

Payment Protection Insurance (PPI)

IMPORTANT NOTICE

FOR ALL EXISTING AND NEW PPI POLICYHOLDERS

If you currently hold optional monthly renewable Payment Protection Insurance (PPI) in respect of your loan repayments with your Credit Union, then this notice applies to you.

Your PPI policy is currently underwritten by Financial Insurance Company Limited, trading as Genworth Financial ("Genworth"). Genworth are not renewing these policies after 1st November 2009. Therefore, the cover you receive through your Genworth Policy will expire on 31st October 2009.

You may continue to avail of optional Payment Protection Insurance from 1st November 2009, ensuring there is no break in your cover, by taking out an alternative policy (the "CUNA Policy") underwritten by CUNA Mutual Insurance (Europe) Limited ("CUNA Mutual").

Why should you continue with Payment Protection Insurance?

Payment Protection Insurance provides peace of mind at an affordable price. It is designed to cover your loan repayments in the event that you are unable to work for more than 30 days as a result of an accident, sickness or unemployment.

The CUNA policy provides some additional enhancements for you in relation to claims:

- Claim benefit is calculated on a daily basis rather than only being paid in respect of complete months;
- Unemployment Benefit is paid in the event that an insured member is out of work as a result of becoming a carer;
- Exclusions on claims arising from back injuries and stress are less onerous.

Claims:

If you already have a PPI claim in progress with Genworth, or have recently submitted a claim or intend to submit a claim, Genworth will continue to handle these claims. Genworth will handle any claims which occur on or before 31st October 2009, even if you submit the claim after this date.

If an incident occurs on or after November 1st 2009 which gives rise to an Accident, Sickness or Unemployment claim, then these claims will be handled by CUNA Mutual on the basis that you kept your PPI policy in force after November 1st 2009.

If you take out the CUNA Policy without a break in cover, CUNA Mutual will take into account any period of cover that you had on your loan under your Genworth Policy when assessing future claims.

Premium:

The monthly premium on the CUNA Policy is €6.49 per €100 of insured loan repayment. The current Genworth rate is €4.94 per €100 of insured loan repayment. In order to facilitate members taking up this new cover, CUNA Mutual has agreed to discount the premium payable for the period from 1st November to 31st December 2009, to match the current Genworth rate of 4.94%.

Should you decide to take up cover with CUNA Mutual, your premium rate from 1st January 2010 will be €6.49 per €100 of insured loan repayment.

Please note if you top-up your existing loan after 1st November 2009 and select PPI, you will receive the CUNA policy and your premium will be €6.49 per €100 of insured loan repayment.

Consent:

In order to ensure you have cover from 1st January 2010, please confirm whether you wish to continue with your optional Payment Protection Insurance in respect of your Credit Union loan repayments, by signing the consent form which you received by post, and returning it to your Credit Union. Alternatively your Credit Union will have a copy of this form for you to sign.

