

**Figure: 7 TAC §84.808(13)**

**MODEL CLAUSE FOR OPTIONAL CREDIT LIFE AND ACCIDENT AND HEALTH (DISABILITY) INSURANCE**

*Optional credit life and credit disability insurance.* Credit life insurance and credit disability insurance are not required to obtain credit. They will not be provided unless I sign and agree to pay the extra cost. **[At creditor's option, the following may be added:]** My decision to buy or not buy these insurance coverages will not be a factor in the credit approval process.

- |   |          |   |          |            |
|---|----------|---|----------|------------|
| <input type="checkbox"/> Credit Life, one buyer       | \$ _____ | <input type="checkbox"/> Credit Life, both buyers       | \$ _____ | Term _____ |
| <input type="checkbox"/> Credit Disability, one buyer | \$ _____ | <input type="checkbox"/> Credit Disability, both buyers | \$ _____ | Term _____ |

**[Optional additional sentence for balloon payment contracts:]** Credit Life Insurance is for the scheduled term of this contract. Credit Disability Insurance covers the first \_\_\_\_ payments and does not cover the last scheduled payment. **[Optional additional language for true daily earnings method contracts:]** Credit life insurance pays only the amount I would owe if I paid all my payments on time. Credit disability insurance does not cover any increase in my payment or in the number of payments.

If the term of the insurance is 121 months or longer, the premium is not fixed or approved by the Texas Insurance Commissioner.

I want the insurance indicated above.

Buyer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Co-Buyer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**[Note: A creditor who does not routinely finance these coverages, or does not finance them in a particular transaction, may omit this figure. A creditor may also delete those portions of the figure that pertain to coverages it does not routinely finance, or that pertain to coverages that it is not financing in a particular transaction.]**