

**MEMBER'S CHOICE™ PROTECTION AGREEMENT
FOR HOME EQUITY LOANS**

This contract contains the conditions upon which we will cancel or postpone all or a portion of the interest, daily payment, or protected balance. You, meaning a borrower enrolled in the program, should read this contract carefully and keep it in your files. This contract explains the terms that both you and we agree to follow for the program. This contract replaces any and all credit insurance policies and/or certificates, similar payment protection plans, and program contracts you previously entered into with respect to the loan.

DEFINITIONS

ACCIDENTAL INJURY means an occurrence that is unforeseen, unexpected, involuntary and due to an external cause.

ADMINISTRATOR means CUMIS Insurance Society, Inc., 5910 Mineral Point Road, Madison, Wisconsin 53705, or one of its affiliates, or a contracted third party.

ADVANCE means each extension of credit we provide to you under a loan.

BORROWER means a person who is obligated to repay the advance to us, either principally or jointly and severally. It does not include guarantors.

DAILY PAYMENT means the protected periodic payment converted to an equivalent amount per day.

EFFECTIVE DATE OF PROTECTION means the later of the date you enrolled in the program option, the date your protection under the program is reinstated, or the date of the advance.

FULL-TIME EMPLOYMENT or EMPLOYED FULL-TIME means actively working for income 20 hours or more per week.

LOAN means a loan identified on this contract as a covered loan.

NON-PROTECTED ADVANCE means any advance not protected according to the Non-Protected Events section of this contract.

PROTECTED BALANCE means the pay-off amount owed under the loan on the first day of a protected event less any non-protected advances.

PROTECTED PERIODIC PAYMENT means the minimum payment amount, including principal, interest, and the program fee, due on the protected balance. It does not include any other fee or insurance amount not included in the protected balance, scheduled balloon payment, escrow amounts, the amount of any minimum payment that represents past due payments, or amounts that exceed any credit limit for the loan. For balloon loans, the protected periodic payment will be determined using the minimum payment amount due for the period immediately preceding the scheduled balloon payment. For variable rate and/or variable payment loans, the protected periodic payment will remain equal to the protected periodic payment as of the first day of the protected event.

WE, US, OUR means the Alliant Credit Union.

GENERAL PROVISIONS

PROOF OF A PROTECTED EVENT. You must notify us or our administrator when a protected event occurs. Claim forms and written evidence may be required periodically to show that conditions of the program are satisfied. If you do not report a claim or provide initial or continued proof within one year of the date requested, we will not accept (or continue to accept) your claim.

PAST EVENTS. The program does not protect you from events that occurred before your enrollment in the program.

If you enroll in the program as a single borrower and add a joint borrower at a later date, the joint borrower will be considered to have enrolled in the program on the date of becoming a joint borrower.

TAX IMPLICATIONS. You may be subject to federal, state, and local taxes on the amount of a cancelled or postponed debt. You should consult your tax advisor. Neither we, nor our administrator, are able to provide you with tax guidance.

PROGRAM FEE. The program fee is the amount you pay for protection under the program. The rate used to determine the program fee is subject to change. You will receive notice before any increase goes into effect. The program fee will be added to the outstanding balance each month.

CHANGING THE TERMS OF THIS CONTRACT. We have the right to change (including the addition or deletion of) the terms of this contract and apply those changes to the outstanding balance. You will receive notice before any change goes into effect. Your continued payment of the program fee will constitute your acceptance of the change in terms. You have the right to cancel this contract at any time.

CHANGING BETWEEN OPTIONS. If you change from one program option (the "prior program option") to a different program option (the "current program option"), and an event occurs that does not qualify for protection under the current program option because of the new effective date of protection, we will recognize the continuous time protected for a specific event under both program options. However, the level of protection available will be the lesser of:

- the protection that would be provided under the current program option if the effective date of protection was adjusted to be the same as the effective date of protection under the prior program option; or
- the protection that would have been provided under the prior program option if it had remained in effect.

TERMINATION OF THE PROGRAM. You may terminate this program contract at any time by providing us with written notice at least 5 business days prior to the requested termination date. If you do so within 30 days of enrolling in the program, we will credit the outstanding balance for any fees charged for the program.

Your protection under the program will automatically terminate:

- on the last day of the month during which you reach age 70.
- when any portion of any payment of the loan is past due for 90 days or more. If you bring your loan current, your protection under the program will be reinstated automatically.
- when you fail to pay the program fee.
- for any other reason if we give you written notice at least 30 days in advance of the termination (or as required by law).

Termination will not affect benefits for a protected event that occurred prior to the termination date as long as an outstanding balance remains on the loan.

ERRORS AND ADJUSTMENTS. If we cancel or postpone more or less than we should have according to the terms of this contract, we will adjust the balance when the error is discovered.

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

However, if you misstated a material fact when enrolling for the program that caused us to issue protection under the program when we otherwise wouldn't have, we will return any program fee you paid when we discover this, and we will not provide any benefits even if an otherwise protected event has already occurred.

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

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

PROTECTED EVENTS

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

TRANSITIONAL LOSS OF LIFE (Included with Transitional Equity Complete and Transitional Equity Life)

If you die before the end of the month during which you reach age 70, we will cancel the daily payment due on the loan for 12 months from the date of your death or until the entire protected balance is cancelled, but not more than \$12,000.

PROGRAM CONTRACT *(continued)*

LOSS OF LIFE (Included with Equity Complete and Equity Life)

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

DISABILITY (Included with Equity Complete and Transitional Equity Complete)

Disability means that you are:

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

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

- beginning with the 31st day of Disability; and
- for the next 12 months or until the entire protected balance is cancelled, but not more than \$12,000 per period of Disability.

POSTPONEMENT UNEMPLOYMENT (Included with Equity Complete and Transitional Equity Complete)

Involuntary Unemployment means that for at least 30 consecutive days you are not working at any job, or any combination of jobs for 20 hours or more per week and that you are actively seeking full-time employment. Involuntary Unemployment includes honorable discharge from active duty service by the United States Armed Forces. Involuntary Unemployment does not include any annual, regularly scheduled, or seasonal layoff or any period of unemployment that occurs while you are a temporary employee, independent contractor, self-employed, or employed by a joint borrower. It also does not include any retirement, vacation, strike, unionized labor dispute, lockout, sabbatical, family leave, disability, termination due to your willful or criminal misconduct, resignation by agreement with your employer, voluntary furlough, voluntary unemployment or voluntary loss of wages. If you are employed full-time when you become Involuntarily Unemployed, you do not have to make the daily payment for each day that you are Involuntarily Unemployed:

- beginning with the 31st day of Involuntary Unemployment or the first day after any severance pay has ceased, whichever comes later; and
- for the next 6 months per period of Involuntary Unemployment.

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

We will not cancel any portion of the protected balance. Interest and the program fee will continue to accumulate on the loan. The term and the maturity date of your loan will be extended if you use this benefit.

NON-PROTECTED EVENTS

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

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

Additional non-protected events are specified below.

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

- occurs within the 6 months immediately following the effective date of protection for the advance, unless it results from an accidental injury that occurs after the effective date of protection for the advance.
- is the result of a suicide or an intentionally self-inflicted injury that occurs within the 12 months immediately following the effective date of protection for the advance.
- occurs after the end of the month during which you reach age 70.

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

- occurs within the 6 months immediately following the effective date of protection for the advance, unless it results from an accidental injury that occurs after the effective date of protection for the advance.
- is the result of a suicide or an intentionally self-inflicted injury that occurs within the 12 months immediately following the effective date of protection for the advance.
- occurs after the end of the month during which you reach age 70.

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

- occurs within the 6 months immediately following the effective date of protection for the advance, unless it results from an accidental injury that occurs after the effective date of protection for the advance.
- is related to a normal pregnancy.
- is due to an intentionally self-inflicted injury.
- occurs after the end of the month during which you reach age 70.

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

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

CONCURRENT PROTECTED EVENTS

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

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

If two protected borrowers die at the same time, we will cancel the lesser of the protected balance or \$200,000 for Equity Complete and Equity Life.

RECURRENT EVENTS

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

STATUS OF THE LOAN AFTER A PROTECTED EVENT

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

DISPUTE AND CONTROVERSY

Any dispute, claim or controversy arising out of or relating to this agreement, its performance or alleged breach shall be settled by arbitration to be conducted in Chicago, Illinois, before a single arbitrator, in accordance with the Rules of the American Arbitration Association. If the arbitration is instituted by us, written notice shall be filed with the American Arbitration Association and you or any claimant. The award rendered in such arbitration shall be final and binding upon the parties, and judgement upon such award may be entered in any court having jurisdiction thereof. No suit at law or equity or other court proceedings of any nature may be instituted with respect to any dispute, claim or controversy described in this section except to enforce the award of the arbitrators. The costs and fees associated with arbitration shall be paid by the party who files notice of the demand for arbitration.

Contact us with any questions on the program.