THE FIRST NATIONAL BANK OF
LIVINGSTON WESTSIDE OFFICE

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Lender

LAND-FIVE YEAR ARM - FIFTEEN YEAR EXAMPLE

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering. Information on other ARM programs is available upon request.

* 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 base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate (Wall Street Journal U.S. Prime Rate) plus our margin rounded to the nearest .125 percent. Ask us for our current interest rate and margin.
* Information about the index is published 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 5 years.
* Your interest rate cannot increase or decrease more than 2.000 percentage point(s) at each adjustment.
* Your interest rate cannot increase more than 4.000 percentage point(s) above the initial interest rate over the term of the loan.
* Your interest rate will never be less than the initial rate.

HOW YOUR PAYMENT CAN CHANGE

* Your payment can change every 60 payment(s) based on changes in the interest rate.
* You will be notified in writing at least 25 days but no more than 120 days before the due date of a payment at a new level. This notice will contain information about your interest rates, payment amount, and loan balance.

EXAMPLE

The example below shows how your payments would have changed under this ARM program based on actual changes in the index from 1995 to 2009. This does not necessarily indicate how your index will change in the future.

The example is based on the following assumptions:

Amount of Loan:	$10,000.00
Term:	15 years
Payment Adjustment:	Every 60 payment(s)
Interest Adjustment:	Every 5 years
Margin (*):	2.000 percentage point(s)
Caps	
Periodic Interest Rate (increases or decreases):	2.000 percentage point(s) at each adjustment
Lifetime Interest Rate (increases):	4.000 percentage point(s) above the initial interest rate
Lifetime Interest Rate (floor):	Interest rate will never be less than the initial rate
Index:	the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate

YEAR As of the first business day of July	INDEX (%)	MARGIN (%)	INTEREST RATE (%)		MONTHLY PAYMENT ($)	REMAINING BALANCE ($)
1995	9.000	2.000	11.000		113.66	9,722.37
1996	8.250	2.000	11.000		113.66	9,412.60
1997	8.500	2.000	11.000		113.66	9,066.98
1998	8.500	2.000	11.000		113.66	8,681.37
1999	8.000	2.000	11.000		113.66	8,251.13
2000	9.500	2.000	11.500		116.01	7,783.76
2001	6.750	2.000	11.500		116.01	7,259.71
2002	4.750	2.000	11.500		116.01	6,672.14
2003	4.000	2.000	11.500		116.01	6,013.30
2004	4.250	2.000	11.500		116.01	5,274.58
2005	6.250	2.000	11.000	(K)	114.68	4,437.24
2006	8.250	2.000	11.000		114.68	3,502.99
2007	8.250	2.000	11.000		114.68	2,460.63
2008	5.000	2.000	11.000		114.68	1,297.67
2009	3.250	2.000	11.000		114.68	0.00

To see what your payments would have been during that period, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount (for example, in 2009 the monthly payment for a mortgage amount of $60,000 taken out in 1995 would be: $60,000 / $10,000 = 6; 6 x $114.68 = $688.08 per month).

* This is a margin we have used recently; your margin may be different.

(K) This reflects a lifetime floor of 11.000 percent.

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