

# Mortgage Protection Insurance Available to our Borrowers

**T**his document Contains a selection of Insurance plans to meet the needs and budget of every real estate mortgagor.

The following pages describe these programs

- **Mortgage Life**
- **2 in 1 Life Plus**
- **Mortgage Accidental Death**
- **Mortgage Disability**

**Your Investment** in real estate is one of the largest financial commitments you will make in your lifetime.

**This is Your Opportunity** to protect that investment for yourself, your family and any other survivors who depend on you for their financial security. The choice is up to you.

**Please Review** these plans carefully to understand what they will do for you. Their descriptions are in a simple outline format.

**If you have any questions**, please call our insurance plan administrator at:

Tel: 800.572.4906 or 313.885.6700  
Fax: 313.885.8227  
E-mail: info@fscinsurance.com  
Office hours are 9 to 6 Mon.-Fri. (EST)

## THINGS TO CONSIDER...

### **You might have other insurance, but...**

adding coverage specifically to pay off or reduce your mortgage means your survivors will have the security of a home without struggling to make mortgage payments.

### **Joint coverage means extra protection.**

You have the option to insure both borrowers at a lower cost than insuring each one separately.

### **It's easy to apply.**

Complete the application and return it to your lender. On approval by the insurance company you will receive written evidence of coverage.

### **Simplified underwriting.**

Answer the brief questions on the application. In most cases, if you are in good health, no physical exam is required.

### **Affordable rates.**

Unlike other policies, your individual premium will not increase as you get older or due to change in your health.

### **Payments are convenient.**

Most Lenders will collect the monthly premium with your regular mortgage payment. If your Lender does not, you can have the premiums deducted periodically from a checking or savings account.

### **Can I cancel my coverage at any time?**

Yes! Your premium will stop when you advise your Lender in writing to cancel your coverage.

# Mortgage Life Insurance

## Features and Benefits

Single and Joint Coverage	Yes
Partial Coverage Available	Yes
Maximum Coverage	\$300,000
Entry Age	Under 70
Termination Age	Age 75
Pays scheduled loan balance as of date of death	Yes
Personal Guarantor eligible for Corporate Real Estate Loans.	Yes
Only exclusion – Suicide within two years of coverage effective date	Yes

## Rates are Affordable.

Your premium is based on your age and loan balance when you apply for coverage, and will not increase as you grow older or due to changes in your health.

Single Life Rates per \$1000 per Month		
Age	Non-Smoker	Smoker
Under 30	\$0.12	\$0.20
30-34	\$0.16	\$0.24
35-39	\$0.20	\$0.34
40-44	\$0.30	\$0.54
45-49	\$0.46	\$0.80
50-54	\$0.66	\$1.12
55-59	\$0.96	\$1.66
60-64	\$1.50	\$2.56
65-69	\$2.38	\$4.06

**Joint coverage:** Use age of older borrower. If either person has used tobacco in the last 12 months, regardless of age, use older person's Tobacco Rate.

Joint Life Rates per \$1000 per Month		
Age	Non-Smoker	Smoker
Under 30	\$0.18	\$0.30
30-34	\$0.24	\$0.36
35-39	\$0.30	\$0.51
40-44	\$0.45	\$0.81
45-49	\$0.69	\$1.20
50-54	\$0.99	\$1.68
55-59	\$1.44	\$2.49
60-64	\$2.25	\$3.84
65-69	\$3.57	\$6.09

# 2 in 1 Life Plus

## Features

**Coverage:** Single or Joint Coverage

**Co-Borrower Coverage:** Premium is discounted for 2nd insured.

**Maximum Coverage:** \$2,000 per month

**Age Limitations:** Entry under 66 – Terminates at 70

**Loan Term:** Up to 30 years

**Exclusion:** Suicide within one year of coverage start date.

**Accidental Death Exclusions –** This insurance does not cover death caused by: (1) intentionally self-inflicted injury, suicide or attempted suicide, while sane or insane; (2) sickness or disease of any kind; (3) infection not caused by an accidental cut or wound; (4) bodily injury related to sickness or disease of any kind; (5) any type of air travel, flight or aviation except in connection with a regularly scheduled commercial aircraft transporting passengers; or (6) war, declared or undeclared, or an act of war.

**Monthly Premium Rates – All Ages:** The premium is based on your monthly mortgage payment when you apply for coverage, NOT on your mortgage balance or your age.

The rates are very reasonable. To determine your monthly cost, just multiply your mortgage payment by 2.5% for single coverage or 4% for joint coverage.

**Example:** \$600 Monthly Payment  
 One Borrower – 2.5% X \$600 = \$15.00  
 Two Borrowers – 4.0% X \$600 = \$24.00

Figure your own cost in the space below.

	SINGLE	JOINT
Mortgage Payment \$ _____		\$ _____
	X 2.5%	X 4.0%
Monthly Premium \$ _____		\$ _____

This low cost protection plan is a combination of Limited Benefit Life Insurance and Accidental Death Coverage.

## Benefits

### Death by Natural Causes

Pays 24 insured monthly benefit payments to your lender. This gives your survivors time to decide what to do with the house. Limitations and exclusions apply. See policy for details.

### Death by Accident:

If you die as a result of a covered accident, this part of the plan will pay off your scheduled mortgage balance up to \$100,000...

••• PLUS •••

In addition to the accidental death benefit, your survivors will also receive your insured monthly benefit for 24 months.

### Co-Borrowers Are Also Eligible:

If like many households today, you depend on two incomes to pay your mortgage payment, you will be pleased to know that co-borrowers are also eligible to apply for Life Plus protection....and....the second insured receives a discount.

### It's Easy to Apply and you can Cancel at any Time:

Anyone who has a mortgage and is under age 66 is eligible to apply. Just complete the application provided and return to your lender. It's that simple.

If your application is approved by the insurance company, your Life Plus protection will continue during the term of your loan or until age 70. Of course you can cancel at any time you feel you no longer need this protection.

# Mortgage Accidental Death Insurance

## Mortgage Accidental Death Insurance

### Features

Single and Joint Coverage	Yes
Partial Coverage Available	Yes
Maximum Coverage	\$300,000
Eligible Entry Age	Thru 69
Termination age	75
Pays scheduled loan balance as of date of death	Yes
Personal Guarantor eligible for Corporate Real Estate Loans	Yes
Monthly Rates per \$1,000 One Borrower \$.20 Two Borrowers \$.30	

### Exclusions

This coverage does not pay for the death of any Insured Mortgagor caused by or contributed by, or as a consequence of or resulting from: (1) suicide or any attempted suicide while sane or insane; (2) sickness or disease of any kind; (3) bacterial infections, except pyogenic infections, which shall occur through an accidental cut or wound; (4) injury sustained in consequence of riding as a passenger or otherwise in any vehicle or device for aerial navigation, except as a passenger, pilot or crew member of a regularly scheduled commercial aircraft used for the transportation of passengers; (5) declared or undeclared war and any act thereof; (6) service in the military, naval or air service of any country; (7) hernia; or (8) narcotics or drugs, except when administered on the advice of a physician.

*(See an insurance certificate for specific details.)*

### Benefits

If you die as a result of a covered accidental death, this insurance coverage pays off your insured scheduled loan balance up to the maximum amount of the master policy. Limitations and exclusions apply. See certificate for details.

### What is Considered an Accidental Death?

Accidental Death for insurance purposes is generally described as having resulted from a bodily injury that happens suddenly, unexpectedly and without the injured person's intent.

The following is a list of Accidental Death causes for which claims have been paid by this type of insurance:

1. Drowned – fell through thin ice on lake
2. Choked on chewing gum
3. Motorcycle accident
4. Gunshot wound
5. Hanged – Accidentally caught in a rope
6. Pedestrian hit by auto
7. Electrocution – touched radio while in swimming pool
8. Commercial airline crash
9. Smoke inhalation
10. Farm tractor overturned
11. Fell in bathtub
12. Burned – clothes caught on fire in kitchen
13. Crushed by falling tree
14. Suffocation – drainage ditch caved in
15. Stab wound
16. Hunting accident
17. Mugged and beaten
18. Automobile accident

### Who May Apply?

All mortgagors in good standing, under age 70, regardless of health condition, or occupation. Just complete the enrollment form.

# Mortgage Disability Insurance

## How this insurance plan works for you

Your total disability monthly benefit payment will be the amount you apply for on your application for coverage. However, it cannot exceed the total amount of your monthly mortgage payment at the time you apply.

After you have been totally disabled for 30 consecutive days, the coverage goes back to the first day of disability and makes a full monthly benefit payment.

**The maximum benefit for *each separate* disability is 12 monthly insured benefit payments.**

Payments do not continue after your mortgage is paid-in-full or otherwise discharged.

You are considered totally disabled when you are under a doctor's care for an injury or illness other than mental, emotional, or nervous disorders; alcoholism; or drug addiction (subject to policy exclusions) that prevents you from performing the substantial duties of your occupation.

There is no coverage for any disabilities caused by pregnancy or childbirth; elective abortion; intentionally self-inflicted injury; active participation in a riot; participation in the commission of a felony; flight in any device for aerial navigation other than as a passenger on an airplane operated by a government authorized commercial airline regularly flying scheduled routes; mental, emotional or nervous disorder; alcoholism or drug addiction; war or act of war, declared or undeclared. In addition if you have received medical advice, consultation or treatment for a sickness, disease or physical condition within 12 months before your enrollment, you are not covered for a disability due to that specific condition unless the disability occurs after you have been insured for 12 months or while receiving unemployment compensation from any State or Government related agency.

**The monthly premium is based on a percentage of the monthly benefit to be insured.**

<b>Age:</b>	18-30	31-40	41-50	51-60
<b>Monthly Rate:</b>	3.50%	4.00%	6.50%	9.00%

**EXAMPLE: AGE 35 MONTHLY BENEFIT – \$500.00**

Monthly Rate	Total Monthly Mortgage Payment		Monthly Cost
4.00%	X \$500.00	=	\$20.00

## Here are Questions and Answers

**Am I Eligible to Apply?** Yes! If you are a gainfully employed mortgagor of this financial institution, 60 or under. You must be regularly employed 30 hours per week or more outside your home. Persons who are retired or whose income is mainly from investments are not eligible.

**Can two (2) Borrowers Apply?** Yes! Either one or two borrowers may apply for any portion of the initial total monthly mortgage payment up to 100%, subject to the master policy maximum of \$1,500 for EACH insured.

**How Will I Know I Have Been Accepted?** On approval of your application by the insurance company, you will receive a certificate of insurance showing the effective date and the important terms of the coverage.

**When Does my Coverage Take Effect?** Coverage begins with the Effective Date shown on your Certificate of Insurance.

**How Complicated is Filing a Claim?** Simply call or write the service office shown on your insurance certificate.

**Can I Cancel my Coverage?** Yes, at anytime and the premium will stop.

**Can the Company Cancel my Coverage?** No! Not unless the entire group is terminated. However, your coverage will cancel if your premium is unpaid; your loan is transferred, assigned, discharged or otherwise terminates; the last day of the month in which you turn 65; or the date you are no longer working full time for a continuous 3 month period.

**What are the Limits to the Plan?** You must be age 60 or under to apply...but the coverage will continue to age 65. The maximum monthly benefit available is \$1,500 per month.

**How do I Apply?** Complete the accompanying application form and return it promptly to your lender.

## Just complete, sign and return the application or call:

### Insurance Service Office



First Service Corporation  
20502 Harper Avenue  
Harper Woods, MI 48225  
313.885.6700 or 800.572.4906  
Fax: 313.885.8227  
Email: info@fscinsurance.com

Complete details of these coverages are contained in the Master Policy/Agreement issued to your mortgage lender and in the Certificate of Insurance which will be issued to you upon approval. You may cancel coverage at any time by notifying your mortgage lender or the insurance company in writing. No additional premiums will be due. The insurance company reserves the right to change premium rates but may only do so for all insureds covered under the group policy.

Not all coverages described in this brochure are available in all states. Some policies have certain exclusions in different states. Call the Insurance Service office shown above for details.

### Underwritten by:

**INDIVIDUAL ASSURANCE COMPANY  
LIFE, HEALTH & ACCIDENT**  
2400 W. 75th Street  
Prairie Village, KS 66208

All coverage is subject to approval by Underwriter. Coverage is effective when approved and the first premium is collected. This is a summary of the provisions and not a contract. Refer to your certificate for coverage details, provisions, limitations and exclusions.

This information does not serve, either directly or indirectly, as legal, financial or tax advice and you should always consult a qualified legal, financial and/or tax advisor when making decisions related to your individual situation.

The underwriting risks and financial obligations associated with the products issued by the Individual Assurance Company are solely its responsibility.

Insurance disclosures:

**Not a deposit • Not FDIC-Insured  
Not Insured by any Federal Government Agency  
Not Guaranteed by the Lender**

**GROUP MORTGAGE INSURANCE APPLICATION TO INDIVIDUAL ASSURANCE COMPANY, LIFE, HEALTH & ACCIDENT**  
**ADMINISTRATIVE OFFICE – PRAIRIE VILLAGE, KS 66208**  
**PLEASE PRINT – BE SURE ALL QUESTIONS ARE ANSWERED**

NAME — MORTGAGOR #1					NAME — MORTGAGOR #1				
#1 APPLYING FOR: <input type="checkbox"/> MORTGAGE LIFE <input type="checkbox"/> ACCIDENTAL DEATH <input type="checkbox"/> 2 IN 1 LIFE PLUS <input type="checkbox"/> DISABILITY MO. PAYMENT \$ _____					#1 APPLYING FOR: <input type="checkbox"/> MORTGAGE LIFE <input type="checkbox"/> ACCIDENTAL DEATH <input type="checkbox"/> 2 IN 1 LIFE PLUS <input type="checkbox"/> DISABILITY MO. PAYMENT \$ _____				
MAILING ADDRESS — NUMBER & STREET					MAILING ADDRESS — NUMBER & STREET				
CITY - STATE - ZIP CODE					CITY - STATE - ZIP CODE				
TELEPHONE NO. HOME: ( ) CELL: ( ) EMAIL ADDRESS (IF ADDITIONAL INFORMATION IS NEEDED)					TELEPHONE NO. HOME: ( ) CELL: ( ) EMAIL ADDRESS (IF ADDITIONAL INFORMATION IS NEEDED)				
DATE OF BIRTH	AGE	STATE OF BIRTH	HEIGHT FT. IN.	WEIGHT LBS.	DATE OF BIRTH	AGE	STATE OF BIRTH	HEIGHT FT. IN.	WEIGHT LBS.
OCCUPATION DESCRIBE DUTIES					OCCUPATION DESCRIBE DUTIES				
SECOND BENEFICIARY NAME RELATIONSHIP					SECOND BENEFICIARY NAME RELATIONSHIP				


<b>1.</b> To the best of your knowledge or belief have you within the last (5) years ever been treated for, or been diagnosed as having: Heart Trouble; Diabetes; Tumor; Cancer; High Blood Pressure; A Mental Disorder; Epilepsy; Rheumatic Fever; Alcoholism; Drug Addiction; Disorder of the Lungs; Stomach; Liver; Kidneys; Brain; Stroke; Nervous System; Back; Neck; Joints; or Acquired Immune Deficiency Syndrome (AIDS); AIDS Related Complex (ARC); or HIV Positive? If "Yes" circle condition(s) above and give details in space below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>					<b>1.</b> To the best of your knowledge or belief have you within the last (5) years ever been treated for, or been diagnosed as having: Heart Trouble; Diabetes; Tumor; Cancer; High Blood Pressure; A Mental Disorder; Epilepsy; Rheumatic Fever; Alcoholism; Drug Addiction; Disorder of the Lungs; Stomach; Liver; Kidneys; Brain; Stroke; Nervous System; Back; Neck; Joints; or Acquired Immune Deficiency Syndrome (AIDS); AIDS Related Complex (ARC); or HIV Positive? If "Yes" circle condition(s) above and give details in space below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>				
<b>2.</b> During the last (5) years have you consulted any doctor or other medical facility for any illness, injury or any other physical condition other than disclosed in 1 above? If "yes" give details below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>					<b>2.</b> During the last (5) years have you consulted any doctor or other medical facility for any illness, injury or any other physical condition other than disclosed in 1 above? If "yes" give details below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>				
<b>3.</b> Have you used tobacco in the last 12 months? <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>					<b>3.</b> Have you used tobacco in the last 12 months? <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>				
<b>4.</b> ANSWER THIS ADDITIONAL QUESTION IF APPLYING FOR DISABILITY: Are you now employed outside your home, and regularly working in the occupation shown above on the basis of 30 hours per week or more? If "No" explain in space below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>					<b>4.</b> ANSWER THIS ADDITIONAL QUESTION IF APPLYING FOR DISABILITY: Are you now employed outside your home, and regularly working in the occupation shown above on the basis of 30 hours per week or more? If "No" explain in space below <span style="float:right">YES NO <input type="checkbox"/> <input type="checkbox"/></span>				
Give details for "Yes" answers to questions 1 & 2. – Use reverse side if necessary.					Give details for "Yes" answers to questions 1 & 2. – Use reverse side if necessary.				
Ailment Treatment Date(s) Medications					Ailment Treatment Date(s) Medications				
Doctor's Name _____					Doctor's Name _____				
Complete Mailing Address _____					Complete Mailing Address _____				
Phone No. ( ) Fax: ( )					Phone No. ( ) Fax: ( )				

All answers are true and complete to the best of my knowledge. To determine my insurability, or for claim purposes, I authorize any medical practitioner, insurance company, the Medical Information Bureau, Inc., or a consumer reporting company to release any information about me or my physical or mental condition (including drug or alcohol abuse) to underwriting, medical or other representatives of the insurance company shown at the top of this application. I understand that information will not be given to any person or organization except the following: reinsurers; the Medical Information Bureau, Inc.; or any other people or organizations who perform business or legal services in connection with this application. This authorization is valid for 30 months from the date I sign it. A photocopy may be used as a legal document. I know that a consumer report may be needed to complete the processing of this application. I may ask to be interviewed and to have this interview be used as part of this report. If I ask for it in writing, I may receive a copy of the report. I authorize my Lender to collect the appropriate insurance premium(s) in accordance with its usual procedure. I have read this authorization and the Consumer Privacy Notice attached and understand that I or my representative can have copies. I have read and kept the brochures accompanying this form.

**THE FOLLOWING APPLIES ONLY TO DISABILITY COVERAGE: I UNDERSTAND THAT THE COVERAGE APPLIED FOR WILL NOT PAY BENEFITS FOR ANY LOSS INCURRED DURING THE FIRST TWELVE MONTHS AFTER THE ISSUE DATE CAUSED BY A DISEASE OR PHYSICAL CONDITION FOR WHICH I RECEIVED MEDICAL TREATMENT OR ADVICE DURING THE 12 MONTHS IMMEDIATELY PRIOR TO THE EFFECTIVE DATE OF THIS COVERAGE.**

**X** \_\_\_\_\_ DATE \_\_\_\_\_ **X** \_\_\_\_\_  
 SIGNATURE – MORTGAGOR #1 SIGNATURE – MORTGAGOR #2

MASTER POLICYHOLDER - CREDITOR-BENEFICIARY: \_\_\_\_\_

FOR INSURANCE INFORMATION, CONTACT:  
 **FIRST SERVICE CORPORATION**  
 20502 HARPER AVENUE • HARPER WOODS, MICHIGAN 48225  
 (313) 885-6700 or Toll-Free 800-572-4906  
 EMAIL: INFO@FSCINSURANCE.COM © FSC 2008

**THIS SECTION TO BE COMPLETED BY MORTGAGE LENDER – MORTGAGEE**

LOAN OFFICER I.D.	LOAN NO.	DATE LOAN OPENED	<input type="checkbox"/> NEW LOAN <input type="checkbox"/> EXISTING LOAN	
TERM REMAINING MOS.	INITIAL INTEREST RATE %	CURRENT LOAN BALANCE \$	TOTAL MONTHLY LOAN PAYMENT INCLUDING ESCROW \$	REFINANCED FROM LOAN NO.
<b>COVERAGE(S) &amp; AMOUNT DESIRED</b>	<b>MORTGAGE LIFE (VALUE PRICED)</b>	<b>2 IN 1 LIFE PLUS</b>	<b>ACCIDENTAL DEATH</b>	<b>DISABILITY</b>
<b>MORTGAGOR #1</b>	\$	MONTHLY BENEFIT \$	\$	MONTHLY PAYMENT
<b>MORTGAGOR #2</b>	\$	MONTHLY BENEFIT \$	\$	MONTHLY PAYMENT

**NOTICE:** Any person who knowingly and with intent to injure, defraud, or deceive any insurance company or other person files an application for insurance containing any materially false, incomplete or misleading information, or conceals for the purpose of misleading, information concerning any fact material thereto, is guilty of insurance fraud, which is a crime and may subject such person to civil and/or criminal penalties.