

Payment Protection Plan

**Credit Disability
Credit Life**

Product & Presentation Specialty License Training Program



Associate Member

PLATEAU INSURANCE COMPANY



Credit Insurance Specialty License Training Program

To comply with the training requirements
set forth in the Section 1 (d) of Art. 21.09,
Texas Insurance Code

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Agenda

Credit Life Insurance

Disability Insurance

Offering Credit Insurance

Life Insurance vs. Credit Life Insurance

Introduction

To protect your customer and make sure your **BANK** stays in **COMPLIANCE**, you must offer the Payment Protection Plan 100% of the time to 100% of your customers.

This manual provides information that will enable you to offer the Payment Protection Plan with confidence to 100% of your customers who apply for a loan.

What is Payment Protection Plan?

The Payment Protection Plan is a credit insurance plan that pays off the loan or makes the monthly loan payments in the event of a covered death or disability.

Program Objectives

- Understand Credit Life and Disability Insurance
- Describe features of credit life and disability
- Understand how credit insurance benefits the borrower
- Compare coverage to other life insurance products
- Present the Payment Protection Plan accurately and confidently to your customers
- Respond to commonly asked questions about the Payment Protection Plan
- Understand how to handle objections

Credit Insurance Overview

(Credit Life & Disability)

What is Credit Insurance?

Credit insurance is term insurance that is purchased in conjunction with a consumer credit transaction that pays the insured's covered loan balance in the event of his or her death. You must inform your customer that the purchase of credit related products is not a condition of the extension of credit.

Common Characteristics

- Coverage matches the credit transaction, that is, there is usually coverage for the exact term and amount of the loan.
- The lender is the first beneficiary when the debt is repaid in the event of a claim.
- Any benefits over the amount necessary to repay the debt will be paid to the customer or their beneficiary, if there is no beneficiary designated, the estate.
- A single premium is paid at the inception of the insurance. The premium is financed with the loan.
- The same premium rate is charged to every customer of a financial institution regardless of age, gender or occupation.

Characteristics of Credit Insurance

(Credit Life & Disability)

➤ **Applicant's Statement of Insurability**

Coverage is only available to applicant's that are able to certify the parameters of good health. The health statement does **NOT** include questions relating to **high blood pressure** and **diabetes**. Disability applicants must be working for wages or profit for at least 30 hours or more per week on the effective date of coverage. If the customer cannot sign the good health statement , **DO NOT** issue them the coverage, they are **NOT** eligible.

➤ **Rates and Policy**

Rates and forms are filed with and approved by the Texas Department of Insurance.

➤ **Beneficiary Designation**

The creditor is the first beneficiary. If benefits exceed the amount necessary to pay off the debt, the excess is paid to a named second beneficiary. In the absence of a second named beneficiary, the debtor's estate becomes the beneficiary.

➤ **Terminations and Refunds**

Coverage automatically terminates and the debtor is entitled to a refund of any unearned premiums in the event the loan is prepaid, renewed or refinanced prior to the scheduled date of maturity.

Credit Life General Information

Single & Joint Coverage

Credit life insurance can be offered to one borrower (single coverage) or to the borrower and his or her co-borrower (joint coverage). The policy terminates upon the death of either one of the insured's. If the two borrowers die simultaneously, then only one death benefit is paid. Suicide exclusion only for the first two years of the policy.

Advantage of Joint Coverage

The opportunity for the borrower to purchase joint coverage is a great advantage because there is a savings over the alternative of buying two single life policies.

Types of Credit Life Coverage

The most common types of life coverage include:

- Gross Pay (Covers total of payments)
- Level (The amount of insurance remains constant throughout the loan term)
- Decreasing (The amount of insurance reduces monthly during the loan term)
- Net Pay (Covers the principal, insurance premiums and other loan related fees, **NOT** the unearned interest)

Types of Eligible Loans

- Consumer Loans
- Commercial Loans
 - ✓ The signer must sign as “*John Smith, President and individually*”
 - ✓ Co-Borrowers only if they sign as “*individually*” as well
 - ✓ Must sign the **face of the note**
 - ✓ Credit life **CAN** be purchased with a DBA, Corporation, LLC, etc. as long as we have an individual signing the face of the note acknowledging their liability.
- Agricultural Loans
- Balloon Loans
- Irregular Loans (other than monthly)
- CD Secured Loans (protects the borrower’s CD)

Credit Life Plan Highlights

- Single Premium
- Single Coverage (One Debtor)
- Joint Coverage (Two Debtors)
- Gross Coverage

<u>AGE</u>	<u>GROSS MAXIMUM PER INDIVIDUAL</u>	<u>TERM</u>
18 - 65	\$100,000	120 months

- Maximum Age at Issuance: 65
 - Must Be Under Age 71 at the Scheduled Maturity Date of the Loan
 - No Occupational Limitation
 - Good Health Statement
 - No Physical Examination
- ✓ If a borrower meets the eligibility requirements, their insurance becomes effective as soon as the loan is finalized
 - ✓ NO Health Statement for High Blood Pressure or Diabetes
 - ✓ NO Exclusion for Flight in Non-Scheduled Aircraft

Credit Disability General Information

What Does Credit Disability Insurance Do?

Credit disability insurance pays a portion of the insured's monthly loan payment for each day he or she is totally disabled. Disability may be a result of an accident or illness. Proceeds are payable as 1/30th of the monthly payment (up to the contract limit) for each day the insured is disabled. Disability **DOES NOT** cover the **BALLOON** payment, only the equal monthly installments. Disability cannot be purchased alone, it can only be purchased **WITH** credit life.

Total Disability

Total disability is defined as any physician-documented accident or illness that, for the first 12 months, prevents the insured from working in their normal occupation. For any disability beyond the first 12 months, the insured cannot engage in any occupation for which he or she is reasonably qualified by education, training, or experience.

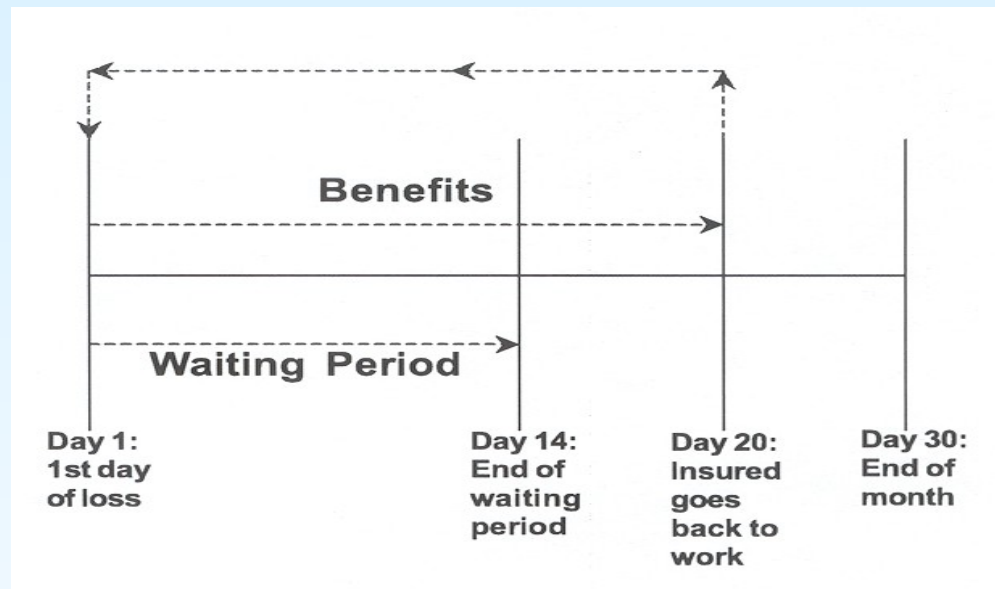
What is Not Covered

Intentionally Self-inflicted Injury; Normal Pregnancy/Childbirth; Pre-existing Condition/Illness (This is an accident or sickness for which the insured receives treatment in the six months immediately preceding the effective date of coverage and causes disability within the first six months of coverage).

Credit Disability Waiting Period

14-Day Retroactive Disability

The retroactive plan provides benefits that are payable from the first day of disability. Once the 14th day of disability has passed, benefits become due and payable from the first day of disability and continue for each consecutive day of disability.



How Proceeds are Paid

Example:

Monthly disability benefit (monthly payment)	= \$ 300
Daily benefit = $\$300/30$	= \$ 10
Benefit payable = 20 days of disability x \$10	= \$ 200

Credit Disability Plan Highlights

- **Single Premium**
 - **Single Coverage (One Debtor)**
 - **Age Limits (18-65)**
 - **Maximum Monthly Benefits Per Individual**
3 – 60 months – \$1,000
61 – 120 months – \$750
 - **Maximum Term: 120 months**
 - **Must Be Under Age 66 on the Scheduled Maturity Date of the Loan**
 - **Must be employed a minimum of 30 hours per week, if Joint Coverage, both must be employed 30 hours per week**
 - **Good Health Statement**
-
- ✓ **If a borrower meets the eligibility requirements, their insurance becomes effective as soon as the loan is finalized**
 - ✓ **NO Health Statement for High Blood Pressure or Diabetes**
 - ✓ **NO Exclusion for Flight in Non-Scheduled Aircraft**

Credit Insurance Benefits

(Credit Life & Disability)

Benefits to the Borrower

- The borrower has a sense of security knowing that his or her loan is covered in the event of a sudden accident or illness, or unexpected death.
- The borrower only pays for what he or she needs. If the loan is paid off early, any unused premium is credited to the payoff amount.
- Many borrowers are under-insured or have no life or disability insurance. They know this, but tend to avoid the task of purchasing more insurance. Since the Payment Protection Plan is an easy and convenient way to meet a portion of their insurance needs, many borrowers choose to enroll.

Benefits to You - The Lender

If the customer suddenly becomes disabled or dies unexpectedly, you have the extra security knowing that the loan obligation may be taken care of.

- Knowing you won't have to call a widow, widower, or disabled borrower and collect on an unpaid balance increases your customer satisfaction.
- The Payment Protection Plan not only helps build customer relationships, but it also provides additional profit for your organization.

Presentation / Compliance

To protect your customer and make sure your **BANK** stays in **COMPLIANCE**, you must offer the Payment Protection Plan 100% of the time to 100% of your customers.

100% Presentation

Presenting the Payment Protection Plan should be as natural as making a loan. Here are a few suggestions for making the Payment Protection Plan a natural tie-in to your loan presentation.

Ask Permission to Ask Questions

When a customer calls or stops by and requests a loan quote, ask the customer the following question:

“May I ask you a few questions first?”

If the customer says, “yes,” follow up with the next question:

Determine the Range of Monthly Payments

“What range of monthly payments are you looking for?”

Quote the Loan Payment

Always quote the loan payment to include the Payment Protection Plan.

Disclose the cost of the plan to the customer up front.

“Mr./Ms. Customer, your monthly payment would be \$_____, is this within the range expected? It includes the principal, interest, (other fees) and also about \$_____ per month for optional Payment Protection. How does that sound?”

“Now let’s see if you qualify for the benefits.”

Questions

After you quote the payment, your customer may have questions about the plan. The following information will help you answer these questions.

Life Insurance vs. Credit Insurance

**Male Non-Tobacco Level Term Rates for Age 30 Compared to Level Term
Credit Life Rates for Ages 18-70 on \$10,000 Level Coverage for Five Years**

AGES	ANNUAL TERM PREMIUM	CREDIT LIFE ANNUAL PREMIUM
30	\$88.80	\$78.80
31	\$90.00	\$78.80
32	\$91.44	\$78.80
33	\$93.12	\$78.80
34	\$95.04	\$78.80
Total	\$458.40	\$394.00

Life Insurance Rates

(Non-Tobacco)

NON-TOBACCO RATES

(Have not used tobacco in last 12 months)

MONTHLY RATES

Issue Age	\$10,000		\$50,000		\$100,000		\$250,000	
	Male	Female	Male	Female	Male	Female	Male	Female
20	7.10	6.60	10.90	9.70	11.50	11.40	18.78	18.55
21	7.10	6.60	10.90	9.70	11.50	11.40	18.78	18.55
22	7.10	6.60	10.90	9.70	11.50	11.40	18.78	18.55
23	7.10	6.60	10.90	9.70	11.50	11.40	18.78	18.55
24	7.10	6.60	10.90	9.70	11.50	11.40	18.78	18.55
25	7.10	6.85	10.90	9.70	11.50	11.40	18.78	18.55
26	7.13	6.91	10.90	9.70	11.50	11.40	18.78	18.55
27	7.18	6.97	10.90	9.70	11.50	11.40	18.78	18.55
28	7.24	7.03	10.90	9.70	11.50	11.40	18.78	18.55
29	7.31	7.11	10.90	9.70	11.50	11.40	18.78	18.55
30	7.40	7.20	10.95	9.70	11.50	11.40	18.78	18.55
31	7.50	7.31	11.05	9.85	11.50	11.40	18.78	18.55
32	7.62	7.44	11.16	10.10	11.50	11.40	18.78	18.55
33	7.76	7.58	11.25	10.35	11.50	11.40	18.78	18.55
34	7.92	7.73	11.50	10.65	11.50	11.40	18.78	18.55
35	8.10	7.90	11.80	11.00	11.50	11.40	18.78	18.55
36	8.31	8.08	10.21	11.40	11.80	11.60	19.38	18.96
37	8.54	8.28	10.63	11.80	10.25	11.80	20.42	19.59
38	8.80	8.49	11.13	10.21	10.67	10.09	21.46	20.21
39	9.09	8.72	11.71	10.63	11.17	10.59	22.71	21.46
40	9.40	8.95	12.34	11.05	11.67	11.34	23.96	23.13
41	9.73	9.18	13.00	11.46	12.25	11.67	25.21	23.96
42	10.07	9.40	13.71	11.88	12.84	12.25	26.25	25.21
43	10.44	9.65	14.50	12.30	13.59	12.67	27.71	26.25
44	10.88	9.94	15.34	12.80	14.25	13.00	29.38	27.30
45	11.40	10.30	16.25	13.34	15.34	13.34	31.05	28.13
46	10.04	10.77	17.21	13.96	16.50	14.00	33.13	28.96
47	10.65	11.32	18.21	14.63	17.84	14.67	35.00	30.00

MONTHLY RATES

Issue Age	\$10,000		\$50,000		\$100,000		\$250,000	
	Male	Female	Male	Female	Male	Female	Male	Female
48	11.30	11.92	19.30	15.34	19.23	15.67	37.50	31.05
49	11.98	10.41	20.46	16.09	20.84	16.92	40.00	32.71
50	12.63	10.84	21.67	16.88	22.75	18.34	42.92	33.96
51	13.25	11.16	22.92	17.71	24.67	19.67	45.84	36.46
52	13.86	11.43	24.17	18.63	26.92	21.00	49.17	39.38
53	14.49	11.68	25.50	19.59	29.34	22.67	52.50	42.30
54	15.14	11.98	27.00	20.55	31.84	24.42	56.67	45.42
55	15.84	12.38	28.78	21.46	34.92	26.25	61.88	48.75
56	16.52	12.86	30.55	22.21	38.34	28.25	67.30	52.30
57	17.17	13.40	32.38	22.80	41.67	30.34	73.55	56.46
58	17.89	14.01	34.50	23.46	45.50	32.75	80.21	61.46
59	18.78	14.70	37.09	24.46	50.04	35.34	88.34	67.30
60	19.92	15.50	40.42	26.05	55.67	37.84	97.71	73.55
61	21.39	16.40	44.50	28.17	62.50	40.34	109.17	80.42
62	23.11	17.39	49.21	30.71	70.34	43.34	121.46	88.75
63	25.00	18.47	54.50	33.67	78.75	46.92	135.42	98.55
64	26.97	19.65	60.34	37.05	87.75	51.34	150.84	109.80
65	28.92	20.96	66.67	40.84	96.84	56.17	168.13	121.88
66	30.86	22.39	73.00	44.96	106.17	60.84	187.30	131.46
67	32.85	23.91	79.34	49.42	115.17	65.50	207.30	141.46
68	34.88	25.55	86.48	54.38	125.17	69.67	229.59	152.09
69	36.96	27.31	95.17	59.92	137.17	72.92	257.30	161.67
70	39.09	29.17	108.25	66.25	152.92	75.42	292.50	170.42
71	45.32	32.47	N/A	N/A	171.34	82.42	332.92	187.30
72	49.09	35.11	N/A	N/A	192.09	91.00	378.75	207.92
73	53.16	37.91	N/A	N/A	215.50	104.17	430.21	234.38
74	57.48	40.88	N/A	N/A	241.42	115.75	486.88	266.46
75	62.00	44.00	N/A	N/A	269.92	131.42	549.17	302.92

Other amounts available on request. Premiums are standard rates based on applicant's age at issuance of policy. Premiums may be paid annually, semi-annually, or by monthly bank draft only. (A no-cost medical exam may be required depending on age, health, or amount of coverage desired). Policies \$10,000, Policy form no CT-P 79D GP-95. Participating. Decreasing Term Policy designed to provide level coverage to age 95. Policies \$50,000, Policy form no. 80-RCT-79D.SST-5, Level Death Benefit Term to age 90. Premiums increase every 5 years until maturity. Policies \$100,000 and above, CE-82 Plus, policy form no 80-RCT-79D, Graded Premium, level death benefit to age 95. Premiums increase annually.

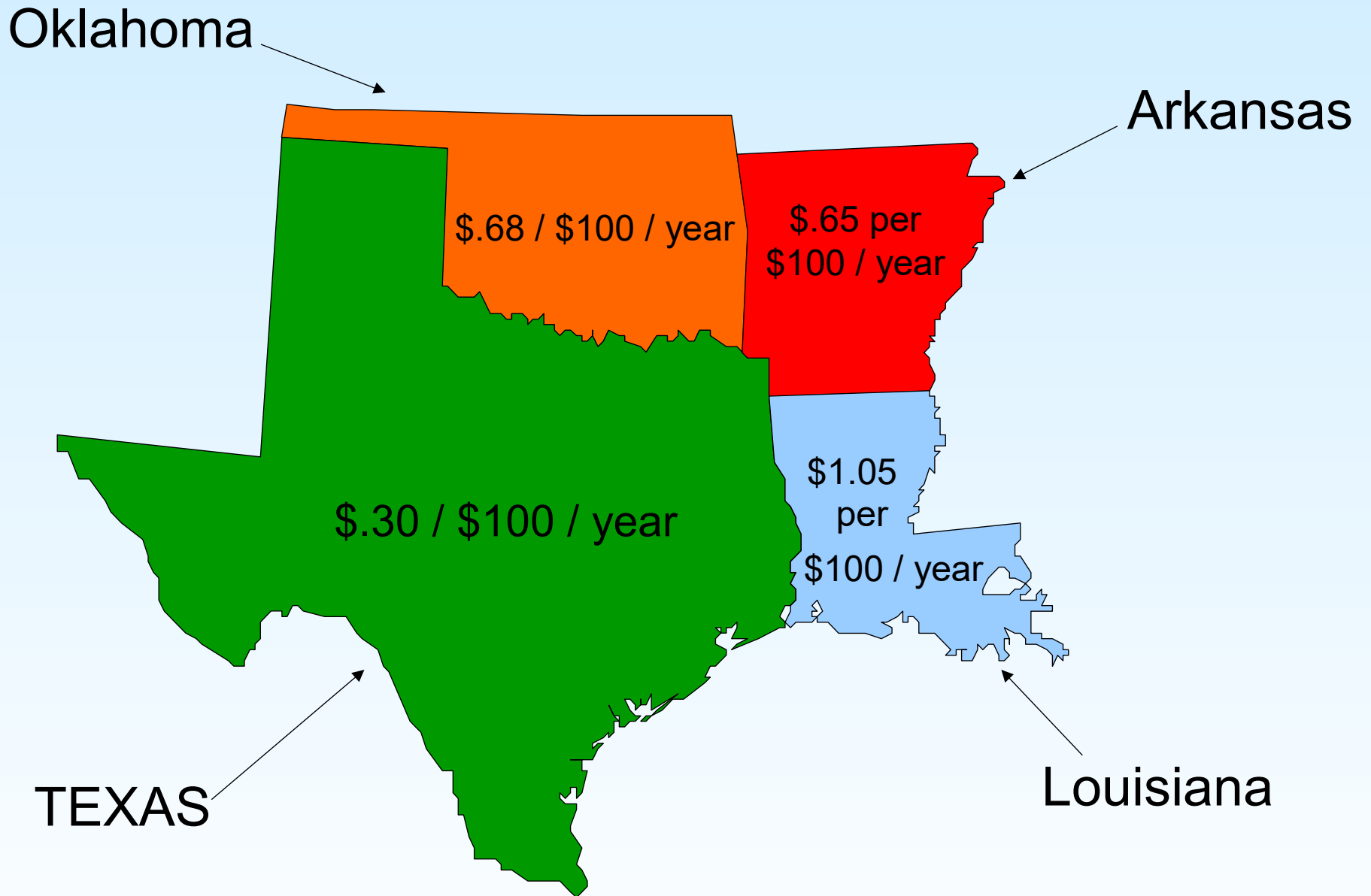
LOAN YIELD ANALYSIS - CREDIT LIFE AND DISABILITY

RATES EFFECTIVE 1/1/06

	<u>NO INSURANCE</u>	<u>SINGLE LIFE</u>	<u>SINGLE WITH A&H</u>	<u>JOINT LIFE</u>	<u>JOINT WITH A&H</u>
PRINCIPAL AMOUNT	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00
INTEREST RATE	8.95%	8.95%	8.95%	8.95%	8.95%
LOAN TERM	60 MONTHS	60 MONTHS	60 MONTHS	60 MONTHS	60 MONTHS
CREDIT LIFE PREMIUM	\$0.00	\$440.90	\$469.17	\$668.43	\$711.88
DISABILITY PREMIUM	\$0.00	\$0.00	\$1,154.73	\$0.00	\$1,169.91
INTEREST INCOME	\$4,392.60	\$4,500.70	\$4,788.90	\$4,555.77	\$4,852.01
TOTAL OF PAYMENTS	\$22,392.60	\$22,941.60	\$24,412.80	\$23,224.20	\$24,733.80
INTEREST INCOME	\$4,392.60	\$4,500.70	\$4,788.90	\$4,555.77	\$4,852.01
CREDIT LIFE INCOME (40%)	\$0.00	\$176.36	\$187.67	\$267.37	\$284.75
DISABILITY INCOME (40%)	\$0.00	\$0.00	\$461.89	\$0.00	\$467.96
TOTAL INCOME	\$4,392.60	\$4,677.06	\$5,438.46	\$4,823.14	\$5,604.72
ADDITIONAL INCOME		\$284.46	\$1,045.86	\$430.54	\$1,212.12
YIELD*****	8.95%	9.49%	10.92%	9.77%	11.23%

*****ADJUSTED YIELD INCLUDES ADDITIONAL INTEREST INCOME FROM PREMIUMS FINANCED

Single Premium Rate Comparison



Life Insurance vs. Credit Life Insurance

Unlike most life insurance policies, the borrower:

- Won't be asked to take a medical exam or disclose health details
- Will have simplified eligibility
- Coverage matches the credit transaction, that is, there is usually coverage for the exact term and amount of the loan.
- The same premium rate is charged to every customer of a financial institution regardless of age, gender or occupation.
- No out of pocket expense, a single premium is paid at the inception of the insurance. The premium is financed with the loan.

Already Have Life Insurance?

It's possible that your borrower already has Life Insurance, so why do they need Credit Insurance?

Your customer may need Credit Life or Credit Disability Insurance if they take out a loan to:

- Purchase a new vehicle
- Consolidate debt

In addition to traditional Term Life Insurance, Credit Life Insurance will:

- Help your customer pay back any unpaid loans if they die or become disabled
- Reduce the financial burden on their family
- Allow additional life insurance benefits to help the family with other outstanding finances that may occur

By having Credit Insurance, your customer is protected from losing their savings or other property if they cannot repay the loan due to death or a disabling accident or illness.

Presentation Tips

What is it?

“Here’s what the plan covers:”

If you die unexpectedly, your covered loan balance is paid.

If you become disabled as a result of an accident or illness, your loan payments will be made for the time you cannot work.

A definition of the terms and a full description of the coverage's are included in the Certificate of Insurance you would receive.”

Does it Affect my Loan Approval?

”Your decision to enroll in the plan does not affect your loan approval or the processing time. This is a voluntary plan we offer as a convenient way to protect your new loan.”

Presentation Tips

Even if your customers do not ask these questions, it's important that you let them know:

- How much Payment Protection costs
- Payment Protection is optional
- Their decision whether to enroll does not affect their loan approval or the loan processing time

Payment Protection is very rarely asked for, to protect your customer and make sure your BANK stays in COMPLIANCE, you **MUST offer the Payment Protection Plan 100% of the time to 100% of your customers.**

Presentation Tips

More Tips

Here are some more tips that will help you present Payment Protection Plan to **EVERY** customer.

Nothing Convinces More Than Conviction

Some lenders feel uncomfortable offering the Payment Protection Plan to every customer. To alleviate this feeling, it's helpful to understand what it is that the Payment Protection Plan does for the customer. This understanding, along with quoting the payment with Payment Protection Plan **EVERY** time, will greatly diminish this feeling of discomfort.

Determine Eligibility Early On

Determine the customer's eligibility as early on in the loan process as possible. If your customer likes it, get the health questionnaire out and say, "Great, let's see if you qualify." Then ask your customer to complete the health questionnaire. You can ask customers to complete the health questionnaire at the same time they are completing the loan application.

Ensure Borrower and Co-Borrower Answer Health Questions

At no time should the health questions be answered by anyone other than the borrower and co-borrower. If the borrower and co-borrower are unable to complete the health questions and sign the Application for Credit Insurance form, do not issue insurance.

Quote Payment Protection Plan With Every Loan Quotation

By quoting the Payment Protection Plan in every payment, you have an automatic way to tell every customer about it.

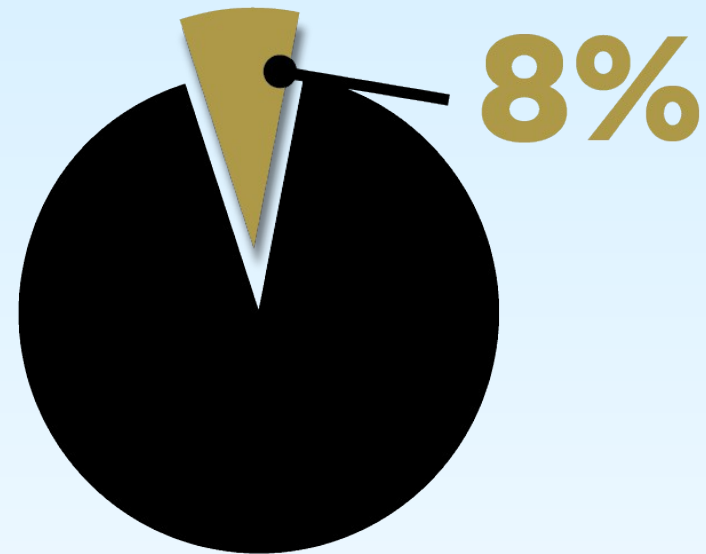
Reasons to Consider Payment Protection

Protects Financial well-being

People plan for marriage, buying a home and retirement, but many don't plan for the unexpected.



**Only eight percent
of U.S. workers
strongly agree
their family will be
financially
prepared in the
event of an
unexpected
emergency.**



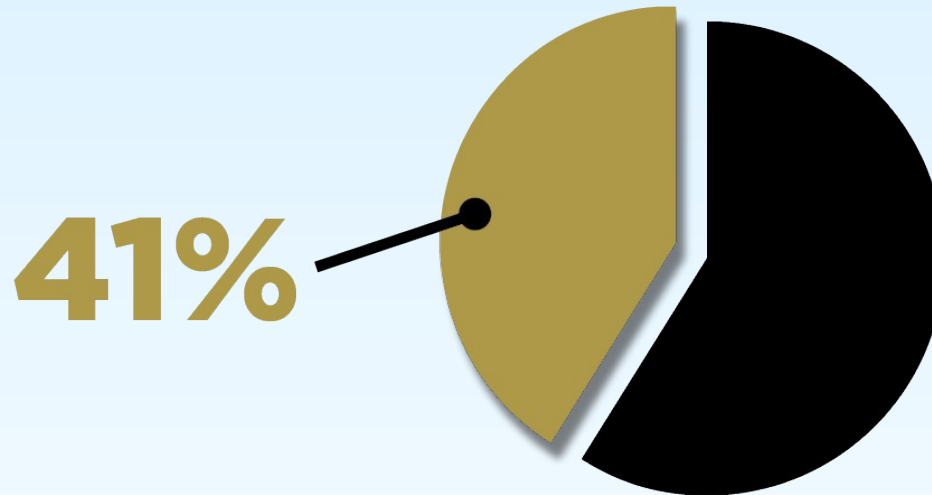
Source: 2012 Aflac Work Forces Report, April 4, 2012.

**Seven in 10 families
with children under 18 would have trouble
paying their bills if their primary wage
earner
died unexpectedly.**



Source: *Household Trends in U.S. Life Insurance Ownership Study*, LIMRA, 2010.

**41 percent of all U.S. adults
have no life insurance at all.**



Source: *Facts About Life 2011, LIMRA Life Insurance Awareness Month, September 2011.*

Approximately 90 percent of disabilities are caused by illnesses rather than accidents.



Source: *Council for Disability Awareness, Long-Term Disability Claims Review, 2011.*

Plateau Insurance Company Credit Life Certificate

PLATEAU INSURANCE COMPANY

Master Policy #:

HOME OFFICE: Crossville, TN 38557-7001 • 800.752.8328 (called We, Us or Our)

Certificate #:

Send all correspondence to our Administrative Office: 110 West Rosamond, Houston, TX 77076 800.275.3414

CREDIT LIFE AND DISABILITY INSURANCE APPLICATION SCHEDULE

Insured Debtor's Name	DOB		Age	Social Security # *	Insured Debtor's Address	
Insured Co-Debtor's Name (Spouse or Business Partner Only)	DOB		Age	Social Security # *		
Account Number	Creditor (First Beneficiary)		Second Beneficiary Name, or <input type="checkbox"/> Estate			
*SOCIAL SECURITY NUMBER IS NOT REQUIRED TO OBTAIN INSURANCE		Periodic Term of Installments:	Monthly <input type="checkbox"/>	Quarterly <input type="checkbox"/>	Semi-Annual <input type="checkbox"/>	Annual <input type="checkbox"/>
TYPE OF LIFE COVERAGE	Insurance Effective Date	Term of Insurance in Months	Insurance Expiration Date	Initial Life Insurance Amount	Life Premium Charge	
<input type="checkbox"/> Single <input type="checkbox"/> Joint						
Decreasing Life				\$	\$	
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>						
Level Life				\$	\$	
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>						
Net Decreasing Life				\$	\$	
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>						
FULL TOTAL DISABILITY COVERAGE						
<input type="checkbox"/> Single <input type="checkbox"/> Joint						
WAITING PERIOD:						
Retroactive <input type="checkbox"/> Non-Retroactive <input type="checkbox"/>					Credit Disability Monthly Benefit	Credit Disability Premium Charge
14-Day <input type="checkbox"/> 30-Day <input type="checkbox"/>					\$	\$
First Payment Date:	Scheduled Loan Payment	Amount Financed	Balloon Amount	APR	Loan Expiration Date	Term of Loan (in mos.)
MAXIMUM ELIGIBLE AGE ON INSURANCE EXPIRATION DATE	MAXIMUM TERM OF CREDIT INSURANCE	MAXIMUM AMOUNT OF CREDIT LIFE INSURANCE	MAXIMUM MONTHLY CREDIT DISABILITY BENEFIT			
Life: 71 Disability 66	120 Months	Ages 18-55: \$ 150,000.00 Ages 56-70: \$ 100,000.00	For terms from 3-60 months: \$ 1,000.00 For terms from 61-120 months: \$ 750.00			

ELIGIBILITY REQUIREMENTS

I certify that I am in good health and that I have not been diagnosed (including medication) by a physician or been a patient in a hospital, within the past 24 months for any disease/disorder of: (a) the heart or circulatory system, edema, or stroke; (b) the lungs or respiratory system (c) the stomach or digestive system, liver, kidney; (d) the brain or neurological/muscular system; (e) cancer or any malignant disease; (f) Acquired Immune Deficiency Syndrome or any AIDS related disease; AND, IF APPLYING FOR TOTAL DISABILITY COVERAGE; (g) disease or injury of bones joints, back, spine, neck or knees; (h) mental or nervous disorders; (i) drug addiction or alcoholism; and (j) am actively at work and able to perform the essential and customary duties of my regular occupation, for one employer, for wages or profit, for the past 12 months for at least 30 hours or more per week.

THIS CREDIT INSURANCE IS VOLUNTARY. YOU CAN CANCEL THIS CREDIT INSURANCE AT ANY TIME. IF YOU ADVISE US TO CANCEL WITHIN 30 DAYS AFTER RECEIPT OF YOUR CERTIFICATE YOUR ENTIRE PREMIUM WILL BE REFUNDED.

By signing below, I state that I have read this Application. I understand that: (1.) no person has the authority to waive, change, or modify this application or the Certificate of Insurance; (2.) any material misrepresentation may be the basis for contesting the Certificate of Insurance or denial of a claim; and (3.) this insurance is not required to obtain credit.

Debtor (First Signer of Contract)	Date	Co-Debtor (Spouse or Business Partner ONLY)	Date
-----------------------------------	------	---	------

Upon acceptance of this insurance by Us and not later than 45 days after the date upon the loan is incurred, We will cause a group certificate of insurance to be delivered to You. If this insurance is not accepted by Us, any insurance charge made for such insurance will be fully refunded. The Creditor will immediately give written notice to You and will promptly make an appropriate credit to Your account.

THIS INSURANCE MAY NOT COMPLETELY PAY OFF YOUR LOAN.

IN THE EVENT OF THE EARLY PAYOFF OF YOUR LOAN, REFER TO THE REFUNDS PROVISION OF YOUR CERTIFICATE FOR IMPORTANT INFORMATION.

IF TRUNCATED COVERAGE IS SELECTED, INSURANCE COVERAGE IS NOT PROVIDED FOR THE FULL TERM OF THE LOAN. BENEFITS ARE PAYABLE ONLY IF THE COVERED LOSS OCCURS DURING THE INSURANCE TERM.

BALLOON PAYMENTS ARE NOT COVERED BY DISABILITY INSURANCE.

DISABILITY RESULTING FROM PRE-EXISTING CONDITIONS WILL NOT BE COVERED DURING THE FIRST SIX MONTHS OF THIS INSURANCE.

THIS APPLICATION IS ATTACHED TO AND BECOMES A PART OF YOUR CERTIFICATE.

PLATEAU INSURANCE COMPANY

HOME OFFICE: Crossville, TN 38557-7001 • 800.752.8328 (called We, Us or Our)

Master Policy #: Certificate #:

Send all correspondence to our Texas Administrative Office: 110 West Rosamond, Houston, TX 77076 800.275.3414

CREDIT LIFE AND DISABILITY INSURANCE APPLICATION SCHEDULE

Insured Debtor's Name	DOB	Age	Social Security # *	Insured Debtor's Address
Insured Co-Debtor's Name (Spouse or Business Partner Only)	DOB	Age	Social Security # *	
Account Number	Creditor (First Beneficiary)	Second Beneficiary Name, or		<input type="checkbox"/> Estate
*SOCIAL SECURITY NUMBER IS NOT REQUIRED TO OBTAIN INSURANCE		Periodic Term of Installments:	Monthly <input type="checkbox"/>	Quarterly <input type="checkbox"/>
TYPE OF LIFE COVERAGE		Insurance Effective Date	Term of Insurance in Months	Insurance Expiration Date
<input type="checkbox"/> Single <input type="checkbox"/> Joint				
Decreasing Life				
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>				
Level Life				
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>				
Net Decreasing Life				
Term of Coverage: Full <input type="checkbox"/> Truncated <input type="checkbox"/>				
FULL TOTAL DISABILITY COVERAGE				
<input type="checkbox"/> Single <input type="checkbox"/> Joint				
WAITING PERIOD:				
Retroactive <input type="checkbox"/> Non-Retroactive <input type="checkbox"/>				
14-Day <input type="checkbox"/> 30-Day <input type="checkbox"/>				
First Payment Date:	Scheduled Loan Payment	Amount Financed	Balloon Amount	APR
MAXIMUM ELIGIBLE AGE ON INSURANCE EXPIRATION DATE		MAXIMUM TERM OF CREDIT INSURANCE		MAXIMUM AMOUNT OF CREDIT LIFE INSURANCE
Life: 71 Disability 66		120 Months		Ages 18-55: \$ 150,000.00 Ages 56-70: \$ 100,000.00
				MAXIMUM MONTHLY CREDIT DISABILITY BENEFIT For terms from 3-60 months: \$ 1,000.00 For terms from 61-120 months: \$ 750.00

CERTIFICATE OF CREDIT INSURANCE – Subject to the Terms and Conditions of the Group Policy READ CAREFULLY – THIS CREDIT INSURANCE MAY NOT COMPLETELY COVER YOUR LOAN YOUR APPLICATION IS ATTACHED TO AND BECOMES A PART OF THIS CERTIFICATE

To make inquiries, obtain information about this Credit Certificate, or request assistance in resolving complaints, contact our Administrative Office at 800.275.3414

THIS INSURANCE IS VOLUNTARY. YOU CAN CANCEL THIS CREDIT INSURANCE AT ANY TIME. IF YOU ADVISE US TO CANCEL WITHIN 30 DAYS AFTER RECEIPT OF YOUR CERTIFICATE YOUR ENTIRE PREMIUM WILL BE REFUNDED.

THIS IS TO CERTIFY that eligible Debtors will be issued coverage as designated in the Schedule, effective on the Insurance Effective Date, for which they: (1.) have requested; (2.) are qualified; and (3.) have paid premiums. TO BE ELIGIBLE, each Debtor must (1.) owe the Loan; (2.) have truthfully signed in person the Application for insurance; (3.) provide satisfactory proof of insurability, if required; and (4.) not exceed the Maximum Eligible Age stated in the Schedule.

MAXIMUM AGE LIMITS:

No Debtor is eligible for Credit Life insurance if he will be age 71 or older on the Insurance Expiration Date. No Debtor is eligible for Credit Disability insurance if he will be age 66 or older on the Insurance Expiration Date.

MISSTATEMENT OF AGE:

Life: For Single coverage. If the Debtor misstated his age and his correct age exceeds the age limit, no insurance will be effective under this Certificate. Our liability is limited to a refund of all insurance premiums paid. For Joint coverage. If either Debtor misstated his age and his correct age exceeds the age limit, We will refund the difference between the Joint Life premiums actually charged, and the premium that should have been charged if single coverage had been issued. Single Life Insurance coverage will continue on the remaining eligible Debtor.

Disability: Single coverage. If the Debtor misstated his age and his correct age exceeds the age limit, no Disability insurance will be effective under the Certificate. Our liability is limited to a refund of the Disability insurance charge.

For All Coverages: If any Debtor correctly states his age as being over the age limit, We must refund the premiums within 90 days from the Insurance Effective Date and prior to a claim. If We do not, the insurance will remain in force.

DEFINITIONS

“Balloon Amount”. The scheduled final payment of the Loan when such final payment is larger than the Scheduled Monthly Payment. This amount may include any residual value in a lease contract. The residual value is insurable only if the lessee is obligated to purchase the leased property at the end of the lease term. If the lessee has the option of purchasing the property or returning it, the residual value is not a debt and cannot be insured.

"Creditor". The lender of money or vendor or lessor of goods, services or property, for which payment is arranged through a credit transaction.

"Debtor". A natural person (i.e., business entities, corporations, partnerships, associations, etc., are not eligible for this insurance) and includes borrowers of money, purchasers or lessees of goods, services or property for which payment is arranged through a credit transaction.

"Insured Debtor". The first signer of the Loan and will be referred to as "Insured Debtor," "Debtor," or "You."

"Insured Co-Debtor". The second signer of the Loan and will be referred to as "Insured Co-Debtor," "Co-Debtor," or "Debtor". The Insured Co-Debtor must be a spouse or business partner, who is jointly and severally liable for the repayment of the loan and is a joint signer of the loan obligation.

"Insurance Effective Date". The date the insurance becomes effective, and is the same as the date the Loan is incurred.

"Loan". The loan obligation to the Creditor to which You and any Co-Debtor agree.

"Amount Financed". The initial principal unpaid balance of the Loan, excluding finance charges.

"Schedule". The above Schedule, and each reference and heading used in the Schedule carries the same meaning throughout this Certificate.

"Sickness". An illness or disease; "Injury". Bodily injury caused by or resulting from an accident.

"Term of Insurance". The number of months for which You are covered under this Certificate, subject to the "WHEN INSURANCE STOPS" provision.

"Term of Loan". The number of months for which You are obligated to the Creditor for the repayment of the Loan.

"Total Disability or "Totally Disabled". Disability which begins while the coverage is in force and results from Sickness or Injury. During the first 12 consecutive months of Total Disability, the Debtor must be unable to perform the essential and customary duties of the occupation he was engaged in at the time of loss. After the first 12 consecutive months of Total Disability, the definition changes and requires that the Debtor be unable to perform the regular duties of any occupation for which he is reasonably qualified by education, training or experience. The Debtor must be under the regular care and attendance of a licensed physician other than himself or a member of his immediate family.

"Truncated Term". When Truncated Term coverage is selected, the term of insurance coverage shown in the Schedule is shorter than the term of the Loan. Insurance will stop on the scheduled Insurance Expiration Date, which may be earlier than the maturity date of the Loan. There will be no insurance coverage beyond the scheduled Insurance Expiration Date.

CREDIT LIFE INSURANCE

AMOUNT OF CREDIT LIFE INSURANCE (Subject to the Maximum Amount of Credit Life Insurance Stated in the Certificate Schedule):
DECREASING TERM CREDIT LIFE:

Gross: If this coverage is in effect, the amount of Credit Life Insurance is the Initial Credit Life Insurance Amount until the due date of the first scheduled payment on the Loan. On the first scheduled payment date and each month thereafter, the Credit Life Insurance benefit decreases by an equal amount at the end of each month. The amount of monthly reduction is determined by dividing the amount of insurance in force during the first month by the number of months in the Term.

Net: If this coverage is in effect, the amount of Credit Life Insurance in force is the Initial Credit Life Insurance Amount until the due date of the first scheduled payment on the Loan. On that date and each month thereafter, the Credit Life Insurance benefit decreases. On each date that the decrease occurs, the benefit will equal the unpaid principal balance of the remaining scheduled Monthly Payments (excluding unearned finance charges), plus up to two past due monthly payments.

Periodic: If this coverage is in effect, the amount of Credit Life Insurance is the Initial Credit Life Insurance Amount until the due date of the first scheduled payment on the Loan. After that, the insurance decreases in equal installments obtained by dividing the amount of insurance in force by the Term of Installments shown in the Schedule.

LEVEL TERM CREDIT LIFE

If this coverage is in effect, the amount of Credit Life Insurance in force is the Initial Insurance Amount stated in the Schedule. This amount stays the same while coverage is in effect.

Combination: If both Decreasing Term Credit Life Insurance and Level Term Credit Life Insurance are in effect, the amount of Credit Life Insurance in force is the sum of the amounts of Credit Life Insurance determined above. This sum must not exceed the Maximum Amount of Credit Life Insurance.

TOTAL AMOUNT OF LIFE INSURANCE: In no event shall the sum of the amount of Decreasing Term Life Insurance and the amount of Level Term Life Insurance exceed the Maximum Life Benefit under each certificate issued under the Policy.

WHAT WE WILL PAY:

Single Credit Life Insurance Benefit: If the Debtor dies while Single Credit Life Insurance is in effect, We will pay the amount of Credit Life Insurance in force at the time of the Debtor's death, upon receipt of due proof of loss. Only one death benefit is payable under this Certificate.

Joint Credit Life Insurance Benefit: If either Debtor dies while Joint Credit Life Insurance is in effect, We will pay, upon receipt of due proof of loss, the amount of Credit Life Insurance in force at the time of death of the first to die. Only one death benefit is payable under this Certificate.

WHAT WE WILL NOT PAY:

If, within two years of the Insurance Effective Date, the Debtor's death results from suicide, while sane or insane, Our liability will be limited to an amount equal to all Credit Life Insurance premium paid plus any unearned Credit Disability premium as of the date of death. All coverage under this certificate will stop on the date of death.

If Joint Credit Life is elected and if, within two years of the Insurance Effective Date, either Debtor's death results from suicide, while sane or insane, Our liability will be limited to an amount equal to the difference between the premium actually charged, and the premium that should have been charged if single coverage had been issued on the remaining eligible debtor. All coverage on the surviving Debtor will remain in force.

TOTAL DISABILITY CREDIT INSURANCE Available to Insured Debtor or Insured Co-Debtor

AMOUNT OF CREDIT DISABILITY INSURANCE (Subject to the Maximum Monthly Credit Disability Benefit Stated in the Certificate Schedule): Credit Disability Benefit: If this coverage is in effect, the amount of the Total Disability Credit Benefit will be the lesser of the Maximum Monthly Credit Disability Benefit shown in the Schedule or the scheduled Monthly Benefit. Upon receipt of notice and due proof of loss, We will pay a Credit Disability Benefit for each calendar month of incurred Total Disability. Benefits for less than a calendar month will be calculated at 1/30th of the

Credit Disability Benefit for each day of covered disability. Non-Retroactive Disability Benefits will be calculated from the day after completion of the Waiting Period shown in the Schedule.

WHAT WE WILL PAY:

Single Total Disability Benefit: If You become disabled while Single Total Disability Credit Insurance is in effect, coverage is provided on You only. Upon Your total disability, We will pay the amount of the Credit Disability Monthly Benefit insured under this Certificate.

Joint Total Disability Benefit: If the Debtor or the Co-Debtor becomes disabled while Joint Total Disability Credit Insurance is in effect, coverage is provided on both the Debtor and the Co-Debtor. Upon the total disability of either the Debtor or the insured Co-Debtor, we will pay the amount of the Credit Disability Monthly Benefit insured under the Certificate. If both Debtors are disabled at the same time, we will pay the amount of the Credit Disability Monthly Benefit insured under the Certificate. Only one disability benefit is payable under the certificate even if both debtors are disabled.

WHAT WE WILL NOT PAY:

Total Credit Disability Not Covered: We will not pay a Credit Disability claim if the Total Disability is caused by or results from:

1. normal pregnancy;
2. elective abortion;
3. intentionally self-inflicted injury;
4. a pre-existing condition. A pre-existing condition is defined as any illness, disease or physical condition for which the Debtor received medical diagnosis or treatment during the six month period immediately before the Insurance Effective Date and which caused the Debtor's Total Disability to commence within the six month period after the Insurance Effective Date. Any subsequent period of disability resulting from such condition that commences or recommences more than 6 months after the Insurance Effective Date will be covered.

RE-ELIGIBILITY: If the Debtor has an occurrence of total disability and returns to full-time employment for at least 30 days in a row, a new occurrence of disability for the same cause will be considered as a new claim, and the Debtor must satisfy the waiting period. If the Debtor has an occurrence of total disability and returns to full-time employment for less than 30 days in a row, a new occurrence of disability for the same cause will be considered a continuation of the prior claim, and no new waiting period must be satisfied. If the Debtor has a new occurrence of disability that is unrelated to any previous disability, it will be considered a new claim, and a new Waiting Period must be satisfied.

WHEN CREDIT DISABILITY BENEFITS END:

Credit Disability Benefits end on the first to occur of the following:

1. when the Debtor is no longer Totally Disabled; or
2. when benefits are paid to the scheduled Insurance Expiration Date; or
3. upon payment of a death benefit.

GENERAL PROVISIONS

Amounts Not Covered:

1. Maximums: No insurance coverage will be issued to any Debtor which exceeds the maximums stated in the Schedule or which exceeds the amount of the Loan. Such insurance never takes effect and We will refund any premium paid for it. Insurance on any person insured under the Group Policy, whether insured under one or more certificates shall not exceed the Maximum Amount of Credit Life Insurance or the Maximum Monthly Credit Disability Benefit stated in the Schedule. The excess insurance shall be void, and We will refund any insurance charge to the Debtor for such excess within 90 days and prior to a claim. If We do not, the coverage will remain in force as originally issued.
2. Partial Credit Life Coverage: If the Initial Credit Life Insurance Amount or the Term of Credit Life Insurance is less than the Amount Financed or the Loan Term, the Credit Life Insurance Benefit may not completely pay off the Loan. See "Amount of Credit Life Insurance" Partial Credit Disability Coverage: If the Credit Disability Monthly Benefit is less than the Scheduled Loan Payment, this insurance will not completely cover the Loan. You will be responsible for any uninsured portion of your Scheduled Loan Payment.
4. Loan Increases: This insurance does not cover late charges or any other amount added to the Loan after the Insurance Effective Date.

Incontestability: This Certificate, the attached Application for Insurance, and the Group Policy are the complete contract of insurance. This certificate shall be incontestable after it has been in force for two years during the lifetime of the Debtor, and no statement relating to insurability shall be used to contest the insurance after such two year period, nor unless it is in the signed application for insurance, a copy of which has been provided to the Debtor or his beneficiary. Fraudulent misstatements regarding credit disability which are made by the Debtor may be contested without regard to the two year time limitation. In the absence of fraud, all statements made by the Debtor shall be deemed representations and not warranties.

Rules for Filing a Life Claim: If filing a life claim, send Us a certified copy of the death certificate with a written statement regarding the death. Settlement will be made upon receipt of or not later than two (2) months after receipt of due proof of death and the right of the claimant to the proceeds.

Rules for Filing A Disability Claim:

1. Notice of Claim: If filing a disability claim, written notice of the claim must be furnished within 30 days after the loss occurs or as soon as reasonably possible.
2. Claim Forms: Upon Our receipt of the claimant's written notice of claim, We will send a claim form within 15 days. If We do not send it within 15 days, the claimant can send Us written proof signed by a licensed physician of the Total Disability including the date, cause and seriousness. The insured Debtor is required to give Us written proof of his continuing Total Disability at reasonable intervals.
3. Proofs of Loss: Written proof of loss must be furnished to Us at Our office in case of claim within 90 days after the commencement of the period for which We are liable. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as is reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required. Subject to due written proof of loss, all accrued benefits payable for loss for which the Certificate provides periodic payment shall be paid monthly during the continuance of the period for which we are liable, and any balance remaining unpaid at the termination of such period shall be paid after receipt of due written proof.

Rules for Filing a Claim: Written notice of claim must be furnished within 30 days after the Debtor's loss occurs or as soon as reasonably possible. We will send a claim form within 15 days. If We do not send it within 15 days, the claimant can: (1.) if filing a Credit Life claim, send Us a certified copy of the death certificate with a written statement regarding the death, or (2.) if filing a Credit Disability claim, send Us written proof, signed by a licensed

physician other than the Debtor or a member of the Debtor's immediate family, of the Total Disability including the beginning date, cause and seriousness. The Debtor will be required to give Us written proof of his continuing Total Disability at reasonable intervals.

Proofs of Loss: Written proof of loss must be furnished to Us at Our Home Office in case of claim within 90 days after the commencement of the period for which We are liable. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as is reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

Who We Will Pay: Benefits, to the extent necessary to payoff the unpaid Loan, are payable to the Creditor, its successors, or assigns. Unless otherwise expressly permitted by law, the Creditor shall not require that any benefit be applied to the reduction of any Loan other than the Loan in connection with which the insurance was written. If benefits exceed the balance of the Loan, the difference will be paid by Us, by separate check or draft, to the covered Debtor, if living, or to the designated Second Beneficiary if the covered Debtor is deceased. If Joint Credit Life Insurance is in effect, the amount of the benefit that exceeds the balance of the Loan will be paid to the designated Second Beneficiary or otherwise, to the survivor between the Debtor and the Co-Debtor. If both die within 10 days of each other, the amount of the benefit that exceeds the balance of the Loan will be paid equally to the designated Second Beneficiaries, or to the estates.

When Insurance Stops: The Debtor has the right to cancel this insurance at any time. The Debtor must make a cancellation request in writing to Us or Our Agent in order for it to take effect. If the Debtor notifies the Creditor rather than Us of his desire to cancel this insurance, then the Creditor must provide Us with written notice of cancellation in order for it to take effect. All insurance under this certificate shall terminate on the earliest of the following:

1. the date we receive the Debtors written request to stop the insurance;
2. at the end of the Term of Insurance;
3. the date the covered Loan is paid in full;
4. the date the covered Loan is renewed or refinanced;
5. upon legal repossession of the collateral given as security for the Loan;
6. upon the date the Loan is charged-off by the Creditor;
7. upon the death of the Insured Debtor;
8. upon payment of a death benefit; or
9. the date the covered Loan otherwise stops.

Termination of coverage shall be without prejudice to any claim incurred prior to termination. Once unearned premium has been refunded or paid by Us, this certificate is terminated and cannot be reinstated.

Refunds: If the insurance stops before the scheduled Insurance Expiration Date We will refund any unearned premium. We must receive written notice, within 60 days after the Loan payoff date, from the Creditor. The notice must include the name and address of the Debtor and the payoff date of the Loan. We will issue the refund within 30 days after Our receipt of the required notice. The refund will be issued to the Creditor to reduce or pay off the Loan. Any remainder will be paid to the Debtor. For the purposes of determining months expired, no charge will be made for the first 15 days of a loan month. A full month will be charged for 16 days or more of a loan month. Refunds of less than \$1.00 will not be made. Refunds will be computed as of the date the insurance stops by the Rule of Anticipation method.

If insurance stops due to payment of a death claim, the life premium is fully earned and no refund will be made for life premium. Disability premium, if any, is not fully earned and will be refunded in accordance with the appropriate formula. If a disability claim is in progress at the time the Loan is discharged or otherwise stops, the claim will continue during the originally scheduled term of insurance as if there had been no such discharge of indebtedness. Upon the termination of such continuing claim within the originally scheduled term of insurance, a refund will be made of any then unearned premium. If during a claim for total disability benefits We elect to pay off the Debtors loan, the Disability premium shall be fully earned and any unearned Life premium will be refunded.

To receive a refund or credit of any unearned premium that may be due, the Creditor must give Us written notice of the early payoff of the Loan. Notice must be mailed to Us, within 60 days after the Loan payoff date, to our Administrative Office, 110 West Rosamond, Houston, TX 77076. Notice must include the name and address of the Debtor and the payoff date of the Loan. If the Debtor has any questions on how to obtain a refund, call 800.275.3414. In any claim or action asserted by a Debtor against Us for failure to refund any unearned premium in accordance with this section, We shall be entitled to indemnify from the Creditor who failed to provide the notice.

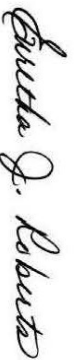
Legal Action: You cannot start any legal action until 60 days after You send Us proof of loss or more than three years after proof of loss is due.

Gender Usage: When a pronoun is used in the male gender (i.e., he, his, him), it is understood to include the female gender, unless indicated otherwise.

Physical Examination and Autopsy: We have the right to examine the Debtor's person at Our expense as often as is reasonably required while a Credit Disability claim is pending. We also may request an autopsy be made at Our expense during the period of contestability if it is not forbidden by law.

Authority: No Agent has the authority to change or amend the provisions or exceed the maximum limits stated in this Certificate.

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 with the minimum standards of those statutes.



Secretary



President

Speed Quote

Loan
parameter
input section

Product selection
and payment
information section.
Shows selected
product, payment,
and product costs

Profitability Section – Shows
the income and loss to the
bank, loan officer, and
secretary

Speed Quote 4.0

Save Quote Search Display Loan Summary Show/Print Quote Print Screen Amortization Setup Exit

Loan Type:
 Loan Purpose:
 Co-Applicant: ☐ Yes ☒ No
 Loan Amount \$
☐ Balloon Amt \$
☐ Monthly Pmt \$
 Int. Rate %
 Term: mo
 Amortized Term: mo
 Days / Year:
 Payment Schedule:
 Loan Date:
 1st Payment Date:
 Insurance Method: ☒ Gross ☐ Net
 Truncated Ins. Term: mo

Product Costs Refund Calculator

Products:	Payment	Daily Cost	Monthly Cost	Total Cost
<input checked="" type="radio"/> Joint Life w/ Joint	\$860.01	\$2.23	\$67.98	\$2,447.11
<input type="radio"/> Joint Life w/ A&H	\$0.00	\$0.00	\$0.00	\$0.00
<input type="radio"/> Single Life w/ A&H	\$832.86	\$1.44	\$43.90	\$1,580.40
<input type="radio"/> Joint Life Only	\$0.00	\$0.00	\$0.00	\$0.00
<input type="radio"/> Single Life Only	\$794.01	\$0.31	\$9.46	\$340.44
<input type="radio"/> No Credit Insurance	\$783.34	---	---	---
<input type="checkbox"/> GAP Insurance	-	\$0.00	\$0.00	\$325.00
<input type="checkbox"/> Vehicle Service Contract	-	-	-	0.00

Monthly Payment **\$860.01**

powered by: **SWRIC**

	Bank		Loan Officer		Processor/Secretary	
	Income	Loss	Income	Loss	Income	Loss
Interest	\$3,513.25	(\$110.69)	---	---	---	---
Credit Insurance	\$978.84	(\$346.68)	\$122.36	(\$43.34)	\$61.18	(\$21.67)
GAP	\$0.00	\$125.00	\$0.00	\$25.00	\$0.00	\$0.00
V.S.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total..	\$4,492.09	(\$332.37)	\$122.36	(\$18.34)	\$61.18	(\$21.67)

Customized for: **Speed Quote**

* Disclaimer: All figures are for quoting purposes only. Actual financing terms and amounts will be determined by bank's loan origination software.

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Loan Summary

Summary of Selected Loan

Amount Financed:	\$27,447.11	Loan Date:	5/30/2014
Interest Rate:	8.0%	1st Payment Date:	6/29/2014
Term:	36	Maturity Date:	5/30/2017
Payment Schedule:	Monthly	# of Payments:	36
Payment Amount:	\$860.01	# of Odd days:	0
Interest Amount:	\$3,513.25		
Insurance Cost:	\$2,447.11		
Total of Payments:	\$30,960.36		

Selected Insurance Coverage: Joint Life w/ Joint A&H

Life Insurance Premium: \$552.33

Disability Insurance Premium: \$1,894.77

OK

LDS

(Lender Data Services)



LENDER DATA SERVICES

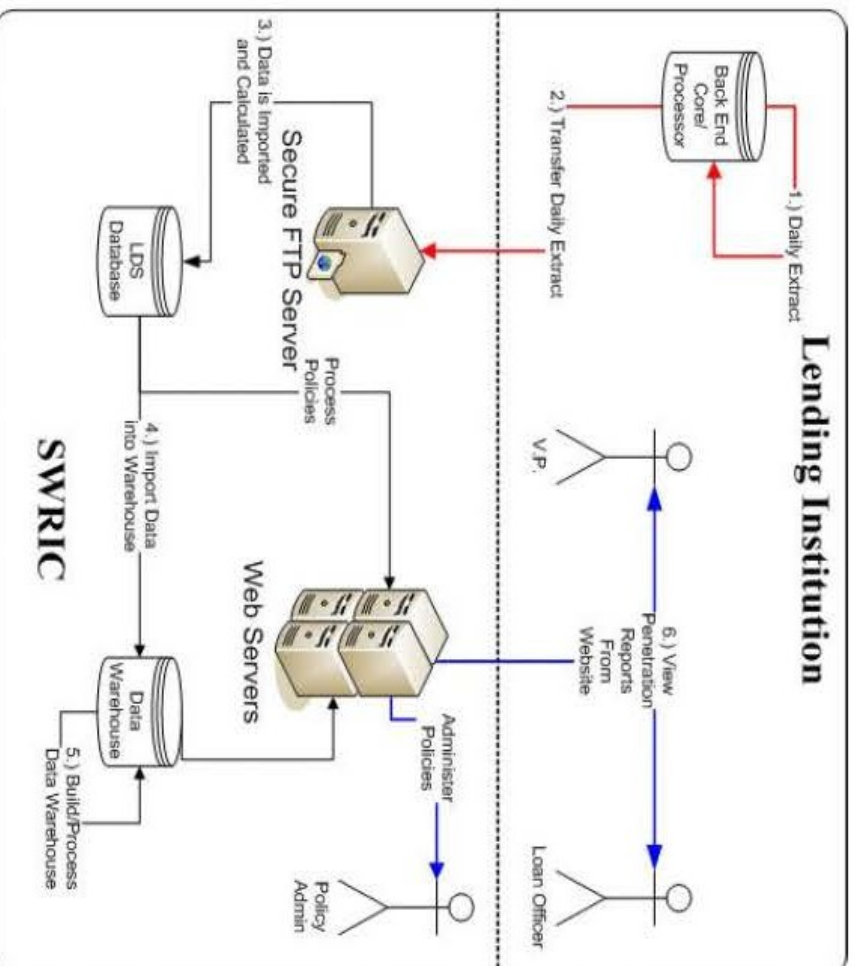
Credit Insurance + LDS = **FULLY AUTOMATED INSURANCE SOLUTION!**

- ✓ Increase Fee Income
- ✓ Increase Employee Productivity
- ✓ Simplify Insurance Processing
- ✓ Accelerate Policy / Refund Reconciliation
- ✓ Manage Loan Officer Production
- ✓ Online Reporting
- ✓ Go Paperless w/ Policy Imaging

Overview...

Bottom-line, we listened... For years financial institutions have been looking for ways to automate their credit insurance. Well look no further. Lender Data Services (LDS) is an automated web based insurance administration solution that allows your financial institution to take full control of its insurance production by providing powerful tools to effectively manage the entire program, increase employee efficiency and reduce administration time. These benefits combined, mean an increase in bottom line profits for your financial institution.

How it works...



What LDS can do for you...

Online Reporting – Gone are the days when your employee had to use double-entry methods to track/report insurance production. We use our web-based platform to serve your institution with reports, automatically, straight from the data stored by your core processor, bypassing the ‘middle man’, and eliminating errors caused in the process. The LDS System can provide your financial institution with real-time production analysis, so that lenders can check their insurance production and adjust accordingly, in order to set and/or meet fee-based income production goals. Our reports are capable of displaying production data on a daily, weekly, or monthly basis, depending on the frequency of data uploading your financial institution decides upon. Also our reports are available 24/7/365 for your viewing/reporting convenience.

- ✓ **Production Report** – Provides management and loan officers with detailed information about their loan/insurance production, at the institution, branch, and loan officer levels. The PR's will also display all the loan officers, regardless of branch, by descending order of insurance production. These reports are exportable to excel and acrobat pdf formats. The excel export feature allows loan officer incentives to be calculated in a matter of minutes, drastically reducing employee time.

C. I. Production Report													
Print Date: 11/29/2005 11:08 PM		Demo Bank											
Process Date: 10/31/2005		October, 2005											
Institution / Branch	Loans	Loan Volume	Certificate Count	Penetration		Premium Volume		Refunds		NET TOTAL			
				Life	A/H	Life	A/H	Life	A/H				
Demo Bank	511	\$10,133,927.08	167	68	32.68%	13.31%	\$33,268.72	\$20,119.23	\$63,377.95	\$14,073.11	\$10,068.90	\$23,245.94	
01 : Branch 01	104	\$1,356,617.79	44	19	42.31%	18.27%	\$5,482.40	\$4,842.83	\$10,325.23	\$2,240.51	\$2,761.77	\$6,222.95	
02 : Branch 02	28	\$261,702.50	7	0	25.00%	0.00%	\$2,942.91	\$0.00	\$2,942.91	\$693.00	\$995.67	\$1,254.24	
03 : Branch 03	38	\$516,774.08	11	8	28.95%	21.05%	\$4,020.69	\$3,705.59	\$7,726.28	\$2,530.50	\$1,744.52	\$3,451.26	
05 : Branch 04	17	\$157,214.22	9	4	52.94%	23.53%	\$997.41	\$470.81	\$1,468.22	\$832.59	\$1,747.53	(\$661.90)	
06 : Branch 05	32	\$803,954.12	12	5	37.50%	15.63%	\$3,435.87	\$2,353.66	\$5,789.52	\$2,143.99	\$254.39	\$3,391.14	
11 : Branch 06	13	\$116,077.53	5	3	38.46%	23.08%	\$228.95	\$959.03	\$923.98	\$578.90	\$239.45	\$5.63	
12 : Branch 07	12	\$262,608.12	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
14 : Branch 08	11	\$113,170.28	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
17 : Branch 09	11	\$463,722.92	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
19 : Branch 10	6	\$796,841.03	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
21 : Branch 11	30	\$319,051.30	6	1	20.00%	3.33%	\$792.29	\$183.56	\$975.85	\$1,511.76	\$16.13	(\$652.06)	
22 : Branch 12	9	\$807,521.83	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
23 : Branch 13	41	\$671,052.27	13	3	31.71%	7.32%	\$3,360.17	\$502.65	\$3,863.02	\$249.25	\$0.00	\$3,613.77	
24 : Branch 14	19	\$1,475,124.82	0	0	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$24.26	\$114.98	(\$139.24)	
25 : Branch 15	11	\$148,520.99	7	4	63.64%	36.36%	\$1,197.33	\$2,079.78	\$3,277.11	\$204.67	\$438.34	\$2,634.10	
GRAND TOTAL												\$23,245.94	

- ✓ **Policy Report** – Generates a detailed list of every policy written during the month. It will also produce a separate report for previous insurance carrier transactions, so that your institution's insurance administrator doesn't have to. These reports can be sorted by note number, customer name, branch, loan officer, effective date, or cancel date, and can be double sorted using the same fields. It will also total each branch's transactions for easy balancing purposes. The policy reports can also be exported to excel or acrobat pdf.

Print Date: 5/1/2006 9:27:57 PM

Process Date: 3/9/2006 10:15:35 PM

Demo Bank

BranchNum

C. I. Policy Report

October, 2005

Note Num	BR	L.O.	Customer	Note Amt	Eff. Date	C/M Date	Term	Cov.	Premium	Refund
120052592	01	007	Customer Name	\$4,178.26	10/3/2005	10/3/2007	24	JAR	\$142.78	\$0.00
120052548	01	053	Customer Name	\$9,953.36	10/3/2005	4/3/2009	42	JRL	\$203.36	\$0.00
120052572	01	053	Customer Name	\$5,556.30	10/3/2005	10/3/2008	36	SRL	\$76.10	\$0.00
120052620	01	006	Customer Name	\$20,037.66	10/3/2005	12/9/2005	2	SLL	\$37.66	\$0.00
120052644	01	061	Customer Name	\$5,268.93	10/3/2005	10/3/2008	36	JAR	\$202.55	\$0.00
120052644	01	053	Customer Name	\$3,038.07	10/4/2005	10/4/2007	24	JRL	\$98.07	\$0.00
120052976	01	007	Customer Name	\$0.00	10/4/2005	10/4/2006	12	JLL	\$301.76	\$0.00
120052992	01	007	Customer Name	\$6,510.52	10/4/2005	10/4/2010	60	SRL	\$142.89	\$0.00
120053052	01	053	Customer Name	\$1,562.53	10/4/2005	10/4/2010	60	JAR	\$310.41	\$0.00
120053180	01	006	Customer Name	\$35,225.90	10/6/2005	4/6/2007	18	JAR	\$47.92	\$0.00
120053284	01	007	Customer Name	\$8,339.62	10/6/2005	10/6/2011	72	SRL	\$977.81	\$0.00
120053516	01	053	Customer Name	\$12,746.97	10/6/2005	4/6/2008	30	JAR	\$507.01	\$0.00
120053764	01	053	Customer Name	\$1,746.97	10/7/2005	4/7/2009	42	SRL	\$191.23	\$0.00
120053764	01	053	Customer Name	\$1,746.97	10/7/2005	4/7/2009	42	JAR	\$527.74	\$0.00
120053764	01	053	Customer Name	\$1,746.60	10/11/2005	10/11/2006	12	SRL	\$6.54	\$0.00

- ✓ **Remittance Reports** – Totals all the premium and refunds generated and automatically nets out the financial institution's earnings, allowing for faster policy remittance. These reports will also separate and total your previous carrier refunds. This report alone reduces employee time by hours if not days.

TO: AMERICAN BANKERS LIFE ASSURANCE COMPANY OF FLORIDA			
Administrative Offices: 11222 Quail Roost Drive, Miami FL 33157 Mail to: 110 West Rosamond, Houston, TX 77076			
REPORT AND REMITTANCE NO. _____		Monday, October 31, 2005	
1. Ending date of the period covered by this report _____			
2. Number of Certificates issued during this period	235		
3. Gross life premiums on certificates issued during this period	LIFE	DISABILITY	
	\$33,258.72		
4. Gross disability premiums on certificates issued during this period		\$20,119.23	
5. Gross amount of premiums returned on certificates cancelled during this period (Executed refund releases attached)	\$1,949.60		
6. Gross amount of disability premiums returned on certificates cancelled during this period (Executed refund releases attached)		\$1,864.91	
7. Gross premiums written during this period less cancellation	\$31,309.12	\$18,254.32	
8. Commission	\$10,958.19	\$6,389.01	
9. Net premium due with this report	\$20,350.93	\$11,865.31	
<p>Demo Bank _____ The enclosed remittance for \$32,216.24 is submitted in connection with the insurance written and/or cancelled as shown above:</p> <p>P.O. Box 123344 _____</p> <p>Terrell, TX 76555 _____</p>			
Gross amount of previous carrier returns during this period		LIFE	DISABILITY
		\$12,123.51	\$8,193.99
Count of certificates returned for previous carriers during this period		164	

- ✓ **Outstanding Policy Report** – An online report that gives the financial institution instant notification of policies / refunds that have not yet been remitted. The OPR will also notify the user of any premium or refund calculation errors. This produces an accuracy never before seen in insurance reporting. The OPR effectively eliminates the 'lost' policy, and/or the refund that was never pulled out of the customer file. This in turn reduces the amount of corrections made during the remitting process and ultimately speeds up the entire reporting process, saving time and money.

Glossary of Terms

A&H

A&H stands for accident and health. Credit disability insurance is also called Credit A&H.

Adjudicate

To make an official decision about who is right in a dispute.

Claimant

A borrower who is covered by a credit insurance policy and who files a claim for a loss that is covered by the policy.

Closed-End Loan

A loan that is for a specified amount and a fixed term. The amount that is borrowed cannot be increased.

Critical Period Disability

Provides for a disability benefit limited to a specified maximum number of monthly payments. For example, a maximum of 12 months per claim occurrence.

Effective Date

The date the insurance coverage begins. It is usually the effective date of the loan.

Gross Pay Life Coverage

Gross pay life (a.k.a., gross note, straight line decreasing, total of payments) coverage is credit life coverage that covers the total of loan payments. That is, principal, interest, insurance premium, and other loan-related fees.

Glossary of Terms

Group Policy

A credit insurance policy that is issued to a lender, where the group is defined as the consumers who obtain loans from that lender. When a borrower enrolls, he or she is enrolled in the group policy and receives a certificate of insurance that shows evidence of insurance.

Installment Loan

A loan that is for a specified amount and a fixed term. The amount that is borrowed cannot be increased and is repayable in equal monthly payments.

Joint Credit Life Insurance

Credit life insurance that insures both the borrower and the co-borrower. If both borrowers die simultaneously, only one death benefit is paid.

Level Term Life Coverage

Level term life coverage provides a level and constant amount of insurance throughout the entire term of the loan. This type of coverage may be written to include the principal, fees, insurance premium, and the interest or any portion of the total note. Level coverage is typically written when there are irregular payments and/or balloon notes. Most states do not permit level coverage to be written on closed-end installment loans.

Line of Credit

A borrowing limit that has been pre-approved by the lender. Monthly outstanding balance coverage (MOB) is generally written on lines of credit. (See also: open-end loan.)

Glossary of Terms

Monthly Outstanding Balance Coverage (MOB)

A credit life and disability benefit that pays the outstanding balance of the loan (or line of credit) on the date of death and pays the minimum monthly payment (up to the contract limit) in the event of disability. Monthly premiums (usually an amount per \$100 or \$1,000 per month of the outstanding balance) are charged for the insurance.

Net Pay Life Coverage

Net pay (a.k.a., net payoff and net decreasing) coverage is credit life coverage that covers the net balance of the loan. That is, principal, insurance premium, and other loan-related fees but not the unearned interest. If the insured dies, the insurance benefit should be equal to the net loan balance that is due to the creditor. This type of coverage follows a specific amortization schedule for the term of the loan.

Open-End Loan

A loan which may increase in amount at any time. The term of the loan is not fixed. The borrower makes monthly payments for any amount from the lender's required minimum payment up to the outstanding balance of the loan. (See also: line of credit.)

Penetration Rate

A rate that reflects the percentage of eligible borrowers who enroll in credit insurance.

Pre-existing Condition

A condition (either accident or sickness) that the insured receives treatment or is diagnosed for in the six months immediately preceding the effective date of the coverage and causes disability in the six months following the effective date.

Glossary of Terms

Premium

The amount paid for the specified insurance coverage.

Principal

(As in “loan principal.”) The cash that is advanced to the borrower or the part of the product’s purchase price that is being financed. Other portions of the loan may include interest and other fees.

Retroactive Waiting Period

A type of waiting period in which an insured must wait the specified number of days before receiving benefits. Once that waiting period is over, benefits are payable back to the first day of loss.

Single Premium

A premium that is charged only once at the inception of the insurance coverage.

Six & Six Preexisting Condition

A preexisting condition exclusion for disabilities. A disability is not covered if the insured becomes disabled from a preexisting condition within six months after the effective date if any treatment and/or diagnosis for that preexisting condition occurred within six months prior to the effective date.

Truncated Coverage

Truncated life coverage is written to insure the first portion of the loan. It covers the net balance of the loan. That is, principal, insurance premium, and other loan-related fees but not the unearned interest. This type of coverage follows a specific amortization schedule for the term of the loan. Truncated coverage means partial coverage.

INSTRUCTIONS

Once you have completed the online training, [click here](#) to complete the test questions, then click on submit.

If 70% or more of your answers are correct, you will receive a certificate VIA email.

Make sure you include your name, company name and company address on your test.

Good luck!!!