

**APPLICATION/CERTIFICATE GROUP CREDIT INSURANCE  
OUTSTANDING BALANCE**

**MINNESOTA LIFE**

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

**Closed-end Loans**

PRIMARY APPLICANT (First, Middle, Last)			DATE OF BIRTH	SOCIAL SECURITY NO.	LOAN NUMBER
CO-APPLICANT (JOINT INSURANCE ONLY) (First, Middle, Last)			DATE OF BIRTH	LOAN TERM	LOAN EFFECTIVE DATE
TYPE OF COVERAGE <input checked="" type="checkbox"/> CLOSED-END <input type="checkbox"/> OPEN-END			INTEREST RATE	AMOUNT FINANCED	PAYMENT AMOUNT
CREDITOR BENEFICIARY (POLICYHOLDER) <b>Lincoln Maine Federal Credit Union</b>			NO. OF PAYMENTS	PAYMENT FREQUENCY	
CREDIT LIFE INSURANCE			CREDIT DISABILITY INSURANCE		
GROUP POLICY NUMBER <b>430175-G</b>	INSURANCE MAXIMUM ( PER INDEBTEDNESS) <b>\$50,000</b>	GROUP POLICY NUMBER <b>430176-G</b>	MAXIMUM MONTHLY DISABILITY BENEFIT <b>\$750.00</b>	WAITING PERIOD <b>30 Days</b>	
MAXIMUM LOAN REPAYMENT PERIOD <b>120 Months</b>		MAXIMUM LOAN REPAYMENT PERIOD <b>120 Months</b>	MAXIMUM AGGREGATE DISABILITY BENEFIT (PER INDEBTEDNESS) <b>\$50,000</b>	RETROACTIVE BENEFIT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
TERM OF INSURANCE	TERMINATION DATE OF INSURANCE	TERM OF INSURANCE	TERMINATION DATE OF INSURANCE	CRITICAL PERIOD COVERAGE <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	

CREDIT INSURANCE APPLIED FOR:	CLOSED-END: Estimated Total Premium	OPEN-END: Monthly Rate Per \$1000 of Insured Amount
<input type="checkbox"/> SINGLE LIFE INSURANCE	\$	\$ N/A
<input type="checkbox"/> SINGLE DISABILITY INSURANCE (Primary Applicant Only)	\$	\$ N/A
<input type="checkbox"/> JOINT LIFE INSURANCE	\$	\$ N/A

If Critical Period Coverage is indicated, a maximum of 12 monthly disability benefits are payable per claim occurrence. You are covered only for the types of coverage for which a selection is indicated on this application.

**NOTICE TO APPLICANT(S)**

I (we) are applying for the credit insurance coverage(s) selected above and agree to pay the required premium. I (we) understand that fees may be paid by the insurer in connection with this coverage to the sponsor of this plan and/or its affiliates or designates. I (we) understand that the purchase of this insurance is **voluntary and not required** in order to obtain credit, and that I (we) may terminate it at any time. I (we) understand that if Critical Period Disability Insurance Coverage is indicated above, a **MAXIMUM of 12 MONTHLY DISABILITY BENEFITS ARE PAYABLE PER CLAIM OCCURRENCE**. I (we) also agree that:

- I am eligible for life insurance if I am presently under age 70 and my loan is repayable within the maximum loan repayment period shown above. **In no event is life insurance coverage to remain in force beyond the date you reach age 80. Please read the "When does your insurance terminate?" provision.**
- If joint life insurance is selected, we are eligible if the older applicant is presently under age 70 and our loan is repayable within the maximum loan repayment period shown above. We must be jointly and individually liable under the loan. Co-signers or guarantors are not eligible for insurance. **In no event is joint life insurance coverage to remain in force beyond the date the older of the two of you reaches age 80. Please read the "When does your insurance terminate?" provision.**
- I am eligible for disability insurance if I am presently under age 70 and my loan is repayable within the maximum loan repayment period shown above. I also must be presently working outside the home for wages or profit for 20 hours or more per week and have been so working for 14 days or more immediately prior to this date. This actively at work requirement does not exclude debtors on temporary layoff for 120 days or less. **In no event is disability insurance coverage to remain in force beyond the date you reach age 80. Please read the "When does your insurance terminate?" provision.**
- A person signing this application as co-applicant is not eligible for single disability insurance.

The following questions must be answered to determine my (our) eligibility for insurance:

PRIMARY APPLICANT		CO-APPLICANT (JOINT INSURANCE ONLY)	
Yes	No	Yes	No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- During the last two years, have you been advised of or treated for cancer, heart attack or coronary artery disease, stroke or cirrhosis?
- During the last two years, have you been diagnosed as having Acquired Immune Deficiency Syndrome (AIDS)? **If you have not been diagnosed as having AIDS, but have tested for HIV, answer this question "No."**

My (our) answers to the above questions are true to the best of my (our) knowledge and belief. If my co-applicant or I answer "Yes" to either question, we understand that the person answering "Yes" is not eligible for insurance and will not be insured.

The effective date of my (our) insurance will be the date of this application, the date the eligible loan is disbursed, or the date the note evidencing the loan is signed, whichever date is later.

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits. Any person who, with intent to defraud or knowing that he or she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**THIS INSURANCE CONTAINS LIMITATIONS/EXCLUSIONS PERTAINING TO BENEFITS PAYABLE.**

PRIMARY APPLICANT'S SIGNATURE x	DATE	CO-APPLICANT'S SIGNATURE x	DATE
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**NOTICE: With respect to insurance coverage on a balloon loan: If you have disability insurance coverage and are eligible for total disability benefits on the termination date of insurance, your balloon payment will only be insured up to an amount equal to your monthly disability benefit.**

**IF CRITICAL PERIOD DISABILITY INSURANCE COVERAGE, A MAXIMUM OF 12 MONTHLY DISABILITY BENEFITS ARE PAYABLE PER CLAIM OCCURRENCE.**

**CERTIFICATE OF GROUP CREDIT LIFE AND DISABILITY INSURANCE**

This certificate is issued in consideration of your application and the payment of the required premium. It summarizes the main provisions of the group policy(ies) that affect you. You may examine the group policy(ies) at the principal office of the policyholder during regular business hours.

**Notice of your right to examine this certificate for 30 days.** It is important to us that you are satisfied with this insurance. If you are not satisfied, you may return this certificate to us or to your insurance representative within 30 days of its receipt, and you will receive a full refund of any premiums you have paid within 30 days after we receive your notice of cancellation.

**FOR TRUNCATED TERM CREDIT INSURANCE COVERAGE – THE TERM OF YOUR LOAN IS LONGER THAN THE TERM OF THIS INSURANCE. YOUR INSURANCE WILL TERMINATE ON THE DATE INDICATED IN YOUR APPLICATION.**

**THE DEATH BENEFIT WILL ONLY BE PAYABLE IF DEATH OCCURS DURING THE TERM OF THE INSURANCE.**

**DISABILITY INSURANCE WILL NOT COVER YOUR ENTIRE INDEBTEDNESS AND THE DISABILITY INSURANCE BENEFITS AVAILABLE WILL BE LESS THAN THE AMOUNT NECESSARY TO PAY OFF YOUR LOAN. TOTAL DISABILITY WILL NOT BE PAID FOR ANY PERIOD OF TOTAL DISABILITY COMMENCING OR CONTINUING AFTER THE TERMINATION DATE OF INSURANCE.**

**LIFE INSURANCE**

**What is the amount of the death benefit?** The death benefit will be the lesser of: (1) the unpaid balance of your loan on the date of your death; or (2) the maximum amount of insurance specified on your application.

If you are jointly insured and you co-debtor dies, the death benefit will be determined on the same basis. Only one death benefit is payable, even if both jointly insured debtors should die on the same date.

**Are there limitations/exclusions affecting the amount of the death benefit?** As to each advance on an open-end loan, we will not pay a claim on that advance if death occurs within six months after the date of the advance and is caused by a pre-existing medical condition as defined below.

A pre-existing medical condition is a condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the six month period immediately prior to the date of the advance.

As to each advance on your loan, we will not pay a claim but we will refund premium paid for insurance on that advance if death occurs within one year after the date of the advance and is caused by suicide, whether sane or insane.

If you applied for joint life insurance, these limitations/exclusions also apply to your co-debtor.

## DISABILITY INSURANCE

**What is the amount of your monthly disability benefit?** Your monthly disability benefit will be an amount equal to the lesser of: (1) your minimum scheduled installment payment as specified in your loan agreement, excluding any delinquencies and/or late fees, due in the month in which total disability commences; or (2) the maximum monthly disability benefit specified in your application.

If your minimum scheduled installment payment increases according to a procedure specified in your loan agreement to recognize periodic changes in the loan interest rate (variable interest loan), we will increase your monthly disability benefit accordingly provided: (1) the date of scheduled installment payment increase is after total disability commences; and (2) the maximum monthly disability benefit we were paying immediately prior to the increase was not limited to the maximum monthly disability benefit available.

In no event will any other increase (or decrease) in your minimum scheduled installment payment, after total disability commences, serve to change the amount of monthly disability benefit payable.

**Will the monthly disability benefit be prorated?** Yes. Benefits will accrue on a daily basis; that is, we will pay the monthly disability benefit for a full month of total disability and we will prorate the monthly disability benefit on the basis of a 30 day month for a period of continuous total disability that is less than one month in duration.

**What is the definition of total disability?** Inability by reason of sickness or injury, to engage in the duties pertaining to your occupation during the first 18 months of such continuous Total Disability; thereafter, you are unable to engage in any gainful occupation for which you are reasonably suited by training, education, or experience.

**What is critical period insurance coverage?** Critical period insurance coverage is disability insurance coverage that provides for a maximum number of monthly disability benefit payments per claim occurrence. The maximum number of monthly disability benefits is as shown in your application.

**For how long will monthly disability benefits be paid?** We will pay the monthly disability benefit for any continuous period of total disability until any one of the following conditions are met: (1) the payments total an amount equal to the unpaid balance of your loan on the date total disability commences, including principal and interest, under the terms of the loan note or agreement; or (2) the maximum aggregate disability benefit specified in your application has been paid; or (3) your loan reaches its initial scheduled maturity date or; if the maturity date has been adjusted according to a procedure specified in the loan agreement to recognize periodic changes in the loan interest rate (variable interest loan), your loan reaches its adjusted maturity date; or (4) the termination date of insurance as shown in your application is reached; or (5) if critical period disability insurance coverage is in force, when the maximum number of monthly disability benefits payable per claim occurrence are paid; or (6) your loan is discharged through payment or prepayment.

**What if you suffer recurrent periods of total disability?** If, following a period of total disability, you engage on a full-time basis in any occupation for a continuous period of three months or more, any subsequent period of total disability resulting from the same or related cause or causes will be considered a new period of total disability. However, if the period during which you engage in any occupation is less than three months, any subsequent period of total disability resulting from the same or related cause or causes will be considered a continuation of the preceding period of total disability.

If you are totally disabled and sustain an additional sickness or injury which would be in and of itself totally disabling, the additional sickness or injury will not be considered a new period of total disability.

**What disabilities are not covered?** We will not insure any loss resulting directly or indirectly from any total disability caused by: (1) intentionally self-inflicted injuries; or (2) normal pregnancies, normal childbirths or elective abortions. Complications due to pregnancy or childbirth will be covered only if the complications themselves are totally disabling; or (3) war or any act of war, whether such war is declared or undeclared; or (4) as to each advance on your loan, a condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the six month period immediately prior to the date of the advance and which results in total disability commencing within six months after the date of the advance.

## GENERAL PROVISIONS

**To whom will benefits be payable?** Claim payments will be made to the policyholder to reduce or extinguish your loan. If claim payments are more than the balance of your loan, remaining payments will be made to you or to your estate or, if required by law and you have named one, to a secondary beneficiary.

**When will benefits be payable?** The death benefit will be payable when we receive a certified copy of the death certificate and a statement from the policyholder. Disability benefits will be payable when we receive proof you have become totally disabled while you are insured and prior to your 80<sup>th</sup> birthday. Also, you must be under the regular care of a physician, when medically necessary, for the sickness or injury. We will pay the monthly disability benefit at the end of each month of continuous total disability following the expiration of the waiting period. If the retroactive benefit is effective, we will pay the monthly disability benefit at the end of each month of continuous total disability from the date total disability commences but benefits will not begin until the waiting period expires.

**When must notice of a disability claim be given?** You must give us notice within 30 days or as soon as possible after the occurrence or commencement of any loss covered by the group policy. The notice of claim must be in writing and given to our authorized agent or sent to our home office in St. Paul, Minnesota. We shall have the right to have you examined at our own expense as often as may reasonably be required while a disability claim is being considered or paid.

As deemed necessary to determine continued disability we may also request written proof of loss during the course of a claim.

**How are premiums calculated?** Premiums for your insurance are calculated each month on the remaining insured outstanding balance of your loan using the premium rate in effect under the group policy. The premium rate for insurance on an open-end loan is subject to change not more than once each year upon 30 days prior written notice to you.

**How are refunds calculated?** If your insurance terminates before the termination date of insurance or the premium you were charged is greater than the premium required for your age and amount of insurance, the unearned premium will be refunded to you. The method of calculating refunds is the "Pro Rata" formula. However, refunds of less than \$5.00 will not be made.

If 16 days or more of a loan month have been earned, the refund will be computed from the end of the loan month; if 15 days or less of a loan month have been earned, the refund will be computed from the beginning of the loan month.

**When does your insurance terminate? Your insurance will terminate on the date any of the following events occurs:** (1) your loan is discharged through payment, prepayment, renewal or refinancing; or (2) your loan reaches its scheduled maturity date or, if the maturity date has been adjusted according to a procedure specified in the loan agreement to recognize periodic changes in the loan interest rate (variable interest loan), the date your loan reaches the adjusted maturity date; or (3) the termination date of insurance as shown in your application is reached; or (4) for coverage on an open-end loan account, the date the open-end loan account terminates; or (5) the policyholder transfers the loan without recourse and no longer services the loan; or (6) any required loan repayment which includes your insurance premium is more than 90 days overdue; or (7) you request in writing that your insurance be terminated; or (8) the group policy terminates provided you receive 30 days written notice; or (9) you die. If joint insurance is in force, your insurance terminates on both you and your co-debtor on the date either you or your co-debtor die and a life benefit is paid; or (10) you reach age 80 and have disability insurance; or (11) you reach age 80 and have life insurance. If joint life insurance is in force, insurance will terminate on both debtors on the date either debtor reaches age 80.

**Termination of your insurance shall be without prejudice to any claim that occurred prior to such termination.**

**What if your age is misstated?** If you stated you were under age 70 and you applied for disability coverage or you stated you were under age 70 and you applied for life coverage but you were not, we will refund your premium when we discover this and no benefits will be paid. If you correctly stated your age as exceeding the maximum age shown in your application and coverage is issued in error, we have the right within 60 days from the effective date of coverage (or after 60 days and during your lifetime and good health, with interest at a minimum annual rate of 6%) to terminate the coverage and refund the full charge paid by you. If you applied for joint insurance, these also apply to your co-debtor.

**What happens if you are issued insurance in excess of the maximums in error?** If you are issued insurance in excess of the insurance maximum amount or term in error, we have the right within 60 days from the effective date of coverage (or after 60 days and during your lifetime and good health, with interest at a minimum annual rate of 6%) to reduce excess coverage and refund the excess charge or to terminate coverage and refund the full charge paid by you.

**Can we contest your insurance?** After your insurance has been in force during your lifetime for two years from the effective date of your insurance (excluding any period during which you are disabled), we cannot contest your insurance for any loss that is incurred more than two years after the effective date, except for fraud or the nonpayment of premium.

**What if joint insurance is terminated because of suicide, contestability, or eligibility?** In the case of joint insurance, if coverage is terminated with respect to one of the joint insureds in accordance with the provisions on suicide, contestability or age eligibility contained in this certificate, a refund will be made which is equal to the difference between the premium actually charged for the joint coverage and the premium that would have been charged if only single coverage had been issued and insurance will continue on the other insured under a single coverage basis.