

Hazard Insurance Requirements:

Listed below are Lender's policies and procedures, and minimum requirements, for the Hazard Insurance which must be provided covering the subject property.

1. Coverage must be in an amount of the replacement value for the home on the property or the loan amount, whichever is less.
2. The insurance company providing coverage must have rating or better in the latest edition of "Best's Insurance Guide," must be licensed to do business in the State in which the property is located, and must be licensed to transact the lines of insurance required in this transaction.
3. Policies must contain deductibles on any peril.
4. Policy must provide coverage for a term of at least one year. Premiums may be paid on an annual installment basis only if the policy provides that the lender will be notified in writing of cancellation 30 days prior to expiration of coverage, for any cause.
5. All forms and endorsements pertaining to the Lender's requirements must appear on the "Declaration Page" of policy.
6. New policies must be accompanied by a signed "Broker of Record Authorization" if borrower(s) has/have changed Insurance Agents.
7. Verification of renewal of insurance policies must be in Lender's office at least thirty days prior to the expiration date of the policy. If this requirement is not met, **LENDER AND ITS SUCCESSORS OR ASSIGNS MAY AT THEIR OPTION, BUT WITHOUT THE OBLIGATION TO DO SO, and PROVIDE COVERAGE TO REPLACE ANY EXPIRING POLICIES WHICH HAVE NOT BEEN PROPERLY RENEWED.** The premium for such coverage will be remitted promptly by the undersigned, or Lender may charge borrower's account for the cost thereof.
8. Lender's loss Payable Endorsement 438 BFU to be affixed to policy in favor of:
JSC Federal Credit Union, Its successor and or assigns
1330 Gemini
Houston TX 77058
Loan Number
9. The Lender's loan number must appear on the policy and on any subsequent endorsements.
10. The effective date of new policies, endorsements, and/or assignments shall be as of, or prior to, the date of recording of this loan.
11. If you have waived escrow please notify your agent to forward future premium notices directly to you.
12. If the security property is a condominium, the Master Policy must contain a minimum of \$1,000,000.00 coverage for "Directors and Officers" liability. A copy of the Master Policy, or a certificate showing proof of coverage for both the Homeowners Association and the condominium unit owner, must be submitted to Lender prior to funding.