



NOTE OF INSURANCE REQUIREMENT

PO Box 8007, Redwood City, CA 94063-0903 (800) 632-4600 (650) 508-7290 fax providentcu.org

Important Note of Insurance Requirement on Your New Loan

This first notice is to remind you that one of the requirements of your loan, is to carry a Policy of Insurance which protects Provident Credit Union from financial loss as the result of damage to or destruction of the collateral. Such Policy must provide and include:

1. Collision, Fire, Theft and Comprehensive Coverage in the case of a motor vehicle
2. Broad Form Physical Damage Coverage in the case of other chattels
3. **Maximum Deductible of \$1,000.00 for all Coverages & Coverage Period**
4. Loss Payable Endorsement naming Provident Credit Union as Loss Payee or Lienholder
5. Member Name, Vehicle Description and Vehicle Identification Number (VIN)

In addition, the Policy is to be obtained from an admitted insurance carrier that is a member of the California Insurance Guarantee Association and regulated by the Department of Insurance.

Please make sure proper proof of coverage is sent to us at the address listed below in Redwood City within 15 days of the loan funding. The Policy Declarations Page must contain the above referenced items and may be submitted as proof of insurance by you or your agent. **Insurance Identification Cards and Evidence of Insurance Cards are unacceptable proof of coverage.**

If you fail to obtain the required insurance, we have the right to purchase a policy to protect our interest, according to the following conditions:

1. The insurance placed by the Credit Union affords collision and comprehensive coverage and is intended for the sole protection of the Credit Union. It protects you for damage occurring to the collateral described above **ONLY IN THE EVENT** you pay the deductible **AND** coverage is limited to **THE LESSER OF** the cost of repairs, the current value of the collateral, or the loan balance.
2. The premium for such insurance plus the Credit Union's interest will be added to the balance of your loan and your monthly payment will be adjusted accordingly.
3. Insurance placed by the Credit Union under the Master Policy will **NOT** provide bodily injury and property damage liability and will **NOT** comply with any financial responsibility law.
4. In the event the Credit Union has placed such insurance and determines subsequently that you have obtained insurance as required, the premium for insurance placed by the Credit Union shall be refunded to your loan; however, any interest charged for amounts advanced shall be retained by the Credit Union.

INSURANCE MUST REMAIN IN EFFECT DURING THE ENTIRE TERM OF YOUR LOAN.

PLEASE DIRECT YOUR PROOF OF INSURANCE AND FURTHER INQUIRIES TO:

Provident Credit Union
Attn: Insurance Center
P.O. Box 5302
Redwood City, CA 94063-0302
Telephone: (877) 550-5905