

## TERMS AND CONDITIONS

WITNESSETH : That in consideration of the payment by the Finance Company ("The Co.") to the respective insurance companies, or their agents, of the balance of the premiums upon the policies of insurance hereinbefore described on the reverse side hereof (which policies have been issued and delivered to the Assured at his request) the Assured promises to pay to the Finance Company the amount shown in the completed schedule on the reverse side hereon under the caption "Total of Payments", with service charge thereon as in said Schedule provide; and the Assured agrees with the Finance Company as follows :

1. In the event that default be made in the payment of any payment payable hereunder, or if bankruptcy proceedings be instituted by or against any of the insured, or a receiver of property of any of the insured be appointed, then the full amount payable hereunder shall, at the option of the Co., become forthwith due and payable and the Co. shall have the right to cancel said policies and collect and receive all return or unearned premiums hereon or the proceeds of a loss hereunder, retain the amount owing hereunder, and remit any surplus to the insured. Default in payment of installment hereof shall be deemed to be a request for cancellation of said policies by the insured and for notice of such cancellation to be given by the Co. to said insurance companies or agencies.
2. The unpaid balance may be paid in full at any time without penalty, except as described herein, If the amount financed hereunder is \$500.00 or less, then that portion of the finance charge over \$20.00 will be refunded based on the "Rule of 78's". If the amount financed hereunder is over \$500.00 then that portion of the finance charge over \$30.00 will be refunded based on the "Rule of 78's". If the amount financed hereunder is over \$1,000.00 then that portion of the finance charge over \$40.00 will be refunded based on the "Rule of 78's".
3. The Insured assigns to the finance company as security, all of their rights, title and interest in and to each of the financed policies and all rights therein including all unearned and return premiums. The undersigned further warrants that a fully completed copy of this agreement has been furnished the insured.
4. The finance charge made herein begins at the earliest beginning date of the policy or policies assigned to the holder hereof as security for the amount due.
5. The Undersigned agrees to pay a delinquency charge of five per cent (5%) of any installment in default hereunder, however, said delinquency charge shall not be less than \$1.00.
6. The Insured hereby irrevocably appoints the Co., its officers and agents, as their attorneys in fact with power to cancel the policies of insurance, or any of the, to receive and receipt. In the name of the Insured, all monies hereafter payable to the Insured as above set forth, including the proceeds of any loss so payable. The Insured hereby releases and discharges and agrees to hold harmless the Co. and its officer, agents and employees from any liability or cause of action by reason of any such cancellation.
7. Each of said insurance companies is hereby authorized to rely upon all statements made by the Co. as to every matter pertaining to this contract and said policies.
8. No waiver by the Co. of any default shall be construed as a waiver of any other or subsequent default nor impair or affect any rights or remedies incident thereto. The Co. shall not be under any liability hereunder as an insurer. The entire contract between the parties hereto is contained herein and there are no other conditions, provisions, understandings or undertakings.
9. The Co. shall have the right to accept any payment or payments from the insured after notice of cancellation has been sent to the insurance companies and may hold such monies for the insured or apply them as a reduction of the indebtedness hereunder and neither the acceptance nor the application of any such payment or payments shall constitute an undertaking on the part of the Co. to continue the said insurance in force or to take steps to reinstate such insurance or constitute a waiver of any default hereunder. In the event the Co. requests reinstatement of such insurance the Co. assumes no responsibility that such request will be received or honored by the insurance company, and Insured must verify the existence of coverage directly with the insurance company or its agent.
10. The Insured hereby agrees that the surrender of the policy or policies or certificate or certificates shall not be necessary to entitle the Co. to receive any such return premiums or proceeds of loss and hereby authorize each of the herein named insurance companies to pay to the Co. any and all such return premiums and proceeds of loss otherwise payable hereunder without requiring the surrender of any policy or certificate.
11. The Co. may, with or without notice to the undersigned, assign its right, title and interest in, to and under this Agreement and the collateral herein described and all rights of the Co. hereunder upon such assignments shall vest in the assignee.
12. The Insured understands and agrees that no agent or broker soliciting and/or writing any of said policies was or is the agent of the Co. all such agents or brokers having acted solely as agents of the undersigned or of the insurance, companies. No acts, representations, promises or warranties of any such agents or brokers with respect to this contract or any of said policies shall be binding upon the Co. and the insured states that they have not dealt with, and agree that they will not in the future deal with, any of the insurance companies or any agent or broker as the agent of the Co.
13. The records of the Co., showing the mailing of any notice, shall be conclusive evidence of the due and proper mailing of such notice at the time and in the manner shown by such records. The Co. shall not be required to take notice of the change of any address of any of the undersigned unless written notice thereof shall have been receive by it.
14. The Co. is hereby authorized to pay the above mentioned balances of premiums to insurance companies issuing such policies or their respective agents.
15. Where a payment is in default, the Co. agrees that not less than 10 days written notice shall be mailed to the Insured of the intent of the Co. to cancel the insurance policy unless the default is cured within such 10 day period.
16. This Contract shall be construed in accordance with and governed by the laws of the State of Illinois. In the event of the invalidity of any provision of this Agreement, such invalid provision shall not invalidate the remaining portions of this contract.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The Federal agency which administers compliance with this law concerning this premium finance company is the Federal Trade Commission, 730 Peachtree Street, N.E., Room 800, Atlanta, Georgia, 30308.

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