

# WATERTOWN SAVINGS BANK

111 CLINTON STREET – WATERTOWN, NY 13601 (315) 788-7100

## HOME EQUITY LINE OF CREDIT MATERIAL OBLIGATIONS

The following is a list of the categories of contract obligations in the Home equity Line of Credit Agreement and Mortgage which we consider to be “Material Obligations” of the Borrower. If, as a Borrower, you default on, or fail to keep, any of these Material Obligations, the Bank will have the right: (1) to prohibit you from obtaining additional advances or (2) to reduce your maximum credit limit.

### LIST OF BORROWER’S MATERIAL OBLIGATIONS

1. To make all payments required under the Agreement and the Mortgage in full on a timely basis;
2. Not to act or to refrain from acting in such a manner that the Bank’s security for advances made under the Agreement or any right in that security is adversely impacted;
3. Not to engage in fraud or to misrepresent any information supplied to the Bank in connection with any phase of the Home Equity Line of Credit;
4. To provide financial information and access to the property which secures the Line of Credit (for purposes of reappraising the Property) as requested by the Bank;
5. Not to assign or transfer any interest Borrower has in the Home Equity Line of Credit, or in the Property which secures it, to anyone without the Bank’s prior written consent;
6. Not to default on any payments or obligations owed under the terms of any prior mortgage or security interest in the Property;
7. Not to request an advance, if the payment of it would cause Borrower’s maximum credit limit to be exceeded;
8. Not to request an advance if the Bank notifies me that by applicable law or regulation it is prohibited from making future advances under the Home Equity Line of Credit;
9. To maintain and use the Property in compliance with all applicable laws, ordinances, and regulation; and
10. To pay all taxes, assessments, fines, or other charges owed in connection with the Property when due.

These Material Obligations are further described in the Agreement and the Mortgage.

### BANK’S SEPARATE RIGHT TO TERMINATE THE AGREEMENT

In addition, if a Borrower defaults on the Material Obligations described in items “1”, “2”, or “3” above, the Bank will have the right to terminate the Agreement and demand immediate payment in full, in a single lump sum, of the entire amount owed under the Agreement and the Mortgage.