

**HOME EQUITY LINE OF CREDIT  
EARLY DISCLOSURE**



NMLS Company Identifier: 710383  
NMLS Originator Identifier: 762465

In this disclosure the words "you" and "your" mean the recipient of this disclosure, and the words "we," "us" and "our" mean Blue Foundry Bank, the Lender listed above. "e" means an estimate.

**IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT**

**RETENTION OF INFORMATION.** This disclosure contains important information about our home equity line of credit, Blue Foundry Bank Introductory Rate Home Equity Line of Credit ("Account"). You should read it carefully and keep a copy for your records.

**AVAILABILITY OF TERMS.** All of the terms described 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 you paid to us or anyone else in connection with your application.

**SECURITY INTEREST.** We will take a security interest in your home (collateral). You could lose your home if you do not meet the obligations in your Agreement with us.

**POSSIBLE ACTIONS.** We can terminate your Account and require you to pay us the entire outstanding balance in one payment if: you engage in fraud or material misrepresentation in connection with the Account; or you do not meet the repayment terms; and/or your action or inaction adversely affects the collateral or our rights in the collateral.

We can refuse to make additional extensions of credit or reduce your credit limit if: the value of the dwelling securing the Account declines significantly below its appraised value for purposes of the Account; or we reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances; or you are in default of a material obligation in the Agreement; or government action prevents us from imposing the Annual Percentage Rate provided for or impairs our security interest such that the value of the interest is less than 120 percent of the credit line; or a regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice; and/or the maximum Annual Percentage Rate is reached.

**MINIMUM PAYMENT REQUIREMENTS.** You can obtain advances of credit for 120 months (the "Draw Period"). During the Draw Period, payments will be due monthly. Your minimum periodic payment will be equal to the greater of 0.416% of the outstanding principal balance of your Account plus the accrued interest as of the closing date of each billing statement or \$100.00, unless your unpaid balance is less than the latter amount, in which case your minimum payment will be that amount.

After the Draw Period ends, you will no longer be able to obtain credit advances and must pay the outstanding balance over 240 months (the "Repayment Period"). During the Repayment Period, payments will be due monthly. Your minimum periodic payment during the Repayment Period will be calculated in the same way as it was during the Draw Period.

**BALLOON PAYMENT.** The minimum payment may not fully repay the principal that is outstanding on your Account. At the end of the Repayment Period, you will be required to pay the entire unpaid balance and any outstanding fees or charges in a single balloon payment.

**MINIMUM-PAYMENT EXAMPLE.** If you made only the minimum monthly payments and took no other credit advances, it would take 10.17 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 4.000%. During the Draw Period, you would make 120 monthly payments of \$100.00. During the Repayment Period, you would make 1 monthly payments of \$100.00. This would be followed by one final payment of \$84.24.

**FEES AND CHARGES.** To open and maintain your Account, you must carry insurance on the property securing your Account. There are no other fees and charges associated with this Account.

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

**OTHER PRODUCTS.** If you ask, we will provide you with information on our other available home equity products.

**MINIMUM TRANSACTION REQUIREMENTS.** The minimum initial credit advance for this Account is \$500.00. The minimum ongoing credit advance for this Account is \$500.00.

**VARIABLE RATE FEATURE.** The Account has a variable rate feature. The Annual Percentage Rate (corresponding to the periodic rate) and the minimum payment can change as a result. This Annual Percentage Rate does not include costs other than interest. The Annual Percentage Rate is based on the value of an index. The index is the Wall Street Journal published Prime Rate ("Index") (if published in a range, the highest number in the range will be used) and is published in the Wall Street Journal. To determine the Annual Percentage Rate that will apply to your Account, we subtract a margin from the value of the index. The index value and margin is rounded to the nearest one-eighth of one percentage point (0.125). The initial Annual Percentage Rate is a discount rate -- it is not based on the index used for later rate adjustments. The initial rate will be in effect for 12 months. Ask us for the current index value, margin, discount and Annual Percentage Rate. After you open an Account, rate information will be provided on periodic statements that we furnish to you.

**RATE CHANGES.** The first Annual Percentage Rate change for this Account does not occur with the same frequency as later changes. The first Annual Percentage Rate change for this Account will occur after you have had twelve complete billing cycles at the fixed rate. Thereafter, the Annual Percentage Rate can change monthly. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 15.00%. Apart from this rate cap, there is no limit on the amount by which the rate can change in any one-year period, except that after the expiration of the initial discount period, under no circumstances will the rate ever be less than 4.000% per annum.

**PREFERRED RATE FEATURE.** The initial **ANNUAL PERCENTAGE RATE** is "discounted". It is not based on the index and margin used to make later rate adjustments. During the billing cycle in which the line of credit is originated and the ensuing twelve complete billing cycles of the draw period, your rate will be fixed at the initial discounted APR. After you have had twelve complete billing cycles at the fixed rate, we will determine the above **ANNUAL PERCENTAGE RATE** for the remainder of the Draw Period and for the Repayment Period by subtracting the margin from the index value as explained above in the "Variable Rate Feature". A fixed rate will no longer apply.

**MAXIMUM-RATE AND PAYMENT EXAMPLE.** If the **ANNUAL PERCENTAGE RATE** during the Draw Period equaled the 15.000% maximum and you had an outstanding balance of \$10,000.00, your minimum payment would be \$166.60. The maximum Annual Percentage Rate could be reached the first time your Annual Percentage Rate changes, unless your initial rate is equal to the maximum, in which case it would be reached immediately. If you had an outstanding balance of \$10,000.00 at the beginning of the Repayment Period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 15.000% would be \$166.60. This Annual Percentage Rate could be reached at the beginning of the Repayment Period.

**HISTORICAL EXAMPLE.** The following table 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 over the past 15 years. The index values are from the rate in effect as of the last business day of July 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, 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	Index	Margin*	ANNUAL PERCENTAGE RATE	Minimum Periodic Payment
2005	6.250%	- 1.000%	1.750% ****	\$100.00
2006	8.250%	- 1.000%	7.250%	\$100.00
2007	8.250%	- 1.000%	7.250%	\$100.00
2008	5.000%	- 1.000%	4.000%	\$100.00
2009	3.250%	- 1.000%	4.000% ***	\$100.00
2010	3.250%	- 1.000%	4.000% ***	\$100.00
2011	3.250%	- 1.000%	4.000% ***	\$100.00
2012	3.250%	- 1.000%	4.000% ***	\$100.00
2013	3.250%	- 1.000%	4.000% ***	\$100.00
2014	3.250%	- 1.000%	4.000% ***	\$100.00 <sup>1/</sup> <sub>-</sub>
2015	3.250%	- 1.000%	4.000% ***	\$100.00
2016	3.500%	- 1.000%	4.000% ***	\$0.00
2017	4.250%	- 1.000%	4.000% ***	\$0.00
2018	5.000%	- 1.000%	4.000%	\$0.00
2019	5.500%	- 1.000%	4.500%	\$0.00

\* This is a margin we have used recently.

\*\*\* This rate reflects the lifetime floor.

\*\*\*\* This rate reflects an initial discount we have used recently.

<sup>1/</sup><sub>-</sub> Draw period ends on the 120th month.

**ADDITIONAL PROVISIONS. Early Retirement Fee - \$500.00 - Due if the line is closed at your request within 18 months of origination. Dormancy Fee - \$50.00 - Due if the account remains inactive for a period of 12 consecutive months. Other Lender Fees - If certain activities occur on your line of credit, we will impose certain fees that will be set forth in your Agreement.**

