Consumer

MEMBER’S CHOICE™ BORROWER SECURITY CONTRACT

This contract will be governed by the state law of the Lender’s physical address. MEMBER’S CHOICE™ Borrower Security (referred to as “the program”) is voluntary and not required in order to obtain credit. We will not consider whether or not you elect MEMBER’S CHOICE™ Borrower Security in making our credit decision.

COVERED LOAN

If the Covered Loan is an open-end credit plan, your coverage election applies to all advances under the plan, unless the Loan Number above references a specific advance or subaccount.

OPTIONS

YOU ELECT: (check only one box)

- Classic  • Loss of Life
- Premier  • Loss of Life  • Disability
- • Involuntary Unemployment
- No Protection

Initial X __________

Cost per $100 of the Monthly Outstanding Loan Balance*

- Classic: $0.033
- Premier: $0.281

Estimated Total Fees for Option chosen (Closed-End Only) $ __________

*If the outstanding loan balance is greater than $100,000, the rate will not be applied to the amount that exceeds $100,000.

The program contains certain terms and exclusions. Subject to those terms and conditions, which you should read carefully, you are eligible for the program if you are a borrower on the loan and under age 70 on the effective date of protection.

One important condition to your ability to have your loan payment cancelled/postponed due to Disability and Involuntary Unemployment is that you must be actively working for income 25 hours or more per week when you become disabled or become involuntarily unemployed.

The program protects the first two borrowers listed on the lending agreement.

The protected borrower(s) may not qualify for all benefits.

This contract contains the conditions upon which we will cancel or postpone all or a portion of the interest, daily payment, or protected balance. You, meaning a borrower enrolled in the program, should read this contract carefully and keep it in your files. This contract explains the terms that both you and we agree to follow for the program.

This contract replaces any and all credit insurance policies and/or certificates, similar payment protection plans, and program contracts you previously entered into with respect to the loan.

Your signature below means:

- Your election above will remain in effect, according to the terms of the MEMBER’S CHOICE™ Borrower Security Contract, unless subsequently modified.
- You agree that you have received and thoroughly read the MEMBER’S CHOICE™ Borrower Security Contract.
- You authorize the program fee to be added to your outstanding balance each month.

☐ Subsequent Election

If the election above represents a replacement of credit insurance or similar payment protection or a change in the program for an existing loan, and the cost of the newly elected protection results in increased program fees, you agree to:

☐ increase your loan payment to $ __________ per __________.
☐ make more loan payments of the same amount until what you owe has been repaid.

X  X

BORROWER 1 SIGNATURE  DATE  BORROWER 2 SIGNATURE  DATE

By phone conversation, I hereby represent that the above referenced member has authorized election of the specified coverage(s), indicated above:

DATE  TIME  SIGNATURE OF C.U. EMPLOYEE
If we issued protection under the program due to our own error, and we recognize our error before a protected event occurs, our obligation to you is limited to return of any program fee you paid. If we recognize our error after a protected event occurs, we will provide benefits for the protected event that occurred, and we will terminate the program for any future events as of the date we recognize our error.

We reserve the right to waive any of the requirements described in this contract, at our sole discretion. If we do so, we will not be obligated to waive the same requirements in any other situation and our waiver will not constitute a waiver of any other requirements.

Continued Effectiveness. If any part of this contract is determined to be unenforceable, the rest will remain in effect.

**PROTECTED EVENTS**

A loan is protected according to the terms of this contract if you are enrolled for the specified program protection and you have paid the applicable program fee.

**LOSS OF LIFE**

If you die before the end of the month during which you reach age 70, we will cancel 100% of the Loss of Life amount. For each protected borrower, the Loss of Life amount is the lesser of the protected balance or $100,000.
DISABILITY (Included with Premier)

Disability means that you are:

- unable to engage in the significant duties of your occupation for at least 30 consecutive days; and
- under the regular care and treatment of a physician; and
- not working at any job, or combination of jobs, paying you an income equal to or exceeding 80% of the wages you were earning from your full time employment immediately preceding the date you became disabled.

If you are employed full time when you become disabled before the end of the month during which you reach age 70, we will cancel the daily payment for each day that you are disabled:

- beginning with the 1st day of Disability; and
- for the next 12 months or until the entire protected balance is cancelled, but not more than $12,000 per period of Disability.

IN Voluntary UNEMPLOYMENT (Included with Premier)

Involuntary Unemployment means that for at least 30 consecutive days you are not working at any job, or any combination of jobs for 25 hours or more per week and that you are actively seeking full time employment. Involuntary Unemployment includes honorable discharge from active duty service by the United States Armed Forces. Involuntary Unemployment does not include any annual, regularly scheduled, or seasonal layoff or any period of unemployment that occurs while you are a temporary employee, independent contractor, self-employed, or employed by a joint borrower. It also does not include any retirement, vacation, strike, unionized labor dispute, lockout, sabbatical, family leave, disability, termination due to your willful or criminal misconduct, resignation by agreement with your employer, voluntary furlough, voluntary unemployment or voluntary loss of wages.

If you are employed full time when you become Involuntarily Unemployed, we will cancel the daily payment for each day that you are Involuntarily Unemployed:

- beginning with the 1st day of Involuntary Unemployment or the first day after any severance pay has ceased, whichever comes later; and
- for the next 6 months or until the entire protected balance has been cancelled, but not more than $3,000 per period of Involuntary Unemployment.

For Involuntary Unemployment, we will initially require proof that you have received federal, state, or railroad unemployment benefits for the period of unemployment to determine if you meet the definition of Involuntarily Unemployed. You must provide evidence of your continued Involuntary Unemployment each month by demonstrating your continued registration with a state unemployment office or a recognized employment agency.

NON-PROTECTED EVENTS

An advance is not protected by the program if the event:

- is due to the commission of a felony.
- is caused by or results from an atomic explosion or any other release of nuclear energy (except when used solely for medical treatment).

Additional non-protected events are specified below.

An advance is not protected by Loss of Life protection if the event:

- occurs within the 6 months immediately following the effective date of protection for the advance and is related to a pre-existing condition for which you received advice, diagnosis, or treatment (including medication) within the 6 months immediately preceding the effective date of protection for the advance.
- is the result of a suicide or an intentionally self-inflicted injury that occurs within the 12 months immediately following the effective date of protection for the advance.
- occurs after the end of the month during which you reach age 70.

An advance is not protected by Disability protection if the event:

- occurs within the 6 months immediately following the effective date of protection for the advance and is related to a pre-existing condition for which you received advice, diagnosis, or treatment (including medication) within the 6 months immediately preceding the effective date of protection for the advance.
- is related to a normal pregnancy.
- is due to an intentionally self-inflicted injury.
- occurs after the end of the month during which you reach age 70.

An advance is not protected by Involuntary Unemployment protection if the event:

- occurs within the 6 months immediately following the effective date of protection for the advance.
- is due to an intentionally self-inflicted injury.
- occurs after the end of the month during which you reach age 70.

CONCURRENT PROTECTED EVENTS

If we are canceling the daily payment for one protected event and another protected event occurs:

- the amount cancelled will be applied to the dollar limitation for the first protected event.
- we will not cancel more than the daily payment for any one day.

If two protected borrowers die at the same time, we will cancel the lesser of the protected balance or $200,000.

RECURRENT EVENTS

If you incur a claim for the same type of protected event again within one year after you have recovered or returned to work, we will consider this a continuation of the prior event. For disability, however, this only applies if you are disabled due to the same condition. Any remaining time period available from the earlier protected event will continue beginning with the date of the recurrence. If you incur a claim for the same type of protected event more than one year after recovering or returning to work, we will consider it a new protected event. This provision applies whether you return to work with the same or a different employer.

STATUS OF THE LOAN AFTER A PROTECTED EVENT

During the time it takes to process your claim, you remain responsible for making at least the minimum payment due on the loan by the payment due date. You are responsible for any difference between the minimum payment due on the loan and the amount cancelled or postponed. If you have a valid claim, we will refund the portion of your payment(s) that should have been cancelled or postponed according to the terms of this contract.

Contact us with any questions on the program.