

Credit Insurance Disclosure

Date: [Insert Date]

To: [Applicant's Name]

[Applicant's Address]

Dear [Applicant's Name],

We are writing to inform you about the credit insurance options available as part of your residential mortgage application. This disclosure outlines the nature of the credit insurance, its benefits, and your rights as an applicant.

What is Credit Insurance?

Credit insurance is designed to protect you in the event of unforeseen circumstances that may impede your ability to make your mortgage payments, such as job loss, disability, or death.

Types of Coverage Available:

- Life Insurance: Provides coverage in the event of the borrower's death.
- Disability Insurance: Covers your mortgage payments if you become disabled.
- Unemployment Insurance: Offers payment assistance if you lose your job.

Important Considerations:

Choosing credit insurance is optional. You are not required to purchase this insurance to obtain a mortgage, and you may find comparable alternatives in the market.

Before purchasing, please read the policy documents carefully to understand the terms and conditions. You have the right to cancel any insurance policy after it is purchased.

If you have any questions or need further clarification regarding credit insurance, please feel free to contact us at [Contact Information].

Thank you for considering your options carefully.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

[Company Address]

[Contact Information]