

Complimentary End of Watch Loan Protection



IMPORTANT DISCLOSURES: This End of Watch Loan Protection is provided to eligible borrowers at no additional cost to the borrower and becomes a part of the Borrower's finance arrangement(s) with this Credit Union or its assignee. To be eligible for End of Watch Loan Protection, the Borrower must: (1) meet the lending requirements established by the Credit Union to qualify for this loan protection, and (2) be an active full-time sworn law enforcement officer who has powers of arrest or a civilian employee of a law enforcement agency including Federal and State Prison Guards. This protection does not cover those in campus security or other security guard-type roles, reserve, retired, volunteer officers or enlisted military. End of Watch Loan Protection is provided subject to the terms, conditions and exclusions described herein.

End of Watch Loan Protection is a Waiver agreement between the Borrower and this Credit Union under which the Credit Union agrees to cancel the amount of the Borrower's loan(s) with the Credit Union if he or she dies while engaged in work-related activities as a result of external force, violence or die as a result of heart attack or stroke during training or other stressful events while on duty. End of Watch protection extends to law enforcement officers or civilian law enforcement employees who have powers of arrest while off-duty and acting in an official capacity, is targeted because of his/her duties or events sustained in direct response to an emergency situation involving the general public or a violation of the law.

What amounts are cancelled under End of Watch Loan Protection?

For the Borrower, the Credit Union will cancel the amount of the outstanding loan balance, as of the date of death, up to a combined maximum of \$250,000 for all of the Borrower's loans with this Credit Union. End of Watch Loan Protection is secondary to all other valid and collectable insurances or debt cancellation protection covering the Borrower's loans.

How is the benefit activated?

To activate the benefit, the Borrower's legal representative must promptly notify the Administrator of the Borrower's death and provide a certified death certificate within 30 days of the incident, or as soon as reasonably possible. The Administrator may request additional supporting documentation as needed.

Borrower's Death will not qualify for the End of Watch Loan Protection benefit if the death:

1. is due to the Borrower's suicide or self-inflicted injury or abuse;
2. Pre-existing health conditions known by member or law enforcement officer;
3. Is due to disease or other causes not directly related to work-related activities including but not limited to cancer, Alzheimer's disease, heart disease, liver disease;
4. occurs after the date on which the Borrower reaches age 70;
5. occurs prior to the Effective Date of coverage;
6. is due to the Borrower's commission of, or attempt to commit, a crime, assault or felony;
7. is caused by or results from an atomic explosion or any other release of nuclear energy (except when used solely for medical treatment);
8. is caused by an outbreak of a communicable disease epidemic or pandemic;
9. is due to an act of war, whether declared or undeclared; or
10. is caused by or results from an actual or expected act of terrorism.

What are the Tax Implications?

Borrower's legal representative should consult a tax advisor regarding the tax implications, if any, of a cancelled debt. Neither the Credit Union nor the Administrator is able to provide guidance regarding tax matters.

What happens if my protected loan is assigned, sold or transferred by the Credit Union?

The Credit Union has the right to assign, sell or transfer a loan to a qualified lending institution. Assignment, sale or transfer of a protected loan by the Credit Union does not affect the terms, conditions and exclusions of this Waiver. Upon such occurrence, the Waiver continues to provide protection in an amount not to exceed the scheduled amortization of the original loan. This means that this Waiver will not extend protection to modifications to the original loan, such as additional credit amounts extended or any extension of the term of the loan. If the original assigned loan was altered, in such case any benefit calculation will be based upon the original finance arrangement and will amortize the modified loan to the date of loss to establish the outstanding balance.

Under what circumstances will this End of Watch Loan Protection cease?

End of Watch Loan Protection will expire on a protected loan upon the occurrence of any of the following events: 1) the Borrower reaches the age of 70; 2) the Borrower ceases to be employed by a federal, state, county or municipal agency as a full-time sworn law enforcement officer including civilian employees and federal and state prison guards; 3) the Borrower refinances the protected Credit Union loan with another lending institution; or 4) when the contractual liability insurance policy issued to the Credit Union to respond to this Waiver agreement between the Borrower and the Credit Union terminates.

In the event of termination of the policy issued to the Credit Union, the Credit Union shall provide Borrower with 30 days' advance written notice of such termination.

The obligations of the issuing credit union under this Complimentary End of Watch Loan Protection are covered by a policy issued by Technology Insurance Company, 59 Maiden Lane, 43rd Floor, New York, NY 10038. Disputes related to this Complimentary End of Watch Loan Protection Waiver can be directed directly to Technology Insurance Company within 12 months of notice of loss.