<input type="checkbox"/>	<input type="checkbox"/>	Not Hispanic or Latino
<b>Race:</b>	<input type="checkbox"/>	American Indian or Alaska Native	<input type="checkbox"/>	<input type="checkbox"/>	American Indian or Alaska Native
	<input type="checkbox"/>	Asian	<input type="checkbox"/>	<input type="checkbox"/>	Asian
	<input type="checkbox"/>	Black or African American	<input type="checkbox"/>	<input type="checkbox"/>	Black or African American
	<input type="checkbox"/>	Native Hawaiian or Other Pacific Islander	<input type="checkbox"/>	<input type="checkbox"/>	Native Hawaiian or Other Pacific Islander
	<input type="checkbox"/>	White	<input type="checkbox"/>	<input type="checkbox"/>	White
<b>Sex:</b>	<input type="checkbox"/>	Female	<input type="checkbox"/>	<input type="checkbox"/>	Female
	<input type="checkbox"/>	Male	<input type="checkbox"/>	<input type="checkbox"/>	Male

<b>To be Completed by Interviewer</b>  This application was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type)	Name and Address of Interviewer's Employer
	Interviewer's Signature      Date	
	Interviewer's Phone Number (incl. area code)	

**CONTINUATION SHEET/RESIDENTIAL LOAN APPLICATION**

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** if Borrower or **C** for Co-Borrower.

Borrower:	Agency Case Number:
Co-Borrower:	Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date
<b>X</b> _____		<b>X</b> _____	

# UTAH POWER CREDIT UNION

1407 West North Temple, Salt Lake City, Utah 84116 (801) 220-4180

## VARIABLE RATE DRAW – FIXED RATE REPAYMENT PLAN

### Early Disclosure and Important Terms of Your Home Equity Secured Loan Program

**RETENTION OF INFORMATION:** This disclosure contains important information about your Utah Power & Light Employees' Credit Union (UP&LECU) Home Equity Secured Line of Credit Loan (the "Plan"). You should read it carefully and keep a copy for your records.

**TAX DEDUCTIBILITY:** You should consult a tax advisor regarding the deductibility of interest and charges for the line.

**AVAILABILITY OF TERMS:** All of the terms described below are subject to change.

**SECURITY INTEREST:** All of the terms described below are subject to change.

#### POSSIBLE ACTIONS:

**Termination and Acceleration:** We can terminate the Plan and require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if any of the following happens:

(a) You commit fraud or make a material misrepresentation at any time in connection with the Plan. This can include, for example, a false statement about your income, assets, liabilities, or any other aspect of your financial condition.

(b) You do not meet the repayment terms of this plan.

(c) Your action or inaction adversely affects the collateral for the Plan or our rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

**Suspension or Reduction.** In addition to any other rights we may have, we can suspend additional extensions of credit or reduce your credit limit during any period in which any of the following are in effect:

(a) The value of your dwelling declines significantly below the dwelling's appraised value for purposes of the Plan. This can include, for example, a decline such that the initial difference between the credit limit and the available equity is reduced by fifty percent and may include a smaller decline depending on the individual circumstances.

(b) We reasonably believe that you will be unable to fulfill your payment obligations under the Plan due to a material change in your financial circumstances.

(c) You are in default under any material obligation of the Plan. We consider all of your obligations to be material. Categories of material obligations include, but are not limited to, the events described above under Termination and Acceleration, obligations to pay fees and charges, obligation and limitations on the receipt of credit advances, obligations concerning maintenance or use of the dwelling or proceeds, obligations to pay and perform the terms of any other deed of trust, mortgage or lease of the dwelling, obligations to notify us and to provide documents or information to us (such as updated financial information), obligations to comply with applicable laws (such as

zoning restrictions), and obligations of any guarantor or comaker. No default will occur until we mail or deliver a notice of default to you, so you can restore your right to credit advances.

(d) We are precluded by government action from imposing the annual percentage rate provided for under the Plan.

(e) The priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of the credit limit.

(f) We have been notified by government authority that continued advances may constitute an unsafe and unsound business practice.

(g) The maximum annual percentage rate under the Plan is reached.

**Change in Terms.** We may make changes to the terms of the Plan if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of the Plan, or if the change is insignificant (such as changes relation to our data processing systems).

**MAXIMUM CREDIT LIMIT:** \$150,000.

**MINIMUM CREDIT LIMIT:** \$5,000.

**INITIAL ADVANCE AMOUNT:** None required.

**SUBSEQUENT ADVANCE AMOUNT:** Minimum subsequent advance is \$500.

**INSURANCE:** Utah Power & Light Employees' Credit Union requires that you maintain hazard insurance on your property during the term of this line of credit. Flood insurance may be required, if in a designated flood area.

**FEES AND CHARGES.** In order to open and maintain an account, you must pay certain fees and charges.

**Lender Fees.** The following fees must be paid to us.

	<u>Amount When Charged</u>	
Points:	0.00	At closing
Loan Fees:	0.00	At closing
Annual Maint. Fee	0.00	At closing

**Other Lender Fees:** If certain activities occur on your account, the following fees will be imposed upon the occurrence of the designated events.

	<u>Amount When Charged</u>	
Fee to Close Account:	400.00	At time your line is closed (Line closed within 24 months).
Cancellation Fee:	200.00	
Reconveyance Fee:	75.00	
Overlimit Charge:	30.00	At the time your credit line balance exceeds your credit limit.
Advances Less Than Minimum:	15.00	At the time of an advance below the required minimum amount
Late Charges:		Payment will be late if it is not received by us within 10 days of the "Payment Due Date" shown on your periodic statement. If

your payment is late we may charge you 5.0% of the payment or \$15.00, whichever is greater.

**Third Party Fees.** You may pay certain fees to third parties such as appraisers, credit reporting firms, and government agencies. These third party fees generally total between 0 and \$450.00. We estimate the breakdown of these as follows:

	<u>Amount</u>
Title Registration:	0.00
Recording:	0.00
Title Insurance:	0.00
Credit Report:	0.00
Appraisal (if required/or requested)	450.00 Maximum Possible.

**Schedule Fee Changes.** OVERLIMIT CHARGE: \$30.00 will be charged each time the line exceeds the credit limit.

CHARGE FOR ADVANCES LESS THAN THE MINIMUM: \$15.00 will be charged for each advance less than \$500.00.

**QUALIFICATION:** You may be required to close your account(s) at any other institution in order to obtain this loan.

**NEGATIVE AMORTIZATION:** Under some circumstances, your payments will not cover the finance charges that accrue and "negative amortization" will occur. Negative amortization will increase the amount that you owe us and reduce your equity in your home.

**FIXED RATE CONVERSION;** The Credit Union offers the option to close the draw period and convert the loan to a fix rate loan. The loan will convert to a fixed rate loan after the five-year draw period. The line of credit is up to 85% of the value of the home.

**MINIMUM PAYMENT REQUIREMENTS:** You can obtain advances of credit during the following period: five years from the date of the plan (the "Draw Period"). After the Draw Period ends, the repayment period will begin. You will no longer be able to obtain credit advances. The length of the repayment period is as follows: ten years from the end of the draw period. Initially, your Regular Payment will equal the amount of your accrued finance charges or \$35.00, whichever is greater. You will make 60 of these payments. Your payments will be due monthly. Thereafter your Regular Payment will be based on an amortization of your balance at the start of the new payment period plus all accrued finance charges as shown below or \$35.00, whichever is greater. Your payments will be due monthly. In calculating the payment amount by amortizing the balance over a certain period we will use the annual percentage rate in effect on the day we calculate your payment.

<b>Range of Balances</b>	<b>Regular Payment Calculation</b>
All Balances	1/120 <sup>th</sup> of your balance at the start of the payment period plus all accrued finance charges

Your "minimum Payment" will be the Regular Payment, plus any amount past due and all other charges. In any event, if your Credit Union Line balance falls below \$35.00, you agree to pay your balance in full.

**MINIMUM PAYMENT EXAMPLE:**

If you made only the minimum payment and took no other credit advances, it would take 15 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 10.00%. Initially, you would make 60 monthly payments of \$83.34. Then you would make 120 monthly payments of \$132.15.

**VARIABLE RATE FEATURE:** The Plans have a variable rate feature. Your **APR** and monthly payment may change quarterly.  
\* The **APR** includes interest only and no other costs.

**The Index.** The variable **ANNUAL PERCENTAGE RATE (APR)** that will apply to your account is determined by adding a margin to the Index. The Index is the prevailing prime rate as disclosed in the Wall Street Journal on the last day of each quarter. The Index is rounded up to the nearest one-quarter of one percent (0.25%) and is computed as of each quarter. If the Index is no longer available, we will choose a new Index and margin. The new Index will have an historical movement substantially similar to the original Index, and the new Index and margin will result in an annual percentage rate that is substantially similar to the rate in effect at the time the original Index becomes unavailable.

Please ask us for the current Index value, margin, discount and annual rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

**FREQUENCY OF ANNUAL PERCENTAGE RATE ADJUSTMENTS.** Your **APR** (annual percentage rate) can change every three months on February 1, May 1, August 1, and November 1 of each year (Change Dates). The maximum **ANNUAL PERCENTAGE RATE** that can apply is eighteen percent (18.00%), and the minimum rate cannot decrease below six percent (6.00%).

**MAXIMUM RATE AND PAYMENT EXAMPLE.**

**Draw Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$150.00. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment.

**Repayment Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$180.19. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment during the repayment period.

**PREPAYMENT.** A fee of \$400.00 will be charged if this line is terminated by the borrower within 24 months of the loan agreement.

**HISTORICAL EXAMPLE:** The example below shows how the annual percentage rate and the minimum payments for a single \$10,000.00 credit advance would have changed based on changes in the Index from 1981 to 1996. The index values are from the following reference period: as of July 31<sup>st</sup>. While only one payment per year is shown, payments may have varied during each year. Different outstanding principal balances could result in different payment amounts. The table assumes that no additional credit advances were taken and that only the minimum payment was made. It does not necessarily indicate how the Index or your payment would change in the future.

**Based on Wall Street Prime Rate and \$10,000.00 Loan  
Index values are from July of Each Year  
Plan One (LTV up to 85%)**

<b>Year</b>	<b>Index</b>	<b>Margin*</b>	<b>APR</b>	<b>Min. Mth Pmt</b>
1987	8.25%	1.00%	9.25%	\$77.08
1988	9.50%	1.00%	10.50%	\$87.50
1989	11.00%	1.00%	12.00%	\$102.00
1990	10.00%	1.00%	11.00%	\$91.66
1991	9.00%	1.00%	10.00%***	\$133.00
-----Draw Period Ends-----Repayment Begins-----				
1992	6.50%	1.00%	10.00%	\$133.00
1992	6.50%	1.00%	10.00%	\$133.00
1993	6.00%	1.00%	10.00%	\$133.00
1994	7.25%	1.00%	10.00%	\$133.00

1995	8.50%	1.00%	10.00%	\$133.00
1996	8.25%	1.00%	10.00%	\$133.00
1997	8.25%	1.00%	10.00%	\$133.00
1998	8.50%	1.00%	10.00%	\$133.00
1999	8.00%	1.00%	10.00%	\$133.00
2000	9.50%	1.00%	10.00%	\$133.00
2001	6.75%	1.00%	10.00%	\$133.00

\*This is a margin we have used recently; you margin can be different.

\*\*This rate reflects the 18.00% rate cap.

\*\*\*This rate reflects your fixed rate repayment period.

I have received a copy of this disclosure and of the booklet entitled "When Your Home is on the Line: What You Should Know About Home Equity Lines of Credit."

**THIS IS NOT A COMMITMENT TO MAKE A LOAN.**

X  
 \_\_\_\_\_  
 Borrower DATE

X  
 \_\_\_\_\_  
 Borrower DATE

# UTAH POWER CREDIT UNION

1407 West North Temple, Salt Lake City, Utah 84116 (801) 220-4180

## VARIABLE RATE REPAYMENT PLAN

### Early Disclosure and Important Terms of Your Home Equity Secured Loan Program

**RETENTION OF INFORMATION:** This disclosure contains important information about your Utah Power & Light Employees' Credit Union (UP&LECU) Home Equity Secured Line of Credit Loan (the "Plan"). You should read it carefully and keep a copy for your records.

**TAX DEDUCTIBILITY:** You should consult a tax advisor regarding the deductibility of interest and charges for the line.

**AVAILABILITY OF TERMS:** All of the terms described below are subject to change.

**SECURITY INTEREST:** All of the terms described below are subject to change.

#### POSSIBLE ACTIONS:

**Termination and Acceleration:** We can terminate the Plan and require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if any of the following happens:

(a) You commit fraud or make a material misrepresentation at any time in connection with the Plan. This can include, for example, a false statement about your income, assets, liabilities, or any other aspect of your financial condition.

(b) You do not meet the repayment terms of this plan.

(c) Your action or inaction adversely affects the collateral for the Plan or our rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

**Suspension or Reduction.** In addition to any other rights we may have, we can suspend additional extensions of credit or reduce your credit limit during any period in which any of the following are in effect:

(a) The value of your dwelling declines significantly below the dwelling's appraised value for purposes of the Plan. This can include, for example, a decline such that the initial difference between the credit limit and the available equity is reduced by fifty percent and may include a smaller decline depending on the individual circumstances.

(b) We reasonably believe that you will be unable to fulfill your payment obligations under the Plan due to a material change in your financial circumstances.

(c) You are in default under any material obligation of the Plan. We consider all of your obligations to be material. Categories of material obligations include, but are not limited to, the events described above under Termination and Acceleration, obligations to pay fees and charges, obligation and limitations on the receipt of credit advances, obligations concerning maintenance or use of the dwelling or proceeds, obligations to pay and perform the terms of any other deed of trust, mortgage or lease of the dwelling, obligations to notify us and to provide documents or information to us (such as updated financial information), obligations to comply with applicable laws (such as

zoning restrictions), and obligations of any guarantor or comaker. No default will occur until we mail or deliver a notice of default to you, so you can restore your right to credit advances.

(d) We are precluded by government action from imposing the annual percentage rate provided for under the Plan.

(e) The priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of the credit limit.

(f) We have been notified by government authority that continued advances may constitute an unsafe and unsound business practice.

(g) The maximum annual percentage rate under the Plan is reached.

**Change in Terms.** We may make changes to the terms of the Plan if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of the Plan, or if the change is insignificant (such as changes relation to our data processing systems).

**MAXIMUM CREDIT LIMIT:** \$150,000.

**MINIMUM CREDIT LIMIT:** \$5,000.

**INITIAL ADVANCE AMOUNT:** None required.

**SUBSEQUENT ADVANCE AMOUNT:** Minimum subsequent advance is \$500.

**INSURANCE:** Utah Power & Light Employees' Credit Union requires that you maintain hazard insurance on your property during the term of this line of credit. Flood insurance may be required, if in a designated flood area.

**FEES AND CHARGES.** In order to open and maintain an account, you must pay certain fees and charges.

**Lender Fees.** The following fees must be paid to us.

	<u>Amount When Charged</u>	
Points:	0.00	At closing
Loan Fees:	0.00	At closing
Annual Maint. Fee	0.00	At closing

**Other Lender Fees:** If certain activities occur on your account, the following fees will be imposed upon the occurrence of the designated events.

	<u>Amount When Charged</u>	
Fee to Close Account:	400.00	At time your line is closed (Line closed within 24 months).
Cancellation Fee:	200.00	
Reconveyance Fee:	75.00	
Overlimit Charge:	30.00	At the time your credit line balance exceeds your credit limit.
Advances Less Than Minimum:	15.00	At the time of an advance below the required minimum amount
Late Charges:		Payment will be late if it is not received by us within 10 days of the "Payment Due Date" shown on your periodic statement. If

your payment is late we may charge you 5.0% of the payment or \$15.00, whichever is greater.

**Third Party Fees.** You may pay certain fees to third parties such as appraisers, credit reporting firms, and government agencies. These third party fees generally total between 0 and \$450.00. We estimate the breakdown of these as follows:

	<u>Amount</u>
Title Registration:	0.00
Recording:	0.00
Title Insurance:	0.00
Credit Report:	0.00
Appraisal (if required/or requested)	450.00 Maximum Possible.

**Schedule Fee Changes.** OVERLIMIT CHARGE: \$30.00 will be charged each time the line exceeds the credit limit.

CHARGE FOR ADVANCES LESS THAN THE MINIMUM: \$15.00 will be charged for each advance less than \$500.00.

**QUALIFICATION:** You may be required to close your account(s) at any other institution in order to obtain this loan.

**PLANS AVAILABLE:** The Credit Union offers two plans for the member to choose from. The two plans are based upon the loan to value ratio (LTV), the amount of the available credit line as a ratio to the value of the home. The method of the valuation of the home shall be determined by the credit union and the cost may be paid by the member. The two plans are as follows:

**Plan One (LTV up to 85%)** – The line of credit is up to 85% of the value of the home.

**Plan Two (LTV above 85% to 100%)** – The line of credit is above 85% of the value of the home.

**Plan Three (LTV up to 65%)** – The line of credit is up to 65% of the value of the home.

**MINIMUM PAYMENT REQUIREMENTS:** You can obtain advances of credit during the following period: five years from the date of the plan (the “Draw Period”). After the Draw Period ends, the repayment period will begin. You will no longer be able to obtain credit advances. The length of the repayment period is as follows: ten years from the end of the draw period. Initially, your Regular Payment will equal the amount of your accrued finance charges or \$35.00, whichever is greater. You will make 60 of these payments. Your payments will be due monthly. Thereafter your Regular Payment will be based on an amortization of your balance at the start of the new payment period plus all accrued finance charges as shown below or \$35.00, whichever is greater. Your payments will be due monthly. In calculating the payment amount by amortizing the balance over a certain period we will use the annual percentage rate in effect on the day we calculate your payment.

**Range of Balances**

All Balances

**Regular Payment Calculation**

1/120<sup>th</sup> of your balance at the start of the payment period plus all accrued finance charges

Your “minimum Payment” will be the Regular Payment, plus any amount past due and all other charges. In any event, if your Credit Union Line balance falls below \$35.00, you agree to pay your balance in full.

**MINIMUM PAYMENT EXAMPLE:**

---

**Plan One (LTV up to 85%)** – If you made only the minimum payment and took no other credit advances, it would take 15 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of **8.500%**. Initially, you would make 60 monthly payments of **\$70.83**. Then you would make 120 monthly payments of **\$124.00**.

**Plan Two (LTV above 85% to 100%)** – If you made only the minimum payment and took no other credit advances, it would take 15 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of **10.000%**. Initially, you would make 60 monthly payments of **\$87.50**. Then you would make 120 monthly payments of **\$133.00**.

**Plan Three (LTV up to 65%)** – If you made only the minimum payment and took no other credit advances, it would take 15 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of **10.500%**. Initially, you would make 60 monthly payments of **\$87.50**. Then you would make 120 monthly payments of **\$135.00**.

**VARIABLE RATE FEATURE:** The Plans have a variable rate feature. Your **APR** and monthly payment may change quarterly.

\* The **APR** includes interest only and no other costs.

**The Index.** The variable **ANNUAL PERCENTAGE RATE (APR)** that will apply to your account is determined by adding a margin to the Index. The Index is the prevailing prime rate as disclosed in the Wall Street Journal on the last day of each quarter. The Index is rounded up to the nearest one-quarter of one percent (0.25%) and is computed as of each quarter. If the Index is no longer available, we will choose a new Index and margin. The new Index will have an historical movement substantially similar to the original Index, and the new Index and margin will result in an annual percentage rate that is substantially similar to the rate in effect at the time the original Index becomes unavailable.

Please ask us for the current Index value, margin, discount and annual rate. After you open a credit line, rate information will be provided on periodic statements that we send you.

**FREQUENCY OF ANNUAL PERCENTAGE RATE ADJUSTMENTS.** Your **APR** (annual percentage rate) can change every three months on February 1, May 1, August 1, and November 1 of each year (Change Dates). The maximum **ANNUAL PERCENTAGE RATE** that can apply is eighteen percent (18.00%), and the minimum rate cannot decrease below six percent (6.00%).

**MAXIMUM RATE AND PAYMENT EXAMPLE.**

**Plan One (LTV up to 85%)**

**Draw Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$150.00. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment.

**Repayment Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$180.19. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment during the repayment period.

**Plan Two (LTV above 85% to 100%)**

**Draw Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$150.00. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment.

**Repayment Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be 180.19. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment during the repayment period.

**Plan Three (LTV up to 65%)**

**Draw Period.** If you had an outstanding balance of \$10,000.00 the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be \$150.00. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment.

**Repayment Period.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.00% would be 180.19. This annual percentage rate could be reached at the time of the 1<sup>st</sup> payment during the repayment period.

**PREPAYMENT.** A fee of \$400.00 will be charged if this line is terminated by the borrower within 24 months of the loan agreement.

**HISTORICAL EXAMPLE:** The example below shows how the annual percentage rate and the minimum payments for a single \$10,000.00 credit advance would have changed based on changes in the Index from 1981 to 1996. The index values are from the following reference period: as of July 31<sup>st</sup>. While only one payment per year is shown, payments may have varied during each year. Different outstanding principal balances could result in different payment amounts. The table assumes that no additional credit advances were taken and that only the minimum payment was made. It does not necessarily indicate how the Index or your payment would change in the future.

**Based on Wall Street Prime Rate and \$10,000.00 Loan**  
**Index values are from July of Each Year**  
**Plan One (LTV up to 85%)**

Year	Index	Margin*	APR	Min. Mth Pmt
1987	8.25%	0.00%	8.25%	\$68.75
1988	9.50%	0.00%	9.50%	\$79.16
1989	11.00%	0.00%	11.00%	\$91.66
1990	10.00%	0.00%	10.00%	\$83.33
1991	9.00%	0.00%	9.00%	\$126.88
-----Draw Period Ends-----Repayment Begins-----				
1992	6.50%	0.00%	6.50%	\$113.55
1993	6.00%	0.00%	6.00%	\$111.03
1994	7.25%	0.00%	7.25%	\$117.41
1995	8.50%	0.00%	8.50%	\$123.99
1996	8.25%	0.00%	8.25%	\$122.66
1997	8.50%	0.00%	8.50%	\$123.99
1998	8.50%	0.00%	8.50%	\$123.99
1999	8.00%	0.00%	8.00%	\$121.33
2000	9.50%	0.00%	9.50%	\$129.40
2001	6.75%	0.00%	6.75%	\$114.83

\*This is a margin we have used recently; your margin may be different.  
 \*\*This rate reflects the 18.00% rate cap.

**Based on Wall Street Prime Rate and \$10,000.00 Loan**  
**Index Values are from July of Each Year**  
**Plan Three (LTV up to 65%)**

Year	Index	Margin*	APR	Min. Mth Pmt
1987	8.25%	2.00%	10.25%	\$85.41
1988	9.50%	2.00%	11.50%	\$91.66
1989	11.00%	2.00%	13.00%	\$108.33
1990	10.00%	2.00%	12.00%	\$100.00
1991	9.00%	2.00%	11.00%	\$91.66
-----Draw Period-----Repayment Begins-----				
1992	6.25%	2.00%	8.50%	\$123.99
1993	6.00%	2.00%	8.00%	\$121.33
1994	7.25%	2.00%	9.25%	\$128.09
1995	8.50%	2.00%	10.50%	\$139.99
1996	8.25%	2.00%	10.25%	\$133.54
1997	8.50%	2.00%	10.50%	\$134.44
1998	8.50%	2.00%	10.50%	\$132.01
1999	8.00%	2.00%	10.00%	\$132.16
2000	9.50%	2.00%	11.50%	\$140.60
2001	6.75%	2.00%	8.75%	\$125.33

\*This is a margin we have used recently; your margin may be different.  
 \*\*This rate reflects the 18.00% rate cap.

**Based on Wall Street Prime Rte and \$10,000.00 Loan**  
**Index Values are from July of Each Year**  
**Plan Two (LTV above 85% to 100%)**

Year	Index	Margin*	APR	Min. Mth Pmt
1987	8.25%	1.50%	9.75%	\$81.25
1988	9.50%	1.50%	11.00%	\$91.66
1989	11.00%	1.50%	12.50%	\$104.16
1990	10.25%	1.50%	11.50%	\$91.66
1991	9.00%	1.50%	10.50%	\$87.50
-----Draw Period-----Repayment Begins-----				
1992	6.50%	1.50%	8.00%	\$121.33
1993	6.00%	1.50%	7.50%	\$118.71
1994	7.25%	1.50%	8.75%	\$125.33
1995	8.50%	1.50%	10.00%	\$132.16
1996	8.25%	1.50%	9.75%	\$130.78
1997	8.50%	1.50%	10.00%	\$132.16
1998	8.50%	1.50%	10.00%	\$132.16
1999	8.60%	1.50%	9.50%	\$129.40
2000	9.50%	1.50%	11.00%	\$137.76
2001	6.75%	1.50%	8.25%	\$122.66

\*This is a margin we have used recently; your margin may be different.  
 \*\*This rate reflects the 18.00% rate cap.

I have received a copy of this disclosure and of the booklet entitled "When Your Home is on the Line: What You Should Know About Home Equity Lines of Credit."

**THIS IS NOT A COMMITMENT TO MAKE A LOAN.**

X  
 Borrower \_\_\_\_\_ DATE

X  
 Borrower \_\_\_\_\_ DATE



**INSURANCE INFORMATION SHEET HOMEOWNER**

Dear Member:

Please provide the following information on your homeowner's insurance. Your cooperation will greatly expedite the process of your loan request:

\_\_\_\_\_  
Member Name

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Address

\_\_\_\_\_  
Name of Agent

\_\_\_\_\_  
Name of Insurance Carrier/Agency

\_\_\_\_\_  
Agents Phone Number

\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Expiration Date

Please keep in mind that once your loan is closed, that you will need to contact your insurance agent and add us on as a lien holder to you mortgage.

Following is our mortgage clause:

Utah Power Credit Union,  
Its Successors and/or Assigns  
1407 West North Temple, 120C  
Salt Lake City, UT 84116

