

**CERTIFICATE OF INSURANCE**  
**Credit Life/Credit Disability**

(Called We)

Within 30 days after you receive this Certificate, you have the right to return the Certificate to the credit union for cancellation and any premium paid by you will be immediately returned.

NOTICE: Coverage will begin when your account has an open balance and will continue, subject to other provisions in this policy, as long as your account has an open balance. No premium will be charged when your account does not have an open balance. Coverage will automatically resume when your account has another open balance, subject to the termination provisions in this policy.

We certify that while we are paid the premiums for the Group Policy by the credit union as they become due, you are insured for the coverage marked in the Schedule, subject to the terms of the Group Policy issued to the credit union.

**BENEFITS**

Benefits are paid to your credit union to pay off or reduce your loan. If the benefits are more than the balance of your loan, the difference will be paid to you if you are living or to the Beneficiary named by you, if any, or to your estate. Our payment will completely discharge our liability to the extent of the payment.

**Death Benefit.** If you die while you are insured for life coverage, we will pay the principal balance of your loan on the date of your death, plus not more than four (4) months unpaid interest on your loan to that date, not to exceed the Maximum Amount of Life Insurance.

**Joint Insured Death Benefit.** If your joint insured dies while insured for life coverage, we will pay on the same basis as above. Only one (1) death benefit, however, is payable under this Certificate.

**Total Disability Insurance Benefit.** If you are insured for disability coverage, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for longer than the period stated in the Schedule. Payment will be calculated beginning with the day shown in the Schedule.

The monthly benefit for each month of your disability to be compensated will be equal to the minimum monthly payment required on your loan on the date you became disabled. For a partial month, each daily benefit will be equal to 1/30th of the monthly benefit. Our monthly benefit payment will not exceed the Maximum Monthly Total Disability Benefit stated in the Schedule.

Our benefit payments will stop on the date:

1. you are not totally disabled any more; or
2. the insured portion of your loan has been repaid or otherwise stops; or
3. the balance of your loan has been paid by a lump sum disability benefit under a credit life insurance policy; or
4. of your death.

**Definition of Total Disability.** During the first 12 consecutive months of disability, Total Disability means that you are: (a) not able to perform the principal duties of your occupation because of a medically determined sickness or accidental bodily injury, and (b) are under the regular care and treatment of a physician (this does not require you to see or be under the care of a physician on a regular basis if it can be shown that you have reached your maximum point of recovery, yet are still disabled under the terms of the contract), and (c) are not engaged in any occupation or activity for substantially equal compensation. After the first 12 months of Total Disability, the definition changes and also means that you are unable to perform the principal duties of any occupation for which you are reasonably qualified by education, training or experience.

If your Total Disability recurs **within** seven (7) days after you have recovered from that period of Total Disability, we will consider this a continuation of that period of Total Disability. However, if your Total Disability recurs **more than** seven (7) days after you have recovered, we will consider it a new period of Total Disability.

**EXCLUSIONS AND RESTRICTIONS**

**Misstated Age.** If you stated you are under the Maximum Age for Insurance stated in the Schedule, but you are not, we will return your premium when we discover this and will not pay any benefits. This applies to disability coverage as well as life coverage on you and your joint insured.

The following Exclusions for life insurance apply also to your joint insured.

1. **Pre-Existing Conditions.** We won't pay a claim for an advance on a loan if you die within six (6) months after the effective date of insurance on the advance and death results directly or indirectly from, or is contributed to by a disease or bodily injury for which you received medical advice, diagnosis or treatment at any time during the six (6) months immediately preceding the effective date of insurance on the advance.
2. **Suicide.** We won't pay a claim for an advance on a loan if you commit suicide within 12 months after the effective date of insurance on the advance. We will, however, refund the premium on the advance.

**The following Exclusions apply to disability insurance.**

**Total Disabilities Not Covered.** We won't pay a claim for any advance on a loan or return your disability insurance premium if your Total Disability:

1. begins within six (6) months after the Effective Date of insurance on the advance and results from any disease or bodily injury for which you received medical advice, diagnosis or treatment at any time within the six (6) month period immediately preceding the Effective Date of insurance on the advance; or
2. is a result of normal pregnancy.

#### **WHEN INSURANCE STOPS**

This insurance automatically stops:

1. on the last day of the month in which we receive your written request to stop the insurance; or if earlier,
2. on the last day of the month in which you withdraw your authorization for the addition of charges for the insurance to your loan; or
3. on the last day of the month during which you reach the Maximum Age for Insurance; or
4. on the date your loan stops; or
5. on the last day of the month in which you are three (3) months delinquent in any payment on your loan; or
6. on the date the Group Policy stops; or
7. when the balance of your loan has been paid by a lump sum disability benefit under a credit life insurance policy; or
8. on the date of your death; or
9. on the date your loan is transferred to a creditor other than the credit union.

#### **WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT**

The Group Policy, the Application for the Group Policy and the attached Member's Application are the complete contract of insurance. All statements made by you are considered to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is signed by you. After two (2) years from the date of insurance, no statement made by you can be used to void this insurance or deny a claim. If you stated that you are older than the Maximum Age for Insurance, or if insurance is issued over the Maximum Amount, and we do not return your premium within 75 days after we receive it, you are insured for the period the premium would purchase regardless of your actual age.

#### **HOW TO FILE A LIFE CLAIM**

We must be given a claim report, a copy of the member's loan records, insurance application/certificate and a certified copy of the death certificate (or other lawful evidence) as proof of a life insurance claim.

#### **HOW TO FILE A TOTAL DISABILITY CLAIM**

You must contact us or your credit union about your Total Disability claim when you are eligible for benefits. Your credit union will provide you with claim forms or you can simply send us written proof of your disability. That proof must show the date and the cause of the Total Disability and how serious it is, and it must be signed by a physician or a chiropractor. The initial proof should be for the initial period of Total Disability, after you have completed the Waiting Period or Elimination Period. After that, we will require proof of your continued disability, from time to time.

You must send proof to us within 90 days after your Total Disability stops. If you cannot send proof to us within 90 days, you must do so as soon as you can. Unless you have been legally incapable of filing proof of Total Disability, we won't accept it if it is filed after one (1) year from the time it should have been filed. You can't start any legal action until 60 days after you send us proof of your Total Disability and you can't start any legal action more than three (3) years after you send the proof.

#### **CONFORMITY WITH STATE STATUTES**

Any part of the Group Policy which, on the Effective Date of the Group Policy, conflicts with the statutes of the state where the Group Policy was delivered is changed to conform to the minimum standards of those statutes.

#### **PHYSICAL EXAMINATION**

We, at our own expense, have the right, and you must allow us the opportunity, to examine your person as often as is reasonably required while a claim is pending.