

06-825-CD  
LAW OFFICES OF GORDON & GORDON

Thomas Kruise et al vs CSB Bank  
2006-825-CD

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
EDITH E. KRUISE, Husband  
and Wife,  
Plaintiffs,

v.

CSB BANK,  
A Pennsylvania Financial Institution,  
Defendant.

No. 06- 825-CD

JURY TRIAL DEMANDED

CASE NUMBER: 06- -CD

TYPE OF PLEADING: COMPLAINT

FILED ON BEHALF OF: Plaintiffs

COUNSEL FOR RECORD FOR THIS PARTY: R. Denning Gearhart, Esquire  
Supreme Court ID#: 26540  
207 East Market Street  
Clearfield, PA 16830  
814-765-1581

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01/15/2006 MAY 25 2006 acc shff  
11 3cc Atty  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
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v.

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CSB BANK,  
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Defendant.

JURY TRIAL DEMANDED

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

Court Administrator's Office  
Clearfield County Courthouse  
Clearfield, PA 16830  
814-765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
EDITH E. KRUISE,  
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...  
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CSB BANK,  
A Pennsylvania Financial Institution,  
Defendant.

...  
JURY TRIAL DEMANDED

**COMPLAINT**

AND NOW, come the Plaintiffs, THOMAS L. KRUISE and EDITH E. KRUISE, by and through their attorney, R. Denning Gearhart, who file this Complaint and aver as follows:

1. The Plaintiffs are Thomas L. Kruise and Edith E. Kruise, husband and wife, who reside at 149 Washington Street, Coalport, Pennsylvania, 16627.
2. The Defendant, CSB Bank, is registered with the Commonwealth's Department of State as a Pennsylvania Financial Institution believed to be incorporated in accordance with appropriate Pennsylvania statutes. It operates as such as a banking institution subject to the rules, regulations and statutes of the Commonwealth of Pennsylvania and the United States of America. Defendant's main office of business is located at 434 State Street, PO Box 29, Curwensville, Pennsylvania, 16833.
3. The Defendant operates a branch office at Main and Linwood Streets, PO Box 354, Coalport, Pennsylvania, 16627.

4. On or about September 20, 2001, Plaintiffs did finalize an agreement to borrow the sum of Thirty Four Thousand Seven Hundred Fifty One & 00/100 (\$34,751.22) Dollars from the Defendant, hereinafter referred to as "Loan 1" and attached hereto as Exhibit "A".

5. Loan 1 was to be secured by a mortgage on Plaintiffs' real estate, identified above as Plaintiff's residence. It was to be repaid upon the terms and conditions outlined in the agreement attached as Exhibit "A."

6. At the same time the Plaintiffs were offered, by an officer of the Defendant, the opportunity to purchase certain insurance coverage intended to provide for payment of this loan in the event of the death or disability of the Plaintiff, Thomas L. Kruise.

7. Plaintiffs agreed to purchase said insurance coverage as contained in documentation attached hereto as Exhibit "A."

8. The coverage was to be in the form of two policies: The first one is a term life insurance policy providing protection for the life of the loan (120 months). The second was to be disability coverage that was to pay the loan in the event of the disability of Plaintiff, Thomas L. Kruise.

9. As shown on Exhibit "A", disability insurance coverage offered several different options. One such option allowed for the Plaintiffs to buy a policy that required a fourteen (14) day waiting period before benefits (loan payment) would commence. This option was chosen by the Plaintiffs, as evidenced by a "X" typed into the appropriate box before the Plaintiffs signed.

10. Another such option provided for "Critical Period Coverage." Under the terms of that coverage, payment of the loan would only continue upon the disability of the Plaintiff, Thomas L. Kruise, for a period of no more than thirty-six (36) months, regardless of the permanency of the Plaintiff's disability. This box was left blank, as the Plaintiffs did not wish to limit their coverage in this manner. It was blank when they agreed to the contract and evidenced that agreement by their signature.

11. The premium for this insurance coverage was incorporated into the monthly amount paid by the Plaintiffs as part of their overall mortgage payment.

12. On November 2, 2002, Plaintiffs entered into another agreement, hereinafter referred to as "Loan 2" and attached hereto as Exhibit "B." This agreement was to borrow the sum of Seventeen Thousand Five Hundred One & 72/100 (17,501.72) Dollars for the purchase of a 2002 Chrysler PT Cruiser. This vehicle is held as security for Loan 2.

13. As part of this second loan, the Plaintiffs again entered into an agreement for the purchase of insurance coverage similar to that purchased in the first loan agreement. A copy of said documentation is attached hereto as Exhibit "B".

14. Plaintiffs chose the same options. Their choices are clearly designated by a typed "X" in the appropriate box.

15. On or about November 15, 2005, Plaintiff, Thomas L. Kruise, suffered a massive and acute heart attack that rendered him permanently disabled.

16. Plaintiff, Thomas L. Kruise, caused to have prepared the necessary application for benefits, including statements from his doctors.

17. The insurance company, Life of the South, commenced making payments to the Defendant in the amount of Four Hundred Seventeen & 21/100 (\$417.21) Dollars per month for Loan 1 and Three Hundred Forty Nine & 94/100 (\$349.94) Dollars per month for Loan 2.

18. Plaintiff, Thomas L. Kruise, to date continues to be disabled as evidenced by the Attending Physician's Statement (APS) dated January 24, 2006, and attached hereto as Exhibit "C", executed by his doctor and submitted to the insurance company, Life of the South.

19. Plaintiff, Thomas L. Kruise, was advised by the insurance company, Life of the South, that based on the Attending Physician's Statement (APS) dated January 24, 2006, his entitlement to benefits had been approved through March 3, 2006, for Loan 1, as well as through March 3, 2006, for Loan 2.

20. Upon the Plaintiff's, Thomas L. Kruise, research, it was discovered that the two payments were not paid as usual in February, 2006.

21. Upon Plaintiff's, Thomas L. Kruise, inquiry as to why the payments were not made, he was advised that his coverage was only for the "Critical Period" and therefore payment should have terminated with the December, 2005, payments.

22. Plaintiff, Thomas L. Kruise, inquired of the Defendant's branch office in Coalport, Pennsylvania, as to why these payments were not being made by the insurance company, Life of the South.

23. An employee of the Defendant, Jack Keith (hereinafter "Keith"), informed Plaintiff, Thomas L. Kruise, that upon submission of the loan papers to the main branch in Curwensville, Pennsylvania, the officials at the main branch altered the

insurance application such that the "Critical Period" option was submitted to the insurance company, Life of the South.

24. Keith provided to the Plaintiff, Thomas L. Kruise, copies of the documents submitted to the insurance company, Life of the South. Copies of said documents are attached hereto as Exhibit "D1" and Exhibit "D 2".

25. These documents do not contain the Plaintiffs' signatures and shows the "Critical Period" boxes to be filed in with a handwritten "X", with handwritten "\*" on either side.

26. Upon contacting legal counsel, Plaintiff, Thomas L. Kruise, received a letter dated March 28, 2006, from an officer of the Defendant's stating that full disability coverage was not available to the Plaintiffs when they applied for the said loans and when they submitted the application for insurance policy. A copy of said letter is attached hereto as Exhibit "E".

27. This assertion in the letter was made despite the insurance application clearly offering full disability coverage.

28. Plaintiff, Thomas L. Kruise, received correspondence from the insurance company, Life of the South, advising him of their alleged overpayment and asked for reimbursement. Copies of said correspondence are attached hereto as Exhibit "F1" and Exhibit "F2".

29. The letter from the Bank, attached hereto as Exhibit "E" suggests that the Plaintiffs ignore the insurance company's request for repayment but that they begin to make the payments on Loan 1 and Loan 2 themselves.

30. The balance owed on Loan 1, secured by a mortgage, following the Thirty-Six (36) payments by the insurance company, Life of the South, was Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars.

31. The balance owed on Loan 2, secured by a vehicle, following the Thirty-Six (36) payments by the insurance company, Life of the South, was Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars.

32. Plaintiff, Thomas L. Kruise, continues to be disabled as a result of his cardiac complications and is unable to earn monies sufficient to pay for either loan.

33. Plaintiffs would not have entered into an agreement to borrow these monies but for the assurances they thought they were buying when they purchased full term life and disability coverage guaranteeing payment of these loans in the event that something happened to affect the income of Plaintiff, Thomas L. Kruise.

34. The Defendant's claim that no coverage for repayment of these loans exists and will now fall upon the Plaintiffs house and vehicle, put the Plaintiffs under a great deal of stress and torment and has affected Plaintiff's, Thomas L. Kruise, cardiac condition.

35. Because of the Defendant's claim that no coverage exists to pay these two loans, Plaintiffs have been required to hire the legal services of R. Denning Gearhart, Esquire, at a rate of One Hundred Sixty & 00/100 (\$160.00) Dollars per hour for time that will be proven at trial.

**COUNT I**  
**VIOLATION OF THE UNFAIR TRADE PRACTICES ACT**

36. Paragraphs 1 through 35 of this Complaint are hereby incorporated and fully averred.

37. That by changing the terms of the insurance coverage meant to be purchased by the Plaintiffs for Loan 1, specifically, by changing those terms after the Plaintiffs had signed the documents and without their knowledge, Defendant violated the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. Section 201-1, as follows:

- (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services; 73 P.S. Section 201-2 (4) (ii)
- (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by, another; 73 P.S. Section 201-2 (4) (iii)
- (v) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have; 73 P.S. Section 201-2 (4) (v)
- (vii) Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another; 73 P.S. Section 201-2 (4) (vii)
- (ix) Advertising goods or services with intent not to sell them as advertised; 73 P.S. Section 201-2 (4) (ix);
- (xii) Promising or offering prior to time of sale to pay, credit or allow to any buyer, any compensation or reward for the procurement of a contract for purchase of goods or services with another or others, or for the referral of the name or names of another or others for the purpose of attempting to procure or procuring such a contract of purchase with such other person or persons when such payment, credit, compensation or reward is contingent upon the occurrence

of an event subsequent to the time of the signing of a contract to purchase; 73 P.S. Section 201-2 (4) (xii)

(xiv) Failing to comply with the terms of any written guarantee or warranty given to the buyer at, prior to or after a contract for the purchase of goods or services is made; 73 P.S. Section 201-2 (4) (xiv)

(xxi) Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding; 73 P.S. Section 201-2 (4) (xxi)

38. That under said Act, specifically 73 P.S. Section 201-9.2, the Plaintiffs aver they are entitled to damages in the amount at Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars, plus treble damages, bringing the total amount of damages to Sixty Eight Thousand Three Hundred Twenty & 50/100 (\$68,320.50) Dollars, plus attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount of Sixty Eight Thousand Three Hundred Twenty & 50/100 (\$68,320.50) Dollars, plus attorney's fees.

**COUNT II**  
**VIOLATION OF THE UNFAIR TRADE PRACTICES ACT**

39. Paragraphs 1 through 38 of this Complaint are hereby incorporated and fully averred.

40. That by changing the terms of the insurance coverage meant to be purchased by the Plaintiffs for Loan 2, specifically, by changing those terms after the Plaintiffs had signed the documents and without their knowledge, Defendant violated the Unfair Trade Practices Act as follows:

- (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services; 73 P.S. Section 201-2 (4) (ii)
- (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by, another; 73 P.S. Section 201-2 (4) (iii)
- (v) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have; 73 P.S. Section 201-2 (4) (v)
- (vii) Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another; 73 P.S. Section 201-2 (4) (vii)
- (ix) Advertising goods or services with intent not to sell them as advertised; 73 P.S. Section 201-2 (4) (ix);
- (xii) Promising or offering prior to time of sale to pay, credit or allow to any buyer, any compensation or reward for the procurement of a contract for purchase of goods or services with another or others, or for the referral of the name or names of another or others for the purpose of attempting to procure or procuring such a contract of purchase with such other person or persons when such payment, credit, compensation or reward is contingent upon the occurrence of an event subsequent to the time of the signing of a contract to purchase; 73 P.S. Section 201-2 (4) (xii)
- (xiv) Failing to comply with the terms of any written guarantee or warranty given to the buyer at, prior to or after a contract for the purchase of goods or services is made; 73 P.S. Section 201-2 (4) (xiv)
- (xxi) Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding; 73 P.S. Section 201-2 (4) (xxi)

41. That under said Act, specifically 73 P.S. Section 201-9.2, the Plaintiffs aver they are entitled to damages in the amount at Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars, plus treble damages, bringing the total of damages to Twenty Two Thousand Two Hundred Ninety Three & 60/100 (\$22,293.60) Dollars, plus attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount of Twenty Two Thousand Two Hundred Ninety Three & 60/100 (\$22,293.60) Dollars, plus attorney's fees.

**COUNT III**  
**CONTRACTUAL DAMAGES**

42. Paragraphs 1 through 41 of this Complaint are hereby incorporated and fully averred.

43. That by doing the actions regarding Loan 1, Defendants violated the contract with the Plaintiffs.

44. That in so doing, Defendant acted in a manner so outrageous and inexcusable as to require a finding of punitive damages, including, but not limited to, attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount equal to Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars, plus punitive damages and attorney's fees to be determined by the Court.

**COUNT IV**  
**CONTRACTUAL DAMAGES**

45. Paragraphs 1 through 44 of this Complaint are hereby incorporated and fully averred.

46. That by doing the actions regarding Loan 2, Defendants violated the contract with the Plaintiffs.

47. That in so doing, Defendant acted in a manner so outrageous and inexcusable as to require a finding of punitive damages, including, but not limited to, attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount equal to Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars, plus punitive damages and attorney's fees to be determined by the Court.

Respectfully submitted,

  
R. Denning Gearhart  
Attorney for Plaintiffs

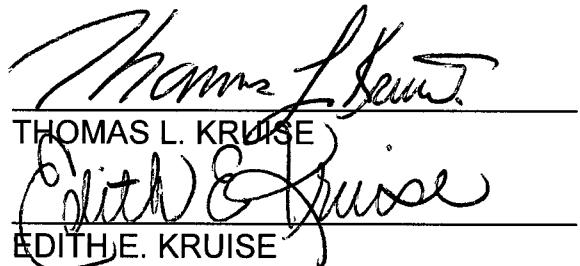
Date: May 12, 2006

COMMONWEALTH OF PENNSYLVANIA

: SS.

COUNTY OF CLEARFIELD

Before me, the undersigned officer, a Notary Public in and for the above named State and County, personally appeared THOMAS L. KRUISE and EDITH E. KRUISE, Husband and Wife, who being duly sworn according to law depose and say that the facts set forth in the foregoing Complaint are true and correct to the best of their knowledge, information and belief.

  
\_\_\_\_\_  
THOMAS L. KRUISE  
\_\_\_\_\_  
EDITH E. KRUISE

Sworn to and subscribed

before me, this 12  
day of May, 2006.

Kathleen A. Ricotta  
Notary Public

Commonwealth of Pennsylvania

NOTARIAL SEAL

KATHLEEN A. RICOTTA, Notary Public  
Clearfield Boro., County of Clearfield  
My Commission Expires June 15, 2009

# DISCLOSURE STATEMENT

Principal \$34,776.22	Loan Date 09-20-2001	Maturity 09-25-2011	Loan No 311536	Call / Cell 0007	Account 502917	Officer KEITH	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	Amount Financed The amount of credit provided to me or on my behalf.	Total of Payments The amount I will have paid after I have made all payments as scheduled.
7.759%	\$15,313.98	\$34,751.22	\$50,065.20

**PAYMENT SCHEDULE.** Borrower's payment schedule will be 120 monthly payments of \$417.21 each, beginning October 25, 2001.

**PROPERTY INSURANCE.** I may obtain property insurance from anyone I want that is acceptable to Lender.

**SECURITY.** I am giving a security interest in MY PERSONAL RESIDENCE. Security interests and other rights are being given in.

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged **5.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.**

**PREPAYMENT.** If I pay off early, I will not be entitled to a refund of the prepaid finance charges, and I may have to pay a minimum finance charge.

I will look at my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds.

I read and was given a completed copy of this Disclosure Statement on September 20, 2001, prior to signing the Note.

**BORROWER:**

x   
THOMAS L KRUISE, individually (Seal)

## Amount Financed Itemization

Amount paid to Borrower directly: \$30,000.00 Lender's Check #	\$30,000.00
Amount paid to others on Borrower's behalf: \$4,776.22 for Credit Insurance	\$4,776.22
Note Principal:	\$34,776.22
Prepaid Finance Charges:	\$25.00
In Cash:	\$25.00
\$25.00 CONSUMER LOAN PROCESSING FEES	
Amount Financed:	\$34,751.22

LASER PRO Lending, Ver. 5.17.10.07. Corp. Harland Financial Solutions, Inc. 1997, 2001. All Rights Reserved. - PA O:\LENDING5\CFI\PLIB10.FC TR-10195 PR-Smile

# NOTICE OF RIGHT TO CANCEL

Principal	Loan Date	Maturity	Loan No.	Call / Coll	Account	Officer	Initials
\$34,776.22	09-20-2001	09-25-2011	311536	0007	502917	KEITH	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

**Grantor:** EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

## Your Right To Cancel

You are entering into a transaction that will result in a mortgage on your home. You have a legal right under federal law to cancel the transaction without cost, within three (3) business days from whichever of the following events occurs last:

- (A) the date of the transaction which is **September 20, 2001**; or
- (B) the date you received your Truth in Lending disclosures; or
- (C) the date you received this notice of your right to cancel.

If you cancel the transaction, the mortgage is also cancelled. Within twenty (20) calendar days after Lender receives your notice, Lender must take the steps necessary to reflect the fact that the mortgage on your home has been cancelled, and Lender must return to you any money or property you have given to Lender or to anyone else in connection with this transaction.

You may keep any money or property Lender has given you until Lender has done the things mentioned above. Then you must offer to return the money or property Lender has given you. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to Lender's address shown above. If Lender does not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

## How to Cancel

If you decide to cancel this transaction, you may do so by notifying Lender in writing at CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627. You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than **midnight of September 24, 2001** or midnight of the third (3rd) business day following the latest of the three (3) events listed above. If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I WISH TO CANCEL.

Date

X

EDITH E KRUISE, Individually

(Seal)

## Acknowledgment of Receipt

I ACKNOWLEDGE THAT I RECEIVED TWO (2) COPIES OF THIS NOTICE OF RIGHT TO CANCEL AND ONE (1) COPY OF THE TRUTH IN LENDING DISCLOSURES.

9-20-01

Date

X

Edith E Kruise

(Seal)

EDITH E KRUISE, Individually

## Certificate of Noncancellation

**INSTRUCTIONS TO CUSTOMER.** If you decide not to cancel the transaction referred to above, please sign, date, and deliver this Certificate of Noncancellation to Lender at Lender's address shown above; however, do not do so sooner than **midnight of September 24, 2001** or before midnight of the third (3rd) business day following the latest of the three (3) events listed above.

**CERTIFICATION.** I hereby certify that I did not cancel the transaction referred to above and that I have not delivered, sent by overnight courier, mailed, faxed, sent by telegram, or by any other means sent to Lender any notice of cancellation of the transaction.

9-25-01

Date

X

Edith E Kruise

(Seal)

EDITH E KRUISE, Individually

**INSTRUCTIONS TO LENDER.** This form is for use in credit transactions involving loans of any amount to individuals for personal, family, or household purposes and SECURED BY AN INTEREST IN THE CONSUMER'S CURRENT PRINCIPAL RESIDENCE, except PURCHASE MONEY LIENS. Two (2) copies of a separate Notice of Right to Cancel form, together with a copy of the Truth in Lending disclosure, must be given to each person who has an ownership interest in the residence, even if the person does not sign the note.

Insured Debtor #1 (Name and Address) THOMAS L KRUISE RR 1 BOX 43S COALPORT, PA 16627	Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix 311536 00000000
Insured Debtor #2 EDITH E KRUISE	Date of Birth 09-10-1962	Age 39	CREDITOR'S ACCOUNT NO. PA 085500
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627			
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.759
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED	
Effective Date 09-20-2001	Original Scheduled Maturity Date 09-25-2011	Days to 1st Payment 30	Term of Loan 120
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS
<input type="checkbox"/> Single Life Debtor #1		\$	\$
<input type="checkbox"/> Single Life Debtor #2		\$	\$
<input checked="" type="checkbox"/> Joint Life Insurance		\$ 34,886.84	\$ 2,537.30
<input checked="" type="checkbox"/> Single Disability <input type="checkbox"/> Debtor #1		\$ 50,065.20	\$ 2,238.92
<input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2		\$	\$
Debtor #1 % Debtor #2 %			
<input type="checkbox"/> Joint Disability (Entire Payment)		\$	\$
WAITING PERIOD	BENEFITS COMMENCE	\$ 417.21 (Monthly Disability Benefit)	PREMIUM TOTAL
<input checked="" type="checkbox"/> 14 DAYS	Retroactive 1st Day	Maximum Monthly Disability (per debtor)	Maximum Term
<input type="checkbox"/> 30 DAYS	Retroactive 1st Day	\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)
<input type="checkbox"/> 14 DAYS	Non-Retro 15th Day		L-180 Mos. A/H-120 Mos.
<input type="checkbox"/> 30 DAYS	Non-Retro 31st Day		MAXIMUM ISSUE AGE 65
<input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)			

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### APPLICATION FOR GROUP INSURANCE

NOTE: One Debtor may apply for Single Life and two Debtors may apply for Joint Life. For Life Coverage answer questions 1 and 2. One Debtor may apply for Single Disability and two Debtors may apply for Joint Disability. For Joint Disability, each Debtor may apply: (1) to insure 100% of the disability payment; or, (2) to insure a portion of the disability payment with the total equal to 100% of the disability payment. For Disability Coverage answer all questions.

Check Coverage Desired  Single Life Debtor #1  Single Life Debtor #2  Joint Life  
 Single Disability  Debtor #1  Debtor #2  
 Joint Disability \_\_\_\_\_ % of portion of payment Debtor #1  Joint Disability (Entire Payment)  
\_\_\_\_\_  
% of portion of payment Debtor #2

Insured Debtor #1

Yes  No

(1) What is your date of birth?

TO BE COMPLETED WHEN LOAN AMOUNT EXCEEDS \$50,000

(2) During the past 5 years have you been treated for, or been told by a licensed physician that you had any of the following conditions? (Please Circle) Heart Disease; Cancer or Tumor; Diabetes; Stroke; Disease of the Liver or Kidney; Alcoholism; Drug Addiction; any Brain; Nervous System or Mental/Neurological Disorder; Acquired Immune Deficiency Syndrome (AIDS); ARC (AIDS Related Complex), or any disorder of the immune system.

Insured Debtor #2

Yes  No

#### THE FOLLOWING QUESTIONS MUST BE ANSWERED WHEN THE DEBTOR(S) REQUEST DISABILITY COVERAGE.

Yes  No

(3) Have you lost more than 15 consecutive days from work due to back/neck problems or mental/nervous disorders in the past 5 years?

Yes  No

(4) Are you currently employed full time (working 30 or more hours per week)?

**Do Not Sign This Application If It Contains Any Blank Spaces Applicable To The Debtor Applying For The Coverage And To The Coverage Being Applied For.** This application will not be used in a contest if the Debtor(s) has not answered the questions applicable to the coverage being applied for and/or if the Debtor(s) has not signed and dated the application and/or if the application has not been witnessed.

You represent that the information and answers given on this application are true and complete to the best of your knowledge and belief. They will be used to issue the requested insurance. You understand that untruthful answers may result in denial of claims.

You further understand: (1) the insurance is not required or needed in order to obtain the loan; (2) you have the option to purchase insurance from any insurer or agent of your choice; (3) if you do not meet the maximum limitations stated in the schedule you are not eligible for coverage; or (4) you have answered "yes" to question 2, the amount of coverage provided will be the amount shown in the statement above question 2 and, if only question 3 is answered "yes" and/or question 4 is answered "no", you may still obtain life insurance.

**NOTICE: The death benefit in the Certificate may not completely pay off your loan. Your death benefit will be calculated based on the scheduled payment. Due to varied payment habits, your actual balance may be greater than your scheduled death benefit.**

**\*Important Notice If Critical Period Disability Coverage is Elected: If the term of your loan exceeds 36 months, the credit disability coverage provided by this Certificate is limited. This coverage provides for an aggregate disability benefit which is limited to 36 times your monthly benefit.**

Date \_\_\_\_\_ Signature of Debtor #1 \_\_\_\_\_ S.S.# \_\_\_\_\_ 182-50-1440

Witness \_\_\_\_\_ Signature of Debtor #2 \_\_\_\_\_ S.S.# \_\_\_\_\_ 183-54-8721

Upon acceptance by the Insurer, the insurance shall become effective as of the effective date shown above.

**NOTICE: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.**

**BENEFITS PROVIDED BY THE DISABILITY CERTIFICATE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION. PLEASE SEE THE DISABILITY SECTION "EXCEPTIONS" PARAGRAPH.**

Insured Debtor #1 (Name and Address) THOMAS L. KRUISE RR 1 BOX 43S COALPORT, PA 16627		Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix 311536 00000000
Insured Debtor #2 EDITH E KRUISE		Date of Birth 09-10-1962	Age 39	CREDITOR'S ACCOUNT NO. PA 085500
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627				
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.759	
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED		
Effective Date 09-20-2001	Original Scheduled Maturity Date 09-25-2011	Days to 1st Payment 30	Term of Loan 120	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1		\$	\$	
<input type="checkbox"/> Single Life Debtor #2		\$	\$	
<input checked="" type="checkbox"/> Joint Life Insurance		\$ 34,886.84	\$ 2,537.30	120
		Maximum Amt. of Insurance (per debtor) \$100,000.00 (Ages 18-65)	Maximum Term L-180 Mos. A/H-120 Mos.	MAXIMUM ISSUE AGE 65

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### CERTIFICATE OF INSURANCE

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Another form, called the Group Policy, was issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy is similar to this Certificate but contains many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy.

**Effective Date** – Your insurance is effective on the date stated in the Schedule.

#### LIFE INSURANCE

**Decreasing** – The initial amount of your insurance in force on the effective date shown in the Schedule will be the lesser of: (1) the Maximum Amount of Insurance; or, (2) the initial principal debt. If the initial amount of insurance was equal to the initial principal debt, thereafter, the benefit payable will be the scheduled unpaid principal debt plus the current month's interest including no more than two delinquent monthly payments. If the initial principal debt exceeds the initial amount of insurance, thereafter, the benefit payable shall be equal to the unpaid principal debt times the ratio of the Maximum Amount of Insurance to the initial principal debt. In such case, the benefit will be increased by the amount obtained by applying the above ratio to the sum of any principal installments which are no more than two months overdue.

**Suicide Exclusion** – We won't pay a claim, if you commit suicide, while sane or insane, within one year from the Effective Date. However, we will refund any premium paid.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Amount of Insurance** – The Joint Life Benefit will not exceed the amount that is payable for single coverage. The amount of insurance in force will be paid only upon one of your deaths. The insurance on the other will immediately end. If you both die at the same time, the benefit will be paid only for one Insured Debtor. However, excess proceeds will be paid equally to the named second beneficiaries or estates of each of you.

**Suicide** – In the event one of you commits suicide, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – In the event coverage under this Certificate is contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Life Certificate to replace the Joint Life Certificate. Also, a refund of the portion of premium which applied to the deceased or ineligible Debtor will be made. The refund will equal the difference between the premium actually charged for the Joint Life Coverage and the premium that would have been charged if only Single Life Coverage had been provided at the time this Certificate was issued.

**10 Day Right to Return** – If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

#### GROUP SINGLE OR JOINT LIFE COVERAGE SINGLE PREMIUM NET DECREASING TERM LIFE INSURANCE

## GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

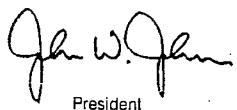
**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 1 year suicide exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. Refunds are computed according to the Actuarial Method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. Premiums are earned in the event of a benefit payment for Life.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.



President



Secretary

Insured Debtor #1 (Name and Address) THOMAS L KRUISE RR 1 BOX 43S COALPORT, PA 16627	Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix 31536																																																												
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PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

**Group Single Premium Term Disability Insurance**  
**Single Or Joint Credit Disability Full or Critical Period Benefit Certificate**

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Two forms, called the Group Policy and Total Disability Rider, were issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy and Rider are similar to this Certificate but contain many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy and Total Disability Rider.

**Effective Date:** Your insurance is effective on the date stated in the Schedule. As of the Effective Date, if you do not meet the Disability Insurance eligibility requirements shown in this Certificate, we will return your premium when we discover this and not pay any benefits.

**10 Day Right to Return:** If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

**NOTE: BENEFITS PROVIDED BY THIS COVERAGE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION AS DEFINED BELOW.**

**DISABILITY INSURANCE**

**Total Disability Definitions:**

**Pre-Existing Condition** – A pre-existing condition is one which is a result of an illness, disease or physical condition for which you received medical advice, consultation or treatment during the six month period immediately preceding the effective date of your coverage and that commences within the six month period after the effective date of coverage.

**Injury** – Bodily injury to you which is directly caused by an accident and results in a covered loss.

**Sickness** – Sickness or disease of yours which is not excluded in the "Exceptions" Section below, and which results in a covered loss.

**Total Disability** – Total Disability means that for the first twelve months you cannot perform all of the important or significant occupational duties because of a disability which was caused by injury or sickness as defined above. After twelve months, disability means you are unable to perform the duties required of any gainful occupation that you are reasonably suited by education, training or experience. In order to be considered for a benefit, your disability must begin after the effective date of your coverage.

**Conditions Required for Benefits** – In order for us to pay a benefit, you must satisfy the following conditions: (1) you must be insured when your total disability begins; (2) you must be totally disabled according to the definition above; (3) you must be disabled for more than the consecutive number of days shown in the Schedule as the Waiting Period; and, (4) you must submit written proof of your disability which is satisfactory to us. We may require additional monthly certification for a continuous disability.

**Benefit Payable** – Benefit payments are calculated from the Day Benefits Commence shown in the Schedule and are for the actual number of days you are disabled. A monthly disability benefit is determined by dividing the total of payments due on your loan by the number of months in the loan term. However, the monthly disability benefit will never exceed the Maximum Monthly Disability shown in the Schedule. If Critical Period coverage is purchased as selected on the Schedule, the Monthly Disability Benefit will be paid as long as you are disabled, up to a maximum of 36 times the Monthly Disability Benefit. A daily benefit is found by dividing the lesser of the Maximum Monthly Disability or the Monthly Disability Benefit shown in the Schedule by 30. Only one benefit is payable even if your disability is caused by more than one sickness, injury or related condition. No benefits will be paid during any period you are not under the care of a licensed physician, other than yourself.

**When Benefits End** – Payments will stop on the earliest of the follow: 1) you are no longer totally disabled; 2) benefits are paid to the original scheduled maturity date of the loan (if Full Coverage is selected); 3) the maximum benefit has been paid (if Critical Period Coverage is selected); or 4) the date your insurance ends (See "Termination of Your Insurance" Section).

**Exceptions** – We won't pay a benefit or refund the premium if your disability is caused by or results from: (1) normal pregnancy; (2) intentionally self-inflicted injuries; (3) flight in non-scheduled aircraft; or, (4) a pre-existing condition as defined above.

**How To File A Claim:**

**Notice of Claim** – When you become disabled you are to notify your Creditor. He in turn must write us or our agent about your claim within 30 days after it begins or as soon after that as he can.

**Claim Forms** – After we receive your Creditor's notice of claim, we will send you forms to complete. The forms will be sent within 15 days after our receipt of notification. If they are not sent within 15 days, you can simply send us written proof of your disability. The proof must include the date, the cause and how serious it is. It must be signed by the doctor who is treating you.

**Proof of Loss** – The proof of your disability must be sent to us no later than 90 days after the date of loss. If you are unable to send it within that time, it must be sent as soon as reasonably possible.

# PROMISSORY NOTE

Principal \$17,526.72	Loan Date 11-02-2002	Maturity 11-15-2007	Loan No 312178	Call / Coll 0001	Account 502917	Officer ***	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

**Principal Amount:** \$17,526.72

**Interest Rate:** 7.240%

**Date of Note:** November 2, 2002

Maturity Date: November 15, 2007

**PROMISE TO PAY.** I ("Borrower") jointly and severally promise to pay to CSB BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Seventeen Thousand Five Hundred Twenty-six & 72/100 Dollars (\$17,526.72), together with interest at the rate of 7.240% per annum on the unpaid principal balance from November 2, 2002, until paid in full.

**PAYMENT.** I will pay this loan in 60 payments of \$349.94 each payment. My first payment is due December 15, 2002, and all subsequent payments are due on the same day of each month after that. My final payment will be due on November 15, 2007, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to any unpaid credit insurance charges, then to principal, and any remaining amount to any unpaid collection costs and late charges. I will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT; MINIMUM INTEREST CHARGE.** I agree that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be refunded to me upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, I understand that Lender is entitled to a **minimum interest charge of \$5.00**. Other than my obligation to pay any minimum interest charge, I may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve me of my obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in my making fewer payments. If I prepay this loan in full, I will receive a rebate of any unearned insurance premiums. I agree not to send Lender payments marked "paid in full", "without recourse", or similar language. If I send such a payment, Lender may accept it without losing any of Lender's rights under this Note, and I will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627.

**LATE CHARGE.** If a payment is 16 days or more late, I will be charged **5.000%** of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the total sum due under this Note will bear interest from the date of acceleration or maturity at the interest rate on this Note. The interest rate will not exceed the maximum rate permitted by applicable law.

**DEFAULT.** I will be in default under this Note if any of the following happen:

**Payment Default.** I fail to make any payment when due under this Note.

**Break Other Promises.** I break any promise made to Lender or fail to perform promptly at the time and strictly in the manner provided in this Note or in any agreement related to this Note, or in any other agreement or loan I have with Lender.

**False Statements.** Any representation or statement made or furnished to Lender by me or on my behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished.

**Death or Insolvency.** Any Borrower dies or becomes insolvent; a receiver is appointed for any part of my property; I make an assignment for the benefit of creditors; or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws. However, my death will not be an event of default if as a result of the death the Indebtedness is fully covered by credit life insurance.

**Taking of the Property.** Any creditor or governmental agency tries to take any of the property or any other of my property in which Lender has a lien. This includes taking of, garnishing of or levying on my accounts with Lender. However, if I dispute in good faith whether the claim on which the taking of the property is based is valid or reasonable, and if I give Lender written notice of the claim and furnish Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

**Defective Collateralization.** This Note or any of the related documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Collateral Damage or Loss.** Any collateral securing this Note is lost, stolen, substantially damaged or destroyed and the loss, theft, substantial damage or destruction is not covered by insurance.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment is curable and if I have not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if I, after receiving written notice from Lender demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then I will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if I do not pay. I will pay Lender that amount. This

**PROMISSORY NOTE**  
**(Continued)**

Loan No: 312178

Page 2

includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, I also will pay any court costs, in addition to all other sums provided by law.

**GOVERNING LAW.** This Note will be governed by and interpreted in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all my accounts with Lender (whether checking, savings, or some other account). This includes all accounts I hold jointly with someone else and all accounts I may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. I authorize Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** I acknowledge this Note is secured by the following collateral described in the security instrument listed herein, all the terms and conditions of which are hereby incorporated and made a part of this Note: a motor vehicle described in a Consumer Security Agreement dated November 2, 2002.

**CREDIT INSURANCE.** I have chosen to purchase Joint Life and Single Disability Insurance for this loan. Information concerning the premiums and the term of this insurance are set forth in the Disbursement Request and Authorization, all the terms and conditions of which are hereby incorporated and made a part of this Note.

**PROPERTY INSURANCE.** I understand that I am required to obtain insurance for the collateral securing this Note. Further information concerning this requirement is set forth in the Security Agreement and in the Agreement to Provide Insurance, all the terms and conditions of which are hereby incorporated and made a part of this Note.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon me, and upon my heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627

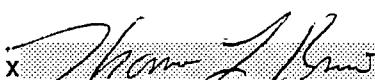
**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. I and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. This means that the words "I", "me", and "my" mean each and all of the persons signing below.

**PRIOR TO SIGNING THIS NOTE, I, AND EACH OF US, READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. I, AND EACH OF US, AGREE TO THE TERMS OF THE NOTE.**

**I ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

**BORROWER:**

  
X **Thomas L. Kruise**  
THOMAS L KRUISE, Individually

(Seal)

  
X **Edith E. Kruise**  
EDITH E KRUISE, Individually

(Seal)

# DISCLOSURE STATEMENT

Principal \$17,526.72	Loan Date 11-02-2002	Maturity 11-15-2007	Loan No 312178	Call / Coll 0001	Account 502917	Officer ***	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.  7.298%	FINANCE CHARGE The dollar amount the credit will cost me.  \$3,494.68	Amount Financed The amount of credit provided to me or on my behalf.  \$17,501.72	Total of Payments The amount I will have paid after I have made all payments as scheduled.  \$20,996.40
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**PAYMENT SCHEDULE.** Borrower's payment schedule will be 60 monthly payments of \$349.94 each, beginning December 15, 2002.

**PROPERTY INSURANCE.** I may obtain property insurance from anyone I want that is acceptable to Lender.

**SECURITY.** I am giving a security interest in the goods or property being purchased. Security interests and other rights are being given in .

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged **5.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.**

**PREPAYMENT.** If I pay off early, I will not be entitled to a refund of the prepaid finance charges, and I may have to pay a minimum finance charge.

I will look at my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds.

I read and was given a completed copy of this Disclosure Statement on November 2, 2002, prior to signing the Note.

**BORROWER:**

  
X  (Seal)  
THOMAS L KRUISE, Individually

## Amount Financed Itemization

<b>Amount paid to Borrower directly:</b> \$16,000.00 Deposited to Checking Account # 21-18483	\$16,000.00
<b>Amount paid to others on Borrower's behalf:</b> \$1,501.72 for Credit Insurance	\$1,501.72
<b>Total Financed Prepaid Finance Charges:</b>	<u>\$25.00</u>
 <b>Note Principal:</b>	 \$17,526.72
<b>Prepaid Finance Charges:</b>	\$25.00
Financed: \$25.00 PROCESSING FEE	\$25.00
In Cash:	\$0.00
<b>Amount Financed:</b>	<u>\$17,501.72</u>

# DISCLOSURE STATEMENT

Principal \$17,526.72	Loan Date 11-02-2002	Maturity 11-15-2007	Loan No 312178	Call / Coll 0001	Account 502917	Officer ***	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

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EDITH E KRUISE  
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Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

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**BORROWER:**

  
x   
EDITH E KRUISE, Individually

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Amount paid to Borrower directly: \$16,000.00 Deposited to Checking Account # 21-18483	\$16,000.00
Amount paid to others on Borrower's behalf: \$1,501.72 for Credit Insurance	\$1,501.72
Total Financed Prepaid Finance Charges:	<hr/> \$25.00
Note Principal:	\$17,526.72
Prepaid Finance Charges:	\$25.00
Financed: \$25.00 PROCESSING FEE	\$25.00
In Cash:	\$0.00
Amount Financed:	\$17,501.72

Insured Debtor #1 (Name and Address) <b>THOMAS L. KRUISE</b> <b>RR 1 BOX 43S</b> <b>COALPORT, PA 16627</b>	Date of Birth <b>09-15-1956</b>	Age <b>46</b>	CERTIFICATE NUMBER Includes Alphabetic Prefix <b>00000000</b>
Insured Debtor #2 <b>EDITH E. KRUISE</b>	Date of Birth <b>09-10-1962</b>	Age <b>40</b>	
Creditor (Beneficiary) (Name and Address) <b>CSB BANK</b> <b>Main &amp; Linwood Streets, P.O. Box 354</b> <b>Coalport, PA 16627</b>		CREDITOR'S ACCOUNT NO. <b>PA085500</b>	
Assignee (Name and Address)		Monthly Payment <b>\$ 349.94</b>	ANNUAL PERCENTAGE RATE <b>7.298</b>
Second Beneficiary (Debtor #1) <b>ESTATE OF THE INSURED</b>		Second Beneficiary (Debtor #2) <b>ESTATE OF THE INSURED</b>	
Effective Date <b>11-02-2002</b>	Original Scheduled Maturity Date <b>11-15-2007</b>	Days to 1st Payment <b>43</b>	Term of Loan <b>60</b>
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS
<input type="checkbox"/> Single Life Debtor #1		\$	\$
<input type="checkbox"/> Single Life Debtor #2		\$	\$
<input checked="" type="checkbox"/> Joint Life Insurance		\$ <b>17,578.87</b>	\$ <b>652.42</b>
<input checked="" type="checkbox"/> Single Disability <input type="checkbox"/> Debtor #1		\$ <b>20,996.40</b>	\$ <b>849.30</b>
<input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2		\$	\$
Debtor #1 % Debtor #2 %			
<input type="checkbox"/> Joint Disability (Entire Payment)		\$	\$
WAITING PERIOD		BENEFITS COMMENCE	
<input checked="" type="checkbox"/> 14 DAYS		Retroactive 1st Day	
<input type="checkbox"/> 30 DAYS		Retroactive 1st Day	
<input type="checkbox"/> 14 DAYS		Non-Retro 15th Day	
<input type="checkbox"/> 30 DAYS		Non-Retro 31st Day	
<input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)		\$ 349.94 (Monthly Disability Benefit)	
		\$ <b>1,501.72</b>	PREMIUM TOTAL
		Maximum Monthly Disability (per debtor)	Maximum Amt. of Insurance (per debtor)
		\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)
		Maximum Term	Maximum ISSUE AGE
		L-180 Mos. A/H-120 Mos.	<b>65</b>

**PROTECTIVE LIFE INSURANCE COMPANY** (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### APPLICATION FOR GROUP INSURANCE

NOTE: One Debtor may apply for Single Life and two Debtors may apply for Joint Life. For Life Coverage answer questions 1 and 2. One Debtor may apply for Single Disability and two Debtors may apply for Joint Disability. For Joint Disability, each Debtor may apply: (1) to insure 100% of the disability payment; or, (2) to insure a portion of the disability payment with the total equal to 100% of the disability payment. For Disability Coverage answer all questions.

Check Coverage Desired       Single Life Debtor #1       Single Life Debtor #2       Joint Life  
 Single Disability       Debtor #1       Debtor #2  
 Joint Disability      \_\_\_\_\_ % of portion of payment Debtor #1       Joint Disability (Entire Payment)  
\_\_\_\_\_  
\_\_\_\_\_  
% of portion of payment Debtor #2

Insured Debtor #1

Yes  No

(1) What is your date of birth?

**TO BE COMPLETED WHEN LOAN AMOUNT EXCEEDS \$50,000**  
(2) During the past 5 years have you been treated for, or been told by a licensed physician that you had any of the following conditions? (Please Circle) Heart Disease; Cancer or Tumor; Diabetes; Stroke; Disease of the Liver or Kidney; Alcoholism; Drug Addiction; any Brain; Nervous System or Mental/Neurological Disorder; Acquired Immune Deficiency Syndrome (AIDS); ARC (AIDS Related Complex), or any disorder of the immune system.

Insured Debtor #2

Yes  No

#### THE FOLLOWING QUESTIONS MUST BE ANSWERED WHEN THE DEBTOR(S) REQUEST DISABILITY COVERAGE.

Yes  No

(3) Have you lost more than 15 consecutive days from work due to back/neck problems or mental/nervous disorders in the past 5 years?  
  (4) Are you currently employed full time (working 30 or more hours per week)?

Yes  No

**Do Not Sign This Application If It Contains Any Blank Spaces Applicable To The Debtor Applying For The Coverage And To The Coverage Being Applied For.** This application will not be used in a contest if the Debtor(s) has not answered the questions applicable to the coverage being applied for and/or if the Debtor(s) has not signed and dated the application and/or if the application has not been witnessed.

You represent that the information and answers given on this application are true and complete to the best of your knowledge and belief. They will be used to issue the requested insurance. You understand that untruthful answers may result in denial of claims.

You further understand: (1) the insurance is not required or needed in order to obtain the loan; (2) you have the option to purchase insurance from any insurer or agent of your choice; (3) if you do not meet the maximum limitations stated in the schedule you are not eligible for coverage; or (4) you have answered "yes" to question 2, the amount of coverage provided will be the amount shown in the statement above question 2 and, if only question 3 is answered "yes" and/or question 4 is answered "no", you may still obtain life insurance.

**NOTICE:** The death benefit in the Certificate may not completely pay off your loan. Your death benefit will be calculated based on the scheduled payment. Due to varied payment habits, your actual balance may be greater than your scheduled death benefit.

**\*Important Notice If Critical Period Disability Coverage is Elected:** If the term of your loan exceeds 36 months, the credit disability coverage provided by this Certificate is limited. This coverage provides for an aggregate disability benefit which is limited to 36 times your monthly benefit.

Date \_\_\_\_\_ Signature of Debtor #1 \_\_\_\_\_ S.S.# **182-50-1440**

Witness \_\_\_\_\_ Signature of Debtor #2 \_\_\_\_\_ S.S.# **183-54-8721**

Upon acceptance by the Insurer, the insurance shall become effective as of the effective date shown above.

**NOTICE:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**BENEFITS PROVIDED BY THE DISABILITY CERTIFICATE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION. PLEASE SEE THE DISABILITY SECTION "EXCEPTIONS" PARAGRAPH.**

Insured Debtor #1 (Name and Address) <b>THOMAS L. KRUISE</b> RR 1 BOX 43S COALPORT, PA 16627		Date of Birth <b>09-15-1956</b>	Age <b>46</b>	CERTIFICATE NUMBER Includes Alphabetic Prefix <b>00000000</b>
Insured Debtor #2 <b>EDITH E. KRUISE</b>		Date of Birth <b>09-10-1962</b>	Age <b>40</b>	
Creditor (Beneficiary) (Name and Address) <b>CSB BANK</b> Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627		CREDITOR'S ACCOUNT NO. <b>PA085500</b>		
Assignee (Name and Address)		Monthly Payment <b>\$ 349.94</b>	ANNUAL PERCENTAGE RATE <b>7.298</b>	
Second Beneficiary (Debtor #1) <b>ESTATE OF THE INSURED</b>		Second Beneficiary (Debtor #2) <b>ESTATE OF THE INSURED</b>		
Effective Date <b>11-02-2002</b>	Original Scheduled Maturity Date <b>11-15-2007</b>	Days to 1st Payment <b>43</b>	Term of Loan <b>60</b>	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1		\$	\$	
<input type="checkbox"/> Single Life Debtor #2		\$	\$	
<input checked="" type="checkbox"/> Joint Life Insurance		\$ <b>17,578.87</b>	\$ <b>652.42</b>	<b>60</b>
		Maximum Amt. of Insurance (per debtor) <b>\$100,000.00 (Ages 18-65)</b>	Maximum Term L-180 Mos. A/H-120 Mos.	MAXIMUM ISSUE AGE <b>65</b>

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### CERTIFICATE OF INSURANCE

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Another form, called the Group Policy, was issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy is similar to this Certificate but contains many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy.

**Effective Date** – Your insurance is effective on the date stated in the Schedule.

#### LIFE INSURANCE

**Decreasing** – The initial amount of your insurance in force on the effective date shown in the Schedule will be the lesser of: (1) the Maximum Amount of Insurance; or, (2) the initial principal debt. If the initial amount of insurance was equal to the initial principal debt, thereafter, the benefit payable will be the scheduled unpaid principal debt plus the current month's interest including no more than two delinquent monthly payments. If the initial principal debt exceeds the initial amount of insurance, thereafter, the benefit payable shall be equal to the unpaid principal debt times the ratio of the Maximum Amount of Insurance to the initial principal debt. In such case, the benefit will be increased by the amount obtained by applying the above ratio to the sum of any principal installments which are no more than two months overdue.

**Suicide Exclusion** – We won't pay a claim, if you commit suicide, while sane or insane, within one year from the Effective Date. However, we will refund any premium paid.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Amount of Insurance** – The Joint Life Benefit will not exceed the amount that is payable for single coverage. The amount of insurance in force will be paid only upon one of your deaths. The insurance on the other will immediately end. If you both die at the same time, the benefit will be paid only for one insured Debtor. However, excess proceeds will be paid equally to the named second beneficiaries or estates of each of you.

**Suicide** – In the event one of you commits suicide, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – In the event coverage under this Certificate is contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Life Certificate to replace the Joint Life Certificate. Also, a refund of the portion of premium which applied to the deceased or ineligible Debtor will be made. The refund will equal the difference between the premium actually charged for the Joint Life Coverage and the premium that would have been charged if only Single Life Coverage had been provided at the time this Certificate was issued.

**10 Day Right to Return** – If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

#### GROUP SINGLE OR JOINT LIFE COVERAGE SINGLE PREMIUM NET DECREASING TERM LIFE INSURANCE

## GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

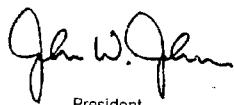
**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 1 year suicide exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. Refunds are computed according to the Actuarial Method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. Premiums are earned in the event of a benefit payment for Life.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.



President



Secretary

Insured Debtor #1 (Name and Address) THOMAS L KRUISE RR 1 BOX 43S COALPORT, PA 16627		Date of Birth 09-15-1956	Age 46	CERTIFICATE NUMBER Includes Alphabetic Prefix  <b>00000000</b>
Insured Debtor #2 EDITH E KRUISE		Date of Birth 09-10-1962	Age 40	CREDITOR'S ACCOUNT NO.  <b>PA085500</b>
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627				
Assignee (Name and Address)		Monthly Payment \$ 349.94	ANNUAL PERCENTAGE RATE 7.298	
Second Beneficiary (Debtor #1) <b>ESTATE OF THE INSURED</b>		Second Beneficiary (Debtor #2) <b>ESTATE OF THE INSURED</b>		
Effective Date 11-02-2002	Original Scheduled Maturity Date 11-15-2007	Days to 1st Payment 43	Term of Loan 60	
COVERAGES		PREMIUMS		TERM IN MONTHS
<input checked="" type="checkbox"/> Single Disability <input type="checkbox"/> Debtor #1      \$ 20,996.40      \$ 849.30      60 <input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2      \$      \$ Debtor #1      %      Debtor #2      % <input type="checkbox"/> Joint Disability (Entire Payment)      \$      \$				
<b>WAITING PERIOD</b> <input checked="" type="checkbox"/> 14 DAYS      Benefits Commence Retroactive 1st Day <input type="checkbox"/> 30 DAYS      Retroactive 1st Day <input type="checkbox"/> 14 DAYS      Non-Retro 15th Day <input type="checkbox"/> 30 DAYS      Non-Retro 31st Day <input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)		<b>\$ 349.94</b> (Monthly Disability Benefit) Maximum Monthly Disability (per debtor) \$1,000.00 (Ages 18-65)      Maximum Term      Maximum Issue Age L-180 Mos.      A/H-120 Mos.      65		

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

**Group Single Premium Term Disability Insurance**  
**Single Or Joint Credit Disability Full or Critical Period Benefit Certificate**

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Two forms, called the Group Policy and Total Disability Rider, were issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy and Rider are similar to this Certificate but contain many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy and Total Disability Rider.

**Effective Date:** Your insurance is effective on the date stated in the Schedule. As of the Effective Date, if you do not meet the Disability Insurance eligibility requirements shown in this Certificate, we will return your premium when we discover this and not pay any benefits.

**10 Day Right to Return:** If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

**NOTE: BENEFITS PROVIDED BY THIS COVERAGE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION AS DEFINED BELOW.**

**DISABILITY INSURANCE**

**Total Disability Definitions:**

**Pre-Existing Condition** – A pre-existing condition is one which is a result of an illness, disease or physical condition for which you received medical advice, consultation or treatment during the six month period immediately preceding the effective date of your coverage and that commences within the six month period after the effective date of coverage.

**Injury** – Bodily injury to you which is directly caused by an accident and results in a covered loss.

**Sickness** – Sickness or disease of yours which is not excluded in the "Exceptions" Section below, and which results in a covered loss.

**Total Disability** – Total Disability means that for the first twelve months you cannot perform all of the important or significant occupational duties because of a disability which was caused by injury or sickness as defined above. After twelve months, disability means you are unable to perform the duties required of any gainful occupation that you are reasonably suited by education, training or experience. In order to be considered for a benefit, your disability must begin after the effective date of your coverage.

**Conditions Required for Benefits** – In order for us to pay a benefit, you must satisfy the following conditions: (1) you must be insured when your total disability begins; (2) you must be totally disabled according to the definition above; (3) you must be disabled for more than the consecutive number of days shown in the Schedule as the Waiting Period; and, (4) you must submit written proof of your disability which is satisfactory to us. We may require additional monthly certification for a continuous disability.

**Benefit Payable** – Benefit payments are calculated from the Day Benefits Commence shown in the Schedule and are for the actual number of days you are disabled. A monthly disability benefit is determined by dividing the total of payments due on your loan by the number of months in the loan term. However, the monthly disability benefit will never exceed the Maximum Monthly Disability shown in the Schedule. If Critical Period coverage is purchased as selected on the Schedule, the Monthly Disability Benefit will be paid as long as you are disabled, up to a maximum of 36 times the Monthly Disability Benefit. A daily benefit is found by dividing the lesser of the Maximum Monthly Disability or the Monthly Disability Benefit shown in the Schedule by 30. Only one benefit is payable even if your disability is caused by more than one sickness, injury or related condition. No benefits will be paid during any period you are not under the care of a licensed physician, other than yourself.

**When Benefits End** – Payments will stop on the earliest of the follow: 1) you are no longer totally disabled; 2) benefits are paid to the original scheduled maturity date of the loan (if Full Coverage is selected); 3) the maximum benefit has been paid (if Critical Period Coverage is selected); or 4) the date your insurance ends (See "Termination of Your Insurance" Section).

**Exceptions** – We won't pay a benefit or refund the premium if your disability is caused by or results from: (1) normal pregnancy; (2) intentionally self-inflicted injuries; (3) flight in non-scheduled aircraft; or, (4) a pre-existing condition as defined above.

**How To File A Claim:**

**Notice of Claim** – When you become disabled you are to notify your Creditor. He in turn must write us or our agent about your claim within 30 days after it begins or as soon after that as he can.

**Claim Forms** – After we receive your Creditor's notice of claim, we will send you forms to complete. The forms will be sent within 15 days after our receipt of notification. If they are not sent within 15 days, you can simply send us written proof of your disability. The proof must include the date, the cause and how serious it is. It must be signed by the doctor who is treating you.

**Proof of Loss** – The proof of your disability must be sent to us no later than 90 days after the date of loss. If you are unable to send it within that time, it must be sent as soon as reasonably possible.

**Physical Examination** – After we receive notification that you have a claim, we have the right at that time; and throughout the period for which benefits are requested to examine you. Upon request by us, you agree to provide authorization to us to access your medical records.

**Legal Action** – For 60 days from the date of our receipt of proof of loss as required, you cannot bring legal or equitable action against us for that claim. No action can be brought against us after three years from the date written proof of loss is required.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Benefit Payable** – The Joint Disability Benefit will not exceed the amount that is payable for Single Coverage. If insuring the entire payment, one benefit equal to the full monthly debt payment is payable even if both of you are disabled at the same time. Our benefit will be paid as if Debtor #1 became disabled first. Benefits will continue as long as one of you is totally disabled. When insuring a portion of the payment and both are disabled at the same time, one benefit equal to the full monthly debt payment is payable. Benefits will continue if one of you is totally disabled but only for the percentage of the benefit elected by the one disabled. If you both are insured for a portion of the payment and one of you become disabled, only the portion of the payment the disabled one elected will be paid as a benefit. You both will be liable for the remaining portion of the payment. Any excess proceeds will be paid equally to both of you, if living, or to the named Second Beneficiaries or Estates of each of you.

**Suicide** – In the event one of you commits suicide, whether sane or insane, within one year from the Effective Date of Coverage, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – Should coverage under this Certificate be contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Certificate to replace the Joint Certificate. Also, a refund of premium will be made.

**Refund for Suicide** – If the Debtor who committed suicide was on disability claim during any period prior to the date of suicide, a refund will be made of the unearned premium determined by the date the Debtor went off claim or the date of suicide, whichever is earlier. If the Debtor did not have a claim prior to the date of suicide, a refund will be determined as described for refunding due to ineligibility or contestability.

**Refund for Ineligibility or Contestability** – If insured for the entire payment, the refund will equal the difference between the premium actually charged for the Joint Coverage and the premium that would have been charged if only Single Coverage had been provided at the time this Certificate was issued. If insured for a portion of the payment, the refund will equal the amount of premium which applied to the deceased or ineligible Debtor. In this case, the surviving or eligible Debtor shall be given the option to increase coverage to an amount equal to the lesser of: (1) 100% of the disability payment; or, (2) the Maximum Monthly Disability. If the surviving or eligible Debtor increases his coverage, the existing certificate will be cancelled and a new certificate will be issued subject to approval of the Increased Benefits Application for the amount of the increase.

#### GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. For Critical Period coverage, refunds are computed according to the mean of the "Sum of the Digits" (commonly known as the "Rule of 78") and pro rata methods. For other Disability Coverage, refunds are computed according to the "Rule of 78" method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. For Critical Period coverage, no refund will be made if the maximum number of benefits has been paid.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 6 month pre-existing condition exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made. If Single Life Coverage is elected and the Certificate is contested, we will refund the premium for this coverage.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.

  
John W. John  
President

  
Deborah J. Long  
Secretary

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-4130  
800-888-2738, EXT 8398

Protective 

01/24/06

CONTINUATION CLAIM for Protective Life Ins Co of Tennessee

Paid from: 02/02/2006 Paid to: 03/02/2006  
Check date: 01/24/2006 Check: 00000000  
Amount: 349.94 Loan: 312178  
Claim: 2037529 Agent: PA085500  
Insured: THOMAS KRUISE

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

★ Also Claim # 2037527

To avoid delay in continuing payments this report must be fully completed and returned in 30 days showing a current doctor's visit date. Please indicate if your address has changed.

FRAUD NOTICE

"Any person who knowingly, and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000." (Sec. 68-402)

I hereby authorize any physician, hospital, insurance company, financial institution, employer or organization to release any information which is deemed necessary to process my claim to the Insurance Company or its Administrator. A copy of this authorization shall be valid as the original. I hereby certify that I have not worked at my regular occupation, or any other occupation since 11/16/2002. As of the date reflected immediately below, I am not receiving any wage or profit from any type of gainful employment.

2037527

Thomas J. Kruise 814-672-3335 182-50-1440 2037529 1,31,06

Insured's Signature

Phone #

SSN

Loan #

Date

ATTENDING PHYSICIAN'S STATEMENT (APS)

Patient will be totally disabled for:

Less than 1 month  1 to 3 months  4 to 6 months  Permanently

CAD, Angina  
Diagnosis

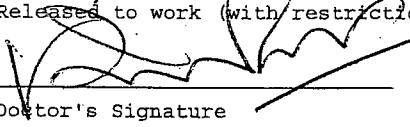
1/9/06, 7/6/05, 12/20/04 6/28/06  
Last THREE Appointments Next Appointment

DATE N/A

DATE Permanently disabled

Released to work (with restrictions)

Released to work (without restrictions)

Doctor's Signature 

Name (Please Print) V. JANAKIRAMAN, MD

2/1/06

1528 Pleasant Valley Blvd. A Home, 23-2868515 814-944-4340

Address (Street/PO Box, City, State and Zip)

Tax ID Number

Telephone Number

PT 2037529

PA 16602

CF\_01

**EXHIBIT "C"**

(Name and Address) THOMAS L KRUUSE RR 1 BOX 438 COALPORT, PA 16827		08-15-1988	48	311536 00000000
Insured Debtor #2 EDITH R KRUUSE		Date of Birth 08-10-1928	Age 60	
Creditor (Beneficiary) (Name and Address) CIB BANK Main & Lincoln Streets, P.O. Box 854 Coalport, PA 16827		CREDITOR'S ACCOUNT NO. PA 085500		
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.75%	
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED		
Effective Date 08-20-1981	Original Scheduled Maturity Date 08-25-2011	Days to 1st Payment 39	Term of Loan 120	
<input type="checkbox"/> Single Life Debtor #1 <input type="checkbox"/> Single Life Debtor #2 <input checked="" type="checkbox"/> Joint Life Insurance <input checked="" type="checkbox"/> Single Disability <input checked="" type="checkbox"/> Debtor #1 <input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2 Debtor #1 <input checked="" type="checkbox"/> Debtor #2      % <input type="checkbox"/> Joint Disability (Entire Payment)  <b>WARNING PERIOD</b> <b>BENEFITS COMMENCE</b> <input checked="" type="checkbox"/> 14 DAYS      Retrospective 1st Day <input type="checkbox"/> 30 DAYS      Retrospective 1st Day <input type="checkbox"/> 14 DAYS      Non-Retro 15th Day <input type="checkbox"/> 30 DAYS      Non-Retro 31st Day <input checked="" type="checkbox"/> CRITICAL PERIOD (Maximum Term: 36 Mos.)      *				
\$ 417.21 (Monthly Disability Benefit) Maximum Monthly Disability (per debtor)      Maximum Amt. of \$1,000.00 (Ages 18-65)      \$100,000.00 (Ages 18-86) Insurance (per debtor) Maximum Term L-180 Mos. A/H-120 Mos. MAXIMUM ISSUE AGE 85				

**Refund of Unearned Premium** - If your insurance ends before the end of the term of insurance coverage, a refund or credit of any unearned premium will be made as follows:

(1) **Net Life Coverage** - Refunds are computed according to the Actuarial Method.

(2) **Disability Coverage** - For Critical Period coverage, refunds are computed according to the mean of the "Sum of the Digits" (commonly known as the "Rule of 78") and pro rata methods. For other Disability coverage, refunds are computed according to the "Rule of 78" method.

Such refund methods are on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00.

#### PREMIUM REFUND RECEIPT SCHEDULE

	MONTH	DAY	YEAR	LIFE	DISABILITY	TOTAL
DATE OF CANCELLATION				PERCENT UNEARNED	%	%
CERTIFICATE WAS IN FORCE				MONTHS	AMOUNT OF REFUND	\$

I, the undersigned, hereby request cancellation of the above numbered certificate as of 12:00 noon, Standard Time, as of the date of cancellation shown above. I hereby acknowledge receipt of the amount of refund shown above as a full refund of the unearned portion of the premium or premiums and hereby release Protective Life Insurance Company from all further liability under said certificate or certificates as the case may be. I acknowledge and agree that any sum due as a refund of premium will be credited to my loan account with the Creditor.

\_\_\_\_\_  
AGENT OR WITNESS      Date      SIGNATURE OF INSURED

Name of Creditor      + Address

COPIES TO: INSURANCE COMPANY WHEN TERMINATED  
INSURED DEBTOR WHEN TERMINATED  
CREDITOR FILE COPY

FILA-1221 (03-69) (REV)

PLAN 1

EDITH E KRUEGER		DATE OF BIRTH 08-10-1902	AGE 40	CREDITOR'S ACCOUNT NO. PA085600																																											
Creditor (Beneficiary) (Name and Address) CBS BANK Main & Linwood Streets, P.O. Box 354 Canton, PA 18827																																															
Assignee (Name and Address)		Monthly Payment \$ 241.84	ANNUAL PERCENTAGE RATE 7.28%																																												
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED																																													
Effective Date 11-08-2008	Original Scheduled Maturity Date 11-15-2037	Days to 1st Payment 43	Term of Loan 60																																												
<table border="1"> <tr> <td><input type="checkbox"/> Single Life Debtor #1</td> <td>8</td> <td>8</td> <td colspan="3"></td> </tr> <tr> <td><input type="checkbox"/> Single Life Debtor #2</td> <td>9</td> <td>9</td> <td colspan="3"></td> </tr> <tr> <td><input checked="" type="checkbox"/> Joint Life Insurance</td> <td>5</td> <td>17,570.87</td> <td>5</td> <td>682.42</td> <td>60</td> </tr> <tr> <td><input checked="" type="checkbox"/> Single Disability</td> <td>12 Debtor #1</td> <td>8</td> <td>20,000.00</td> <td>8</td> <td>640.00</td> </tr> <tr> <td><input type="checkbox"/> Joint Disability (Portion of Payment)</td> <td><input type="checkbox"/> Debtor #2</td> <td>8</td> <td></td> <td>8</td> <td>60</td> </tr> <tr> <td>Debtor #1</td> <td>% Debtor #2</td> <td>%</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="6"><input type="checkbox"/> Joint Disability (Entire Payment)</td> </tr> </table>						<input type="checkbox"/> Single Life Debtor #1	8	8				<input type="checkbox"/> Single Life Debtor #2	9	9				<input checked="" type="checkbox"/> Joint Life Insurance	5	17,570.87	5	682.42	60	<input checked="" type="checkbox"/> Single Disability	12 Debtor #1	8	20,000.00	8	640.00	<input type="checkbox"/> Joint Disability (Portion of Payment)	<input type="checkbox"/> Debtor #2	8		8	60	Debtor #1	% Debtor #2	%				<input type="checkbox"/> Joint Disability (Entire Payment)					
<input type="checkbox"/> Single Life Debtor #1	8	8																																													
<input type="checkbox"/> Single Life Debtor #2	9	9																																													
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Debtor #1	% Debtor #2	%																																													
<input type="checkbox"/> Joint Disability (Entire Payment)																																															
<b>WAITING PERIOD</b> <input checked="" type="checkbox"/> 14 DAYS <input type="checkbox"/> 30 DAYS <input type="checkbox"/> 14 DAYS <input type="checkbox"/> 30 DAYS <input checked="" type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.) <del>X</del>		<b>BENEFITS COMMENCE</b> Retroactive 1st Day Non-Retro 16th Day Non-Retro 31st Day		\$ 348.84 (Monthly Disability Benefit) Maximum Monthly Disability (per debtor) \$1,000.00 (Ages 18-65)																																											
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				MAXIMUM ISSUE AGE 66																																											

**Refund of Unearned Premium** - If your insurance ends before the end of the term of insurance coverage, a refund or credit of any unearned premium will be made as follows:

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Such refund methods are on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00.

**PREMIUM REFUND RECEIPT  
SCHEDULE**

MONTH	DAY	YEAR	LIFE	DISABILITY	TOTAL
DATE OF CANCELLATION			PERCENT UNEARNED	%	%
CERTIFICATE WAS IN FORCE			MONTHS	AMOUNT OF REFUND	\$

I, the undersigned, hereby request cancellation of the above numbered certificate as of 12:00 noon, Standard Time, 86 of the date of cancellation shown above. I hereby acknowledge receipt of the amount of refund shown above as a full refund of the unearned portion of the premium or premiums and hereby release Protective Life Insurance Company from all further liability under said certificate or certificates as the case may be. I acknowledge and agree that any sum due as a refund of premium will be credited to my loan account with the Creditor.

\_\_\_\_\_  
AGENT OR WITNESS  
\_\_\_\_\_  
Name of Creditor \_\_\_\_\_ Address \_\_\_\_\_

COPIES TO: INSURANCE COMPANY WHEN TERMINATED  
INSURED DEBTOR WHEN TERMINATED  
CREDITOR FILE COPY

FILA-1221 (03 99) (REF)

PLAN I



March 28, 2006

Thomas L. Kruise  
Edith E. Kruise  
149 Washington Street  
Coalport, PA 16627

Dear Mr. and Mrs. Kruise:

We wish to respond to the letter we received from R. Denning Gearhart concerning your Fixed Home Equity Loan (#311536) and Installment Auto Loan (#312178).

The Fixed Home Equity loan was originated on September 25, 2001. You purchased Joint Life Credit Insurance and Single Accident & Health (A & H) Credit Insurance for this loan. On November 15, 2002, you made an A & H claim and the Protective Insurance Company began paying your monthly payment. The A & H program that CSB Bank offered through Protective had a 36 month critical period. The coverage for A & H was only good for 36 monthly payments. This period expired in November of 2005. It seems, however that Protective missed the cancellation date and continued the claim payments for four additional months. I have spoken to a representative from Protective and they have admitted that the missed cancellation date was something that they should have caught and the four extra months are not due and payable by you. Due to their procedure practices, they will most likely still send a letter or two asking for this repayment, but I have been told that it is not necessary for you to do this.

The Installment Auto Loan was originated on November 2, 2002. You purchased Joint Life Credit Insurance and Single A & H Credit Insurance for this loan. On November 15, 2002, you made an A & H claim and Protective began paying your monthly payment. Again, Protective missed the cancellation date of November 2005 and paid an additional four payments. They are not expecting you to repay these extra months' payments.

EXHIBIT "E"

CURWENSVILLE OFFICE  
P.O. Box 29  
Curwensville, PA 16833  
14-236-2550

COALPORT OFFICE  
P.O. Box 354  
Coalport, PA 16627  
814-672-5396

RIVER ROAD OFFICE  
1900 River Road  
Clearfield, PA 16830  
814-765-1781

DuBOIS OFFICE  
P.O. Box 465  
DuBois, PA 15801  
814-371-3066

ST. MARYS OFFICE  
1379 Bucktail Village  
St. Marys, PA 15857  
814-834-4020

ST. MARYS PLAZA OFFICE  
BilO Market • Route 255  
St. Marys, PA 15857  
814-781-6410

As we understand, you are now permanently disabled. The A & H coverage that we sold and that you paid for on both loans was never meant to be a permanent disability coverage. We did not have that program to offer. We apologize if there was a misunderstanding on this issue, however the A & H product was for a 36 month claim period. At this time the coverage has ceased and you will need to continue paying the monthly payments on both loans as agreed.

The Life Credit Insurance on both loans is still in place. We hope that the benefits you received from the A & H Credit Insurance that you purchased helped you through a tough period and again we apologize for the misunderstanding concerning permanent disability.

Please call me if you have any questions concerning this matter. My number is (814) 236-5245.

Sincerely,  
CSB Bank

Michael T. Ryan  
Michael T. Ryan  
AVP Retail Loan Administration

cc: R. Denning Gearhart, Esquire  
207 East Market Street  
Clearfield, PA 16830

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-44130  
800-888-2738, EXT 8398

Protective 

03/07/06

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

RE: Protective Life Ins Co of Tennessee  
Insured: THOMAS KRUISE  
Certificate: 0000311536 0  
Claim: 2037527

Overpayment: \$1,474.14  
Paid through: 03/02/2006

Because , this claim is overpaid as stated above.

By copy of this letter, we are requesting reimbursement of this overpayment from C S B BANK. Please contact them and authorize this reimbursement.

Thank you for your cooperation.

Sincerely,

Tammy Shelton  
Customer Operations/Claims

cc: C S B BANK

PT 2037527  
OVERPAY

Protective group of companies: Lyndon Property Insurance Company, Lyndon Southern Insurance Company,  
Protective Life Insurance Company, Protective Life Insurance Company of Kentucky PT

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-4430  
800-888-2738, EXT 8398



03/07/06

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

RE: Protective Life Ins Co of Tennessee  
Insured: THOMAS KRUISE  
Certificate: 0000312178 0  
Claim: 2037529

Overpayment: \$1,236.46  
Paid through: 03/02/2006

Because , this claim is overpaid as stated above.

By copy of this letter, we are requesting reimbursement of this overpayment from C S B BANK. Please contact them and authorize this reimbursement.

Thank you for your cooperation.

Sincerely,

Tammy Shelton  
Customer Operations/Claims

cc: C S B BANK

PT 2037529  
OVERPAY

Protective group of companies: Lyndon Property Insurance Company, Lyndon Southern Insurance Company,  
Protective Life Insurance Company, Protective Life Insurance Company of Kentucky PT

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

FILED  
0/16:27 AM  
JUN 16 2008 S

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and EDITH E. :  
KRUISE, Husband and Wife, :  
Plaintiffs :  
: No. 06-825-CD  
-vs- : JURY TRIAL DEMANDED  
: :  
CSB BANK, a Pennsylvania :  
Financial Institution, :  
Defendant :  
:

**PRAECIPE**

TO WILLIAM A. SHAW, PROTHONOTARY:

Kindly enter my appearance on behalf of Defendant, CSB  
BANK, in the above-captioned proceeding.

GATES & SEAMAN

BY: 

Laurance B. Seaman, Esquire

Date: June 16, 2006

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA**

DOCKET # 101577  
NO: 06-825-CD  
SERVICE # 1 OF 1  
COMPLAINT

PLAINTIFF: THOMAS L. KRUISE and EDITH E. KRUISE  
vs.  
DEFENDANT: CSB BANK

**SHERIFF RETURN**

NOW, June 02, 2006 AT 10:10 AM SERVED THE WITHIN COMPLAINT ON CSB BANK DEFENDANT AT 434 STATE ST., PO BOX 29, CURWENSVILLE, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO MARILYN SNYDER, VICE PRESIDENT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: DAVIS / MORGILLO

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	GEARHART	8336	10.00
SHERIFF HAWKINS	GEARHART	8336	23.73

**FILED**  
0/2/25 LM  
JUN 15 2006 (JR)

William A. Shaw  
Prothonotary  
So Answers,

Sworn to Before Me This

\_\_\_\_ Day of \_\_\_\_\_ 2006

*Chester A. Hawkins*  
Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
EDITH E. KRUISE, Husband  
and Wife,

Plaintiffs,

v.

CSB BANK,  
A Pennsylvania Financial Institution,  
Defendant.

**COPY**

No. 06- 825 -CD

JURY TRIAL DEMANDED

CASE NUMBER: 06- -CD

TYPE OF PLEADING: **COMPLAINT**

FILED ON BEHALF OF: Plaintiffs

COUNSEL FOR RECORD FOR THIS PARTY: R. Denning Gearhart, Esquire  
Supreme Court ID#: 26540  
207 East Market Street  
Clearfield, PA 16830  
814-765-1581

I hereby certify this to be a true  
and attested copy of the original  
statement filed in this case.

**MAY 25 2006**

Attest.

*W. L. Gearhart*  
Prothonotary/  
Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
EDITH E. KRUISE,  
Husband and Wife,  
Plaintiffs,

v.

No. 06- -CD

CSB BANK,  
A Pennsylvania Financial Institution,  
Defendant.

JURY TRIAL DEMANDED

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

Court Administrator's Office  
Clearfield County Courthouse  
Clearfield, PA 16830  
814-765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and  
EDITH E. KRUISE,  
Husband and Wife,  
Plaintiffs,

v.

No. 06- -CD

CSB BANK,  
A Pennsylvania Financial Institution,  
Defendant.

JURY TRIAL DEMANDED

**COMPLAINT**

AND NOW, come the Plaintiffs, THOMAS L. KRUISE and EDITH E. KRUISE, by and through their attorney, R. Denning Gearhart, who file this Complaint and aver as follows:

1. The Plaintiffs are Thomas L. Kruise and Edith E. Kruise, husband and wife, who reside at 149 Washington Street, Coalport, Pennsylvania, 16627.
2. The Defendant, CSB Bank, is registered with the Commonwealth's Department of State as a Pennsylvania Financial Institution believed to be incorporated in accordance with appropriate Pennsylvania statutes. It operates as such as a banking institution subject to the rules, regulations and statutes of the Commonwealth of Pennsylvania and the United States of America. Defendant's main office of business is located at 434 State Street, PO Box 29, Curwensville, Pennsylvania, 16833.
3. The Defendant operates a branch office at Main and Linwood Streets, PO Box 354, Coalport, Pennsylvania, 16627.

4. On or about September 20, 2001, Plaintiffs did finalize an agreement to borrow the sum of Thirty Four Thousand Seven Hundred Fifty One & 00/100 (\$34,751.22) Dollars from the Defendant, hereinafter referred to as "Loan 1" and attached hereto as Exhibit "A".

5. Loan 1 was to be secured by a mortgage on Plaintiffs' real estate, identified above as Plaintiff's residence. It was to be repaid upon the terms and conditions outlined in the agreement attached as Exhibit "A."

6. At the same time the Plaintiffs were offered, by an officer of the Defendant, the opportunity to purchase certain insurance coverage intended to provide for payment of this loan in the event of the death or disability of the Plaintiff, Thomas L. Kruise.

7. Plaintiffs agreed to purchase said insurance coverage as contained in documentation attached hereto as Exhibit "A".

8. The coverage was to be in the form of two policies: The first one is a term life insurance policy providing protection for the life of the loan (120 months). The second was to be disability coverage that was to pay the loan in the event of the disability of Plaintiff, Thomas L. Kruise.

9. As shown on Exhibit "A", disability insurance coverage offered several different options. One such option allowed for the Plaintiffs to buy a policy that required a fourteen (14) day waiting period before benefits (loan payment) would commence. This option was chosen by the Plaintiffs, as evidenced by a "X" typed into the appropriate box before the Plaintiffs signed.

10. Another such option provided for "Critical Period Coverage." Under the terms of that coverage, payment of the loan would only continue upon the disability of the Plaintiff, Thomas L. Kruise, for a period of no more than thirty-six (36) months, regardless of the permanency of the Plaintiff's disability. This box was left blank, as the Plaintiffs did not wish to limit their coverage in this manner. It was blank when they agreed to the contract and evidenced that agreement by their signature.

11. The premium for this insurance coverage was incorporated into the monthly amount paid by the Plaintiffs as part of their overall mortgage payment.

12. On November 2, 2002, Plaintiffs entered into another agreement, hereinafter referred to as "Loan 2" and attached hereto as Exhibit "B." This agreement was to borrow the sum of Seventeen Thousand Five Hundred One & 72/100 (17,501.72) Dollars for the purchase of a 2002 Chrysler PT Cruiser. This vehicle is held as security for Loan 2.

13. As part of this second loan, the Plaintiffs again entered into an agreement for the purchase of insurance coverage similar to that purchased in the first loan agreement. A copy of said documentation is attached hereto as Exhibit "B".

14. Plaintiffs chose the same options. Their choices are clearly designated by a typed "X" in the appropriate box.

15. On or about November 15, 2005, Plaintiff, Thomas L. Kruise, suffered a massive and acute heart attack that rendered him permanently disabled.

16. Plaintiff, Thomas L. Kruise, caused to have prepared the necessary application for benefits, including statements from his doctors.

17. The insurance company, Life of the South, commenced making payments to the Defendant in the amount of Four Hundred Seventeen & 21/100 (\$417.21) Dollars per month for Loan 1 and Three Hundred Forty Nine & 94/100 (\$349.94) Dollars per month for Loan 2.

18. Plaintiff, Thomas L. Kruise, to date continues to be disabled as evidenced by the Attending Physician's Statement (APS) dated January 24, 2006, and attached hereto as Exhibit "C", executed by his doctor and submitted to the insurance company, Life of the South.

19. Plaintiff, Thomas L. Kruise, was advised by the insurance company, Life of the South, that based on the Attending Physician's Statement (APS) dated January 24, 2006, his entitlement to benefits had been approved through March 3, 2006, for Loan 1, as well as through March 3, 2006, for Loan 2.

20. Upon the Plaintiff's, Thomas L. Kruise, research, it was discovered that the two payments were not paid as usual in February, 2006.

21. Upon Plaintiff's, Thomas L. Kruise, inquiry as to why the payments were not made, he was advised that his coverage was only for the "Critical Period" and therefore payment should have terminated with the December, 2005, payments.

22. Plaintiff, Thomas L. Kruise, inquired of the Defendant's branch office in Coalport, Pennsylvania, as to why these payments were not being made by the insurance company, Life of the South.

23. An employee of the Defendant, Jack Keith (hereinafter "Keith"), informed Plaintiff, Thomas L. Kruise, that upon submission of the loan papers to the main branch in Curwensville, Pennsylvania, the officials at the main branch altered the

insurance application such that the "Critical Period" option was submitted to the insurance company, Life of the South.

24. Keith provided to the Plaintiff, Thomas L. Kruise, copies of the documents submitted to the insurance company, Life of the South. Copies of said documents are attached hereto as Exhibit "D1" and Exhibit "D 2".

25. These documents do not contain the Plaintiffs' signatures and shows the "Critical Period" boxes to be filed in with a handwritten "X", with handwritten "\*" on either side.

26. Upon contacting legal counsel, Plaintiff, Thomas L. Kruise, received a letter dated March 28, 2006, from an officer of the Defendant's stating that full disability coverage was not available to the Plaintiffs when they applied for the said loans and when they submitted the application for insurance policy. A copy of said letter is attached hereto as Exhibit "E".

27. This assertion in the letter was made despite the insurance application clearly offering full disability coverage.

28. Plaintiff, Thomas L. Kruise, received correspondence from the insurance company, Life of the South, advising him of their alleged overpayment and asked for reimbursement. Copies of said correspondence are attached hereto as Exhibit "F1" and Exhibit "F2".

29. The letter from the Bank, attached hereto as Exhibit "E" suggests that the Plaintiffs ignore the insurance company's request for repayment but that they begin to make the payments on Loan 1 and Loan 2 themselves.

30. The balance owed on Loan 1, secured by a mortgage, following the Thirty-Six (36) payments by the insurance company, Life of the South, was Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars.

31. The balance owed on Loan 2, secured by a vehicle, following the Thirty-Six (36) payments by the insurance company, Life of the South, was Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars.

32. Plaintiff, Thomas L. Kruise, continues to be disabled as a result of his cardiac complications and is unable to earn monies sufficient to pay for either loan.

33. Plaintiffs would not have entered into an agreement to borrow these monies but for the assurances they thought they were buying when they purchased full term life and disability coverage guaranteeing payment of these loans in the event that something happened to affect the income of Plaintiff, Thomas L. Kruise.

34. The Defendant's claim that no coverage for repayment of these loans exists and will now fall upon the Plaintiffs house and vehicle, put the Plaintiffs under a great deal of stress and torment and has affected Plaintiff's, Thomas L. Kruise, cardiac condition.

35. Because of the Defendant's claim that no coverage exists to pay these two loans, Plaintiffs have been required to hire the legal services of R. Denning Gearhart, Esquire, at a rate of One Hundred Sixty & 00/100 (\$160.00) Dollars per hour for time that will be proven at trial.

**COUNT I**  
**VIOLATION OF THE UNFAIR TRADE PRACTICES ACT**

36. Paragraphs 1 through 35 of this Complaint are hereby incorporated and fully averred.

37. That by changing the terms of the insurance coverage meant to be purchased by the Plaintiffs for Loan 1, specifically, by changing those terms after the Plaintiffs had signed the documents and without their knowledge, Defendant violated the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. Section 201-1, as follows:

- (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services; 73 P.S. Section 201-2 (4) (ii)
- (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by, another; 73 P.S. Section 201-2 (4) (iii)
- (v) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have; 73 P.S. Section 201-2 (4) (v)
- (vii) Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another; 73 P.S. Section 201-2 (4) (vii)
- (ix) Advertising goods or services with intent not to sell them as advertised; 73 P.S. Section 201-2 (4) (ix);
- (xii) Promising or offering prior to time of sale to pay, credit or allow to any buyer, any compensation or reward for the procurement of a contract for purchase of goods or services with another or others, or for the referral of the name or names of another or others for the purpose of attempting to procure or procuring such a contract of purchase with such other person or persons when such payment, credit, compensation or reward is contingent upon the occurrence

of an event subsequent to the time of the signing of a contract to purchase; 73 P.S. Section 201-2 (4) (xii)

- (xiv) Failing to comply with the terms of any written guarantee or warranty given to the buyer at, prior to or after a contract for the purchase of goods or services is made; 73 P.S. Section 201-2 (4) (xiv)
- (xxi) Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding; 73 P.S. Section 201-2 (4) (xxi)

38. That under said Act, specifically 73 P.S. Section 201-9.2, the Plaintiffs aver they are entitled to damages in the amount at Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars, plus treble damages, bringing the total amount of damages to Sixty Eight Thousand Three Hundred Twenty & 50/100 (\$68,320.50) Dollars, plus attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount of Sixty Eight Thousand Three Hundred Twenty & 50/100 (\$68,320.50) Dollars, plus attorney's fees.

**COUNT II**  
**VIOLATION OF THE UNFAIR TRADE PRACTICES ACT**

39. Paragraphs 1 through 38 of this Complaint are hereby incorporated and fully averred.

40. That by changing the terms of the insurance coverage meant to be purchased by the Plaintiffs for Loan 2, specifically, by changing those terms after the Plaintiffs had signed the documents and without their knowledge, Defendant violated the Unfair Trade Practices Act as follows:

- (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services; 73 P.S. Section 201-2 (4) (ii)
- (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by, another; 73 P.S. Section 201-2 (4) (iii)
- (v) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have; 73 P.S. Section 201-2 (4) (v)

- (vii) Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another; 73 P.S. Section 201-2 (4) (vii)
- (ix) Advertising goods or services with intent not to sell them as advertised; 73 P.S. Section 201-2 (4) (ix);
- (xii) Promising or offering prior to time of sale to pay, credit or allow to any buyer, any compensation or reward for the procurement of a contract for purchase of goods or services with another or others, or for the referral of the name or names of another or others for the purpose of attempting to procure or procuring such a contract of purchase with such other person or persons when such payment, credit, compensation or reward is contingent upon the occurrence of an event subsequent to the time of the signing of a contract to purchase; 73 P.S. Section 201-2 (4) (xii)
- (xiv) Failing to comply with the terms of any written guarantee or warranty given to the buyer at, prior to or after a contract for the purchase of goods or services is made; 73 P.S. Section 201-2 (4) (xiv)

- (xxi) Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding; 73 P.S. Section 201-2 (4) (xxi)

41. That under said Act, specifically 73 P.S. Section 201-9.2, the Plaintiffs aver they are entitled to damages in the amount at Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars, plus treble damages, bringing the total of damages to Twenty Two Thousand Two Hundred Ninety Three & 60/100 (\$22,293.60) Dollars, plus attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount of Twenty Two Thousand Two Hundred Ninety Three & 60/100 (\$22,293.60) Dollars, plus attorney's fees.

**COUNT III  
CONTRACTUAL DAMAGES**

42. Paragraphs 1 through 41 of this Complaint are hereby incorporated and fully averred.

43. That by doing the actions regarding Loan 1, Defendants violated the contract with the Plaintiffs.

44. That in so doing, Defendant acted in a manner so outrageous and inexcusable as to require a finding of punitive damages, including, but not limited to, attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount equal to Twenty Two Thousand Seven Hundred Seventy Three & 50/100 (\$22,773.50) Dollars, plus punitive damages and attorney's fees to be determined by the Court.

**COUNT IV**  
**CONTRACTUAL DAMAGES**

45. Paragraphs 1 through 44 of this Complaint are hereby incorporated and fully averred.

46. That by doing the actions regarding Loan 2, Defendants violated the contract with the Plaintiffs.

47. That in so doing, Defendant acted in a manner so outrageous and inexcusable as to require a finding of punitive damages, including, but not limited to, attorney's fees.

WHEREFORE, Plaintiffs request your Honorable Court to enter a judgment against the Defendant in the amount equal to Seven Thousand Four Hundred Thirty One & 20/100 (\$7,431.20) Dollars, plus punitive damages and attorney's fees to be determined by the Court.

Respectfully submitted,



R. Denning Gearhart  
Attorney for Plaintiffs

Date: May 12, 2006

COMMONWEALTH OF PENNSYLVANIA

: SS.

COUNTY OF CLEARFIELD

Before me, the undersigned officer, a Notary Public in and for the above named State and County, personally appeared THOMAS L. KRUISE and EDITH E. KRUISE, Husband and Wife, who being duly sworn according to law depose and say that the facts set forth in the foregoing Complaint are true and correct to the best of their knowledge, information and belief.

Thomas L. Kruise

THOMAS L. KRUISE

Edith E. Kruise

EDITH E. KRUISE

Sworn to and subscribed

before me, this 12

day of May, 2006.

Kathleen A. Ricotta  
Notary Public

Commonwealth of Pennsylvania

NOTARIAL SEAL

KATHLEEN A. RICOTTA, Notary Public  
Clearfield Boro., County of Clearfield  
My Commission Expires June 15, 2009

# DISCLOSURE STATEMENT

Principal \$34,776.22	Loan Date 09-20-2001	Maturity 09-25-2011	Loan No. 31153	Call / Coll 0007	Account 502917	Officer KEITH	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	Amount Financed The amount of credit provided to me or on my behalf.	Total of Payments The amount I will have paid after I have made all payments as scheduled.
7.759%	\$15,313.98	\$34,751.22	\$50,065.20

**PAYMENT SCHEDULE.** Borrower's payment schedule will be 120 monthly payments of \$417.21 each, beginning October 25, 2001.

**PROPERTY INSURANCE.** I may obtain property insurance from anyone I want that is acceptable to Lender.

**SECURITY.** I am giving a security interest in MY PERSONAL RESIDENCE. Security interests and other rights are being given in.

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged **5.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.**

**PREPAYMENT.** If I pay off early, I will not be entitled to a refund of the prepaid finance charges, and I may have to pay a minimum finance charge.

I will look at my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds.

I read and was given a completed copy of this Disclosure Statement on September 20, 2001, prior to signing the Note.

BORROWER:

X   
THOMAS L KRUISE (Seal)  
Individually

## Amount Financed Itemization

Amount paid to Borrower directly: \$30,000.00 Lender's Check #	\$30,000.00
Amount paid to others on Borrower's behalf: \$4,776.22 for Credit Insurance	\$4,776.22
Note Principal:	\$34,776.22
Prepaid Finance Charges:	\$25.00
In Cash: \$25.00 CONSUMER LOAN PROCESSING FEES	\$25.00
Amount Financed:	\$34,751.22

LASER PRO Lending, Ver. 5.17.10.07 Copr. Harland Financial Solutions, Inc. 1997, 2001. All Rights Reserved. - IPA D:\LENDINGS5\CFI\PLP\B10.FC TR-10195 PR-Smile

EXHIBIT "A"

# NOTICE OF RIGHT TO CANCEL

Principal \$34,776.22	Loan Date 09-20-2001	Maturity 09-25-2011	Loan No 311536	Call / Coll 0007	Account 502917	Officer KEITH	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

**Grantor:** EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

## Your Right To Cancel

You are entering into a transaction that will result in a mortgage on your home. You have a legal right under federal law to cancel the transaction without cost, within three (3) business days from whichever of the following events occurs last:

- (A) the date of the transaction which is **September 20, 2001**; or
- (B) the date you received your Truth in Lending disclosures; or
- (C) the date you received this notice of your right to cancel.

If you cancel the transaction, the mortgage is also cancelled. Within twenty (20) calendar days after Lender receives your notice, Lender must take the steps necessary to reflect the fact that the mortgage on your home has been cancelled, and Lender must return to you any money or property you have given to Lender or to anyone else in connection with this transaction.

You may keep any money or property Lender has given you until Lender has done the things mentioned above. Then you must offer to return the money or property Lender has given you. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to Lender's address shown above. If Lender does not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

## How to Cancel

If you decide to cancel this transaction, you may do so by notifying Lender in writing at CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627. You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than **midnight of September 24, 2001** or midnight of the third (3rd) business day following the latest of the three (3) events listed above. If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I WISH TO CANCEL.

Date

X

EDITH E KRUISE, Individually

(Seal)

## Acknowledgment of Receipt

I ACKNOWLEDGE THAT I RECEIVED TWO (2) COPIES OF THIS NOTICE OF RIGHT TO CANCEL AND ONE (1) COPY OF THE TRUTH IN LENDING DISCLOSURES.

Date

X

EDITH E KRUISE, Individually

(Seal)

## Certificate of Noncancellation

**INSTRUCTIONS TO CUSTOMER.** If you decide not to cancel the transaction referred to above, please sign, date, and deliver this Certificate of Noncancellation to Lender at Lender's address shown above; however, do not do so sooner than **midnight of September 24, 2001** or before midnight of the third (3rd) business day following the latest of the three (3) events listed above.

**CERTIFICATION.** I hereby certify that I did not cancel the transaction referred to above and that I have not delivered, sent by overnight courier, mailed, faxed, sent by telegram, or by any other means sent to Lender any notice of cancellation of the transaction.

Date

X

EDITH E KRUISE, Individually

(Seal)

**INSTRUCTIONS TO LENDER.** This form is for use in credit transactions involving loans of any amount to individuals for personal, family, or household purposes and SECURED BY AN INTEREST IN THE CONSUMER'S CURRENT PRINCIPAL RESIDENCE, except PURCHASE MONEY LIENS. Two (2) copies of a separate Notice of Right to Cancel form, together with a copy of the Truth in Lending disclosure, must be given to each person who has an ownership interest in the residence, even if the person does not sign the note.

Insured Debtor #1 (Name and Address) THOMAS L. KRUISE RR 1 BOX 43S COALPORT, PA 16627		Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix 311536
Insured Debtor #2 EDITH E KRUISE		Date of Birth 09-10-1962	Age 39	00000000
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627			CREDITOR'S ACCOUNT NO. PA 085500	
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.759	
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED		
Effective Date 09-20-2001	Original Scheduled Maturity Date 09-25-2011	Days to 1st Payment 30	Term of Loan 120	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1		\$	\$	
<input type="checkbox"/> Single Life Debtor #2		\$	\$	
<input checked="" type="checkbox"/> Joint Life Insurance		\$ 34,886.84	\$ 2,537.30	120
<input checked="" type="checkbox"/> Single Disability <input type="checkbox"/> Debtor #1		\$ 50,065.20	\$ 2,238.92	120
<input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2 Debtor #1 % Debtor #2 %		\$	\$	
<input type="checkbox"/> Joint Disability (Entire Payment)		\$	\$	
WAITING PERIOD		\$ 417.21 (Monthly Disability Benefit)	\$ 4,776.22	PREMIUM TOTAL
<input checked="" type="checkbox"/> 14 DAYS Retroactive 1st Day		Maximum Monthly Disability (per debtor)	Maximum Amt. of Insurance (per debtor)	Maximum Term
<input type="checkbox"/> 30 DAYS Retroactive 1st Day		\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)	L-180 Mos. A/H-120 Mos.
<input type="checkbox"/> 14 DAYS Non-Retro 15th Day				MAXIMUM ISSUE AGE
<input type="checkbox"/> 30 DAYS Non-Retro 31st Day				65
<input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)				

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### APPLICATION FOR GROUP INSURANCE

NOTE: One Debtor may apply for Single Life and two Debtors may apply for Joint Life. For Life Coverage answer questions 1 and 2. One Debtor may apply for Single Disability and two Debtors may apply for Joint Disability. For Joint Disability, each Debtor may apply: (1) to insure 100% of the disability payment; or, (2) to insure a portion of the disability payment with the total equal to 100% of the disability payment. For Disability Coverage answer all questions.

Check Coverage Desired

Single Disability  
 Joint Disability

Single Life Debtor #1  Single Life Debtor #2  Joint Life  
 Debtor #1  Debtor #2  
\_\_\_\_\_ % of portion of payment Debtor #1  Joint Disability (Entire Payment)  
\_\_\_\_\_ % of portion of payment Debtor #2

Insured Debtor #1

Yes <input type="checkbox"/>	No <input type="checkbox"/>
------------------------------	-----------------------------

(1) What is your date of birth?

Insured Debtor #2

Yes <input type="checkbox"/>	No <input type="checkbox"/>
------------------------------	-----------------------------

TO BE COMPLETED WHEN LOAN AMOUNT EXCEEDS \$50,000

(2) During the past 5 years have you been treated for, or been told by a licensed physician that you had any of the following conditions? (Please Circle) Heart Disease; Cancer or Tumor; Diabetes; Stroke; Disease of the Liver or Kidney; Alcoholism; Drug Addiction; any Brain; Nervous System or Mental/Neurological Disorder; Acquired Immune Deficiency Syndrome (AIDS); ARC (AIDS Related Complex), or any disorder of the immune system.

#### THE FOLLOWING QUESTIONS MUST BE ANSWERED WHEN THE DEBTOR(S) REQUEST DISABILITY COVERAGE.

Yes  No

Yes  No

(3) Have you lost more than 15 consecutive days from work due to back/neck problems or mental/nervous disorders in the past 5 years?

(4) Are you currently employed full time (working 30 or more hours per week)?

Do Not Sign This Application If It Contains Any Blank Spaces Applicable To The Debtor Applying For The Coverage And To The Coverage Being Applied For. This application will not be used in a contest if the Debtor(s) has not answered the questions applicable to the coverage being applied for and/or if the Debtor(s) has not signed and dated the application and/or if the application has not been witnessed.

You represent that the information and answers given on this application are true and complete to the best of your knowledge and belief. They will be used to issue the requested insurance. You understand that untruthful answers may result in denial of claims.

You further understand: (1) the insurance is not required or needed in order to obtain the loan; (2) you have the option to purchase insurance from any insurer or agent of your choice; (3) if you do not meet the maximum limitations stated in the schedule you are not eligible for coverage; or (4) you have answered "yes" to question 2, the amount of coverage provided will be the amount shown in the statement above question 2 and, if only question 3 is answered "yes" and/or question 4 is answered "no", you may still obtain life insurance.

NOTICE: The death benefit in the Certificate may not completely pay off your loan. Your death benefit will be calculated based on the scheduled payment. Due to varied payment habits, your actual balance may be greater than your scheduled death benefit.

\*Important Notice If Critical Period Disability Coverage is Elected: If the term of your loan exceeds 36 months, the credit disability coverage provided by this Certificate is limited. This coverage provides for an aggregate disability benefit which is limited to 36 times your monthly benefit.

Date \_\_\_\_\_ Signature of Debtor #1 \_\_\_\_\_ S.S.# 182-50-1440

Witness \_\_\_\_\_ Signature of Debtor #2 \_\_\_\_\_ S.S.# 183-54-8721

Upon acceptance by the Insurer, the insurance shall become effective as of the effective date shown above.

NOTICE: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

BENEFITS PROVIDED BY THE DISABILITY CERTIFICATE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION. PLEASE SEE THE DISABILITY SECTION "EXCEPTIONS" PARAGRAPH.

Insured Debtor #1 (Name and Address)	THOMAS L. KRUISE RR 1 BOX 43S COALPORT, PA 16627	Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix 311536 00000000
Insured Debtor #2	EDITH E KRUISE	Date of Birth 09-10-1962	Age 39	
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627			CREDITOR'S ACCOUNT NO. PA 0855500	
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.759	
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED		
Effective Date 09-20-2001	Original Scheduled Maturity Date 09-25-2011	Days to 1st Payment 30	Term of Loan 120	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1		\$	\$	
<input type="checkbox"/> Single Life Debtor #2		\$	\$	
<input checked="" type="checkbox"/> Joint Life Insurance		\$ 34,886.84	\$ 2,537.30	120
		Maximum Amt. of Insurance (per debtor) \$100,000.00 (Ages 18-65)	Maximum Term L-180 Mos. A/H-120 Mos.	MAXIMUM ISSUE AGE 65

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### CERTIFICATE OF INSURANCE

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Another form, called the Group Policy, was issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy is similar to this Certificate but contains many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy.

**Effective Date** – Your insurance is effective on the date stated in the Schedule.

#### LIFE INSURANCE

**Decreasing** – The initial amount of your insurance in force on the effective date shown in the Schedule will be the lesser of: (1) the Maximum Amount of Insurance; or, (2) the initial principal debt. If the initial amount of insurance was equal to the initial principal debt, thereafter, the benefit payable will be the scheduled unpaid principal debt plus the current month's interest including no more than two delinquent monthly payments. If the initial principal debt exceeds the initial amount of insurance, thereafter, the benefit payable shall be equal to the unpaid principal debt times the ratio of the Maximum Amount of Insurance to the initial principal debt. In such case, the benefit will be increased by the amount obtained by applying the above ratio to the sum of any principal installments which are no more than two months overdue.

**Suicide Exclusion** – We won't pay a claim, if you commit suicide, while sane or insane, within one year from the Effective Date. However, we will refund any premium paid.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Amount of Insurance** – The Joint Life Benefit will not exceed the amount that is payable for single coverage. The amount of insurance in force will be paid only upon one of your deaths. The insurance on the other will immediately end. If you both die at the same time, the benefit will be paid only for one Insured Debtor. However, excess proceeds will be paid equally to the named second beneficiaries or estates of each of you.

**Suicide** – In the event one of you commits suicide, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – In the event coverage under this Certificate is contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Life Certificate to replace the Joint Life Certificate. Also, a refund of the portion of premium which applied to the deceased or ineligible Debtor will be made. The refund will equal the difference between the premium actually charged for the Joint Life Coverage and the premium that would have been charged if only Single Life Coverage had been provided at the time this Certificate was issued.

**10 Day Right to Return** – If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

#### GROUP SINGLE OR JOINT LIFE COVERAGE SINGLE PREMIUM NET DECREASING TERM LIFE INSURANCE

## GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

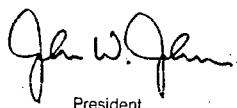
**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 1 year suicide exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. Refunds are computed according to the Actuarial Method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. Premiums are earned in the event of a benefit payment for Life.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.



President



Secretary

Insured Debtor #1 (Name and Address) THOMAS L. KRUISE RR 1 BOX 43S COALPORT, PA 16627		Date of Birth 09-15-1956	Age 45	CERTIFICATE NUMBER Includes Alphabetic Prefix <b>311536</b> 00000000																				
Insured Debtor #2 EDITH E KRUISE		Date of Birth 09-10-1962	Age 39																					
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627			CREDITOR'S ACCOUNT NO. <b>PA 085500</b>																					
Assignee (Name and Address)		Monthly Payment \$ 417.21	ANNUAL PERCENTAGE RATE 7.759																					
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED																						
Effective Date 09-20-2001	Original Scheduled Maturity Date 09-25-2011	Days to 1st Payment 30	Term of Loan 120																					
COVERAGES		PREMIUMS		TERM IN MONTHS																				
<table border="1"> <tr> <td><input checked="" type="checkbox"/> Single Disability</td> <td><input type="checkbox"/> Debtor #1</td> <td>\$ 50,065.20</td> <td>\$ 2,238.92</td> <td>120</td> </tr> <tr> <td><input type="checkbox"/> Joint Disability (Portion of Payment)</td> <td><input type="checkbox"/> Debtor #2</td> <td>\$</td> <td>\$</td> <td></td> </tr> <tr> <td>Debtor #1 %</td> <td>Debtor #2 %</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="5"><input type="checkbox"/> Joint Disability (Entire Payment)</td> </tr> </table>					<input checked="" type="checkbox"/> Single Disability	<input type="checkbox"/> Debtor #1	\$ 50,065.20	\$ 2,238.92	120	<input type="checkbox"/> Joint Disability (Portion of Payment)	<input type="checkbox"/> Debtor #2	\$	\$		Debtor #1 %	Debtor #2 %				<input type="checkbox"/> Joint Disability (Entire Payment)				
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Debtor #1 %	Debtor #2 %																							
<input type="checkbox"/> Joint Disability (Entire Payment)																								
WAITING PERIOD		BENEFITS COMMENCE \$ 417.21 (Monthly Disability Benefit)																						
<input checked="" type="checkbox"/> 14 DAYS <input type="checkbox"/> 30 DAYS		Retroactive 1st Day Non-Retro 15th Day																						
<input type="checkbox"/> 14 DAYS <input type="checkbox"/> 30 DAYS		Non-Retro 31st Day																						
<input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)																								
		Maximum Monthly Disability (per debtor) \$1,000.00 (Ages 18-65)																						
		Maximum Term L-180 Mos. A/H-120 Mos.																						
		MAXIMUM ISSUE AGE 65																						

**PROTECTIVE LIFE INSURANCE COMPANY** (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

**Group Single Premium Term Disability Insurance**  
**Single Or Joint Credit Disability Full or Critical Period Benefit Certificate**

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Two forms, called the Group Policy and Total Disability Rider, were issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy and Rider are similar to this Certificate but contain many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy and Total Disability Rider.

**Effective Date:** Your insurance is effective on the date stated in the Schedule. As of the Effective Date, if you do not meet the Disability Insurance eligibility requirements shown in this Certificate, we will return your premium when we discover this and not pay any benefits.

**10 Day Right to Return:** If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

NOTE: BENEFITS PROVIDED BY THIS COVERAGE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION AS DEFINED BELOW.

## DISABILITY INSURANCE

#### Total Disability Definitions:

**Pre-Existing Condition** – A pre-existing condition is one which is a result of an illness, disease or physical condition for which you received medical advice, consultation or treatment during the six month period immediately preceding the effective date of your coverage and that commences within the six month period after the effective date of coverage.

**Injury** – Bodily injury to you which is directly caused by an accident and results in a covered loss.

**Sickness** - Sickness or disease of yours which is not excluded in the "Exceptions" Section below, and which results in a covered loss.

**Total Disability** – Total Disability means that for the first twelve months you cannot perform all of the important or significant occupational duties because of a disability which was caused by injury or sickness as defined above. After twelve months, disability means you are unable to perform the duties required of any gainful occupation that you are reasonably suited by education, training or experience. In order to be considered for a benefit, your disability must begin after the effective date of your coverage.

**Conditions Required for Benefits** – In order for us to pay a benefit, you must satisfy the following conditions: (1) you must be insured when your total disability begins; (2) you must be totally disabled according to the definition above; (3) you must be disabled for more than the consecutive number of days shown in the Schedule as the Waiting Period; and, (4) you must submit written proof of your disability which is satisfactory to us. We may require additional monthly certification for a continuous disability.

**Benefit Payable** – Benefit payments are calculated from the Day Benefits Commence shown in the Schedule and are for the actual number of days you are disabled. A monthly disability benefit is determined by dividing the total of payments due on your loan by the number of months in the loan term. However, the monthly disability benefit will never exceed the Maximum Monthly Disability shown in the Schedule. If Critical Period coverage is purchased as selected on the Schedule, the Monthly Disability Benefit will be paid as long as you are disabled, up to a maximum of 36 times the Monthly Disability Benefit. A daily benefit is found by dividing the lesser of the Maximum Monthly Disability or the Monthly Disability Benefit shown in the Schedule by 30. Only one benefit is payable even if your disability is caused by more than one sickness, injury or related condition. No benefits will be paid during any period you are not under the care of a licensed physician, other than yourself.

**When Benefits End** – Payments will stop on the earliest of the follow: 1) you are no longer totally disabled; 2) benefits are paid to the original scheduled maturity date of the loan (if Full Coverage is selected); 3) the maximum benefit has been paid (if Critical Period Coverage is selected); or 4) the date your insurance ends (See "Termination of Your Insurance" Section).

**Exceptions** – We won't pay a benefit or refund the premium if your disability is caused by or results from: (1) normal pregnancy; (2) intentionally self-inflicted injuries; (3) flight in non-scheduled aircraft; or, (4) a pre-existing condition as defined above.

## How To File A Claim:

**Notice of Claim** – When you become disabled you are to notify your Creditor. He in turn must write us or our agent about your claim within 30 days after it begins or as soon after that as he can.

**Claim Forms** – After we receive your Creditor's notice of claim, we will send you forms to complete. The forms will be sent within 15 days after our receipt of notification. If they are not sent within 15 days, you can simply send us written proof of your disability. The proof must include the date, the cause and how serious it is. It must be signed by the doctor who is treating you.

**Proof of Loss** – The proof of your disability must be sent to us no later than 90 days after the date of loss. If you are unable to send it within that time, it must be sent as soon as reasonably possible.

# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Call / Coll.	Account	Officer	Initials
\$17,526.72	11-02-2002	11-15-2007	312178	0001	502917	***	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.  
Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

**Principal Amount:** \$17,526.72

**Interest Rate:** 7.240%

**Date of Note:** November 2, 2002

**Maturity Date:** November 15, 2007

**PROMISE TO PAY.** I ("Borrower") jointly and severally promise to pay to CSB BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Seventeen Thousand Five Hundred Twenty-six & 72/100 Dollars (\$17,526.72), together with interest at the rate of 7.240% per annum on the unpaid principal balance from November 2, 2002, until paid in full.

**PAYMENT.** I will pay this loan in 60 payments of \$349.94 each payment. My first payment is due December 15, 2002, and all subsequent payments are due on the same day of each month after that. My final payment will be due on November 15, 2007, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to any unpaid credit insurance charges, then to principal, and any remaining amount to any unpaid collection costs and late charges. I will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT; MINIMUM INTEREST CHARGE.** I agree that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be refunded to me upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, I understand that Lender is entitled to a minimum interest charge of \$5.00. Other than my obligation to pay any minimum interest charge, I may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve me of my obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in my making fewer payments. If I prepay this loan in full, I will receive a rebate of any unearned insurance premiums. I agree not to send Lender payments marked "paid in full", "without recourse", or similar language. If I send such a payment, Lender may accept it without losing any of Lender's rights under this Note, and I will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627.

**LATE CHARGE.** If a payment is 16 days or more late, I will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the total sum due under this Note will bear interest from the date of acceleration or maturity at the interest rate on this Note. The interest rate will not exceed the maximum rate permitted by applicable law.

**DEFAULT.** I will be in default under this Note if any of the following happen:

**Payment Default.** I fail to make any payment when due under this Note.

**Break Other Promises.** I break any promise made to Lender or fail to perform promptly at the time and strictly in the manner provided in this Note or in any agreement related to this Note, or in any other agreement or loan I have with Lender.

**False Statements.** Any representation or statement made or furnished to Lender by me or on my behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished.

**Death or Insolvency.** Any Borrower dies or becomes insolvent; a receiver is appointed for any part of my property; I make an assignment for the benefit of creditors; or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws. However, my death will not be an event of default if as a result of the death the Indebtedness is fully covered by credit life insurance.

**Taking of the Property.** Any creditor or governmental agency tries to take any of the property or any other of my property in which Lender has a lien. This includes taking of, garnishing of or levying on my accounts with Lender. However, if I dispute in good faith whether the claim on which the taking of the property is based is valid or reasonable, and if I give Lender written notice of the claim and furnish Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

**Defective Collateralization.** This Note or any of the related documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Collateral Damage or Loss.** Any collateral securing this Note is lost, stolen, substantially damaged or destroyed and the loss, theft, substantial damage or destruction is not covered by insurance.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment is curable and if I have not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if I, after receiving written notice from Lender demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then I will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if I do not pay. I will pay Lender that amount. This

**PROMISSORY NOTE**  
**(Continued)**

Loan No: 312178

Page 2

includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, I also will pay any court costs, in addition to all other sums provided by law.

**GOVERNING LAW.** This Note will be governed by and interpreted in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all my accounts with Lender (whether checking, savings, or some other account). This includes all accounts I hold jointly with someone else and all accounts I may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. I authorize Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** I acknowledge this Note is secured by the following collateral described in the security instrument listed herein, all the terms and conditions of which are hereby incorporated and made a part of this Note: a motor vehicle described in a Consumer Security Agreement dated November 2, 2002.

**CREDIT INSURANCE.** I have chosen to purchase Joint Life and Single Disability Insurance for this loan. Information concerning the premiums and the term of this insurance are set forth in the Disbursement Request and Authorization, all the terms and conditions of which are hereby incorporated and made a part of this Note.

**PROPERTY INSURANCE.** I understand that I am required to obtain insurance for the collateral securing this Note. Further information concerning this requirement is set forth in the Security Agreement and in the Agreement to Provide Insurance, all the terms and conditions of which are hereby incorporated and made a part of this Note.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon me, and upon my heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627

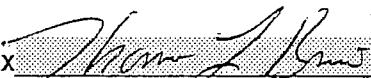
**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. I and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. This means that the words "I", "me", and "my" mean each and all of the persons signing below.

**PRIOR TO SIGNING THIS NOTE, I, AND EACH OF US, READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. I, AND EACH OF US, AGREE TO THE TERMS OF THE NOTE.**

**I ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

**BORROWER:**

X   
THOMAS L KRUISE, Individually

(Seal)

X   
EDITH E KRUISE, Individually

(Seal)

# DISCLOSURE STATEMENT

Principal \$17,526.72	Loan Date 11-02-2002	Maturity 11-15-2007	Loan No 312178	Call / Coll 0001	Account 502917	Officer ***	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** THOMAS L KRUISE  
EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate. 7.298%	FINANCE CHARGE The dollar amount the credit will cost me. \$3,494.68	Amount Financed The amount of credit provided to me or on my behalf. \$17,501.72	Total of Payments The amount I will have paid after I have made all payments as scheduled. \$20,996.40
---	--	--	--

**PAYMENT SCHEDULE.** Borrower's payment schedule will be 60 monthly payments of \$349.94 each, beginning December 15, 2002.

**PROPERTY INSURANCE.** I may obtain property insurance from anyone I want that is acceptable to Lender.

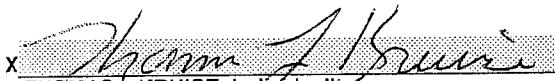
**SECURITY.** I am giving a security interest in the goods or property being purchased. Security interests and other rights are being given in .

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged **5.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.**

**PREPAYMENT.** If I pay off early, I will not be entitled to a refund of the prepaid finance charges, and I may have to pay a minimum finance charge. I will look at my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds.

I read and was given a completed copy of this Disclosure Statement on November 2, 2002, prior to signing the Note.

**BORROWER:**

X  (Seal)  
THOMAS L KRUISE, Individually

## Amount Financed Itemization

Amount paid to Borrower directly: \$16,000.00 Deposited to Checking Account # 21-18483	\$16,000.00
Amount paid to others on Borrower's behalf: \$1,501.72 for Credit Insurance	\$1,501.72
Total Financed Prepaid Finance Charges:	<u>\$25.00</u>
	_____
Note Principal:	\$17,526.72
Prepaid Finance Charges:	\$25.00
	_____
Financed: \$25.00 PROCESSING FEE	\$25.00
In Cash:	\$0.00
	_____
Amount Financed:	<b>\$17,501.72</b>

# DISCLOSURE STATEMENT

Principal \$17,526.72	Loan Date 11-02-2002	Maturity 11-15-2007	Loan No 312178	Call / Coll 0001	Account 502917	Officer ***	Initials
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EDITH E KRUISE  
RR 1 BOX 43S  
COALPORT, PA 16627

**Lender:** CSB BANK  
Coalport Office  
Main & Linwood Streets  
P.O. Box 354  
Coalport, PA 16627

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	Amount Financed The amount of credit provided to me or on my behalf.	Total of Payments The amount I will have paid after I have made all payments as scheduled.
7.298%	\$3,494.68	\$17,501.72	\$20,996.40

**PAYMENT SCHEDULE.** Borrower's payment schedule will be 60 monthly payments of \$349.94 each, beginning December 15, 2002.

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I read and was given a completed copy of this Disclosure Statement on November 2, 2002, prior to signing the Note.

**BORROWER:**

x  (Seal)  
EDITH E KRUISE, Individually

## Amount Financed Itemization

Amount paid to Borrower directly: \$16,000.00 Deposited to Checking Account # 21-18483	\$16,000.00
Amount paid to others on Borrower's behalf: \$1,501.72 for Credit Insurance	\$1,501.72
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Note Principal:	\$17,526.72
Prepaid Finance Charges:	\$25.00
Financed:	\$25.00
\$25.00 PROCESSING FEE	
In Cash:	\$0.00
Amount Financed:	<u>\$17,501.72</u>

Insured Debtor #1 (Name and Address) <b>THOMAS L. KRUISE</b> RR 1 BOX 43S COALPORT, PA 16627		Date of Birth <b>09-15-1956</b>	Age <b>46</b>	CERTIFICATE NUMBER Includes Alphabetic Prefix <b>00000000</b>
Insured Debtor #2 <b>EDITH E. KRUISE</b>		Date of Birth <b>09-10-1962</b>	Age <b>40</b>	
Creditor (Beneficiary) (Name and Address) <b>CSB BANK</b> Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627		CREDITOR'S ACCOUNT NO. <b>PA085500</b>		
Assignee (Name and Address)		Monthly Payment <b>\$ 349.94</b>	ANNUAL PERCENTAGE RATE <b>7.298</b>	
Second Beneficiary (Debtor #1) <b>ESTATE OF THE INSURED</b>		Second Beneficiary (Debtor #2) <b>ESTATE OF THE INSURED</b>		
Effective Date <b>11-02-2002</b>	Original Scheduled Maturity Date <b>11-15-2007</b>	Days to 1st Payment <b>43</b>	Term of Loan <b>60</b>	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1		\$	\$	
<input type="checkbox"/> Single Life Debtor #2		\$	\$	
<input checked="" type="checkbox"/> Joint Life Insurance		\$ <b>17,578.87</b>	\$ <b>652.42</b>	<b>60</b>
<input checked="" type="checkbox"/> Single Disability <input type="checkbox"/> Debtor #1		\$ <b>20,996.40</b>	\$ <b>849.30</b>	<b>60</b>
<input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2		\$	\$	
Debtor #1 % Debtor #2 %				
<input type="checkbox"/> Joint Disability (Entire Payment)		\$	\$	
WAITING PERIOD		<b>\$ 349.94</b> (Monthly Disability Benefit)		PREMIUM TOTAL
<input checked="" type="checkbox"/> 14 DAYS Retroactive 1st Day		Maximum Monthly Disability (per debtor)	Maximum Amt. of Insurance (per debtor)	Maximum Term
<input type="checkbox"/> 30 DAYS Retroactive 1st Day		\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)	L-180 Mos. A/H-120 Mos.
<input type="checkbox"/> 14 DAYS Non-Retro 15th Day				MAXIMUM ISSUE AGE
<input type="checkbox"/> 30 DAYS Non-Retro 31st Day				<b>65</b>
<input type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)				

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#### APPLICATION FOR GROUP INSURANCE

NOTE: One Debtor may apply for Single Life and two Debtors may apply for Joint Life. For Life Coverage answer questions 1 and 2. One Debtor may apply for Single Disability and two Debtors may apply for Joint Disability. For Joint Disability, each Debtor may apply: (1) to insure 100% of the disability payment; or, (2) to insure a portion of the disability payment with the total equal to 100% of the disability payment. For Disability Coverage answer all questions.

Check Coverage Desired       Single Life Debtor #1       Single Life Debtor #2       Joint Life  
 Single Disability       Debtor #1       Debtor #2  
 Joint Disability      \_\_\_\_\_ % of portion of payment Debtor #1       Joint Disability (Entire Payment)  
\_\_\_\_\_  
% of portion of payment Debtor #2

Insured Debtor #1

Yes  No

(1) What is your date of birth?

TO BE COMPLETED WHEN LOAN AMOUNT EXCEEDS \$50,000

(2) During the past 5 years have you been treated for, or been told by a licensed physician that you had any of the following conditions? (Please Circle) Heart Disease; Cancer or Tumor; Diabetes; Stroke; Disease of the Liver or Kidney; Alcoholism; Drug Addiction; any Brain; Nervous System or Mental/Neurological Disorder; Acquired Immune Deficiency Syndrome (AIDS); ARC (AIDS Related Complex), or any disorder of the immune system.

Insured Debtor #2

Yes  No

#### THE FOLLOWING QUESTIONS MUST BE ANSWERED WHEN THE DEBTOR(S) REQUEST DISABILITY COVERAGE.

Yes  No

(3) Have you lost more than 15 consecutive days from work due to back/neck problems or mental/nervous disorders in the past 5 years?  
  (4) Are you currently employed full time (working 30 or more hours per week)?

Yes  No

**Do Not Sign This Application If It Contains Any Blank Spaces Applicable To The Debtor Applying For The Coverage And To The Coverage Being Applied For.** This application will not be used in a contest if the Debtor(s) has not answered the questions applicable to the coverage being applied for and/or if the Debtor(s) has not signed and dated the application and/or if the application has not been witnessed.

You represent that the information and answers given on this application are true and complete to the best of your knowledge and belief. They will be used to issue the requested insurance. You understand that untruthful answers may result in denial of claims.

You further understand: (1) the insurance is not required or needed in order to obtain the loan; (2) you have the option to purchase insurance from any insurer or agent of your choice; (3) if you do not meet the maximum limitations stated in the schedule you are not eligible for coverage; or (4) you have answered "yes" to question 2, the amount of coverage provided will be the amount shown in the statement above question 2 and, if only question 3 is answered "yes" and/or question 4 is answered "no", you may still obtain life insurance.

**NOTICE: The death benefit in the Certificate may not completely pay off your loan. Your death benefit will be calculated based on the scheduled payment. Due to varied payment habits, your actual balance may be greater than your scheduled death benefit.**

**\*Important Notice If Critical Period Disability Coverage Is Elected:** If the term of your loan exceeds 36 months, the credit disability coverage provided by this Certificate is limited. This coverage provides for an aggregate disability benefit which is limited to 36 times your monthly benefit.

Date \_\_\_\_\_ Signature of Debtor #1 \_\_\_\_\_ S.S.# **182-50-1440**

Witness \_\_\_\_\_ Signature of Debtor #2 \_\_\_\_\_ S.S.# **183-54-8721**

Upon acceptance by the Insurer, the insurance shall become effective as of the effective date shown above.

**NOTICE:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**BENEFITS PROVIDED BY THE DISABILITY CERTIFICATE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION. PLEASE SEE THE DISABILITY SECTION "EXCEPTIONS" PARAGRAPH.**

Insured Debtor #1 (Name and Address)	THOMAS L KRUISE RR 1 BOX 43S COALPORT, PA 16627	Date of Birth 09-15-1956	Age 46	CERTIFICATE NUMBER Includes Alphabetic Prefix  <b>00000000</b>
Insured Debtor #2	EDITH E KRUISE	Date of Birth 09-10-1962	Age 40	
Creditor (Beneficiary) (Name and Address) CSB BANK Main & Linwood Streets, P.O. Box 354 Coalport, PA 16627			CREDITOR'S ACCOUNT NO.  <b>PA085500</b>	
Assignee (Name and Address)		Monthly Payment <b>\$ 349.94</b>	ANNUAL PERCENTAGE RATE <b>7.298</b>	
Second Beneficiary (Debtor #1) <b>ESTATE OF THE INSURED</b>		Second Beneficiary (Debtor #2) <b>ESTATE OF THE INSURED</b>		
Effective Date 11-02-2002	Original Scheduled Maturity Date 11-15-2007	Days to 1st Payment 43	Term of Loan 60	
COVERAGES		INITIAL AMOUNT OF INSURANCE	PREMIUMS	TERM IN MONTHS
<input type="checkbox"/> Single Life Debtor #1	\$	\$		
<input type="checkbox"/> Single Life Debtor #2	\$	\$		
<input checked="" type="checkbox"/> Joint Life Insurance	\$ <b>17,578.87</b>	\$ <b>652.42</b>		
		Maximum Amt. of Insurance (per debtor)  <b>\$100,000.00 (Ages 18-65)</b>	Maximum Term  <b>L-180 Mos. A/H-120 Mos.</b>	MAXIMUM ISSUE AGE  <b>65</b>

PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

#### CERTIFICATE OF INSURANCE

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Another form, called the Group Policy, was issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy is similar to this Certificate but contains many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy.

**Effective Date** – Your insurance is effective on the date stated in the Schedule.

#### LIFE INSURANCE

**Decreasing** – The initial amount of your insurance in force on the effective date shown in the Schedule will be the lesser of: (1) the Maximum Amount of Insurance; or, (2) the initial principal debt. If the initial amount of insurance was equal to the initial principal debt, thereafter, the benefit payable will be the scheduled unpaid principal debt plus the current month's interest including no more than two delinquent monthly payments. If the initial principal debt exceeds the initial amount of insurance, thereafter, the benefit payable shall be equal to the unpaid principal debt times the ratio of the Maximum Amount of Insurance to the initial principal debt. In such case, the benefit will be increased by the amount obtained by applying the above ratio to the sum of any principal installments which are no more than two months overdue.

**Suicide Exclusion** – We won't pay a claim, if you commit suicide, while sane or insane, within one year from the Effective Date. However, we will refund any premium paid.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Amount of Insurance** – The Joint Life Benefit will not exceed the amount that is payable for single coverage. The amount of insurance in force will be paid only upon one of your deaths. The insurance on the other will immediately end. If you both die at the same time, the benefit will be paid only for one Insured Debtor. However, excess proceeds will be paid equally to the named second beneficiaries or estates of each of you.

**Suicide** – In the event one of you commits suicide, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – In the event coverage under this Certificate is contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Life Certificate to replace the Joint Life Certificate. Also, a refund of the portion of premium which applied to the deceased or ineligible Debtor will be made. The refund will equal the difference between the premium actually charged for the Joint Life Coverage and the premium that would have been charged if only Single Life Coverage had been provided at the time this Certificate was issued.

**10 Day Right to Return** – If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

#### GROUP SINGLE OR JOINT LIFE COVERAGE SINGLE PREMIUM NET DECREASING TERM LIFE INSURANCE

## GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

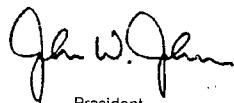
**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 1 year suicide exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. Refunds are computed according to the Actuarial Method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. Premiums are earned in the event of a benefit payment for Life.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.



President



Secretary

Insured Debtor #1 (Name and Address) THOMAS L KRUISE RR 1 BOX 43S COALPORT, PA 16627	Date of Birth 09-15-1956	Age 46	CERTIFICATE NUMBER Includes Alphabetic Prefix																																																													
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PROTECTIVE LIFE INSURANCE COMPANY (Called We) Home Office: Nashville, TN; Administrative Office: P.O. Box 30900, Raleigh, NC 27622

**Group Single Premium Term Disability Insurance**  
**Single Or Joint Credit Disability Full or Critical Period Benefit Certificate**

You were issued this Certificate because you indicated you wanted the insurance and met the eligibility requirements. The following gives a summary of your coverage. The coverage which applies to you and that will be provided if the proper premium is paid is indicated in the Schedule. Two forms, called the Group Policy and Total Disability Rider, were issued to your Lending Institution (shown as the Creditor in the Schedule). The Group Policy and Rider are similar to this Certificate but contain many more details regarding the insurance program. Your coverage is subject in every respect to the Group Policy and Total Disability Rider.

**Effective Date:** Your insurance is effective on the date stated in the Schedule. As of the Effective Date, if you do not meet the Disability Insurance eligibility requirements shown in this Certificate, we will return your premium when we discover this and not pay any benefits.

**10 Day Right to Return:** If for any reason you are not satisfied with this Certificate, you have the right to return it to your Creditor within ten days from its receipt and receive a refund of any premium paid.

**NOTE:** **BENEFITS PROVIDED BY THIS COVERAGE WILL NOT BE PROVIDED DUE TO A PRE-EXISTING CONDITION AS DEFINED BELOW.**

**DISABILITY INSURANCE**

**Total Disability Definitions:**

**Pre-Existing Condition** – A pre-existing condition is one which is a result of an illness, disease or physical condition for which you received medical advice, consultation or treatment during the six month period immediately preceding the effective date of your coverage and that commences within the six month period after the effective date of coverage.

**Injury** – Bodily injury to you which is directly caused by an accident and results in a covered loss.

**Sickness** – Sickness or disease of yours which is not excluded in the "Exceptions" Section below, and which results in a covered loss.

**Total Disability** – Total Disability means that for the first twelve months you cannot perform all of the important or significant occupational duties because of a disability which was caused by injury or sickness as defined above. After twelve months, disability means you are unable to perform the duties required of any gainful occupation that you are reasonably suited by education, training or experience. In order to be considered for a benefit, your disability must begin after the effective date of your coverage.

**Conditions Required for Benefits** – In order for us to pay a benefit, you must satisfy the following conditions: (1) you must be insured when your total disability begins; (2) you must be totally disabled according to the definition above; (3) you must be disabled for more than the consecutive number of days shown in the Schedule as the Waiting Period; and, (4) you must submit written proof of your disability which is satisfactory to us. We may require additional monthly certification for a continuous disability.

**Benefit Payable** – Benefit payments are calculated from the Day Benefits Commence shown in the Schedule and are for the actual number of days you are disabled. A monthly disability benefit is determined by dividing the total of payments due on your loan by the number of months in the loan term. However, the monthly disability benefit will never exceed the Maximum Monthly Disability shown in the Schedule. If Critical Period coverage is purchased as selected on the Schedule, the Monthly Disability Benefit will be paid as long as you are disabled, up to a maximum of 36 times the Monthly Disability Benefit. A daily benefit is found by dividing the lesser of the Maximum Monthly Disability or the Monthly Disability Benefit shown in the Schedule by 30. Only one benefit is payable even if your disability is caused by more than one sickness, injury or related condition. No benefits will be paid during any period you are not under the care of a licensed physician, other than yourself.

**When Benefits End** – Payments will stop on the earliest of the follow: 1) you are no longer totally disabled; 2) benefits are paid to the original scheduled maturity date of the loan (if Full Coverage is selected); 3) the maximum benefit has been paid (if Critical Period Coverage is selected); or 4) the date your insurance ends (See "Termination of Your Insurance" Section).

**Exceptions** – We won't pay a benefit or refund the premium if your disability is caused by or results from: (1) normal pregnancy; (2) intentionally self-inflicted injuries; (3) flight in non-scheduled aircraft; or, (4) a pre-existing condition as defined above.

**How To File A Claim:**

**Notice of Claim** – When you become disabled you are to notify your Creditor. He in turn must write us or our agent about your claim within 30 days after it begins or as soon after that as he can.

**Claim Forms** – After we receive your Creditor's notice of claim, we will send you forms to complete. The forms will be sent within 15 days after our receipt of notification. If they are not sent within 15 days, you can simply send us written proof of your disability. The proof must include the date, the cause and how serious it is. It must be signed by the doctor who is treating you.

**Proof of Loss** – The proof of your disability must be sent to us no later than 90 days after the date of loss. If you are unable to send it within that time, it must be sent as soon as reasonably possible.

**Physical Examination** – After we receive notification that you have a claim, we have the right at that time, and throughout the period for which benefits are requested to examine you. Upon request by us, you agree to provide authorization to us to access your medical records.

**Legal Action** – For 60 days from the date of our receipt of proof of loss as required, you cannot bring legal or equitable action against us for that claim. No action can be brought against us after three years from the date written proof of loss is required.

#### JOINT INSURANCE

The following provisions apply in the event Joint Coverage has been elected.

**Benefit Payable** – The Joint Disability Benefit will not exceed the amount that is payable for Single Coverage. If insuring the entire payment, one benefit equal to the full monthly debt payment is payable even if both of you are disabled at the same time. Our benefit will be paid as if Debtor #1 became disabled first. Benefits will continue as long as one of you is totally disabled. When insuring a portion of the payment and both are disabled at the same time, one benefit equal to the full monthly debt payment is payable. Benefits will continue if one of you is totally disabled but only for the percentage of the benefit elected by the one disabled. If you both are insured for a portion of the payment and one of you become disabled, only the portion of the payment the disabled one elected will be paid as a benefit. You both will be liable for the remaining portion of the payment. Any excess proceeds will be paid equally to both of you, if living, or to the named Second Beneficiaries or Estates of each of you.

**Suicide** – In the event one of you commits suicide, whether sane or insane, within one year from the Effective Date of Coverage, the survivor's coverage will continue.

**Age Limit** – In the event this Certificate is issued in error because one of you exceeds the maximum age limitation, and the age was correctly stated in writing, the eligible Debtor's coverage will continue.

**Contestability** – Should coverage under this Certificate be contested with respect to one of you, the eligible Debtor's coverage will continue.

**New Certificates and Refunds** – If any of the above events relating to suicide, ineligibility or contestability occur, the surviving or eligible Insured shall be issued a Single Certificate to replace the Joint Certificate. Also, a refund of premium will be made.

**Refund for Suicide** – If the Debtor who committed suicide was on disability claim during any period prior to the date of suicide, a refund will be made of the unearned premium determined by the date the Debtor went off claim or the date of suicide, whichever is earlier. If the Debtor did not have a claim prior to the date of suicide, a refund will be determined as described for refunding due to ineligibility or contestability.

**Refund for Ineligibility or Contestability** – If insured for the entire payment, the refund will equal the difference between the premium actually charged for the Joint Coverage and the premium that would have been charged if only Single Coverage had been provided at the time this Certificate was issued. If insured for a portion of the payment, the refund will equal the amount of premium which applied to the deceased or ineligible Debtor. In this case, the surviving or eligible Debtor shall be given the option to increase coverage to an amount equal to the lesser of: (1) 100% of the disability payment; or, (2) the Maximum Monthly Disability. If the surviving or eligible Debtor increases his coverage, the existing certificate will be cancelled and a new certificate will be issued subject to approval of the Increased Benefits Application for the amount of the increase.

#### GENERAL PROVISIONS

**Who Gets Paid** – Any benefit payable will be paid to your Creditor. It is to be applied to reduce or pay off your loan.

**Excess Benefits** – In the event benefits exceed your unpaid loan balance, the excess will be paid to you, if living; or to your Second Beneficiary; or, if none, to your Estate.

**Age Limit** – If you: (1) are beyond the Maximum Age Limit shown in the Schedule; (2) have correctly stated your age in writing; and, (3) have this Certificate issued to you in error, we have the right within 60 days from the effective date of your insurance during your lifetime to end coverage and refund all premium paid provided a claim was not incurred prior to such date. If you: (1) are beyond the Maximum Age Limit; (2) have misstated your age in writing; and, (3) have this Certificate issued to you, our liability if a claim occurs within the 2 year contestable period is limited to a refund of all premium paid by you.

**Maximum Limits** – The limits of insurance which can be provided are shown in the Schedule. They are only initial eligibility requirements and we cannot use them to deny or reduce our liability under this Certificate. If you are issued insurance in excess of the Maximum Limits in error, we have 60 days from the effective date of your insurance to reduce the excess coverage. In this case, we may refund the excess charge or may terminate your coverage and refund the full amount of premium paid. Any adjustment must be made prior to a claim.

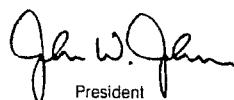
**Termination of Your Insurance** – Your insurance will end on the earliest of: (1) the date your loan is discharged through repayment; (2) the date your loan is renewed or refinanced; (3) the date of the original scheduled maturity of your loan; (4) the date of repossession of any collateral given as security for your loan; (5) the date you request cancellation in writing to us; or, (6) the date of your death.

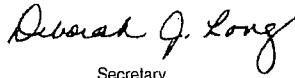
**Refund of Unearned Premium** – If your insurance ends before its original scheduled maturity date, a refund or credit of any unearned premium will be made. For Critical Period coverage, refunds are computed according to the mean of the "Sum of the Digits" (commonly known as the "Rule of 78") and pro rata methods. For other Disability Coverage, refunds are computed according to the "Rule of 78" method. It is on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00. For Critical Period coverage, no refund will be made if the maximum number of benefits has been paid.

**Renewal/Refinancing** – If your insurance ends due to renewal or refinancing of your loan, the unused premium will be refunded. If new insurance is written on the loan, the 2 year contestable period and 6 month pre-existing condition exclusion will run from the effective date of the original certificate for the amount and term remaining on that certificate at the time of renewal or refinancing. This does not apply to any portion above such remaining amount, or beyond such remaining term.

**Incontestability** – Any statement made by you is deemed a representation and not a warranty. No statement you make can be used to contest your coverage unless a copy of the form which contains the statement is or has been furnished to you or your beneficiary. If you make a signed written statement regarding your eligibility or insurability, we cannot use the statement to deny a claim or end your coverage if during your lifetime two years have passed since the statement was made. If Single Life Coverage is elected and the Certificate is contested, we will refund the premium for this coverage.

**Conformity** – Any part of this Certificate which, on its Effective Date, conflicts with the statutes of the state where it was delivered is changed to conform to the minimum standards of those statutes.

  
John W. John  
President

  
Deborah J. Long  
Secretary

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-4130  
800-888-2738, EXT 8398

Protective 

01/24/06

CONTINUATION CLAIM for Protective Life Ins Co of Tennessee

Paid from: 02/02/2006 Paid to: 03/02/2006  
Check date: 01/24/2006 Check: 00000000  
Amount: 349.94 Loan: 312178  
Claim: 2037529 Agent: PA085500  
Insured: THOMAS KRUISE

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

★ Also Claim # 2037527

To avoid delay in continuing payments this report must be fully completed and returned in 30 days showing a current doctor's visit date. Please indicate if your address has changed.

FRAUD NOTICE

"Any person who knowingly, and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000." [Sec. 68.402]

I hereby authorize any physician, hospital, insurance company, financial institution, employer or organization to release any information which is deemed necessary to process my claim to the Insurance Company or its Administrator. A copy of this authorization shall be valid as the original. I hereby certify that I have not worked at my regular occupation, or any other occupation since 11/16/2002. As of the date reflected immediately below, I am not receiving any wage or profit from any type of gainful employment.

2037527

Thomas J. Kruise 814-672-3335 182-50-1440 2037529 1/31/06  
Insured's Signature Phone # SSN Loan # Date

ATTENDING PHYSICIAN'S STATEMENT (APS)

Patient will be totally disabled for:

Less than 1 month ( ) 1 to 3 months ( ) 4 to 6 months ( ) Permanently

CAD, Angina  
Diagnosis

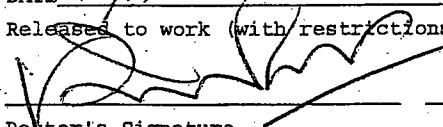
1/9/06, 7/6/05, 12/22/04 6/28/06  
Last THREE Appointments Next Appointment

DATE N/A

DATE Permanently disabled

Released to work (with restrictions)

Released to work (without restrictions)

Doctor's Signature 

Name (Please Print)

Date

1528 Pleasant Valley Blvd. Altoona, 23-2868515 814-944-4340

Address (Street/PO Box, City, State and Zip)

PA 16602

Tax ID Number

Telephone Number

PT 2037529

CF\_01

EXHIBIT "C"

(Name and Address) THOMAS L KRUUSE P.O. BOX 438 COALPORT, PA 15827		09-16-1928	48	311536
Insured Debtor #2 EDITH R KRUUSE		Date of Birth 08-10-1928	Age 39	00000000
Creditor (Beneficiary) (Name and Address) CBS BANK P.O. Box 854 Coalport, PA 15827		CREDITOR'S ACCOUNT NO. PA 085500		
Assignee (Name and Address)		Monthly Payment \$ 417.81	ANNUAL PERCENTAGE RATE 7.769	
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		
Effective Date 08-20-1981	Original Schedule Maturity Date 08-25-2011	Days to 1st Payment 39	Term of Loan 120	
<input type="checkbox"/> Single Life Debtor #1 <input type="checkbox"/> Single Life Debtor #2 <input type="checkbox"/> Joint Life Insurance <input checked="" type="checkbox"/> Single Disability <input checked="" type="checkbox"/> Debtor #1 <input type="checkbox"/> Joint Disability (Portion of Payment) <input type="checkbox"/> Debtor #2 Debtor #1 <input checked="" type="checkbox"/> Debtor #2 <input type="checkbox"/> <input type="checkbox"/> Joint Disability (Entire Payment)				
WAITING PERIOD	BENEFITS COMMENCE	6 417.81 (Monthly Disability Benefit)	4,778.80	
<input checked="" type="checkbox"/> 14 DAYS Refreshive 1st Day <input type="checkbox"/> 30 DAYS Refreshive 1st Day <input type="checkbox"/> 14 DAYS Non-Refresh 15th Day <input type="checkbox"/> 30 DAYS Non-Refresh 31st Day <input checked="" type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 08 Mos.)		Maximum Monthly Disability (per debtor)	Maximum Amt. of Insurance (per debtor)	Maximum Term
		\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)	L-180 Mos. A/H-120 Mos.
				MAXIMUM ISSUE AGE 65

**Refund of Unearned Premium** - If your insurance ends before the end of the term of insurance coverage, a refund or credit of any unearned premium will be made as follows:

(1) **Net Life Coverage** - Refunds are computed according to the Actuarial Method.

(2) **Disability Coverage** - For Critical Period coverage, refunds are computed according to the mean of the "Sum of the Digits" (commonly known as the "Rule of 78") and pro rata methods. For other Disability coverage, refunds are computed according to the "Rule of 78" method.

Such refund methods are on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00.

#### PREMIUM REFUND RECEIPT SCHEDULE

MONTH	DAY	YEAR	LIFE	DISABILITY	TOTAL
DATE OF CANCELLATION			PERCENT UNEARNED	%	%
CERTIFICATE WAS IN FORCE			MONTHS	AMOUNT OF REFUND \$	\$

I, the undersigned, hereby request cancellation of the above numbered certificate as of 12:00 noon, Standard Time, as of the date of cancellation shown above. I hereby acknowledge receipt of the amount of refund shown above as a full refund of the unearned portion of the premium or premiums and hereby release Protective Life Insurance Company from all further liability under said certificate or certificates as the case may be. I acknowledge and agree that any sum due as a refund of premium will be credited to my loan account with the Creditor.

\_\_\_\_\_  
AGENT OR WITNESS Date \_\_\_\_\_ SIGNATURE OF INSURED

Name of Creditor \_\_\_\_\_ Address \_\_\_\_\_

COPIES TO: INSURANCE COMPANY WHEN TERMINATED  
INSURED DEBTOR WHEN TERMINATED  
CREDITOR FILE COPY

FILA-1221 (03 88) (REV)

PLAN 1

EDITH E. KRUWE		08-10-2002	40	CONTRACT NUMBER																																			
Creditor (Beneficiary) (Name and Address) CBB BANK Main & Linwood Streets, P.O. Box 354 Canton, PA 16727		CREDITOR'S ACCOUNT NO. PA085500																																					
Assigned (Name and Address)		Monthly Payment \$ 245.04	ANNUAL PERCENTAGE RATE 7.28%																																				
Second Beneficiary (Debtor #1) ESTATE OF THE INSURED		Second Beneficiary (Debtor #2) ESTATE OF THE INSURED																																					
Effective Date 11-05-2002	Original Scheduled Maturity Date 11-15-2007	Days to 1st Payment 43	Term of Loan 60																																				
<table border="1"> <tr> <td><input type="checkbox"/> Single Life Debtor #1</td> <td>\$</td> <td>\$</td> <td colspan="2"></td> </tr> <tr> <td><input type="checkbox"/> Single Life Debtor #2</td> <td>\$</td> <td>\$</td> <td colspan="2"></td> </tr> <tr> <td><input checked="" type="checkbox"/> Joint Life Insurance</td> <td>\$ 17,570.87</td> <td>\$ 822.43</td> <td colspan="2">60</td> </tr> <tr> <td><input checked="" type="checkbox"/> Single Disability</td> <td><input checked="" type="checkbox"/> Debtor #1 \$ 20,000.00</td> <td>\$ 840.00</td> <td colspan="2">60</td> </tr> <tr> <td><input type="checkbox"/> Joint Disability (Portion of Payment)</td> <td><input type="checkbox"/> Debtor #2 \$</td> <td>\$</td> <td colspan="2"></td> </tr> <tr> <td>Debtor #1 %</td> <td>Debtor #2 %</td> <td></td> <td colspan="2"></td> </tr> <tr> <td colspan="5"><input type="checkbox"/> Joint Disability (Entire Payment)</td> </tr> </table>					<input type="checkbox"/> Single Life Debtor #1	\$	\$			<input type="checkbox"/> Single Life Debtor #2	\$	\$			<input checked="" type="checkbox"/> Joint Life Insurance	\$ 17,570.87	\$ 822.43	60		<input checked="" type="checkbox"/> Single Disability	<input checked="" type="checkbox"/> Debtor #1 \$ 20,000.00	\$ 840.00	60		<input type="checkbox"/> Joint Disability (Portion of Payment)	<input type="checkbox"/> Debtor #2 \$	\$			Debtor #1 %	Debtor #2 %				<input type="checkbox"/> Joint Disability (Entire Payment)				
<input type="checkbox"/> Single Life Debtor #1	\$	\$																																					
<input type="checkbox"/> Single Life Debtor #2	\$	\$																																					
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Debtor #1 %	Debtor #2 %																																						
<input type="checkbox"/> Joint Disability (Entire Payment)																																							
WAITING PERIOD		BENEFITS COMMENCE																																					
<input checked="" type="checkbox"/> 14 DAYS		Retroactive 1st Day																																					
<input type="checkbox"/> 30 DAYS		Retroactive 1st Day																																					
<input type="checkbox"/> 14 DAYS		Non-Retro 18th Day																																					
<input type="checkbox"/> 30 DAYS		Non-Retro 31st Day																																					
<input checked="" type="checkbox"/> CRITICAL PERIOD* (Maximum Term: 36 Mos.)																																							
		\$ 348.84																																					
		(Monthly Disability Benefit)	\$ 1,801.72																																				
		Maximum Monthly Disability (per debtor)	Maximum Amt. of Insurance (per debtor)	Maximum Term																																			
		\$1,000.00 (Ages 18-65)	\$100,000.00 (Ages 18-65)	L-180 Mos. A/H-120 Mos.																																			
		MAXIMUM ISSUE AGE																																					

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Such refund methods are on file with your Creditor and the Insurance Department. A refund will not be made if the amount is less than \$10.00.

#### PREMIUM REFUND RECEIPT SCHEDULE

MONTH	DAY	YEAR	LIFE	DISABILITY	TOTAL
DATE OF CANCELLATION			PERCENT UNEARNED	%	%
CERTIFICATE WAS IN FORCE			AMOUNT OF REFUND	\$	\$
			MONTHS		

I, the undersigned, hereby request cancellation of the above numbered certificate as of 12:00 noon, Standard Time, as of the date of cancellation shown above. I hereby acknowledge receipt of the amount of refund shown above as a full refund of the unearned portion of the premium or premiums and hereby release Protective Life Insurance Company from all further liability under said certificate or certificates as the case may be. I acknowledge and agree that any sum due as a refund of premium will be credited to my loan account with the Creditor.

AGENT OR WITNESS Date

SIGNATURE OF INSURED

Name of Creditor \_\_\_\_\_ Address \_\_\_\_\_

COPIES TO: INSURANCE COMPANY WHEN TERMINATED  
INSURED DEBTOR WHEN TERMINATED  
CREDITOR FILE COPY

FILA-1221 (03 99) (REF)

PLAN I



March 28, 2006

Thomas L. Kruise  
Edith E. Kruise  
149 Washington Street  
Coalport, PA 16627

Dear Mr. and Mrs. Kruise:

We wish to respond to the letter we received from R. Denning Gearhart concerning your Fixed Home Equity Loan (#311536) and Installment Auto Loan (#312178).

The Fixed Home Equity loan was originated on September 25, 2001. You purchased Joint Life Credit Insurance and Single Accident & Health (A & H) Credit Insurance for this loan. On November 15, 2002, you made an A & H claim and the Protective Insurance Company began paying your monthly payment. The A & H program that CSB Bank offered through Protective had a 36 month critical period. The coverage for A & H was only good for 36 monthly payments. This period expired in November of 2005. It seems, however that Protective missed the cancellation date and continued the claim payments for four additional months. I have spoken to a representative from Protective and they have admitted that the missed cancellation date was something that they should have caught and the four extra months are not due and payable by you. Due to their procedure practices, they will most likely still send a letter or two asking for this repayment, but I have been told that it is not necessary for you to do this.

The Installment Auto Loan was originated on November 2, 2002. You purchased Joint Life Credit Insurance and Single A & H Credit Insurance for this loan. On November 15, 2002, you made an A & H claim and Protective began paying your monthly payment. Again, Protective missed the cancellation date of November 2005 and paid an additional four payments. They are not expecting you to repay these extra months' payments.

EXHIBIT "E"

JURWENSVILLE OFFICE	COALPORT OFFICE	RIVER ROAD OFFICE	DUBOIS OFFICE	ST. MARYS OFFICE	ST. MARYS PLAZA OFFICE
10. Box 28 Juwensville, PA 16833 14-238-2550	P.O. Box 354 Coalport, PA 16627 814-672-5306	1900 River Road Clearfield, PA 16830 814-745-1781	P.O. Box 465 DuBois, PA 15801 814-371-3068	1379 Bucktail Village St. Marys, PA 15857 814-824-4020	Bilo Market • Route 255 St. Marys, PA 15857 814-721-6410

As we understand, you are now permanently disabled. The A & H coverage that we sold and that you paid for on both loans was never meant to be a permanent disability coverage. We did not have that program to offer. We apologize if there was a misunderstanding on this issue, however the A & H product was for a 36 month claim period. At this time the coverage has ceased and you will need to continue paying the monthly payments on both loans as agreed.

The Life Credit Insurance on both loans is still in place. We hope that the benefits you received from the A & H Credit Insurance that you purchased helped you through a tough period and again we apologize for the misunderstanding concerning permanent disability.

Please call me if you have any questions concerning this matter. My number is (814) 236-5245.

Sincerely,  
CSB Bank

Michael T. Ryan  
Michael T. Ryan  
AVP Retail Loan Administration

cc: R. Denning Gearhart, Esquire  
207 East Market Street  
Clearfield, PA 16830

Protective 

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-44130  
800-888-2738, EXT 8398

03/07/06

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

RE: Protective Life Ins Co of Tennessee  
Insured: THOMAS KRUISE  
Certificate: 0000311536 0  
Claim: 2037527

Overpayment: \$1,474.14  
Paid through: 03/02/2006

Because , this claim is overpaid as stated above.

By copy of this letter, we are requesting reimbursement of this overpayment from C S B BANK. Please contact them and authorize this reimbursement.

Thank you for your cooperation.

Sincerely,

Tammy Shelton  
Customer Operations/Claims

cc: C S B BANK

PT 2037527  
OVERPAY

Protective group of companies: Lyndon Property Insurance Company, Lyndon Southern Insurance Company,  
Protective Life Insurance Company, Protective Life Insurance Company of Kentucky PT

**Protective** 

LIFE OF THE SOUTH, CLAIM ADMINISTRATORS  
P.O. BOX 44130  
JACKSONVILLE, FL 32231-4130  
800-888-2738, EXT 4398

03/07/06

THOMAS KRUISE  
149 WASHINGTON ST.  
COALPORT, PA 16627

RE: Protective Life Ins Co of Tennessee  
Insured: THOMAS KRUISE  
Certificate: 0000312178 0  
Claim: 2037529

Overpayment: \$1,236.46  
Paid through: 03/02/2006

Because , this claim is overpaid as stated above.

By copy of this letter, we are requesting reimbursement of this overpayment from C S B BANK. Please contact them and authorize this reimbursement.

Thank you for your cooperation.

Sincerely,

Tammy Shelton  
Customer Operations/Claims

cc: C S B BANK

PT 2037529  
OVERPAY

Protective group of companies: Lyndon Property Insurance Company, Lyndon Southern Insurance Company,  
Protective Life Insurance Company, Protective Life Insurance Company of Kentucky PT

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA  
CIVIL DIVISION

BILL OF COSTS

Thomas L. Kruise, Edith E. Kruise,

Vs.

2006-00825-CD

CSB Bank, Total \$85.00

<u>Amount</u>	<u>Document</u>	<u>Paid By</u>
\$85.00	Complaint	R. Denning Gearhart, Esquire

Certified from the record this 1st Day of September, 2006.

---

WILLIAM A. SHAW  
PROTHONOTARY

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and :  
EDITH E. KRUISE, Husband :  
and Wife, :  
Plaintiffs :  
Vs. : No. 06-825-CD  
: :  
CSB BANK, :  
A Pennsylvania Financial Institution, :  
Defendant :  
:

CASE NUMBER: No. 06-825-CD

TYPE OF CASE: Civil

TYPE OF PLEADING: PRAECIPE TO SETTLE, DISCONTINUE  
AND END, WITH PREJUDICE

FILED ON BEHALF OF: Plaintiffs

COUNSEL OF RECORD FOR THIS PARTY: R. DENNING GEARHART, ESQ.  
Supreme Court I. D. #26540  
207 E. Market Street  
Clearfield, PA 16830  
(814) 765-1581

**FILED** *09/12/08* *SEP 08* *2008* *12:51 PM* *William A. Shaw*  
Cert. of Disc. to Atty Gates (delivered by)  
Copy to CIA  
William A. Shaw  
Prothonotary/Clerk of Courts

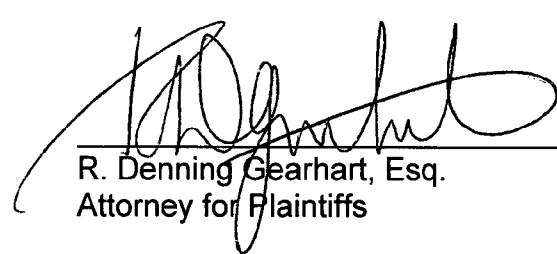
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

THOMAS L. KRUISE and :  
EDITH E. KRUISE, Husband :  
and Wife, :  
Plaintiffs :  
vs. : No. 06-825-CD  
CSB BANK, : JURY TRIAL DEMANDED  
A Pennsylvania Financial Institution, :  
Defendant :  
:

PRAECIPE TO SETTLE AND DISCONTINUE

TO THE PROTHONOTARY OF CLEARFIELD COUNTY:

Please mark the above captioned matter settled, discontinued and ended,  
with prejudice.

  
R. Denning Gearhart, Esq.  
Attorney for Plaintiffs

DATED: 8/29/2006

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

CO-  
✓

Thomas L. Kruise  
Edith E. Kruise

Vs. No. 2006-00825-CD  
CSB Bank

**CERTIFICATE OF DISCONTINUATION**

Commonwealth of PA  
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on September 8, 2006, marked:

Settled, Discontinued, and Ended with Prejudice

Record costs in the sum of \$85.00 have been paid in full by R. Denning Gearhart, Esq.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 8th day of September A.D. 2006.

  
\_\_\_\_\_  
William A. Shaw, Prothonotary