



# REAL LIVING'S PEACE OF MIND PLAN

REASSURANCE DURING UNCERTAIN TIMES

**If your heart is set on a new home, but you're stressed about the economic realities we all face, Real Living HER has your answer.**

Real Living's Peace of Mind plan is designed to provide the comfort you deserve and the confidence you need to make your move a reality.



**Here's how it works:**

## One-Year Coverage\*

When you are represented by a Real Living HER agent during the purchase of your next home, and finance through Real Living Mortgage, Real Living will provide you with one year of insurance benefits that cover a monthly mortgage payment of up to \$1,500 for up to six months if you become involuntarily unemployed during the first year you are in your new home.

Many buyers who purchased a home in recent years have interest rates that exceed current rates that are available. So, additionally, if you refinance through Real Living Mortgage we'll also provide coverage for one year. Please refer to the terms and conditions section for more detailed stipulations.

## Two-Year Coverage\*

If you purchase a Real Living HER listing, and finance through Real Living Mortgage, we'll extend your Peace of Mind benefits for another year (two years altogether) so you can take advantage of the up to \$1,500 each month for up to six months of coverage. This means that you have coverage for up to six months of mortgage payments if you become involuntarily unemployed at any point during the two-year period.

Call your Real Living agent today for complete details or to begin your home search.

Real Living Mortgage Consultant: \_\_\_\_\_ Phone: \_\_\_\_\_

**\*TERMS AND CONDITIONS**

The Peace of Mind mortgage payment protection plan is available to Real Living Realty Services and Real Living HER buyers. All contracts must be dated between June 1, 2009 and November 30, 2009, and must close no later than December 31, 2009. All buyers must successfully finance their new home purchase through Real Living Mortgage, LLC in order to be eligible for the Peace of Mind plan.

The Peace of Mind mortgage payment protection plan is available to all Real Living Mortgage, LLC refinance clients who close on an FHA Streamline or VA IRRRL first mortgage through Real Living Mortgage, LLC. All refinance applications must be dated between June 1, 2009 and November 30, 2009, and must close no later than December 31, 2009.

All financing is offered through Real Living Mortgage, LLC Equal Housing Lender. All borrowers are subject to qualification, approval and closing no later than December 31, 2009. Offer is subject to change or cancellation without notice. Real Living Mortgage, LLC pricing (rates & fees) & programs are subject to change or withdrawal without notice. The offer cannot be combined with any other first mortgage incentives and is not available on Ohio Bond loans. Other restrictions may apply. Please see a Real Living Home Mortgage, LLC Consultant for details.

The Peace of Mind plan is underwritten by Virginia Surety Company, Inc. under group insurance policy IUI-POL (11-05). Exclusions and limitations apply. See the Certificate of Insurance and Schedule of Coverage for complete details.

**CERTIFICATE OF INSURANCE (“CERTIFICATE”)  
INVOLUNTARY LOSS OF EMPLOYMENT INCOME INSURANCE**

Virginia Surety Company, Inc.  
175 West Jackson Blvd.  
Chicago, Illinois 60604

**INSURING AGREEMENT**

We agree to pay the Creditor/Beneficiary and or Accountholder, the benefits of this Certificate and any riders attached to it, subject to all of the terms and limitations of this Certificate and the Group Policy (called “Policy”) issued to the Creditor/Beneficiary. This Certificate is issued in consideration of the statements made by You in Your application (if any) and the payment of the required premium by the Participating Organization. The insurance coverage provided by this Certificate begins on the Effective Date shown on the accompanying Schedule and ends on the Expiration Date shown on the accompanying Schedule.

**DEFINITIONS**

“**Account**” means the numbered account shown on the accompanying Schedule and/or also on file with the Participating Organization.

“**Accountholder**” means an eligible person, including joint accountholders, who has an Account and is insured under the Policy.

“**Coverage Period**” means the Coverage Period shown on the accompanying Schedule and is the period of time which this Certificate is in force.

“**Creditor/Beneficiary**” means the Creditor/Beneficiary shown on the accompanying Schedule.

“**Effective Date**” means the Effective Date of this Certificate shown on the accompanying Schedule. No coverage is provided prior to the Effective Date of this Certificate.

“**Gainfully Employed**” means employed for wages, salary, or other monetary reward. “Gainfully Employed” does not include self-employment income (1099 income), barter-for-trade compensation such as room and board or any other non-monetary payment.

“**Involuntary Unemployment**” means unemployment due to economic reasons including strikes, lockouts, individual and mass layoffs, or loss of income due to business failure or bankruptcy. “Involuntary Unemployment” does not include: (1) mandatory retirement as a result of an employer policy or other reason, or involuntary retirement; (2) Your quitting or resigning from Your employment; (3) Your being terminated from Your employment as a result of willful misconduct, a transgression of some established and definite rule, a forbidden act, a dereliction of duty, where such transgression is willful, improper or wrongful behavior, which behavior is not mere negligence nor carelessness; (4) loss of income from self-employment for any reason; (5) any period of time for which You are being paid by contract for Your efforts on behalf of another; (6) any period of time for which You are receiving termination or severance pay; (7) Your being terminated from Your employment as a result of criminal misconduct (unlawful behavior as determined by local, state or federal law); (8) Your being laid off as a result of a normal and routine shutdown (i.e., an annual or regularly scheduled event where You expect to be rehired) as determined by Your occupation or place of employment; or (9) Your being terminated from or completing seasonal or temporary work.

“**Involuntary Unemployment Date**” means the date of Your actual termination from Your former employer not to be determined by any period of time which You received severance or termination pay. **The Involuntary Unemployment Date must occur during the Coverage Period.**

“**Maximum Number of Benefit Payments**” means the Maximum Number of Benefit Payments shown on the accompanying Schedule, that You may be eligible to receive.

“**Monthly Account Payment**” means Your regularly scheduled monthly payment, determined at the time of loan closing, to the Creditor/Beneficiary that You are eligible to receive as a benefit under this Certificate.

“**Relative**” means immediate family members to include, but not limited to, spouses, parents, children, siblings, grandparents, parents-in-laws and grandparents-in-laws, aunts, uncles, step relatives, and half siblings.

“**Vesting Period**” means the Vesting Period as shown and described on the accompanying Schedule. If You become involuntarily unemployed (Involuntary Unemployment Date) during the Vesting Period of this Certificate, no benefits will be paid for the duration of the unemployment occurrence. The Vesting Period begins on the Effective Date of this Certificate.

“**Waiting Period**” means the Waiting Period as shown on the accompanying Schedule. Benefits for involuntary loss of employment income begin only after the Waiting Period has expired. This Waiting Period is separate from and not a part of the Vesting Period.

“**We, Us, and Our**” means Virginia Surety Company, Inc 1000 N. Milwaukee Ave., Glenview IL 60025.

“**You**”, “**Your**” and “**Yours**” mean the Accountholder shown on the Schedule, who is a resident of and employed in the United States or its Territories. In the event of a joint loan, Accountholder means the two eligible people who have an account and are insured under this Certificate.

## **BENEFITS**

### **WHAT WE WILL PAY**

After the Vesting Period and Waiting Period for this Certificate has been satisfied, We will pay the Creditor/Beneficiary and or Accountholder the lesser of the eligible proportionate amount of Your Monthly Account Payment (determined as of the date of loan closing) or the maximum allowable benefit amount, subject to the Maximum Number of Benefit Payments for Your continuous Involuntary Unemployment, beginning with the 31<sup>st</sup> day of Involuntary Unemployment provided You meet the following:

- (1) You are eligible for the involuntary loss of employment income benefit as described herein; and
- (2) You are insured by this Certificate on the date You became involuntarily unemployed; and
- (3) On the day You became involuntarily unemployed, You had attained the age of eighteen (18) years; and
- (4) You were Gainfully Employed on a regular full-time basis at least 30 hours per week for the 12 consecutive weeks immediately prior to the date You became involuntarily unemployed; and
- (5) You earn Your income, disclosed on the application, on a W-2 basis; are not self-employed; not a 10% or greater owner of the company from which You earn Your W-2 income; and/or are not receiving Your W-2 income while working for a Relative; and
- (6) Prior to the Effective Date of this Certificate, You had no prior knowledge of any pending Involuntary Unemployment; and
- (7) You are eligible for resident state or local government unemployment benefits and are able and available to work or You are involuntarily unemployed due to strike or lockout; and
- (8) You have satisfied the required Vesting Period and the required Waiting Period as shown on the accompanying Schedule; and
- (9) You are not disabled due to sickness or accidental bodily injury.

If involuntary loss of employment income benefits have been previously paid on Your behalf to the Creditor/Beneficiary and or Accountholder under this Certificate and this benefit payment stopped, then requirement (4) above changes so that You must have returned to gainful employment on a regular full-time basis of at least thirty (30) hours per week for eight (8) consecutive weeks immediately prior to any new period of Involuntary Unemployment for which You wish considered by Us for payment of benefits. A new Waiting Period will apply in the event of subsequent Involuntary Unemployment. If you become Involuntarily Unemployed during the Vesting Period and no benefit is paid, any subsequent unemployment occurrence will only be eligible for benefit payment if requirement (4) above is met.

### **BENEFITS JOINT ACCOUNTHOLDERS**

In the event of a joint loan, if one of the Accountholders becomes involuntarily unemployed, this Certificate will pay a proportionate share of the involuntary loss of employment income benefit that would otherwise be payable. The proportion is determined by dividing (1) the amount of the involuntarily unemployed Accountholder’s income immediately prior to the Involuntary Unemployment Date by (2) the amount of both Accountholder’s income (including the involuntarily unemployed Accountholder’s income immediately prior to the Involuntary Unemployment Date).

### **PAYMENTS STOP**

We will stop paying this benefit when any of the following occur:

- (1) You are no longer involuntarily unemployed; or
- (2) We have paid the Maximum Number/Amount of Benefit Payments for the Accountholder or the Coverage Period has expired; or
- (3) Your state or local unemployment private or governmental agency from which You are receiving benefits stops paying You benefits due to Your failure to continue to qualify for those benefits; or
- (4) You are Gainfully Employed for wages, salary or other monetary reward in any amount reportable on a W-2; or
- (5) You are self-employed in any new occupation.

### **CLAIM FILING REQUIREMENTS**

If You become involuntarily unemployed from other than a strike or lockout, You must provide Us with verification that You have registered with a state unemployment private or governmental agency and are receiving benefits from this office or agency. You must have registered with the state unemployment office or the recognized unemployment private or governmental agency within thirty (30) days of Your Involuntary Unemployment Date. You must be registered during the entire period of Your claim to receive involuntary loss of employment income benefits under this Certificate, and be receiving state benefits for the entire period of Your claim. In addition, You must provide the following:

1. A signed original letter (on employer letterhead), from Your former employer verifying the date You became unemployed, the reason for unemployment, gross annual income on the termination date and any severance pay received, as well as verification of Your length of employment, the weekly hours worked, immediately prior to Your termination date.
2. A legible copy of Your loan instrument or similar contract which identifies the Effective Date of Your original contract, length of contract, monthly payment amount, lender or dealer name, description of collateral, etc.
3. If there is a co-borrower on the original instrument, please provide copies of each Accountholder's W-2 or pay stub at the time of Involuntary Unemployment.

Should You become involuntarily unemployed as a result of a lockout or strike, You must provide Us with continuing proof of Your Involuntary Unemployment due to the lockout or strike.

You must notify Us at the address shown on the accompanying Schedule about Your Involuntary Unemployment no later than sixty (60) days from Your Involuntary Unemployment Date. We will send claim forms to You within fifteen (15) days of Our receipt of Your notice of claim. The claim forms will require information from You that will allow You to prove Your eligibility for coverage herein. If We do not send the claim forms within fifteen (15) days, You can simply send Us the information requested earlier in this section.

- (1) We, the Participating Organization, or the Group Policyholder write to You at least thirty (30) days prior to the termination date of Your Certificate informing You of the termination of the Group Policy or this Certificate; or
- (2) The date Your Account is closed or refinanced; or
- (3) You die.

### **UNIFORM AND GENERAL PROVISIONS**

**Entire Contract:** The Policy, Certificate, Schedule, and all applications (if any) is the entire contract between You and Us. All statements made by You shall be deemed representation and not warranties. No change in the Certificate will be effective until approved in writing by one of Our officers. This approval must be noted on or attached to the Certificate. No one (including any agent or broker) may change the Certificate or waive any of its provisions.

**Time Limit on Certain Defenses:** Misstatements in the application of any kind may be used to void Your coverage or deny any claim for loss for the first two (2) years from the Effective Date. Fraudulent misstatements in the application may be used, at any time after the Effective Date, to void Your coverage or deny any claim for loss.

**Notice of Claims:** The notice can be given to Us at Our home office address shown on the accompanying Schedule. This notice should include Your name, Certificate number and Account number. Your failure to give notice within the time allowed will not invalidate or reduce any claim for benefits if it can be shown that it was not reasonably possible for You to give notice and that the notice was given as soon as reasonably possible. Otherwise, Your failure to report Your claim in accordance with the procedures in this Certificate, may reduce or invalidate Your claim.

**Proof of Loss:** The proof of loss forms are a request for information on Your Involuntary Unemployment. These forms must be returned to Us within ninety (90) days of receipt. If You do not get the forms from Us within fifteen (15) days, You should send Us the information requested in the CLAIM FILING REQUIREMENTS section of this document. Your failure to give proof of loss acceptable to Us within the time allowed will not invalidate or reduce any claim for benefits if it can be shown that it was not reasonably possible to give the proof of loss and that proof of loss was provided to Us as soon as reasonably possible. However, if You can not provide proof that Your inability to file Your claim according to this Certificate was as a result of an event or happening out of Your control, then Your claim for benefits may be reduced or denied. In any event, except in the absence of legal capacity, proof of loss must be given to Us no later than one (1) year from the time it is otherwise required.

**Time Payment of Claims:** After receiving written proof of loss, and all information necessary to substantiate Your claim, We will pay all claims promptly.

**Legal Actions:** No legal action may be brought to recover under this Certificate within sixty (60) days after written proof of loss has been given as required by the Certificate. No such action may be brought after three (3) years from the date written proof of loss is required to be given.

**Misstatement of Age:** If Your age or date of birth has not been stated correctly on the application and You were under the age of 18 years when You applied for this insurance, then this Certificate is void and We have no obligation; except to return any premium paid for this insurance coverage.

**Conformity with State Statutes:** We amend through this provision to conform with the minimum standards, any part of the Policy that conflicts on its Effective Date with the Statutes of the State where the Policy is delivered.

**VIRGINIA SURETY COMPANY, INC.**  
**175 West Jackson Blvd.**  
**Chicago, Illinois 60604**

**SCHEDULE**  
**(to form and become part of Certificate Form No. IUI-COI (11-05))**

MAXIMUM NUMBER OF BENEFIT PAYMENTS: Six (6) during the Coverage Period

MAXIMUM AMOUNT OF BENEFIT PAYMENTS: \$1,500.00

VESTING PERIOD: The certificate must be in force for sixty (60) consecutive days before the Accountholder is eligible for coverage for Involuntary Unemployment benefits.

WAITING PERIOD: Involuntary Unemployment must last for more than thirty (30) consecutive days. Benefits for involuntary loss of employment income are calculated from the 31st day of Involuntary Unemployment.

COVERAGE PERIOD: 12-24 Months

IUI- CERT SCH (11-05)