

IMPORTANT NOTICE REGARDING CREDIT INSURANCE

This notice is intended to inform you that the credit insurance coverage on your loans and credit cards is being provided by a new carrier, Minnesota Life Insurance Company, 400 Robert Street North, St. Paul, Minnesota 55101

To show your acceptance of the Minnesota Life plan, simply continue making your loan payment which includes your credit insurance premium. The Minnesota Life plan is optional and you may terminate your coverage at any time.

If you previously elected, and are currently paying premium for credit insurance, please review the attached certificate carefully as claims will be administered according to the provisions stated in the certificate.

F. 39917 Rev. 5-2011

Application/Certificate Group Credit Insurance
Outstanding Balance

MINNESOTA LIFE

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

| | | | | | |
|---|---------------|-----------------|----------------|---------------------|---|
| Borrower (first, middle, last) | | | Date of birth | Social Security no. | Loan number |
| Co-borrower (joint life insurance only) (first, middle, last) | | | Date of birth | Loan term | Loan effective date Loan maturity date |
| Type of coverage <input type="checkbox"/> Closed-end <input type="checkbox"/> Open-end | Interest rate | Amount financed | Payment amount | No. of payments | Payment frequency |
| Creditor beneficiary (policyholder) WinSouth Credit Union | | | | Loan officer | |

| CREDIT LIFE INSURANCE | | CREDIT DISABILITY INSURANCE | | |
|---|---|--|--|---|
| Group policy number 523413 | Insurance maximum (per indebtedness) 50,000 | Group policy number 523414 | Maximum monthly disability benefit 850 | Waiting period 14 Days |
| Maximum loan repayment period 120 Months | | Maximum loan repayment period 120 Months | Maximum aggregate disability benefit (per indebtedness) 50,000 | Benefit <input checked="" type="checkbox"/> Retroactive <input type="checkbox"/> Non-retroactive |
| Term of insurance | Termination date of insurance | Term of insurance | Termination date of insurance | |

| CREDIT INSURANCE APPLIED FOR – (APPLICATION MUST BE SIGNED AND DATED) | | CLOSED-END: Estimated Total Premium | OPEN-END: Monthly Rate Per \$1000 of Insured Amount |
|---|---|---|--|
| DECREASING LIFE INSURANCE WITH DISMEMBERMENT BENEFIT AND WITH TERMINAL ILLNESS BENEFIT | Must Check One Box | | |
| | <input type="checkbox"/> Single (Borrower | \$ | \$1.15 |
| | <input type="checkbox"/> Joint (Borrower and Co-borrower) | \$ | \$1.75 |
| | <input type="checkbox"/> No Coverage | | |
| SINGLE DISABILITY INSURANCE | Must Check One Box | | |
| | <input type="checkbox"/> Borrower | \$ | \$2.80 |
| | <input type="checkbox"/> No Coverage | | |
| YOU ARE COVERED ONLY FOR THE COVERAGE FOR WHICH A SELECTION IS INDICATED ON THIS APPLICATION. | | | |

NOTICE TO BORROWER(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) 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 70. Please read the “When does your insurance terminate?” provision.**
- If joint life insurance is selected, we are eligible if the older borrower 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 70. 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. **In no event is disability insurance coverage to remain in force beyond the date you reach age 70. Please read the “When does your insurance terminate?” provision.**
- A person signing this application as co-borrower is not eligible for single disability insurance.

The following Actively at Work question must be answered for disability insurance:

| | | |
|---|---|--|
| BORROWER | CO-BORROWER (JOINT LIFE INSURANCE ONLY) | Are you presently working outside the home for wages or profit for 25 hours or more per week and been so working for 30 days or more immediately prior to this date? |
| Yes No | Yes No | |
| <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> | |

If you are applying for disability insurance and have answered “No” to the Actively at Work question, you are not eligible for disability insurance.

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.

THIS INSURANCE CONTAINS LIMITATIONS/EXCLUSIONS PERTAINING TO BENEFITS PAYABLE.

| | | | |
|---------------------------|------|------------------------------|------|
| Borrower's signature X | Date | Co-borrower's signature X | Date |
|---------------------------|------|------------------------------|------|

16-60624.1 A

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.

IF THE TERM OF YOUR INSURANCE IS LESS THAN THE TERM OF YOUR LOAN – 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. THE DISMEMBERMENT BENEFIT WILL ONLY BE PAYABLE IF DISMEMBERMENT OCCURS DURING THE TERM OF THE INSURANCE. THE TERMINAL ILLNESS BENEFIT WILL ONLY BE PAYABLE IF TERMINAL ILLNESS OCCURS DURING THE TERM OF THE INSURANCE. DISABILITY INSURANCE, IF IN FORCE, 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 SHOWN IN THE SCHEDULE.

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? With respect to your total loan amount in excess of \$1,000, we will not pay a claim if death occurs within 6 months after the effective date of your insurance and is caused by a pre-existing medical condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the 6 month period immediately prior to the effective date of your insurance.

For open-end coverage, and with respect to your total loan amount in excess of \$1,000: As to each advance on your loan, we will not pay a claim on that advance if death occurs within 6 months after the date of the advance and is caused by a pre-existing medical condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the 6 month period immediately prior to the date of the advance.

We will not pay any life claim if you, whether sane or insane, die by suicide within 12 months from the effective date of your insurance, but we will refund your premium.

For open-end coverage: 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 12 months 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.

What is dismemberment? (1) With regard to a hand or foot, the complete severance through or above the wrist or ankle; or (2) with regard to an eye, the entire and irrecoverable loss of sight. The dismemberment must be the direct result of accidental bodily injury occurring while the insurance is in force and must occur within 90 days from the date of the accidental bodily injury.

What is the amount of the dismemberment benefit? We will pay the unpaid balance of your eligible loan on the date of the dismemberment, up to the maximum amount of life insurance specified in your application. Payment is subject to receipt of due proof of dismemberment. Only one benefit will be paid under a certificate if one or more insured losses are suffered. After one benefit has been paid, all insurance under the certificate automatically stops.

Written notice of a claim for dismemberment must be furnished to us within 60 days after the date of the loss, or as soon as reasonably possible. Written proof of dismemberment must be sent to us no later than 90 days after the date of the loss. If it is not possible to give proof within 90 days, the proof must be given as soon as possible. The proof must be filed within 1 year from the time specified unless the claimant was legally incapacitated.

What dismemberments are not covered? We will not pay a claim if dismemberment is caused by or results from: (1) an intentionally self-inflicted injury; (2) a disease of the body or mind in any form; (3) a bacterial infection other than an infection caused by an accidental bodily injury; (4) an insurrection from war or any act of war, whether declared or undeclared; or (5) service in the military.

If you applied for joint dismemberment insurance, this also applies to your co-debtor.

What is terminal illness? Terminal illness is a sickness or accidental injury that, despite appropriate medical care, is reasonably expected to result in your death within 12 months, as determined by us.

What is the amount of the terminal illness benefit? After your insurance has been in force for 6 months, we will pay the unpaid balance of your eligible loan, up to the maximum amount of life insurance specified in your application, on the date we have received and accepted written proof that you have a terminal illness. Only one benefit will be paid under a certificate if one or more insured losses are suffered. After one benefit has been paid, all insurance under the certificate automatically stops.

Proof of a terminal illness to be furnished to us is as follows: (1) certification by a licensed physician, other than you or a member of your family, that you have a life expectancy of 12 months or less; and (2) at our option, other documents or information as needed.

We may require you to be examined by a physician of our choosing and at our expense any time a claim is pending.

The following pre-existing condition exclusion applies: as to each advance disbursed to you, we will not pay a claim on the advance if your terminal illness occurs within 6 months after the advance is disbursed and is caused by or results from a pre-existing medical condition for which you received or had medical treatment, advice or diagnostic tests either for that same condition or a related condition within the 6 month period immediately prior to the date the advance is disbursed.

If you applied for joint terminal illness insurance, this also applies 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.

What is the definition of total disability? During the first 12 months of disability, your complete and continuous inability, due to either sickness or injury, to perform the important or significant duties of your regular occupation. Thereafter, your complete and continuous inability, due to either sickness or injury, to engage in any occupation for which you are reasonably suited by age, education, training or experience.

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) your loan is discharged through payment or prepayment; or (6) you reach age 70.

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 or (3) 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 6 month period immediately prior to the date of the advance and which results in total disability commencing within 6 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? Subject to any limitations/exclusions, the death benefit will be payable when we receive a certified copy of the death certificate and a statement from the policyholder.

Subject to any limitations/exclusions, disability benefits will be payable when we receive proof you have become totally disabled while you are insured and prior to your 70th birthday. Also, you must be under the regular care of a physician, when medically necessary, for the sickness or injury. If the non-retroactive benefit is effective, 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.

If the non-retroactive benefit is effective, the monthly disability benefit will be payable as follows –

14 Day non-retroactive benefit

Upon the expiration of the 14 day waiting period and continued total disability, the initial monthly disability benefit will be payable on the 15th day. Thereafter, the monthly disability benefit will be payable on the benefit eligible date of each subsequent month provided you continue to be totally disabled on that date.

For purposes of this provision, “benefit eligible date” is the numeric date of the month coinciding with the date the initial monthly disability benefit is payable. Where this numeric date is such that a subsequent month has less than that number of days, the monthly disability benefit will be payable on the last day of that month.

30 Day non-retroactive benefit

Upon the expiration of the 30 day waiting period and continued total disability, the initial monthly disability benefit will be payable on the 31st day. Thereafter, the monthly disability benefit will be payable on the anniversary date of each subsequent month provided you continue to be totally disabled on that date.

If the retroactive benefit is effective, the initial monthly disability benefit will be payable upon the expiration of the waiting period and continued total disability. Thereafter, the monthly disability benefit will be payable on the anniversary date of each subsequent month provided you continue to be totally disabled on that date.

For purposes of this provision, “anniversary date” is the numeric date of the month on which you became totally disabled. Where this numeric date is such that a subsequent month has less than that number of days, the monthly disability benefit will be payable on the last day of that month.

In the event of a claim, you may be asked to provide information regarding your past medical history and sign a medical release form to determine your eligibility for benefits under the terms of this certificate.

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 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, you are entitled to a refund of the unearned premium. The refund will be issued within 30 days of our receipt of written notice of termination. The method of calculating refunds is the “Pro Rata” formula. However, refunds of less than \$1.00 will not be made.

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) a dismemberment benefit is paid; or (3) a terminal illness benefit is paid; or (4) 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 (5) the termination date of insurance as shown in your application is reached; or (6) for coverage on an open-end loan account, the date the open-end loan account terminates; or (7) the policyholder transfers the loan without recourse and no longer services the loan; or (8) any required loan repayment which includes your insurance premium is more than 90 days overdue; or (9) you request in writing that your insurance be terminated; or (10) the group policy terminates provided you receive 30 days written notice; or (11) you die. If joint life 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 or dismemberment or terminal illness benefit is paid; or (12) you reach age 70 and have disability insurance; or (13) you reach age 70 and have life insurance. If joint life insurance is in force and insurance terminates on one of you due to attainment of age 70, insurance will continue on the other insured under single life coverage if that person is under age 70.

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 applied for joint life insurance, these also apply to your co-debtor.

Can we contest your insurance? After your insurance has been in force during your lifetime for two years (one year with respect to disability coverage) 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 one year after the effective date, except for the nonpayment of premium or, with respect to disability coverage only, fraud.

Credit insurance on loans with a balance owing on the account of \$1,000 or less, exclusive of interest and other charges, shall become incontestable 90 days after the effective date of insurance.

What if joint life insurance is terminated because of suicide, contestability, or eligibility? In the case of joint life 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.