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Holder of my election prior to the time that the first monthly payment is due after the respective anniversary date. If I do not choose from the options I have under this Section 5(B) prior to my first two anniversary dates, I will make the payments provided for in 5(A). If, after my second anniversary or for any subsequent anniversary date until, but not including, the twentieth anniversary date, I fail to make an election between the adjustment provided for in 5(A) or the Full Payment Amount, I will pay the Full Payment Amount.

6. CHANGES IN MY UNPAID PRINCIPAL BALANCE

(A) Additions to My Unpaid Principal Balance

Each of my monthly payments could be less than the amount of the interest portion of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current rate of interest in substantially equal payments. If so, each month that the amount of my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the interest portion and will add the difference to my unpaid principal balance. The Note Holder will also add interest on the amount of this difference to my unpaid principal balance each month. The rate of interest on the interest added to principal will be the rate required by Section 2 above.

(B) Reductions in My Unpaid Principal Balance

My monthly payment could be greater than the amount of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current rate of interest in substantially equal payments. If so, the Note Holder will subtract the difference from the unpaid balance of my loan each month until the next Interest Change Date as if I had made a partial prepayment under Section 8 below.

(C) Limit on My Unpaid Principal Balance; required Full Payment Amount

My unpaid principal balance can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal amount I originally borrowed. If my paying the amount of my monthly payment calculated under Section 5 above after any Interest Change Date would cause my unpaid principal balance to exceed that maximum amount at any time, I will instead pay the Full Payment Amount as my monthly payment until the next Payment Change Date.

7. NOTICE OF CHANGES

The Note Holder will mail or deliver to me a notice of any changes in the Full Payment Amount and my monthly payment before the effective date of any change. The notice will include information required by law to be given me.

8. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in a letter that I am doing so.

I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payment only after the first Payment Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

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