

Insurance Rate Setup

The Insurance Rate Setup screen is used to setup Credit Life and Disability Insurance parameters, as well as, Debt Protection coverage parameters, if applicable. Every credit union has specific rates and maximums that apply to their insurance or debt protection coverage. The credit union's insurance company and/or debt protection company **MUST** provide the information for each field. **IMPORTANT:** Whenever there are changes to the disclosure or any other part of the insurance policy or debt protection coverage, the credit union **MUST** change the setup to agree with the new policy and disclosure papers. The information on this screen is used as follows:

- To calculate an estimated amount for Credit Life and Disability Insurance, or Debt Protection coverage on the Loan Calculator window.
- To calculate Credit Life and Disability Insurance, or Debt Protection coverage for the optional Loan Documents package.
- To calculate and post the loan insurance premiums, or Debt Protection coverage in Operations or with End of Day processing.

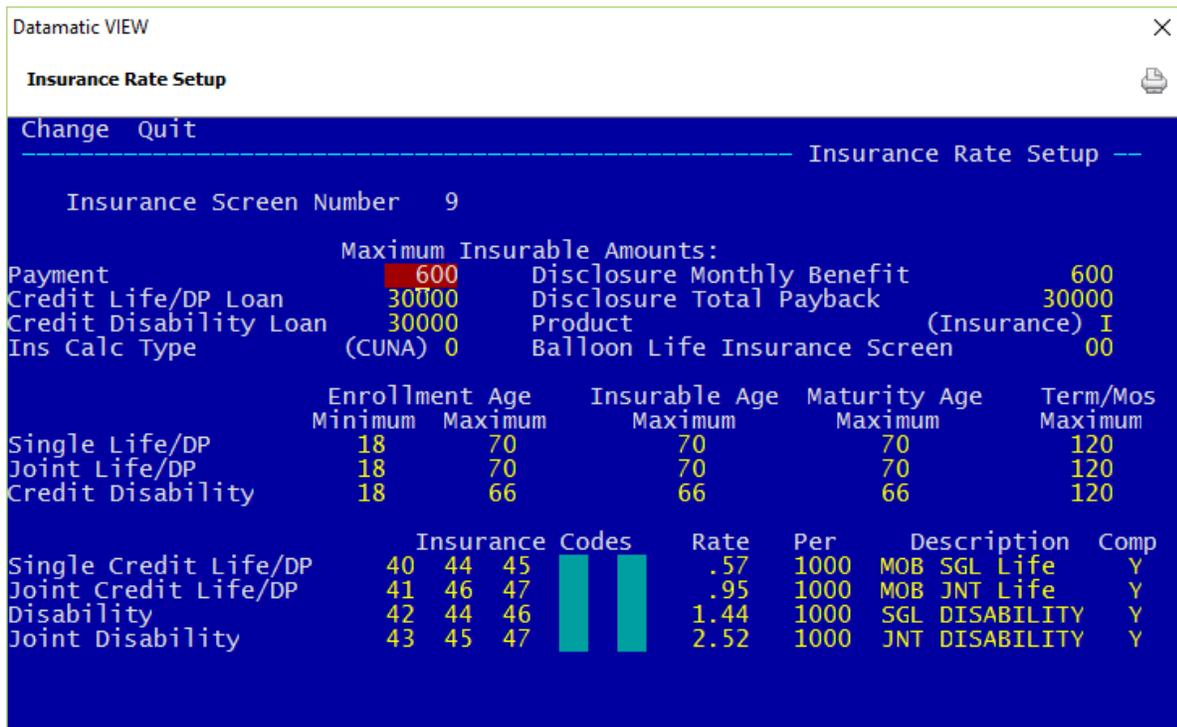


Figure 1

The screen prints in this section are examples only. Each credit union will differ on what information is filled in and what fields are used. This will depend on the insurance company or CUNA and what types of insurance or debt protection coverage are offered by the credit union to the members.

See the **“Debt Protection - Additional Information”** section at the end of this chapter for other information on setting up debt protection coverage.

Insurance Screen Number

Definition: There are a total of 50 different Insurance Setup Screens. Each screen displays unique insurance or debt protection program information.

Values: 1-50

All applicable insurance or debt protection coverage maximums come into play during the premium calculation process. Premiums will not be calculated for members who exceed the maximum age, but partial coverage is given for loans which exceed other maximums (such as insurable amount).

Payment

Definition: This is the dollar amount limit that the insurance or debt protection coverage covers as a monthly payment on a loan. This information can be found on the credit union's insurance policy or debt protection program information. ****Note:** This field is used for Level Rate and Monthly Renewable Disability. If there is no Maximum Payment Amount, fill in with all 9's.

Values: \$1 - \$99,999

Example: If the credit union's insurance policy or debt protection program stated that the monthly payment amount limit was \$500.00, this field would be set to 500. The insurance policy or debt protection program would cover monthly loan payments up to \$500.00.

Monthly Renewable Benefit

Definition: Consult your insurance or debt protection provider for the definition of this field and the values that should be entered into this field. This information can be found on the credit union's insurance policy or debt protection program information. ****Note:** The term of **"Monthly Renewal"** means there is a 120-month rate schedule. Most often this is used for Disability Insurance. The "Monthly Renewable Benefit" refers to the Payment Amount Maximum, if using the 120-month rate schedule for Disability. If there is no Maximum Payment Amount, fill in with all 9's.

Values: \$1 - \$99,999

Credit Life/DP Loan

Definition: The dollar amount entered into this field specifies the maximum loan balance that can be insured by the Life Insurance policy or covered by debt protection. This information can be found on the credit union's insurance policy or debt protection program information.

Values: \$1 to \$999,999

Example: If the Credit Union's insurance policy or debt protection program stated that the maximum insurable/covered loan balance was \$500,000.00, this field would be set to 500000. The insurance policy or debt protection coverage would cover up to \$500,000.00 of the balance of the loan.

Monthly Renewable Total Payback

Definition: Consult your insurance provider or debt protection provider for the definition of this field and the values that should be entered into this field. This information can be found on the credit union's insurance policy or debt protection program information. ****Note:** This option is for Non-CUNA Insurance for the states of New York and Florida only.

Values: \$1 - \$999,999

Credit Disability Loan

Definition: The dollar amount entered into this field specifies the maximum loan balance that can be insured by the Loan Disability Insurance or covered by debt protection. This information can be found on the credit union's insurance policy or debt protection program information.

Values: \$1 - \$999,999

Example: If the Credit Union's insurance policy or debt protection program stated that the maximum insurable/covered loan balance was \$100,000.00, this field would be set to 100000. The insurance policy or debt protection coverage would cover up to \$100,000.00 of the balance of the loan.

Product

Definition: This field is used to indicate whether or not the information on the screen is for "Insurance" or one of the "Debt Protection" coverage options. ****Note:** Do not combine options for debt protection and insurance on the same screen.

Values:

- I = Insurance (default)
- 1 = DP Life
- 2 = DP Disability
- 3 = DP Life+Disability
- 4 = DP Unemp
- 5 = DP Life+Unemp
- 6 = DP Disability+Unemp
- 7 = DP Life+Disability+Unemp

Example: For transactions generated from a screen with Insurance selected, the system will use method code 64 with an insurance description. For transactions generated from a screen with one of the Debt Protection options selected, the system will use method code 54 and a debt protection description will be used on member statements rather than insurance.

For combination insurance add-on transactions for credit life and disability, two transactions will be posted to the loan suffix. One will have **Loan Issue-Insurance** with the description of **“Life Coverage”** and one with the description of **“Disability Coverage”**. Debt Protection combination options will post one transaction for the combined amounts.

Ins Calc Type

Definition: This field is used to indicate if a credit union is using CUNA calculations or another calculation method. This information can be found on the Credit Union's Insurance policy or debt protection program information.

Values:

- 0 = CUNA
- 1 = Other
- 2 = Net Payback

Balloon Life Insurance Screen

Definition: This field is used for single premium balloon loans on non-CUNA calculations and will cause both decreasing and level premiums for life insurance to be calculated. This field defines the Insurance Screen Number that defines the insurance if the loan will have balloon payment. ****Note:** If the Ins Calc Type field is set to CUNA, the Balloon Life Insurance Screen field must be set to 00.

Values: Screen numbers 1 to 50.

Example: In this example, we are assuming that the Ins Calc Type field is NOT set to CUNA. If the Disability Insurance screen had a Balloon Life Insurance Screen field that had the value of 3, then the Disability Insurance information for balloon payment loans would be on Insurance Screen Number 3.

Single Life/DP (Minimum Enrollment Age)

Definition: This is the minimum age that the member may be on the day the loan is issued to enroll for Single Credit Life insurance or debt protection coverage. The system will base the age on the member's date of birth found on the Name Information window. ****Note:** A message of “Under Minimum Enrollment Age for xxxxxx” will display in the loan documents software, if the member or secondary insured/covered person is under the minimum age to enroll.

Values: 1-99

Example: If the Minimum Age field is set to 20, members below the age of 20 on the day the loan was issued would not be eligible to enroll for this type insurance or coverage.

Single Life/DP (Maximum Enrollment Age)

Definition: This is the age that the member will no longer be eligible to enroll for Single Credit Life insurance or debt protection coverage on the day the loan is issued. The system will base the age on the member's date of birth found on the Name Information window. ****Note:** A message of "Over Maximum Enrollment Age for xxxxx" will display in the loan documents software, if the member or secondary insured/covered person is over the maximum age to enroll.

Values: 1-99

Example: If the Maximum Age field were set to 50, members age 50 and older on the day the loan was issued would not be eligible to enroll for this type of insurance or coverage.

Single Life/DP (Maximum Insurable Age)

Definition: This is the age that the member will no longer be covered by the insurance policy or debt protection program. The system will base the age on the member's date of birth found on the Name Information window.

Values: 1-99

Example: If the Insurable Age field is set to 50, members age 50 and older would no longer be insured by this type of insurance or coverage.

Single Life/DP (Maximum Maturity Age)

Definition: On the day the loan is issued, this is the calculated age that a member must be below to have the loan paid off.

Values: 1-99

Example: If the Maturity Age field were set to 50, on the day the loan was issued the member's calculated payoff date would have to be before the member turned the age of 50.

Single Life/DP (Term/Mos)

Definition: This is the maximum number of months that a loan can be issued for at the time of the disbursement. ****Note:** When the Rate field is left blank, 120 is the maximum value that may be entered into this field.

Values: 1-999

Example: If the Term/Mos field is set to 120, the loan could be issued for a maximum of 120 months.

Joint Life/DP (Minimum Enrollment Age)

Definition: This is the minimum age that the member may be on the day the loan is issued to enroll for Joint Credit Life insurance or debt protection coverage. The system will base the age on the member's date of birth found on the Name Information window. ****Note:** A message of "Under Minimum Enrollment Age for xxxxxx" will display in the loan documents software, if the member or secondary insured/covered person is under the minimum age to enroll.

Values: 1-99

Example: If the Minimum Age field were set to 20, members below the age of 20 on the day the loan was issued would not be eligible to enroll for this type of insurance or coverage.

Joint Life/DP (Maximum Enrollment Age)

Definition: This is the age that the member will no longer be eligible to enroll for Joint Credit Life insurance or debt protection coverage on the day the loan is issued. The system will base the age on the member's date of birth found on the Name Information window. ****Note:** A message of "Over Maximum Enrollment Age for xxxxxx" will display in the loan documents software, if the member or secondary insured/covered person is over the maximum age to enroll.

Values: 1-99

Example: If the Maximum Age field were set to 50, members age 50 and older on the day the loan was issued would not be eligible to enroll for this type of insurance or coverage.

Joint Life/DP (Maximum Insurable Age)

Definition: This is the age the member will no longer be covered by the insurance policy or debt protection program. The system will base the age on the member's date of birth found on the Name Information window.

Values: 1-99

Example: If the Insurable Age field is set to 50, members age 50 and older would no longer be insured by this type of insurance or coverage.

Joint Life/DP (Maximum Maturity Age)

Definition: On the day the loan is issued, this is the calculated age that a member must be below to have the loan paid off.

Values: 1-99

Example: If the Maturity Age field were set to 50, on the day the loan was issued the member's calculated payoff date would have to be before the member turned the age of 50.

Joint Life/DP (Term/Mos)

Definition: This is the maximum number of months that a loan can be issued for at the time of the disbursement. ****Note:** When the Rate field is left blank, 120 is the maximum value that may be entered into this field.

Values: 1-999

Example: If the Term/Mos field is set to 120, the loan could be issued for a maximum of 120 months.

Credit Disability (Minimum Enrollment Age)

Definition: This is the minimum age that the member may be on the day the loan is issued to enroll for Credit Disability insurance or debt protection coverage. The system will base the age on the member's date of birth found on the Name Information window. ****Note:** A message of "Under Minimum Enrollment Age for xxxxxx" will display in the loan documents software, if the member or secondary insured/covered person is under the minimum age to enroll.

Values: 1-99

Example: If the Minimum Age field were set to 20, members below the age of 20 on the day the loan was issued would not be eligible to enroll for this type of insurance or coverage.

Credit Disability (Maximum Enrollment Age)

Definition: This is the age that the member will no longer be eligible to enroll for Credit Disability insurance or debt protection coverage on the day the loan is issued. The system will base the age on the member's date of birth on the Name Information window. ****Note:** A message of "Over Maximum Enrollment Age for xxxxxx" will display in the loan documents software, if the member or secondary insured/covered person is over the maximum age to enroll.

Values: 1-99

Example: If the Maximum Age field were set to 50, members age 50 and older on the day the loan was issued would not be eligible to enroll for this type of insurance or coverage.

Credit Disability (Maximum Insurable Age)

Definition: This is the age that a member will no longer be covered by the insurance policy or debt protection program. The system will base the age on the member's date of birth found on the Name Information window.

Values: 1-99

Example: If the Insurable Age field is set to 50, members age 50 and older would no longer be insured by this type of insurance or coverage.

Credit Disability (Maximum Maturity Age)

Definition: On the day the loan is issued, this is the calculated age that a member must be below to have the loan paid off. ****Note:** The system does not use this field when calculating insurance premiums or debt protection amounts.

Values: 1-99

Example: If the Maturity Age field were set to 50, on the day the loan was issued the member's calculated payoff date would have to be before the member turned the age of 50.

Credit Disability (Term/Mos)

Definition: This is the maximum number of months that a loan can be issued for at the time of the disbursement. ****Note:** When the Rate field is left blank, 120 is the maximum value that may be entered into this field.

Values: 1-999

Example: If the Term/Mos field is set to 120, the loan could be issued for a maximum of 120 months.

Single Credit Life/DP (Codes)

Definition: The two (2) digit code that represents the value in words that appears on each member's loan record in the Insurance Method field. If an insurance code represents more than one (1) type of insurance, then enter the code in each insurance code field.

Values: The numbers (codes) used are CU defined.

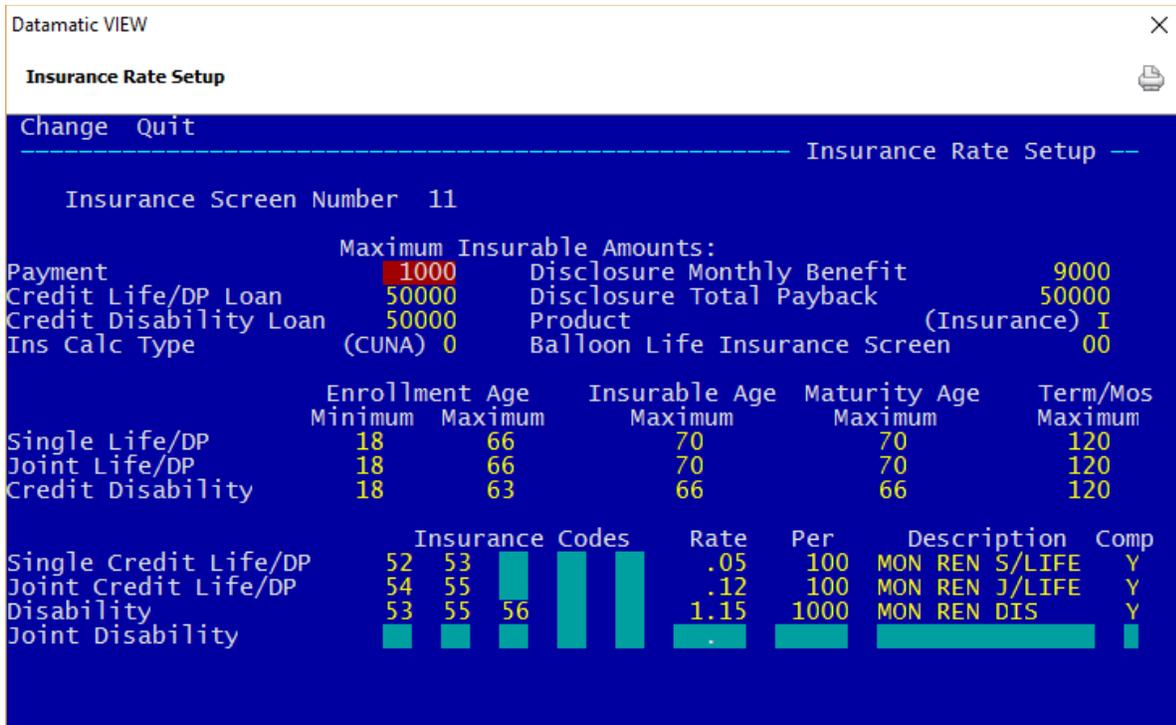


Figure 2

The appropriate Insurance Code is entered in the Insurance Method field either in Loan Setup or Loan Documents for individual loans for which the member is requesting insurance or debt protection coverage. The system will calculate the insurance or coverage based on the code entered for the specific loan and the information entered on the screen(s) the code is entered. An explanation of the insurance codes is on the following two pages.

In the example above, the Insurance Codes are as follows:

Insurance Code	Description
52	Single Credit Life will be calculated.
53	Single Credit Life and Single Disability will be calculated.
54	Joint Credit Life will be calculated.
55	Joint Credit Life and Single Disability will be calculated.
56	Single Disability will be calculated.

Other Information:

A code may also be used on more than one screen number to indicate for example, Single Credit Life with company A and Single Disability with Company B. Example below.

Insurance Screen Number 2

		Insurance Codes
Single Credit Life	11	28
Joint Credit Life		
Disability		
Joint Disability		

Insurance Screen Number 6

		Insurance Codes
Single Credit Life		
Joint Credit Life		
Disability	22	28
Joint Disability		

- Code 11 = Single Credit Life with company A
- Code 22 = Disability Insurance company B
- Code 28 = Combination of both Single Credit Life with company A and Disability Insurance with company B

The system will combine the rates from both screens that have code 28 to calculate the insurance amount.

****Note:** One code cannot be used for two or more different types of disability insurance (for example), etc. This could be a different Insurance Company or a different plan type with the same company. Example below.

Insurance Screen Number 3

		Insurance Codes	
Single Credit Life	2	3	8
Joint Credit Life			
Disability	1	3	
Joint Disability			

Insurance Screen Number 5

		Insurance Codes	
Single Credit Life			
Joint Credit Life			
Disability	6	8	
Joint Disability			

- Code 1 = Disability Insurance with company A
- Code 2 = Single Credit Life with company A
- Code 3 = Combination of both Single Credit Life with company A and Disability Insurance with company A
- Code 6 = Disability (special) Insurance with company A
- Code 8 = Combination of both Single Credit Life with company A and Disability (special) Insurance with company A

In this example, Single Credit Life is combined with two different types of disability insurance with the same company using code 3 and 8. Separate combination codes must be used for the system to calculate the insurance amount correctly.

****Note:** An error message will appear on the Insurance Rate Setup screen, if the same code is used more than once for the same category (type) of insurance.

Single Credit Life/DP (Rate)

Definition: The factor used in computing the insurance premium or debt protection amount. This is used in conjunction with the per field. If the insurance rate field is left blank, the system will automatically send the user to the Rate Table screen for insurance premiums only. The values in the Rate Table Screen will be used to calculate the insurance premiums when the rate field is left blank. (**Note: For Debt Protection calculations, always enter the level rate in the rate field.)

Values: A maximum value of 99.99%.

Single Credit Life/DP (Per)

Definition: Increments in whole dollars by which the insurance or debt protection coverage is calculated.

Values: Credit union defined.

Example: Entering 1000 in this field would result in the insurance or debt protection coverage rate being calculated per \$1000.00.

Single Credit Life/DP (Description)

Definition: The Description field defines a title to the specific type of insurance or debt protection coverage. This is for reference purposes when making changes to the screen.

Values: Credit Union defined.

Example: An example description for Monthly Renewable Single Credit Life Insurance or Debt Protection would be Mon Ren SCL.

Single Credit Life/DP (Compute)

Definition: This field determines if the system will compute the insurance premiums or debt protection amounts for loans that have Single Credit Life coverage.

Values: Y = Yes, compute the insurance premium or debt protection amount
N = No, do not compute the insurance premium or debt protection amount

Joint Credit Life/DP (Codes)

Definition: The two (2) digit code that represents the value in words that appears on each member's loan record in the Insurance Method field. If an insurance code means a member has elected a combination of insurance types, then enter the same code in both insurance code fields.

Values: The numbers (codes) used are CU defined.

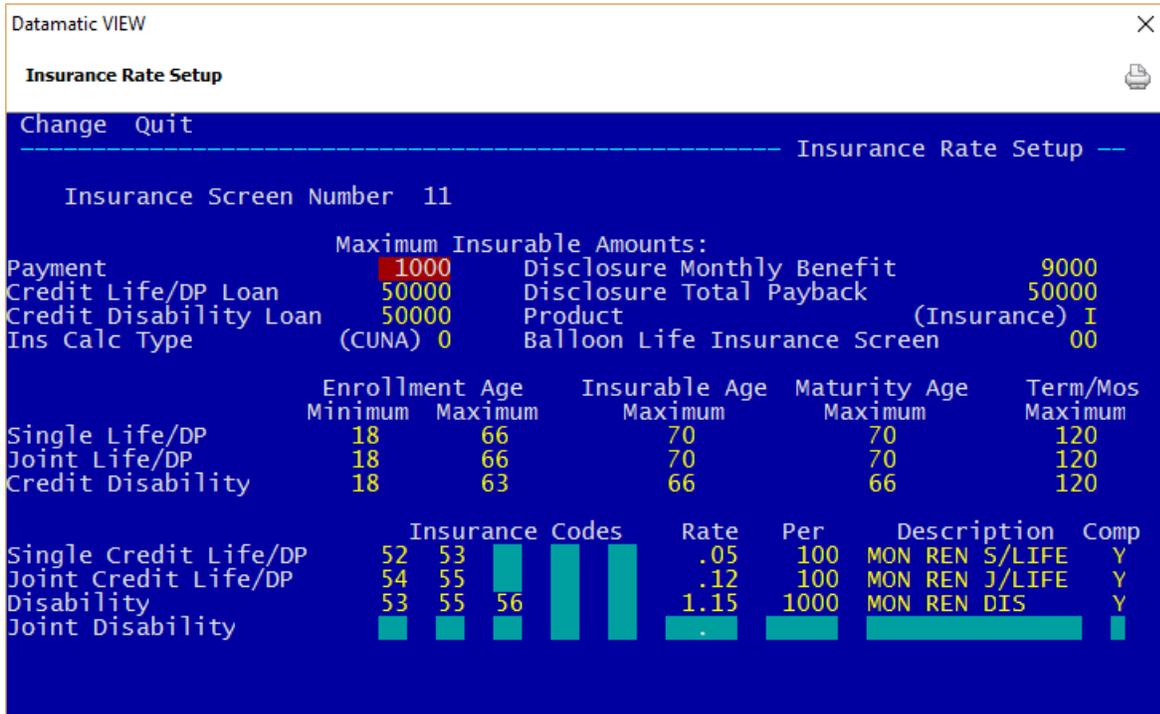


Figure 3

In the example above, the Insurance Codes are as follows:

Insurance Code	Description
52	Single Credit Life will be calculated.
53	Single Credit Life and Single Disability will be calculated.
54	Joint Credit Life will be calculated.
55	Joint Credit Life and Single Disability will be calculated.
56	Single Disability will be calculated.

Joint Credit Life/DP (Rate)

Definition: The factor used in computing the insurance premium or debt protection amount. This is used in conjunction with the per field. If the insurance rate field is left blank, the system will automatically send the user to the Rate Table screen for insurance premiums only. The values in the Rate Table screen will be used to calculate the insurance premiums when the rate field is left blank. (**Note: For Debt Protection calculations, always enter the level rate in the rate field.)

Values: A maximum value of 99.99.

Joint Credit Life/DP (Per)

Definition: Increments in whole dollars by which the insurance or debt protection coverage is calculated.

Values: Credit union defined.

Example: Entering 1000 in this field would result in the insurance or debt protection coverage rate being calculated per \$1000.00.

Joint Credit Life/DP (Description)

Definition: The Description field defines a title to the specific type of insurance or debt protection coverage. This is for reference purposes when making changes to the screen.

Values: Credit Union defined.

Example: An example description for Monthly Renewable Joint Credit Life Insurance or Debt Protection would be Mon Ren JCL.

Joint Credit Life/DP (Compute)

Definition: This field determines if the system will compute the insurance premiums or debt protection amounts for loans that have Joint Credit Life coverage.

Values: Y = Yes, compute the insurance premium or debt protection amount
N = No, do not compute the insurance premium or debt protection amount

Disability (Codes)

Definition: The two (2) digit code that represents the value in words that appears on each member's loan record in the Insurance Method field. If an insurance code means a member has elected a combination of insurance types, then enter the same code in both insurance code fields.

Values: The numbers (codes) used are CU defined.

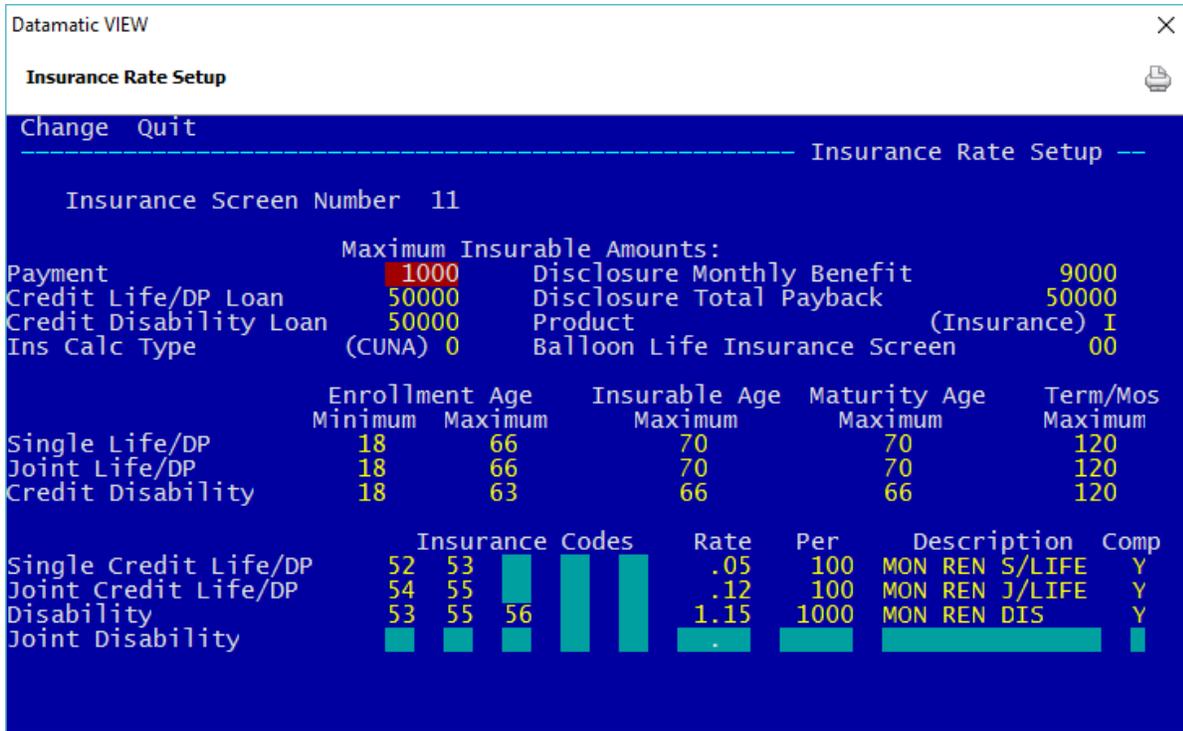


Figure 4

In the example above, the Insurance Codes are as follows:

Insurance Code	Description
52	Single Credit Life will be calculated.
53	Single Credit Life and Single Disability will be calculated.
54	Joint Credit Life will be calculated.
55	Joint Credit Life and Single Disability will be calculated.
56	Single Disability will be calculated.

Disability (Rate)

Definition: The factor used in computing the insurance premium. This is used in conjunction with the per field. If the insurance rate field is left blank, the system will automatically send the user to the Rate Table screen for insurance premiums only. The values in the Rate Table screen will be used to calculate the insurance premiums when the rate field is left blank.

Values: A maximum value of 99.99.

Disability (Per)

Definition: Increments in whole dollars by which the insurance coverage is calculated.

Values: Credit union defined.

Example: Entering 1000 in this field would result in the insurance coverage rate being calculated per \$1000.00.

Disability (Description)

Definition: The Description field defines a title to the specific type of insurance coverage. This is for reference purposes when making changes to the screen.

Values: Credit Union defined.

Example: An example description for Monthly Renewable Single Disability Insurance would be Mon Ren SDis.

Disability (Compute)

Definition: This field determines if the system will compute the insurance premiums amounts for loans that have Disability coverage.

Values: Y = Yes, compute the insurance premium
N = No, do not compute the insurance premium

Joint Disability (Codes)

Definition: The two (2) digit code that represents the value in words that appears on each member's loan record in the Insurance Method field. If an insurance code means a member has elected a combination of insurance types, then enter the same code in both insurance code fields.

Values: The numbers (codes) used are CU defined.

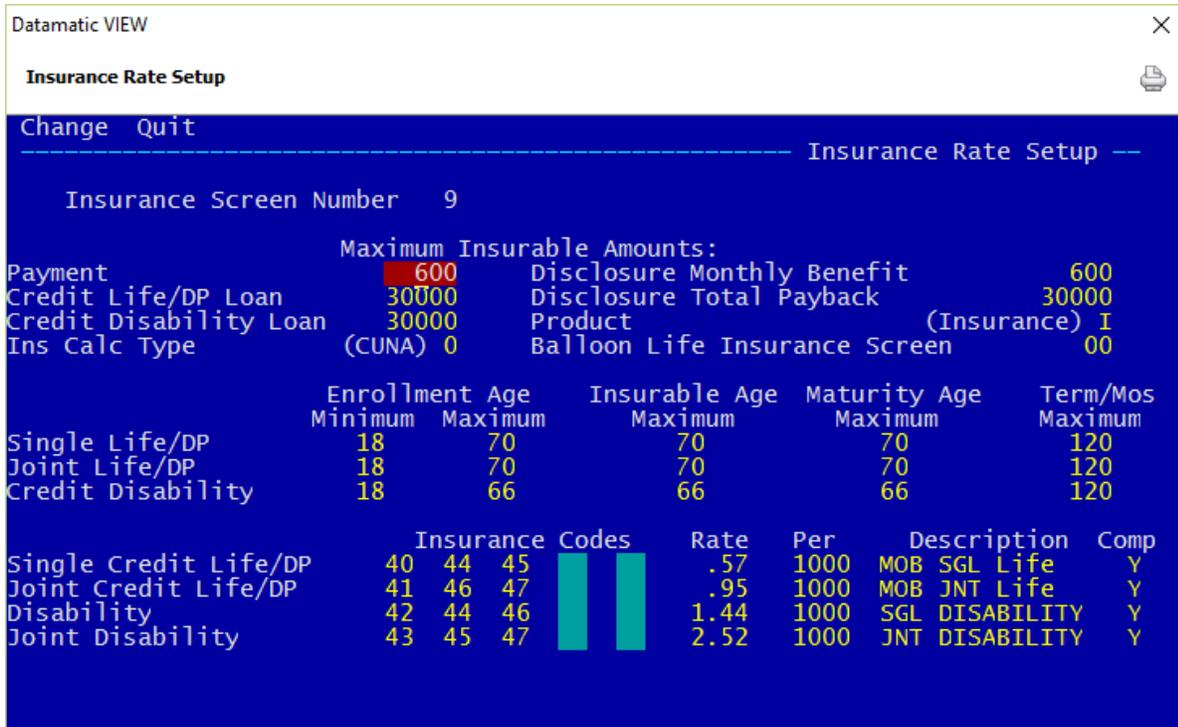


Figure 5

If offering single disability and joint disability insurance, and using the 120 rate schedule (decreasing), separate screens must be setup with appropriate codes on each screen. Single disability versus Joint disability would have different rates and there is one rate schedule per screen.

In the example above, the Insurance Codes are as follows:

Insurance Code	Description
40	Single Credit Life will be calculated.
41	Joint Credit Life will be calculated.
42	Single Disability will be calculated.
43	Joint Disability will be calculated.
44	Single Credit Life and Single Disability will be calculated.
45	Single Credit Life and Joint Disability will be calculated.
46	Joint Credit Life and Single Disability will be calculated.
47	Joint Credit Life and Joint Disability will be calculated.

Joint Disability (Rate)

Definition: The factor used in computing the insurance premium amount. This is used in conjunction with the per field. If the insurance rate field is left blank, the system will automatically send the user to the Rate Table screen for insurance premiums only. The values in the Rate Table screen will be used to calculate the insurance premiums when the rate field is left blank.

Values: A maximum value of 99.99.

Joint Disability (Per)

Definition: Increments in whole dollars by which the insurance coverage is calculated.

Values: Credit union defined.

Example: Entering 1000 in this field would result in the insurance coverage rate being calculated per \$1000.00.

Joint Disability (Description)

Definition: The Description field defines a title to the specific type of insurance coverage. This is for reference purposes when making changes to the screen.

Values: Credit Union defined.

Example: An example description for Monthly Renewable Joint Disability Insurance would be Mon Ren JDis.

Joint Disability (Compute)

Definition: This field determines if the system will compute the insurance premiums amounts for loans that have Joint Disability coverage.

Values: Y = Yes, compute the insurance premium
N = No, do not compute the insurance premium

IMPORTANT: In order for changes made to the Insurance Rate Setup screen to show right away, all PC's (work stations) that were logged in before the changes were made would need to log out and log in again. Otherwise, the change will be reflected the next business day.

Changing Rates

Either change the rates on the Insurance Rate Setup screen at the bottom or if multiple rates, press enter from this screen then enter again to process to get to the Rate Table Screen. Generally, credit life rates are entered on the first page at the bottom of the screen and disability rates are entered on the 120 term rate table screens on the second and third pages. This information will come from the insurance company.

Insurance Screen 01		Disability		Rates per \$100							
Term	Rate	Term	Rate	Term	Rate	Term	Rate	Term	Rate	Term	Rate
1	.170	2	.330	3	.500	4	.670	5	.820	6	.990
7	1.130	8	1.200	9	1.240	10	1.300	11	1.360	12	1.400
13	1.450	14	1.490	15	1.530	16	1.570	17	1.620	18	1.630
19	1.660	20	1.700	21	1.720	22	1.750	23	1.790	24	1.810
25	1.830	26	1.850	27	1.880	28	1.910	29	1.940	30	1.970
31	1.990	32	2.020	33	2.030	34	2.060	35	2.080	36	2.100
37	2.110	38	2.150	39	2.160	40	2.180	41	2.210	42	2.230
43	2.250	44	2.260	45	2.270	46	2.310	47	2.320	48	2.340
49	2.360	50	2.370	51	2.400	52	2.420	53	2.430	54	2.450
55	2.460	56	2.470	57	2.500	58	2.520	59	2.530	60	2.540

Figure 6

Press enter again to get to another screen with 60 more terms for a total of 120.

At the top of the Rate Table screen where the screen states “Rates Per \$1000”, this is determined by the Compute field on the first screen. If the Compute field says “N”, then the Rates Per will display \$100 (Single Pay). If the Compute field says “Y”, then the Rates Per will display \$1000 (Monthly Renewable).

If using the “Rate Table” for Single Credit Life, Joint Credit Life and/or Disability Insurance, these cannot be on the same screen because the rates would be different. There is only one rate table per screen thus only one set of rates.

If using the rate and per fields on the first page of the insurance rate setup screen, it is alright to use Single Credit Life, Joint Credit Life and/or Disability Insurance on the same screen, if appropriate (same company, etc).

Single Premium insurance generally uses the Rate field on the first page for credit life and the Rate Table for disability rates. The insurance company will provide directions.

Other Information

If the credit union computes the insurance or debt protection coverage amounts (rather than the insurance company or CUNA sending a tape or file, etc.), the compute field on the Insurance Rate Setup screen must be set to “Y”. The amount of the insurance/coverage is added on to the balance of the loan each month. This can be setup to run automatically under [Main Ribbon > System Settings > Automated Operations Calendar Setup].

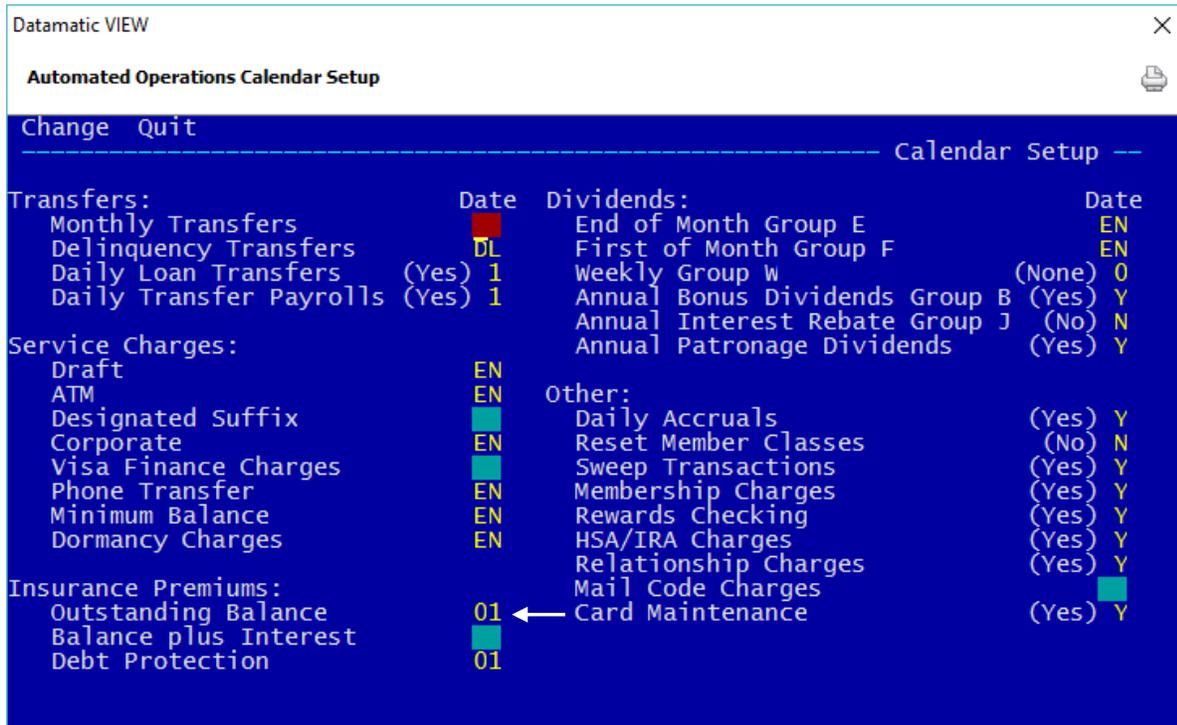


Figure 7

The compute can also be run manually under [Main Ribbon > Operations > Insurance folder > Insurance Premiums (Balance + Interest) or Insurance Premiums (Outstanding Balance)]. The insurance premiums or coverage amounts can be manually updated under [Main Ribbon > Operations > Insurance folder > Update Insurance Premiums] or left to update with End of Day.

The general ledger payable accounts for the system to automatically post the offset for the insurance or debt protection coverage amounts to are found under [Main Ribbon > System Settings > Insurance and Service Charge Accounts Setup].

	Debit	Credit	Post Method
Insurance Mo Renewable	<input type="text"/>	<input type="text"/>	Main Office
Insurance FGL	<input type="text"/>	<input type="text"/>	Main Office
Insurance Miscellaneous	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Dormancy	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Draft	<input type="text"/>	<input type="text"/>	Main Office
Service Charge ATM	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Phone	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Designated	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Corporate	<input type="text"/>	<input type="text"/>	Main Office
Service Charge Mailed Check	<input type="text"/>	<input type="text"/>	Main Office

Figure 8

Insurance Mo Renewable = This field represents the general ledger number that is automatically offset when Monthly Renewable Insurance or Debt Protection coverage Add-ons are posted. The insurance premiums or coverage amounts are computed using either the Outstanding Balance or Balance plus Interest methods.

Insurance FGL = This field represents the general ledger number that is automatically offset when Family Group Life Insurance Add-ons are posted. The insurance “Type” in Automated Operations Setup is “FGL”. See earlier section of this chapter. The insurance company sends the credit union a file with premiums to be loaded on the system.

Insurance Miscellaneous = This field represents the general ledger number that is automatically offset when Miscellaneous Insurance Add-ons are posted. The insurance “Type” in Automated Operations Setup is “Misc”. See earlier section of this chapter. The insurance company sends the credit union a file with premiums to be loaded on the system.

If the insurance company or CUNA sends a tape or file, etc. for the credit union to process each month for the amount to be added to the loan balances for insurance or debt protection coverage, then the compute field will be "N". Each company that the credit union processes tapes for must be listed under [Main Ribbon > System Settings > Automated Operations Setup].

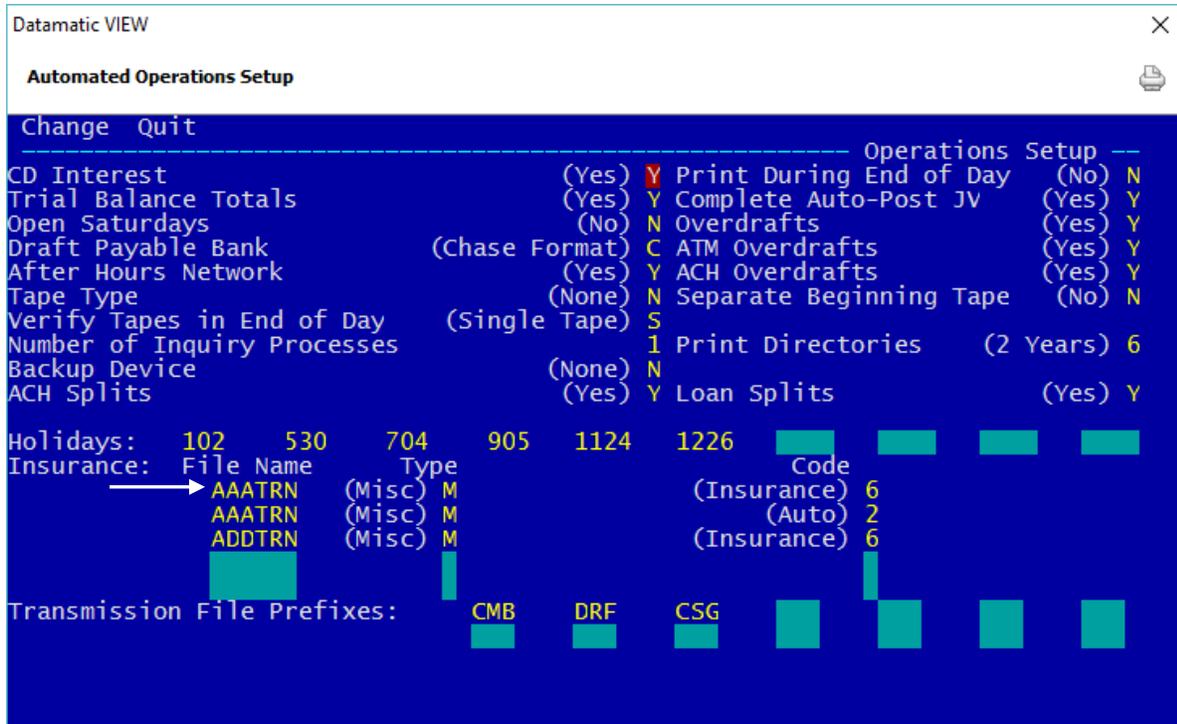


Figure 9

Debt Protection - Additional Information

CUNA’s Debt Protection product for life, disability and unemployment coverage has been tested on the Datamatic system and certified with CUNA as of September 2010. The following is information on how this coverage works on the Datamatic system.

If a credit union is considering either a different company’s Debt Protection program or additional CUNA coverage, Datamatic will need the details on this product, as well as, documents and premium calculation information to be reviewed by programming. This must be done prior to signing on the dotted line.

[Main Ribbon > System Settings > Insurance Rate Setup] used to setup insurance rates is also used to setup debt protection rates. Also, a window in [Main Ribbon > System Settings > Insurance Titles] needs to be setup for each debt protection code being used.

Insurance Rate Setup - Just Life coverage

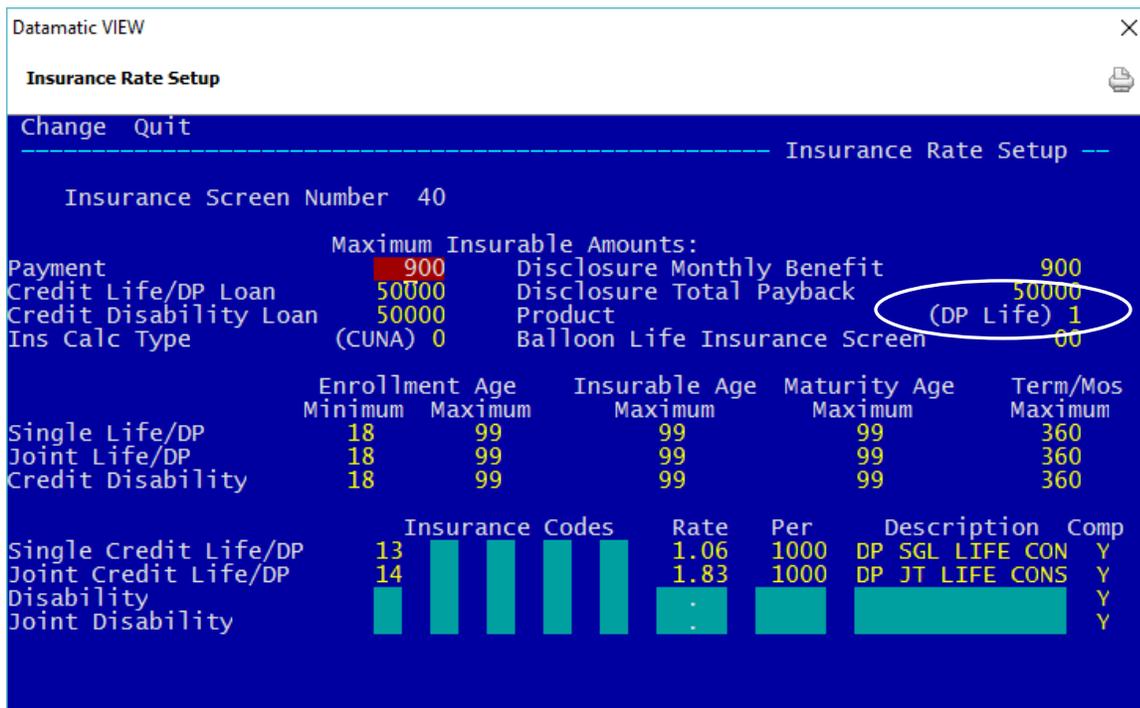


Figure 10

The options for “Product” are:

- I = Insurance
- 1 = DP Life
- 2 = DP Disability
- 3 = DP Life+Disability
- 4 = DP Unemp
- 5 = DP Life+Unemp
- 6 = DP Disability+Unemp
- 7 = DP Life+Disability+Unemp

****Note:** When setting up a screen for Debt Protection, the “Single Credit Life/DP” and “Joint Credit Life/DP” lines can be used for either single or joint coverage regardless of the wording of single or joint.

If **“Insurance”** is selected, the system will use a 764 Transaction Code and the description “Loan Issue-Insurance”.

If one of the **“Debt Protection”** options is selected, the system will use a 754 Transaction Code and the description “Loan Issue-Debt Protection”.

On the screen on the previous page, the following coverage is setup:

- Insurance Code 13 = Single Debt Protection - Life Coverage only
- Insurance Code 14 = Joint Debt Protection - Life Coverage only

Insurance Rate Setup - Just Disability coverage

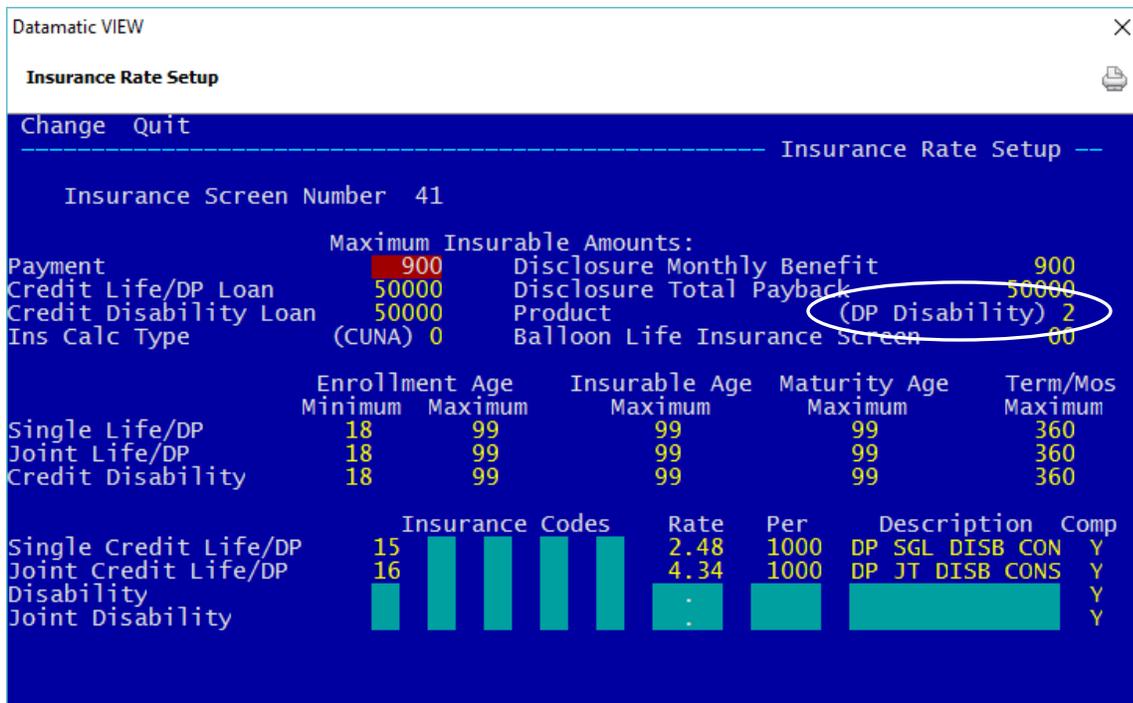


Figure 11

On the screen above, the following coverage is setup:

- Insurance Code 15 = Single Debt Protection - Disability Coverage only
- Insurance Code 16 = Joint Debt Protection - Disability Coverage only

****IMPORTANT:** When setting out the Insurance Rate Setup screen for Debt Protection, only enter values in the Single Credit Life/DP and Joint Credit Life/DP spaces even if the coverage is something other than life.

Insurance Rate Setup - Combined coverage for Life and Disability

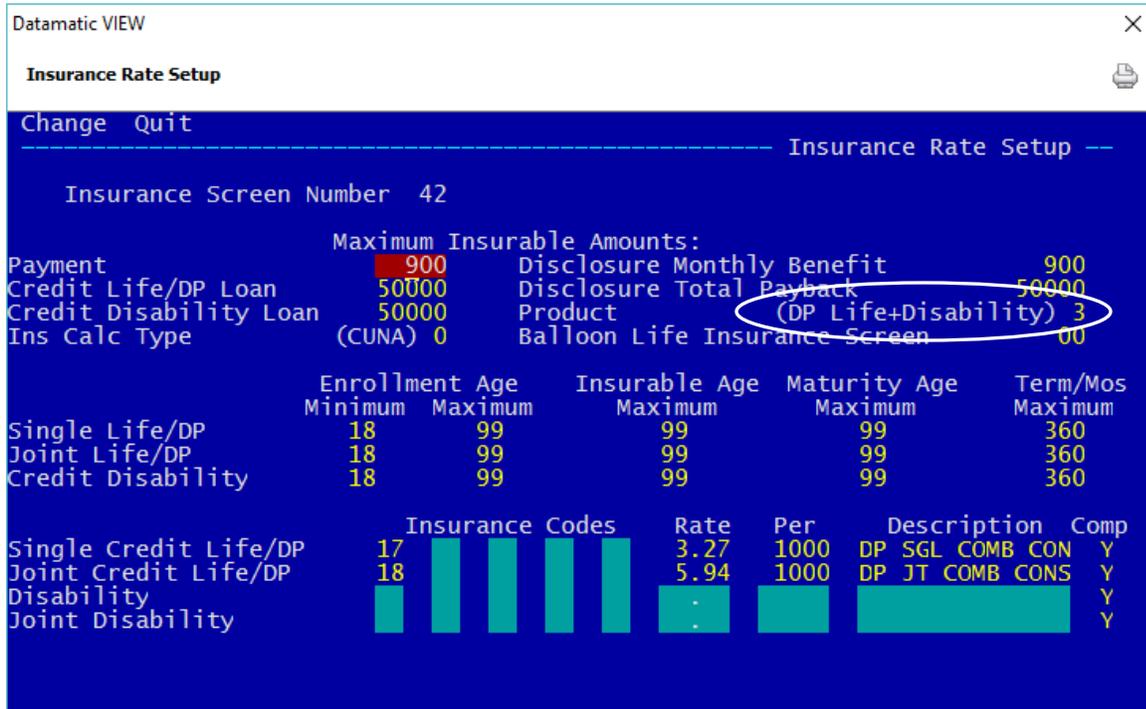


Figure 12

On the screen above, the following coverage is setup:

Insurance Code 17 = Single Debt Protection - Life and Disability Coverage

Insurance Code 18 = Joint Debt Protection - Life and Disability Coverage

****Note:** With CUNA's Debt Protection coverage, there is no option for Single - Life Coverage and Joint Disability combined. Also, there is no option for Joint Life Coverage and Single Disability combined. The same holds true for unemployment coverage combinations.

An "Insurance Code Totals" page has been added to the Insurance Premiums Report. This page will give a breakdown of the premiums and count for each Insurance and Debt Protection code. See an example on the last page of this chapter.

Insurance Rate Setup - Combined coverage for Life and Unemployment

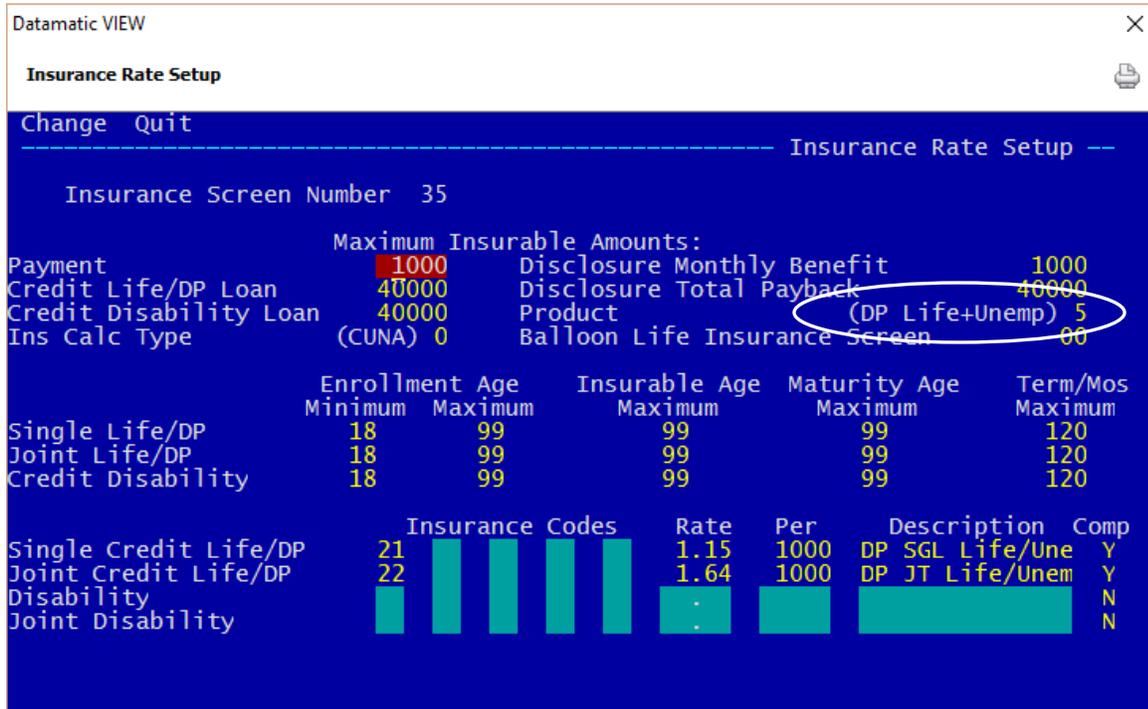


Figure 13

On the screen above, the following coverage is setup:

- Insurance Code 21 = Single Debt Protection - Life and Unemployment Coverage
- Insurance Code 22 = Joint Debt Protection - Life and Unemployment Coverage

Example of report.

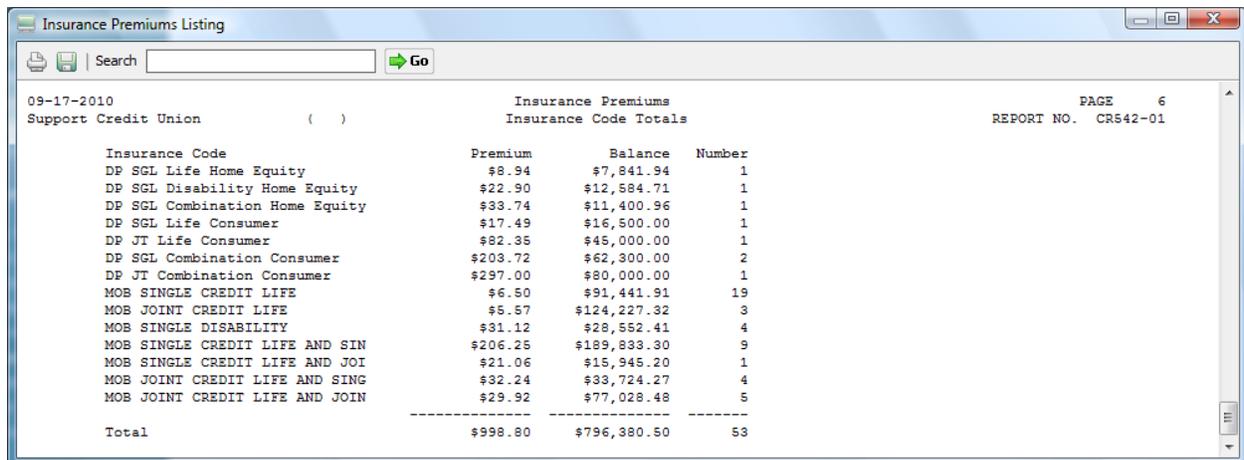


Figure 14

Other Information

There is an option under [Main Ribbon > System Settings > Automated Operations Calendar Setup] that allows the credit union to choose whether or not to have the Debt Protection transactions automatically generated. Enter the day of the month that the Debt Protection transactions are to be generated next to the **Debt Protection** option. (See arrow below.) This is usually done early in the month since the amounts are calculated off of the monthend files.

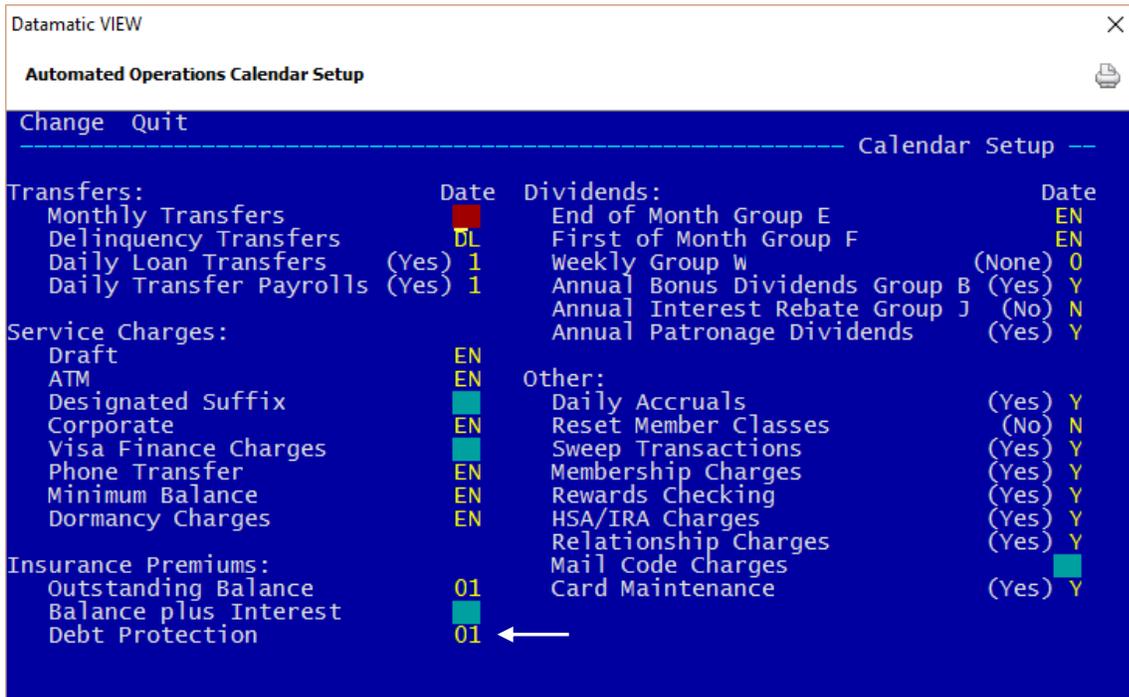


Figure 15