

BANK STAR

1999 W OSAGE

PACIFIC, MO 63069-1124

Telephone: (636) 271-2265

Fax Number: (636) 271-2376

Web Address: WWW.BANK-STAR.COM

Email Address: www.bank-star.com

Lender

3-3 YEAR ARM

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering.

* This loan program has an adjustable rate feature. This means that your interest rate and payment amount can change.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED

- * Your interest rate will be based on an index plus a margin, rounded to the nearest .125 percent.
- * Your monthly payment will be based on the interest rate, loan balance, and remaining loan term.
- * Your payment will be rounded to the nearest \$0.01.
- * The interest rate will be based on the weekly average yield on United States Treasury securities adjusted to a constant maturity of three years (3 Year Treasury Index) plus our margin, rounded to the nearest .125 percent. Ask us for our current interest rate and margin.
- * Information about the index is published weekly in the Wall Street Journal.
- * Your interest rate will equal the index rate plus margin, rounded to the nearest .125 percent, unless your interest rate "caps" limit the amount of change in the interest rate.

HOW YOUR INTEREST RATE CAN CHANGE

- * Your interest rate can change every 3 years.
- * Your interest rate cannot increase or decrease more than 2.000 percentage point(s) at each adjustment.
- * Your interest rate will never be greater than 11.000 percent.
- * Your interest rate will never be less than 5.000 percent.

HOW YOUR PAYMENT CAN CHANGE

- * Your payment can change every 36 payment(s) based on changes in the interest rate.
- * Your monthly payment may increase or decrease substantially based on changes in the interest rate.
- * You will be notified in writing at least 210, but no more than 240, days before the first payment at the adjusted level is due after the initial interest rate adjustment of the loan. This notice will contain information about the adjustment, including the interest rate, payment amount, and loan balance.
- * You will be notified at least 60, but no more than 120, days before the first payment at the adjusted level is due after any interest rate adjustment resulting in a corresponding payment change. This notice will contain information about the adjustment, including the interest rate, payment amount, and loan balance.
- * For example, on a \$10,000 30-year loan with an initial interest rate of 5.000 in effect in January 2017, the maximum amount that the interest rate can attain under this program is 11.000 percent, and the monthly payment can rise from an initial payment of \$53.68 to a maximum of \$89.31 in the 109th month (9 years, 1 month). To see what your payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount (for example, the monthly payment for a mortgage amount of \$60,000 would be: $\$60,000 / \$10,000 = 6$; $6 \times \$53.68 = \322.08 per month).

This is not a commitment to make a loan.

You hereby acknowledge receipt of this ARM Program Disclosure and a copy of the Consumer Handbook on Adjustable Rate Mortgages on today's date.

Signature Date

Signature Date