

## ***EFT payment terms & conditions:***

1. We can only set up your policy for EFT payments with your annual renewal or when your policy is first issued.
2. The EFT payment option is not available if your mortgage company pays the premium on your policy.
3. Once you sign up for EFT your payments will continue automatically unless you notify your agent, at least fifteen (15) days prior to your next payment to stop EFT payments. If you elect to stop EFT payments and you have selected the monthly payment option your pay plan will revert to a quarterly (4) payment plan, the due date for your next payment will be recalculated by our systems. If you cancel your policy before the policy expiration date we will stop your EFT payments immediately.
4. Insufficient funds in your account (NSF), or a change in your account that results in the failure of an EFT transaction can result in the cancellation of your policy.
5. If you do not indicate a date preference on your EFT REQUEST form, all payments will be withdrawn on the same day of the payment month as your policy effective date.
6. If you are signing up at renewal of your policy all payments will be withdrawn on the day of the month you select, except for your first EFT payment which will be drawn on the effective date of your policy. If you select the 12 payment option and a payment day other than the effective day of your policy the first EFT payment will be a different amount<sup>1</sup> than the remaining payments to adjust for the different day of the month the payment will be processed .
7. If you are signing up with a new policy application all payments will be withdrawn on the day of the month you select, except for your first payment. Your first payment must be a minimum two month down payment for monthly EFT, a three month down payment for 4 pay EFT, and a six monthly down payment for two pay EFT, paid by check/cash at the time your application is submitted.
8. If you select day 31 for your payments they will be withdrawn on the last day of the month. For payments due in February if you selected the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup> for your payment day the payment will be processed on the last day of the month. Please check the payment schedule we send you to confirm the actual day a payment will be drawn on.
9. Please be sure to return the **signed** EFT REQUEST form with your voided check attached at **least 2 weeks prior to your effective date** so we may process your request and send you a schedule of your payments **prior** to the date of the first withdrawal.
10. You have the option of having your Farmers Union dues included in your first EFT payment each year, indicate the amount of your dues you wish to add to your first payment in the place provided on the EFT Authorization form.
11. If all plan payments have been completed and you request a change in your policy that results in additional premium being due we will make another EFT withdrawal on your account for the additional amount on the effective date of the change.

<sup>1</sup> When you select the monthly (12) payment plan with a payment day other than the effective day of the policy the first payment (on the effective date) will be double to provide adequate paid premium to carry the policy in-force to your selected payment date. On the payment schedule you will receive this first payment is counted as two payments so in the first year of EFT there are only 11 drafts on your account. This only affects the one-time first payment, in subsequent years all 12 equal payments are drawn on the selected day.



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