

Monthly Renewable Credit Disability Disclosure Form

The purpose of this disclosure is to provide you information on how your insurance charge is calculated. On the reverse side, you will find a Rate Table. These are "gross balance rates" which are applied to the total of the monthly loan payments that remain on a loan. The actual rate we use is based upon the term of your loan (if you are not sure of the term of your loan, see your loan documents).

For example, if the initial term of your loan is 24 months and the benefit plan is 14 Day Retroactive, the rate for that term as found on the Rate Table is 0.2280 per \$100 of gross balance.

If the amount of your monthly loan payment is \$100, the gross balance of your loan during the first month of your loan is \$2,400 (24 months x \$100). Our charge to you for insurance for the first month of your loan term would be $\$2,400 \times 0.2280 \times 0.01 = \5.47 .

After you have made your first \$100 monthly loan payment, the gross balance of your loan would then be \$2,300. We then apply this gross balance to the formula used above to calculate the second month of premium. In this case, it would be $\$2,300 \times 0.2280 \times 0.01 = \5.24 .

We repeat this approach for each month your loan is outstanding to calculate your insurance charge. The actual insurance charges are shown in your periodic statement which you receive from Michigan Educational Credit Union.

Please note that if the amount of your monthly loan payment is greater than the Maximum Monthly Disability Benefit shown in the Schedule, our insurance charge to you is based on the Maximum Monthly Disability Benefit times the number of monthly loan payments remaining to be paid on your loan. For example, if your monthly loan payment is \$400 and the Maximum Benefit per month is \$300 and you have 24 payments remaining to be paid, the gross balance of your loan for purposes of this insurance would be \$7,200 (\$300 maximum disability payment x 24 payments = \$7,200). Our insurance charge is not based on the total amount of loan, which in this case, would be \$9,600 (\$400 monthly loan payment x 24 months = \$9,600). To calculate your first month insurance charge, we would use the following formula: $\$7,200 \text{ maximum disability benefit} \times 0.2280 \times 0.01 = \16.42 .

NOTE: If the loan payments are calculated and to be paid on a non-monthly basis, we will convert the non-monthly loan payment amount to a monthly loan payment equivalent.

PLEASE RETAIN THIS RATE SCHEDULE WITH YOUR LOAN DOCUMENTS.

Rate Table for Monthly Renewable Credit Disability per \$100 per Month

Term	Single Rate	Joint Rate	Term Cont.	Single Rate	Joint Rate
1	0.3040	N/A	61	0.1450	N/A
2	0.4434	N/A	62	0.1435	N/A
3	0.4655	N/A	63	0.1422	N/A
4	0.4560	N/A	64	0.1409	N/A
5	0.4370	N/A	65	0.1397	N/A
6	0.4180	N/A	66	0.1384	N/A
7	0.3990	N/A	67	0.1369	N/A
8	0.3800	N/A	68	0.1358	N/A
9	0.3648	N/A	69	0.1346	N/A
10	0.3489	N/A	70	0.1336	N/A
11	0.3341	N/A	71	0.1324	N/A
12	0.3216	N/A	72	0.1315	N/A
13	0.3081	N/A	73	0.1304	N/A
14	0.2952	N/A	74	0.1295	N/A
15	0.2850	N/A	75	0.1285	N/A
16	0.2761	N/A	76	0.1276	N/A
17	0.2670	N/A	77	0.1266	N/A
18	0.2600	N/A	78	0.1256	N/A
19	0.2537	N/A	79	0.1247	N/A
20	0.2470	N/A	80	0.1239	N/A
21	0.2418	N/A	81	0.1230	N/A
22	0.2371	N/A	82	0.1223	N/A
23	0.2320	N/A	83	0.1215	N/A
24	0.2280	N/A	84	0.1207	N/A
25	0.2244	N/A	85	0.1197	N/A
26	0.2203	N/A	86	0.1190	N/A
27	0.2172	N/A	87	0.1181	N/A
28	0.2142	N/A	88	0.1174	N/A
29	0.2109	N/A	89	0.1166	N/A
30	0.2084	N/A	90	0.1159	N/A
31	0.2061	N/A	91	0.1150	N/A
32	0.2032	N/A	92	0.1144	N/A
33	0.2012	N/A	93	0.1136	N/A
34	0.1992	N/A	94	0.1130	N/A
35	0.1968	N/A	95	0.1122	N/A
36	0.1951	N/A	96	0.1116	N/A
37	0.1920	N/A	97	0.1109	N/A
38	0.1891	N/A	98	0.1104	N/A
39	0.1867	N/A	99	0.1096	N/A
40	0.1840	N/A	100	0.1092	N/A
41	0.1815	N/A	101	0.1084	N/A
42	0.1790	N/A	102	0.1079	N/A
43	0.1766	N/A	103	0.1073	N/A
44	0.1744	N/A	104	0.1068	N/A
45	0.1726	N/A	105	0.1061	N/A
46	0.1706	N/A	106	0.1056	N/A
47	0.1686	N/A	107	0.1051	N/A
48	0.1667	N/A	108	0.1046	N/A
49	0.1645	N/A	109	0.1040	N/A
50	0.1628	N/A	110	0.1036	N/A
51	0.1607	N/A	111	0.1030	N/A
52	0.1588	N/A	112	0.1026	N/A
53	0.1573	N/A	113	0.1021	N/A
54	0.1554	N/A	114	0.1017	N/A
55	0.1537	N/A	115	0.1011	N/A
56	0.1524	N/A	116	0.1007	N/A
57	0.1507	N/A	117	0.1001	N/A
58	0.1491	N/A	118	0.0998	N/A
59	0.1479	N/A	119	0.0993	N/A
60	0.1464	N/A	120	0.0989	N/A