

Minnesota Life Insurance Company • 400 Robert Street North • St. Paul, Minnesota 55101-2098

**CREDIT UNION LOAN PROTECTION
GROUP LIFE INSURANCE**

Insuring the debtors of: **Waterbury Teachers Federal Credit Union**

Policy Number: **429736-G**

Insured debtor:

This certificate is delivered to the Insured Debtor named above as evidence of life insurance and a total and permanent disability benefit provided under the above numbered policy issued by the Company to the Credit Union. "You" or "Your" as used in this certificate refers to the Insured Debtor named above and "the policy" refers to the above numbered policy.

Amount of Insurance. The amount of your insurance shall be equal to the total outstanding balance of all Eligible Loans as defined in the policy or \$30,000, whichever is less. Only Eligible Loans which are repayable in not more than 180 substantially equal monthly installments from the date the loan is disbursed are insurable under the policy.

Previously Insured Debtor. If you (a) are under age 70 and had an outstanding loan balance with the Credit Union on the effective date of the policy and (b) were insured in connection with that loan under coverage similar to that provided in the policy (which prior coverage terminated by reason of the cancellation of that other coverage) you will be considered a Previously Insured Debtor. Subject to the further terms and conditions of the policy your loan will be insured. In no event will the maximum insurance coverage provided on your loan exceed the maximum amount of insurance or the maximum repayment period of an Eligible Loan specified above. For any increase in the amount of insurance on the effective date of the policy you must meet the Eligible Debtor requirements.

Eligible Loan. For your loan to be considered an Eligible Loan it must be one or more loans duly authorized, approved, and disbursed by the Credit Union and meet the following requirements: (a) the loan must be disbursed to you while the policy is in force; the loan must be repayable in substantially equal monthly installments from the date it is disbursed; and the loan must, by its terms, provide for repayment within a period not greater than the maximum number of months specified above; or (b) your loan must meet the requirements specified in the section entitled "Previously Insured Debtor".

Eligible Debtor. For you to become an Eligible Debtor and thereby eligible for insurance coverage on the date of the disbursement of an Eligible Loan you must (a) be under the age of 70 on the date the Eligible Loan was disbursed by the Credit Union and (b) qualify under one

of the Insurable Classes of Debtors listed below:

(1) **EMPLOYED DEBTOR:** A debtor who is regularly and actively performing on a full-time basis the usual duties of the debtor's occupation for remuneration or profit.

(2) **NON-EMPLOYED DEBTOR:** A debtor who is not gainfully employed and who fits within one of the following insurable classes of non-employed debtors. In no event will insurance coverage become effective on a loan if, on the date of disbursement of the loan, the debtor is receiving or is entitled to receive disability benefits from the Federal Social Security Administration, the Veteran's Administration, the Railroad Retirement Board, the Workman's Compensation Commission or similar agency, any past or present employer, or any Federal or State plan which provides benefits for non-occupational disability. The insurable classes of non-employed debtors are:

(i) **Housewife Debtor:** A debtor who is both physically and mentally able to regularly and actively perform all the duties of the occupation of a housewife;

(ii) **Student Debtor:** A debtor who is a student and is actively attending school and regularly performing in a normal manner all of the usual duties of a student of the same age;

(iii) **Retired Debtor:** A debtor who is retired from active full-time employment for reasons other than mental or physical disability and who is physically and mentally able to engage in a normal manner in the regular and customary activities of a retired person of the same age; and

(iv) **Other Debtor:** A debtor not regularly and actively performing on a full-time basis the usual duties of the debtor's occupation, but who is both physically and mentally able to regularly and actively perform on a full-time basis the usual duties of the debtor's regular occupation.

If you do not qualify on the date your Eligible Loan was disbursed, you will become eligible for insurance in connection with that loan on the date you do qualify under one of the Insurable Classes of Debtors listed above.

Joint Debtor. If you and another person are jointly indebted to the Credit Union, only the debtor whose signature first appears on the note as maker will be eligible for insurance coverage and in no event will co-signers or guarantors be eligible for insurance coverage.

Insured Debtor. You are considered an Insured Debtor if you meet the requirements of the Previously Insured Debtor section in the policy or you are an Eligible Debtor who has an Eligible Loan which is insured under the policy.

Effective Date of Insurance. The effective date of your insurance shall be the date an Eligible Loan is disbursed to you if you are an Eligible Debtor as defined in the policy. The effective date of insurance on the life of a debtor who qualifies as a Previously Insured debtor will be the effective date of the policy.

Increase in Amount or Term of Loan. If, for any reason, your outstanding balance or the term of an existing Eligible Loan is increased, the amount of the increase will be eligible for insurance only if at the time of the increase you meet the requirements of the Eligible Debtor section in the policy and the increase meets the requirements of the Eligible Loan section of the policy.

Termination of Insurance. Your insurance will terminate automatically on the earliest of the following dates: 1) the date the policy is terminated for any reason; 2) the date your outstanding unpaid Eligible Loan balance is reduced to zero; or 3) the date of your 70th birthday.

Misstatement of Age. If your age is misstated in the records of the Credit Union, the life insurance provided by the policy shall be adjusted to the amount of insurance you would have received had the correct age been recorded in the records of the Credit Union. If, at your death, it is determined that your actual age is over the maximum age for part or all of the life insurance coverage provided under the policy, you shall not be eligible for that part or all of the life insurance coverage, and the Company shall incur no liability as a result of the error in recording your age in the records of the Credit Union.

TOTAL AND PERMANENT DISABILITY BENEFIT

If you furnish due proof of your Total and Permanent Disability which commenced while you were insured under the above captioned policy and before the attainment of age 60, the Company will, upon receipt of such proof, pay to the Credit Union to reduce or extinguish an Eligible Loan the amount of insurance in force on your life. The amount of insurance shall be computed from the first day

that you were Totally and Permanently Disabled. The maximum amount of insurance under this benefit will in no event exceed the lesser of \$10,000 or the total outstanding balance of all your Eligible Loans.

Disability shall be deemed to be Total whenever you are, as a result of sickness or injury, incapable of engaging in any occupation for remuneration or profit. Permanent Disability means Total Disability which presumably will continue throughout your lifetime. The total and irrecoverable loss of sight of both eyes, or the loss by severance of: (1) both hands at or above the wrist, or (2) both feet at or above the ankles, or (3) one hand at or above the wrist and one foot at or above the ankle will be deemed to constitute Total and Permanent Disability. The Company reserves the right to have a medical examiner, or examiners, designated by it, examine you at the Company's expense to determine the extent of your disability.

The Company shall be liable under these provisions only if written notice of claim is given at the Home Office of the Company within one year from the date the Total and Permanent Disability commenced. However, failure to give such notice within the time provided shall not invalidate any claim if it is shown not to have been reasonably possible to give such notice and that notice was given as soon as was reasonably possible.

The payment of a claim under this benefit shall terminate all your life insurance under the policy.

General. Your insurance is provided by the Credit Union at no cost to you. Your insurance may not be assigned or transferred.

Upon receipt of due proof of your death or total and permanent disability, the amount of your insurance, as provided by the policy, shall be paid to the Credit Union to reduce or extinguish the amount of your indebtedness to the Credit Union.

Keep this certificate in a safe place. It summarizes the principal features of the policy but is subject in every respect to the policy which alone constitutes the agreement under which payments are made. You may examine the policy at the office of the Credit Union during normal working hours.

Armin E. Paderfobey

Secretary