

**MGIC's 2020 Master Policy - Summary for Lenders and Servicers**

12/02/2019

*This summary is not intended to be an all inclusive presentation of the differences between the existing and new Master Policy. It is a high level summary of provisions relevant to lenders and servicers. This information is provided for your convenience of reference and is not intended to amend, define, interpret or limit the scope of any provision of the existing or new Master Policy or any endorsement thereto. Nothing contained herein is intended, or should be relied upon, as legal advice. Your use of this summary is your agreement to these terms.*

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>2 SCOPE OF THIS POLICY AND OUR AGREEMENT</b></p>			
<p><b>3 Duration of coverage</b></p>			
<p>a) This Policy applies to all Commitments and Certificates issued under the Policy on or after the effective date of the Policy. This Policy will remain in effect until it is cancelled. This Policy may be cancelled by the initial Insured or by us for any reason or no reason upon 10 days' prior notice or as otherwise required by applicable law. If this Policy is cancelled, the Policy will remain in effect with respect to any Commitment or Certificate issued before cancellation, provided that all required premiums are paid.</p> <p>b) Provided that all required premiums are paid, coverage for a loan under this Policy is extended by its Certificate issued or electronically recorded in our system of record and will continue until whichever occurs first:</p> <ul style="list-style-type: none"> <li>i) the loan insured under the Certificate is paid in full;</li> <li>ii) we settle (or deny) a Claim with respect to the Certificate;</li> <li>iii) we act upon your instruction to cancel coverage under the Certificate;</li> <li>iv) the term of coverage expires under the premium plan or upon the terms specified in the Certificate; or</li> <li>v) we cancel or rescind coverage under the Certificate.</li> </ul> <p>c) We may stop issuing new Commitments and Certificates at any time without providing notice to you.</p>	<p>Comparable provisions</p>		<p>3.2, 3.6</p>
<p><b>4 Documents that constitute our agreement</b></p>			
<p>a) The Policy Documents constitute the entire agreement between you and us for coverage under a Certificate. If any terms conflict, the terms of this Policy, as modified by any applicable endorsements, will govern. If any terms of the Policy Documents conflict with our Rescission Relief Guide, Servicing Guide or Underwriting Guidelines, the terms of the Policy Documents will govern.</p> <p>b) We have the right to amend the terms of any Policy Documents, except Certificates already issued. If we do, we will notify the initial Insured before the amendment takes effect. Any changes will apply only to Commitments (and related Certificates) issued after such notice has been given and after the amendment effective date. We are not obligated to notify any Borrower of any changes to the Policy Documents.</p> <p>c) No portion of any Policy Document will be waived or modified without our prior approval.</p> <p>d) We are not bound by the terms of any agreement between the Insured and any other Person.</p> <p>e) The initial Insured agrees, and by becoming a Beneficiary or a Servicer, any Beneficiary or Servicer agrees, that this Policy may not be used to establish the meaning of any provision of any other insurance policies we have issued, nor may any provision of any other insurance policies we have issued be used to establish the meaning of any provision of this Policy.</p>	<p>Comparable provisions; further states that the terms of the Policy control if they conflict with the terms of other Policy Documents, and that the terms of the Policy Documents control if they conflict with the terms of our servicing, underwriting and other guides.</p>	<p>Awareness</p>	<p>14.1, 17.1, 17.2</p>
<p><b>5 Governing law; severability; jury waiver; successors and assigns</b></p>			
<p>a) <i>Governing Law</i> This Policy will be governed, interpreted, and enforced by and in accordance with the laws of the State of Delaware, without regard to conflict-of-law principles or to the location of any Property. If the law of any jurisdiction where this Policy was issued does not permit Delaware law to govern policies issued in such jurisdiction, then the law of such other jurisdiction shall govern instead of the laws of Delaware. If a conflict exists between a Policy provision and the minimum requirements of the governing law, the provision will be deemed to be amended to comply with such minimum requirements.</p> <p>b) <i>Severability</i> Each of the conditions and requirements of this Policy is severable, and a waiver, modification or compromise of one will not be construed as a waiver, modification or compromise of any other condition or requirement.</p> <p>c) <i>Jury Waiver</i> THE PARTIES AND ANY SUBSEQUENT INSURED, SERVICER, AND/OR BENEFICIARY HEREBY WAIVE ALL RIGHTS TO A JURY TRIAL OF ANY MATTERS, DISPUTES, OR LEGAL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS POLICY OR THE POLICY DOCUMENTS. THIS WAIVER IS INTENDED TO APPLY TO ANY AND ALL MATTERS THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS POLICY. THE PARTIES AND ANY SUBSEQUENT INSURED, SERVICER, AND/OR BENEFICIARY FURTHER REPRESENT THAT THEY HAD AN OPPORTUNITY TO REVIEW THIS JURY WAIVER WITH THEIR OWN LEGAL COUNSEL PRIOR TO CONTRACTING FOR MORTGAGE INSURANCE OR INVESTING IN OR AGREEING TO SERVICE AN INSURED LOAN, AND THAT THIS WAIVER IS KNOWING AND VOLUNTARY.</p> <p>d) <i>Successors and Assigns</i> This Policy shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.</p>	<p>Comparable provisions, except that Section 5(c) provides that all parties waive their right to a trial by jury.</p>	<p>Awareness</p>	<p>17.2, 18</p>

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<p><b>6 COMMUNICATIONS REGARDING THIS POLICY</b></p>	<p>Comparable provisions; <i>further states that the Insured waives any right to object if we provide information about insured loans directly to the GSE Beneficiary.</i></p>	<p>Awareness</p>	<p>13.1, 13.2</p>
<p><b>7 Communications</b></p>			
<p>a) Unless otherwise required by applicable law, all communications required or permitted by this Policy may be given in any manner and format approved for such communications in our Rescission Relief Guide, Servicing Guide or Underwriting Guidelines, as applicable.</p> <p>b) We may provide certain notices to Borrowers in accordance with applicable law and copies of notices to a GSE Beneficiary if it requests.</p> <p>c) Any notice we are required to give will be considered given to you upon the earlier of five days after it is given or your actual receipt of the notice. If our address changes, we will notify you.</p> <p>d) All Claims and other communications from you under this Policy must be in writing and delivered in the manner and to the location stated in our Rescission Relief Guide, Servicing Guide or Underwriting Guidelines, as applicable. Any requirement in this Policy that information or documentation be submitted to us will be deemed submitted on the date we receive it. If we receive a communication that we believe to be genuine and given by an authorized Person, we will be entitled to rely on it and will not be liable for relying on it.</p>			
<p><b>8 Providing loan information to GSE Beneficiaries</b></p> <p>At the request of a GSE Beneficiary, we will provide reasonably accessible information about any loan insured under this Policy. The Insured waives any right to object if we provide this information about the loan directly to the GSE Beneficiary.</p>			
<p><b>Getting started</b></p>			
<p><b>9 Delegated vs. non-delegated underwriting</b></p> <p>a) Under this Policy, we are responsible for underwriting the Application for compliance with our Underwriting Guidelines, unless it is submitted under our delegated underwriting program.</p> <p>b) If we have approved the initial Insured to submit Applications under our delegated underwriting program, the initial Insured is responsible for underwriting loans for compliance with our Underwriting Guidelines in accordance with the processes and procedures specified in the Delegated Underwriting Program Guide, each as in effect when it submits an Application. We may terminate, suspend or limit the initial Insured's participation in our delegated underwriting program by giving notice as provided in our Delegated Underwriting Program Guide.</p> <p>c) Termination of the initial Insured's participation in our delegated underwriting program will not cancel the Policy or affect Commitments or Certificates issued before the termination date. However, if we suspend, terminate or limit an initial Insured's participation in our delegated underwriting program for cause, we may cancel any Commitment for which coverage has not yet been activated and converted to a Certificate as set forth in Section 14(c).</p>	<p>Comparable provisions, <i>which require that the initial Insured submitting Applications under our delegated underwriting program comply with the Underwriting Guidelines in our Delegated Underwriting Program Guide in effect when the Application is submitted.</i></p>	<p>Awareness</p>	<p>Endorsements</p>
<p><b>10 Applying for coverage</b></p> <p>For each loan you wish to insure under this Policy, you must complete and submit an Application to us. A loan is eligible for coverage under this Policy if it meets our Underwriting Guidelines on the date the Application is submitted and does not present any of the exclusions listed in Sections 18 through 40.</p>	<p>Comparable provisions</p>		<p>2.1(a)</p>

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<p><b>11 Your responsibilities for each Application</b></p> <p>a) You are responsible for collecting, evaluating and verifying the accuracy of the information you provide to us in any form or format, regardless of who gave you the information or how you obtained it. This includes information in the Application, Origination File, Closing File, and any related materials. In the case of information obtained from an Automated Tool, you must comply with requirements for using such Automated Tool as specified in our Underwriting Guidelines, and you are required to update the Application with any information you have that either verifies or conflicts with the Automated Tool output. In addition, if you discover prior to activation of coverage that any information you previously provided to us has become untrue or incomplete, you are required to submit updated true, complete and verified information.</p> <p>b) In addition, you are responsible for underwriting and satisfying all applicable conditions for the loan in compliance with applicable law and our Underwriting Guidelines in effect when you submit the Application.</p> <p>c) For non-delegated underwriting, you must submit the Application and the Origination File to us for review, although we may elect to provide coverage based on the Application and any supporting information submitted to us, provided that we may request additional information before issuing a Commitment.</p> <p>d) For delegated underwriting, you must submit an Application and any additional information required by the Delegated Underwriting Program Guide.</p>			
<p><b>12 Representations by the Insured</b></p> <p>a) By submitting an Application to us, the initial Insured represents that:</p> <ul style="list-style-type: none"> <li>i) the Application is true and complete in all material respects;</li> <li>ii) for Applications submitted under our delegated underwriting program, the loan meets our Underwriting Guidelines in all material respects;</li> <li>iii) no information contained in or submitted in support of the Application was false or misleading when provided; and</li> <li>iv) the Application does not omit any information that would make any other information provided untrue, inaccurate or incomplete, or that would have made the loan ineligible for insurance or for coverage at the premium rate offered.</li> </ul> <p>b) The representations made throughout this Policy will be binding on all subsequent Insureds and Beneficiaries, regardless of whether the subsequent Insured or Beneficiary knew or should have known that the representation was false or materially inaccurate.</p> <p>c) You acknowledge and agree that we rely on the information provided by any Person in connection with an Application to decide whether to offer or continue coverage and that we are not obligated to independently verify the information. Our reliance on the information continues after we issue a Commitment or Certificate. You accept the risk of any Significant Defect or material misrepresentation or material omission in any information provided to us by any Person in connection with an Application.</p> <p>d) By initiating activation of coverage under a Certificate, you represent that, as of the Certificate Effective Date:</p> <ul style="list-style-type: none"> <li>i) all conditions in our Commitment were satisfied;</li> <li>ii) the Borrower's Own Funds were used to make the down payment required for the loan; and</li> <li>iii) all of the representations that the initial Insured made at the time it submitted the Application are still true and complete.</li> </ul> <p>e) By filing a Claim, you represent that the Claim and all related materials are true and complete and that all conditions precedent to filing the Claim have been met.</p>	<p>Comparable provisions relating to responsibilities and representations of the Insured in submitting an Application to us or filing a Claim, our reliance on the information provided to us by any Person in connection with an Application, and the binding effect of the Insured's representations upon any subsequent Insured, Beneficiary, and Servicer; <i>further states that in the case of information obtained from an Automated Tool, the Insured must update the Application with any information it has that either verifies or conflicts with the Automated Tool output.</i></p>	<p>Awareness</p>	<p>2.1(b), 9.2(a)</p>
<p><b>13 APPROVED AND DECLINED APPLICATIONS; AUDITING PROCEDURES</b></p>			
<p><b>14 Commitments or declined Applications</b></p> <p>a) We will decide whether to approve or decline Applications.</p> <p>b) If we approve an Application, we will issue a Commitment. We will notify you if we decline an Application. If you then decline the prospective Borrower's loan application, we have no responsibility to notify the prospective Borrower that we have declined the Application.</p> <p>c) When the Commitment is activated in accordance with the instructions in the Commitment, or in our Servicing Guide and Underwriting Guidelines, it converts to a Certificate.</p> <p>d) In the case of a delegated underwritten loan, we will issue a Commitment or Certificate extending coverage to such loan subject to the terms of this Policy following our receipt of the Application. We are not obligated to review the Application or to confirm that the related loan complies with our Underwriting Guidelines then in effect prior to issuing a Commitment or Certificate. However, we may decline to issue a Commitment or Certificate if the Application shows that the loan does not meet the applicable Underwriting Guidelines then in effect.</p> <p>e) If you submit Applications from multiple offices, we may decline to accept Applications from one or more offices after notification to you.</p>	<p>Comparable provisions, and further adds that if the Insured submits Applications from multiple offices, we may decline to accept Applications from one or more offices after a notification to the Insured.</p>	<p>Awareness</p>	<p>2.2</p>

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<p><b>15 Monitoring of loan manufacturing process; auditing procedures</b></p> <p>a) <i>Monitoring</i> . Once we issue this Policy to the initial Insured, we may periodically monitor and provide feedback related to the initial Insured’s loan manufacturing processes, quality control processes, underwriting results, financial condition and other factors we consider appropriate to evaluate the initial Insured’s continued qualification to remain a Policy holder and if the initial Insured has been approved for our delegated underwriting program, continued qualification to participate in the program.</p> <p>b) <i>Audits</i> . We may also periodically audit your records, books and accounts relating to insured loans, including periodic loan submissions on an ongoing basis. Our audits may include a review of the Origination File, Closing File and Servicing File of the loan for compliance with the terms of this Policy, our Underwriting Guidelines, Servicing Guide and Delegated Underwriting Program Guide, if applicable. We will provide a report of the results of our audit to the initial Insured and/or the Servicer as we determine appropriate.</p> <p>c) <i>Retaining records</i> . You must retain the complete original or a complete copy of the Origination File, Closing File and Servicing File pertaining to each insured loan until the latest of:</p> <ul style="list-style-type: none"> <li>i) two years after settlement of a Claim or the date the Certificate is no longer in force;</li> <li>ii) the period required by your records retention policy;</li> <li>iii) the period required by applicable law; and</li> <li>iv) one year following the last date on which you are permitted to commence an action against us arising out of this Policy.</li> </ul> <p>d) <i>Provision of information</i> . Subject to Sections 17(h) and 67(a), the Beneficiary and Servicer must cooperate with us and provide us with all reasonable information that we request regarding any loan(s) we insure, whether or not in Default, including access to or a true and complete copy of the Origination File, the Closing File and the Servicing File and such other information as we may determine is related to loans insured under this Policy. Such information shall be provided no later than 30 days after our request for such information. If such information is not provided within such 30-day period, we will provide a second request therefor, which must be complied with no later than 30 days after such second request.</p> <p>e) <i>Access to information</i> . The Beneficiary and Servicer must cooperate with us and provide us and our representatives, at any time upon at least 30 days’ advance written notice, access during normal business hours to the premises of the Servicer or Beneficiary or any other Person or place where Origination Files, Closing Files and/or Servicing Files are located and access to the information prepared or maintained by, or in the possession or under the control of, the Insured, Servicer or Beneficiary and their agents pertaining to loans insured under this Policy for purposes of conducting audits, complying with our legal and regulatory obligations, and ensuring compliance with the terms and conditions of this Policy. If such access is not provided as required above, we will provide a second request therefor, which must be complied with no later than 30 days after such second request. Failure to comply with our second request will permit us to cancel coverage as described in Section 23(e).</p>	<p>Sets forth our right to monitor and audit the initial Insured’s loan manufacturing and Servicing processes.</p> <p>The 2014 Master Policy requires the Servicer to maintain records until the latest of (1) two years after settlement of a Claim or the date the Certificate is no longer in force; (2) the period required by the Insured’s records retention policy; and (3) the period required by applicable law. <i>The corresponding provision in the New Master Policy (at Section 15(c) includes these three prongs plus a fourth prong: (4) “one year following the last date on which you are permitted to commence an action against us arising out of this Policy.”</i></p>	<p style="text-align: center;"><b>Yes</b></p> <p>Servicers should verify their records retention practices align with this update</p>	<p style="text-align: center;">16.1, 16.2</p>

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<b>Exclusions, other remedies and rescission limitations</b>			
<p><b>16 Exclusions and other remedies generally</b></p> <p>a) We may exercise the remedies described in Sections 18 through 40 (<i>i.e.</i> , rescission, cancellation, Claim denial, curtailment or reduction of a Claim Amount or Insurance Benefit) if any of the exclusions listed in such Sections occurs or exists relative to the Commitment, Certificate, loan, Property or Claim.</p> <p>b) We will notify the Servicer when we exercise the remedy, and our notification will identify the affected Commitment or Certificate and state the reason(s) for the action. The inclusion or omission of a reason in any such notice will not limit our right to exercise any other remedy available to us or limit our other rights and remedies stated elsewhere in this Policy.</p> <p>c) If we rescind coverage under a Certificate, the rescission will be retroactive to the Certificate Effective Date, and we will refund all premium paid on the Certificate in accordance with our Servicing Guide. Our right to rescind coverage under a Certificate is subject to the provisions of Section 17.</p> <p>d) If we cancel coverage under a Certificate or deny a Claim, we will refund premium paid for the period following the event that resulted in the cancellation or denial.</p> <p>e) The Rescission Relief Provisions will not limit our rights under Sections 18 through 40 except as stated in Sections 25, 35 and 36.</p> <p>f) You have the right to appeal our decision as described in Section 91.</p>	Comparable provisions		4.1, 4.2

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<p><b>17 Limitations on our right to rescind coverage – Gold Cert Coverage</b></p> <p>a) <i>Early rescission relief program</i></p> <p>i) If you are eligible and opt to participate in our early rescission relief program, and if you follow the procedures and document delivery requirements stated in our Rescission Relief Guide, we will conduct an Independent Validation on those loans that qualify for review under our early rescission relief program in accordance with our Rescission Relief Guide.</p> <p>ii) If we uncover discrepancies, errors or any other questionable data or other information that we determine in our reasonable judgment needs to be re-verified, we may request additional information. If the additional information does not resolve the discrepancy, error or questionable data, we will conduct such additional independent re-verification for compliance with our Underwriting Guidelines.</p> <p>iii) We will promptly notify you as specified in our Rescission Relief Guide when we complete the Independent Validation on a loan whether such loan qualifies for full rescission relief or for rescission relief for Valuation Defects only, as applicable.</p> <p>iv) If we are unable to make a determination or complete the Independent Validation for a loan to our reasonable satisfaction within 180 days because you failed to provide the required information in accordance with our Rescission Relief Guide, such loan will not qualify for early rescission relief. Instead, the rescission relief terms for loans that have not been subject to Independent Validation will apply.</p> <p>b) <i>General limitation on our right to rescind coverage</i>. We will not rescind coverage under a Certificate if the circumstances described in paragraphs (c) through (g) of this Section 17 apply. However, paragraphs (c) through (g) will not limit our right to rescind coverage, or exercise our other remedies, under the circumstances described in Sections 18 through 40 unless expressly stated otherwise in such Sections.</p> <p>c) <i>Absence of Significant Defect following Independent Validation</i></p> <p>i) If we have completed an Independent Validation and have not identified Credible Evidence of a Significant Defect with respect to a loan, we will not rescind coverage under the Certificate on account of a Significant Defect (whether or not the loan is in Default), effective upon our notification to you regarding the outcome of the Independent Validation.</p> <p>ii) If you qualify for the closing document exception set forth in our Rescission Relief Guide, and you did not submit the Closing File for the Independent Validation of a loan, the rescission relief under Section 17(c)(i) will not be effective unless the Borrower has made the first 12 loan payments on time from the Borrower's Own Funds.</p> <p>iii) If you have submitted only the required documents and information relating to an Independent Validation of Original Value and we have not identified Credible Evidence of a Valuation Defect, then we will not rescind coverage under the Certificate on account of a Valuation Defect (whether or not the loan is in Default), effective upon our notification to you regarding the outcome of the Independent Validation.</p> <p>iv) If our notice of the outcome of an Independent Validation indicates that we were unable to resolve concerns regarding the Borrower's occupancy of a Property, then the rescission relief under Section 17(c)(i) will be effective with respect to a Significant Defect relating to Borrower's occupancy of the Property only if the Borrower has made the first 12 loan payments on time from the Borrower's Own Funds and we have not previously notified you of a Significant Defect relating to occupancy.</p> <p>d) <i>36-month limitation</i>. With respect to a loan that has not qualified for rescission relief under Sections 17(c) or 17(f), effective as of the date that is 36 months after the Borrower's first payment due date, we will not rescind coverage under the Certificate on account of a Significant Defect if all of the</p> <p>ii) the loan is then not in Default by more than 30 days;</p> <p>iii) no more than two payments on the loan have been in Default for more than 30 days;</p> <p>iv) no single payment on the loan has been in Default for more than 60 days;</p> <p>v) all payments on the loan have been made with the Borrower's Own Funds; and</p> <p>vi) the loan has not been subject to a Workout, other than a Workout entered into as a result of a natural disaster that caused the related Default.</p> <p>e) <i>60-month limitation</i>. With respect to a loan that has not qualified for rescission relief under Section 17(c), 17(d) or 17(f), we will not rescind coverage under the Certificate on account of a Significant Defect on or after the due date of the 60th payment if both of the following conditions are met:</p> <p>i) either the loan is not in Default, or if the loan is in Default, it subsequently becomes current; and</p> <p>ii) all payments due on the loan have been made with the Borrower's Own Funds.</p> <p>f) <i>Automated Tools</i>. We will not rescind coverage under a Certificate on account of a Significant Defect based on inaccurate results obtained from an Automated Tool that was identified in our Underwriting Guidelines and/or Rescission Relief Guide in effect at the time it was used (or if we cannot reasonably determine when it was used, then on the Application Date) as approved for use in underwriting loans if all of the following conditions are met:</p>	<p>See Exhibit B for a full comparison</p>	<p><b>Yes</b></p> <p>Lenders participating in the early Rescission Relief program should be aware that upon successful completion of an Independent Validation, immediate relief will be granted in place of 12-month relief offered under the 2014 policy</p> <p>The 12 payment requirement may apply to occupancy defects (see 17 (c) (iv))</p> <p>See Exhibit B for a full comparison</p>	<p>4.3</p>

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<p>i) on or before the Certificate Effective Date you did not obtain any information that conflicts with or invalidates the results obtained from the Automated Tool, or if you did obtain conflicting information, you provided such additional information to us by such date;</p> <p>ii) the information you provided in the Application accurately reflected the results obtained from the Automated Tool; and</p> <p>iii) use of the Automated Tool was in compliance with the requirements for use of such Automated Tool as specified in our Underwriting Guidelines and/or Rescission Relief Guide.</p> <p>g) <i>Single Loan Fraud by Borrower</i>. We will not rescind coverage under a Certificate for Single Loan Fraud by a Borrower if any of the following conditions is met:</p> <p>i) we completed an Independent Validation that identified no Credible Evidence of a Significant Defect and the Borrower has timely made the first 12 consecutive monthly payments on the loan with Borrower's Own Funds;</p> <p>ii) we completed or updated an Independent Validation at least 12 months following the Certificate Effective Date that did not identify Credible Evidence of any Significant Defects, without regard to the Default status of the loan before we completed the Independent Validation; or</p> <p>iii) the conditions described in paragraphs (d) or (e) of this Section 17 apply to the loan.</p> <p>h) <i>Additional document requests</i></p> <p>i) After the conditions for rescission relief described in Section 17(c)(iii) have been met relating to Original Value, we will not request additional information from the Insured to investigate a potential Valuation Defect.</p> <p>ii) After the conditions for rescission relief have been met for a loan, we will not request additional information from the Insured to investigate a potential Significant Defect related to such loan. If we become aware of Credible Evidence that an exclusion not limited by the Rescission Relief Provisions may apply, we may request additional information from the Insured to investigate such potential exclusion. If the Credible Evidence relates to Pattern Activity, our request for information may relate to such loan and/or other loans originated by the same initial Insured and involving at least one Person common to all the loans.</p> <p>iii) We will not rescind coverage under a Certificate under Section 23(e) based solely on the Insured's failure to produce the requested information unless such information is required by our Underwriting Guidelines or Servicing Guide. However, we retain our rights to request information that is required under this Policy in connection with an Insured's filing of a Claim and our ability to pursue any remedies available under this Policy for the Insured's failure to produce such files or documents.</p> <p>i) <i>Rescission relief following a Workout or refinance</i>. To the extent a loan qualifies for rescission relief under this Policy:</p> <p>i) such loan will continue to qualify for such relief following any Workout we approve; and</p> <p>ii) the rescission relief will apply to any modification of coverage under a Certificate effected in connection with a refinance of the loan insured under such Certificate.</p>	<p>See Exhibit B for a full comparison</p>	<p>Yes</p> <p>Lenders participating in the early Rescission Relief program should be aware that upon successful completion of an Independent Validation, immediate relief will be granted in place of 12-month relief offered under the 2014 policy</p> <p>The 12 payment requirement may apply to occupancy defects (see 17 (c) (iv))</p> <p>See Exhibit B for a full comparison</p>	<p>4.3</p>

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<b>Other Exclusions</b>			
<p><b>18 Data inaccuracies</b></p> <p>a) We may rescind coverage under one or more of the affected Certificates if any inaccurate data was submitted by or on behalf of the initial Insured in the Applications, if and to the extent such data inaccuracies:</p> <ul style="list-style-type: none"> <li>i) involve five or more loans insured by us and originated by the same initial Insured; and</li> <li>ii) involve the same delivery data element(s); and</li> <li>iii) differ from the information in the initial Insured or Insured’s loan files used as the basis for the Application; and</li> <li>iv) we determine that, had the information from the loan files been used to qualify the loans, such loans either: (A) would have been ineligible for insurance under this Policy; or (B) would have been eligible for insurance, but only under different terms or pricing.</li> </ul> <p>b) The only data inaccuracies covered by this Section 18 are those that occur as a result of an operational or system issue involving the electronic transmission of data to us.</p>	<p>The data inaccuracies exclusion permits us to rescind coverage on the applicable Certificates as a result of material data inaccuracies caused by operational or system issues involving electronic transmission of data to us.</p>	<p><b>Yes</b></p> <p>This life of loan exclusion aligns with the GSE rep and warranty framework</p>	<p>N/A</p>
<p><b>19 Default that occurred before coverage began or after coverage ended</b></p> <p>If the Default with respect to a loan occurred:</p> <ul style="list-style-type: none"> <li>i) before the Certificate Effective Date, we may rescind coverage;</li> <li>ii) after the Certificate is cancelled for any reason by you or us, including because of a lapse for failure to pay premium, we will notify you that coverage is no longer valid and the Claim cannot be accepted.</li> </ul>	<p>Comparable provisions, but with <i>removal of the exclusion for a first payment default.</i></p>	<p>Awareness</p>	<p>4.1(r)</p>
<p><b>20 Defects other than Significant Defects</b></p> <p>If the Servicer fails to pay the additional premium required by Section 43(c) within the time required by such Section, we may rescind coverage under the Certificate.</p>	<p>Comparable provisions, which provide that if we discover a Defect that is not a Significant Defect, we are permitted to rescind coverage on the loan if the Servicer has not timely paid any required increase in premium.</p>	<p>Awareness</p>	<p>2.7</p>
<p><b>21 Excess Insurance Benefit</b></p> <p>a) If the Claim Amount exceeds the amount of consideration that the Beneficiary paid to acquire the loan, we may reduce the Claim Amount by the amount of such excess.</p> <p>b) This Section 21 does not apply to a GSE Beneficiary.</p>	<p>Comparable provisions</p>		<p>4.1(e)</p>
<p><b>22 Failure to comply with applicable law</b></p> <p>a) We may rescind coverage under a Certificate if the Insured failed to comply with applicable law and if:</p> <ul style="list-style-type: none"> <li>i) we expect such failure to impair the ability to enforce the loan documents; or</li> <li>ii) a court or regulatory body finds, or we reasonably believe based on Credible Evidence, that the initial Insured’s origination of the loan violated one or more laws or regulations relating to the insurability of the loan.</li> </ul> <p>b) We may cancel or rescind coverage under a Certificate if we reasonably believe based on Credible Evidence that the loan violates a law or regulation.</p> <p>c) We may cancel coverage under a Certificate or deny a Claim resulting from the Insured’s failure to comply with applicable law if we reasonably expect such failure to materially increase the Insurance Benefit payable by us over what it would have been had the failure not occurred.</p> <p>d) We may reduce the Claim Amount if we reasonably determine that a failure to comply with applicable law materially increased the Insurance Benefit payable over what it would be in the absence of such failure.</p>	<p>The 2014 Master Policy permits us to rescind coverage on a loan if the loan as originated did not comply with applicable law. <i>The corresponding provision in the New Master Policy provides that:</i></p> <ul style="list-style-type: none"> <li>• We may rescind coverage under a Certificate if the Insured failed to comply with applicable law and if (1) we expect such failure to impair the ability to enforce the loan documents; or (2) a court or regulatory body finds, or we reasonably believe based on Credible Evidence, that the initial Insured’s origination of the loan violated one or more laws or regulations relating to the insurability of the loan.</li> <li>• We may cancel or rescind coverage under a Certificate if we reasonably believe based on Credible Evidence that the loan violates a law or regulation.</li> <li>• We may cancel coverage under a Certificate or deny a Claim resulting from the Insured’s failure to comply with applicable law if we reasonably expect such failure to materially increase the Insurance Benefit payable by us over what it would have been had the failure not occurred.</li> <li>• We may reduce the Claim Amount if we reasonably determine that a failure to comply with applicable law materially increased the Insurance Benefit payable over what it would be in the absence of such failure .</li> </ul>	<p><b>Yes</b></p> <p>Lenders and Servicers should ensure processes align with applicable law</p>	<p>4.1(f)</p>



2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>23 Failure to comply with conditions and Insured's obligations</b></p> <p>a) If the Servicer fails to comply with any of its post-origination obligations under this Policy in any material respect (including, but not limited to, its obligations to mitigate loss, obtain our approval of a Workout, or diligently pursue and complete Appropriate Proceedings), we may reduce the Claim Amount, in accordance with the curtailment procedures stated in our then current Servicing Guide, by the amount we reasonably determine is the estimated resulting damage (as described below).</p> <p>b) We may cancel coverage under the Certificate, effective as of the date the non-compliance first occurred (or in the case of a Claim, effective as of the Default date) or deny a Claim, if:</p> <ul style="list-style-type: none"> <li>i) we cannot reasonably estimate the damage arising from such noncompliance and we reasonably determine such noncompliance is material either to our continued acceptance of the risk or the hazard assumed; or</li> <li>ii) we determine that such noncompliance was the principal cause of the Default that results in a Claim; or</li> <li>iii) with respect to the Servicer's reporting obligations or its obligation to start or diligently pursue Appropriate Proceedings, such noncompliance continues for a period of 12 months, unless the Servicer is prevented from complying with such obligations by a government or judicially imposed moratorium of general applicability to a specific jurisdiction and not as a result of the Servicer voluntarily conforming to such a moratorium without a legal obligation to do so.</li> </ul> <p>c) If you fail to timely start Appropriate Proceedings as set forth in Section 57, the "estimated resulting damage" is the amount of any accrued and unpaid interest and Advances actually paid by the Servicer or Beneficiary during the period beginning on the date that Appropriate Proceedings should have been commenced through the date such Appropriate Proceedings are actually commenced, together with any other damages that we reasonably estimate.</p> <p>d) If a Third-Party Sale closes without our prior approval, we may reduce the Claim Amount as described in Section 74.</p> <p>e) If you fail to provide the required information or access within 30 days following our second request as provided in Sections 15(d) or (e), we may cancel coverage under the Certificate(s) for the affected loan(s) effective as of the date of such second request. If a Claim on any such loan has been submitted, we may deny the Claim.</p> <p>f) If you fail to maintain the required records or information under Sections 15(c) or (d), then, depending upon the circumstances as specified in our Servicing Guide, we may cancel or rescind coverage under the Certificate(s) for the affected loan(s). If a Claim on any such loan has been submitted, we may deny the Claim.</p> <p>g) If you fail to notify us of a Significant Defect, Single Loan Fraud or Pattern Activity or a repurchase request with respect to a loan within 30 days as required under Section 47, we may cancel or rescind coverage under the Certificate(s) for the affected loan(s). If a Claim on any such loan has been submitted, we may deny the Claim.</p> <p>h) We may cancel coverage under a Certificate for a loan or deny a Claim if we discover that the Insured, Servicer or Beneficiary has materially misrepresented or falsified any information presented to us in connection with a loan after the Certificate Effective Date.</p>	<p>The 2014 Master Policy permits us to cancel coverage or deny a Claim if the Servicer fails to provide access or information, and to reduce the Claim if the Servicer fails to satisfy its post-origination obligations under the policy and to cancel coverage or deny a Claim as a result of such failure in certain circumstances.</p> <p>The corresponding provision of the New Master Policy sets forth comparable provisions, and <i>also permits us to cancel or rescind coverage or deny a Claim (as applicable) if the Insured fails to notify us of a Significant Defect, Single Loan Fraud, Pattern Activity or a repurchase request within the time required by Section 47.</i></p>	<p style="text-align: center;"><b>Yes</b></p> <p>Lenders and Servicers should update processes to ensure MGIC is provided with notification when Lender or Servicer becomes aware of a Significant Defect, Single Loan Fraud, Pattern Activity, and/or receive a repurchase request</p>	<p>4.1(a); 4.1(h)</p>
<p><b>24 Failure to make balloon payment</b></p> <p>We may deny a Claim if:</p> <ul style="list-style-type: none"> <li>a) The Default is related to the Borrower's failure to make a balloon payment when due; and</li> <li>b) You did not offer the Borrower a renewal, refinancing or extension of the loan at current market rates before the balloon payment was due.</li> </ul>	<p>Comparable provisions</p>		<p>4.1(c); 20.3</p>
<p><b>25 Failure to satisfy Commitment conditions</b></p> <ul style="list-style-type: none"> <li>a) If any condition to coverage specified in the Commitment for a loan is not satisfied within the time specified in the Commitment, we may rescind coverage under the Certificate.</li> <li>b) We cannot rescind pursuant to this Section 25 if the Rescission Relief Provisions apply with respect to the applicable loan.</li> </ul>	<p>Comparable provisions</p>		<p>4.1(g)</p>
<p><b>26 First lien status</b></p> <p>If the security instrument did not constitute a first lien on the Property on the Certificate Effective Date, we may rescind coverage under the Certificate.</p>	<p>Comparable provisions</p>		<p>4.1(i)</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>27 Incomplete Construction</b></p> <p>a) If the principal cause of the Default giving rise to a Claim is Incomplete Construction, we may deny the Claim.</p> <p>b) Incomplete Construction will be deemed to be the principal cause of the Default if the Default was caused by any reason other than a Borrower credit-related event (e.g., a failure of any builder, contractor, or trade to complete construction of the Property in a good and workmanlike manner and in accordance with the agreed plans and specifications; mismanagement of construction draws; or disputes between the builder, contractor, or trade and the Borrower).</p> <p>c) If Incomplete Construction was not the principal cause of the Default giving rise to a Claim, we may reduce the Claim Amount as described in Section 78.</p>	<p>The 2014 Master Policy permits us to rescind coverage if the property was not completed in accordance with the applicable plans and specifications.</p> <p><i>Under the New Master Policy, we may deny a Claim if incomplete construction was the principal cause of the Default giving rise to the Claim; Incomplete Construction will be deemed the principal cause of the Default if the Default was caused by any reason other than a borrower credit-related event. If the Incomplete Construction is not the principal cause of the default, then we may reduce the Claim amount as described in Section 78.</i></p>	<p style="text-align: center;"><b>Yes</b></p> <p>Lenders and Servicers should be aware that this provision narrows the exclusion for incomplete construction. Also see section 78</p>	4.1(k)
<p><b>28 Loan acquired by natural person</b></p> <p>If the Insured or Beneficiary of a loan, at any time, is or was a natural, individual person (i.e., not an entity), we may cancel coverage under the Certificate for such loan as of the date such Insured or Beneficiary acquired the loan, or if a Claim has been submitted, we may deny the Claim.</p>	Comparable provisions		4.1(l)
<p><b>29 Non-residential property</b></p> <p>a) If the property securing the loan did not meet the definition of Property on the Certificate Effective Date, we may rescind coverage under the Certificate.</p> <p>b) If the property met the definition of Property on the Certificate Effective Date but not when the Claim was filed, we may exercise one of the following remedies if we reasonably determine the change adversely affected the use, marketability or value of the property:</p> <p style="margin-left: 20px;">i) a requirement that you restore the Property to a condition no worse than its condition on the Commitment date, Reasonable Wear and Tear excepted;</p> <p style="margin-left: 20px;">ii) reduction of the Insurance Benefit by the amount that we determine approximates the estimated restoration cost in accordance with the curtailment procedures stated in our then current Servicing Guide;</p> <p style="margin-left: 20px;">iii) if the property is not restored and we cannot reasonably estimate the restoration cost, we may settle the Claim using the Anticipated Loss Option; or</p> <p style="margin-left: 20px;">iv) if the property is not restored to a condition no worse than its condition on the Commitment date, Reasonable Wear and Tear excepted, and we reasonably determine that no Insurance Benefit would be payable if the restoration were completed, we may deny the Claim.</p>	Comparable provisions		4.1(o)
<p><b>30 Pattern Activity</b></p> <p>If we discover any Pattern Activity with respect to loans we insure, we may rescind coverage under the Certificate on one or more of the affected loans.</p>	Comparable provisions; see the revised definition of "Pattern Activity"	Awareness	4.1(j)

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>31 Physical Damage as principal cause of Default</b></p> <p>a) If the principal cause of the Default giving rise to a Claim is Physical Damage that occurred or manifested itself on or after the date we issued a Commitment, we may deny the Claim.</p> <p>b) Physical Damage will be deemed to be the principal cause of the Default if all of the following are true:</p> <ul style="list-style-type: none"> <li>i) as of the Claim submission date, the Borrower has not restored the Property to a condition no worse than its condition on the Commitment date, Reasonable Wear and Tear excepted;</li> <li>ii) either (1) the Property lacked hazard insurance covering loss arising out of the Physical Damage, or the proceeds or amount of the hazard insurance coverage were insufficient to restore the Property to a condition no worse than its condition on the Commitment date, Reasonable Wear and Tear excepted, or (2) the Property had sufficient hazard insurance covering loss arising out of the Physical Damage, but the Borrower or Servicer (x) did not submit a claim, (y) submitted a claim but has not received the proceeds of the claim or (z) received the proceeds of the claim but the proceeds were not applied to restore the Property;</li> <li>iii) we reasonably estimate the restoration costs will exceed 20% of the Original Value, Reasonable Wear and Tear excepted; and</li> <li>iv) the Default occurred after the Physical Damage occurred or manifested itself.</li> </ul> <p>c) If we notify you that we intend to deny a Claim pursuant to this Section 31 and within 60 days thereafter you notify us that you intend to restore the Property to a condition no worse than its condition on the Commitment date, Reasonable Wear and Tear excepted, then we will not deny the Claim if you complete the restoration within 180 days after you notify us of your intention to restore the Property. We will extend the time to complete restoration to one year after you notified us of your intention to restore the Property if prior to expiration of the 180-day period you provide evidence reasonably satisfactory to us that restoration is in progress (such evidence may be a signed statement of work to perform the restoration of the subject Property). If the Property is restored within the applicable period, the Perfected Claim Date will be the later of (1) the date that we receive evidence that the restoration has been completed and (2) the date that would otherwise be the Perfected Claim Date in accordance with Sections 66, 67, 68 or 92, as applicable, and we will then settle the Claim under the option we choose. No interest or Advances will be payable for the period between when we notify you of our intention to deny the Claim and when you notify us that the restoration has been completed, regardless of which Claim settlement option we choose. If the restoration period is not extended because you do not provide satisfactory evidence that restoration is in progress within the 180-day period, or if the restoration period is extended but the Property is not restored within one year after you notified us of your intention to restore the Property, we may deny the Claim.</p> <p>d) If you are restoring the Property pursuant to Section 31(c) and a Third-Party Sale occurs, the restoration must be completed within the applicable time period set forth in Section 31(c), and the Perfected Claim Date will be the date we receive satisfactory evidence that the restoration was completed.</p>	<p>See Exhibit A</p>	<p><b>Yes</b> See Exhibit A for more information</p>	<p>4.1(p)(i)</p>
<p><b>32 Physical Damage that is not the principal cause of Default</b></p> <p>If Physical Damage was not the principal cause of the Default giving rise to a Claim, we may reduce the Claim Amount as described in Section 77.</p>	<p>See Exhibit A</p>	<p><b>Yes</b> See Exhibit A for more information</p>	<p>4.1(p)(ii)</p>
<p><b>33 Pre-existing Environmental Impairment</b></p> <p>We may rescind coverage under a Certificate if an Environmental Impairment:</p> <ul style="list-style-type: none"> <li>a) Existed before the Commitment date;</li> <li>b) Was not disclosed on the Application, whether or not known by the initial Insured; and</li> <li>c) If known by us, would have resulted in our declining to insure the loan.</li> </ul>	<p>Removes cancellation as a remedy for this exclusion.</p>	<p>Awareness</p>	<p>4.1(q)</p>
<p><b>34 Release of indebtedness</b></p> <p>a) If the Borrower is no longer obligated to repay all or any portion of the loan (other than as a result of a Workout we approved and requisite premiums continue to be paid in accordance with our Servicing Guide), we will exclude that amount from the unpaid principal balance in determining the Claim Amount.</p> <p>b) If the loan is divided into secured and unsecured portions in bankruptcy proceedings, and you have continued to pay the premium for the full loan amount, we will not exclude any portion of the Claim pursuant to paragraph (a) above.</p>	<p>Comparable provisions</p>		<p>4.1(s)</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>35 Significant Defect</b></p> <p>a) If we have Credible Evidence of a Significant Defect with respect to a loan, we may rescind coverage under the applicable Certificate or offer an alternative to rescission as described in our Servicing Guide. We will decide whether a Defect is a Significant Defect.</p> <p>b) If our non-delegated underwriting process (or, with respect to loans participating in our early rescission relief program under Section 17(a), our Independent Validation process) reveals that, despite accurate information provided to us, we failed to identify a Significant Defect that should have been apparent to a qualified mortgage insurance underwriter and we erroneously insured a loan, we will not rescind coverage under the Certificate on the basis of that Significant Defect.</p> <p>c) The Rescission Relief Provisions apply with respect to a Significant Defect.</p>	<p>In the 2014 Master Policy, rescission is available when there is an "Eligibility Criteria Violation."</p> <p>In the New Master Policy, rescission is available when there is a Significant Defect. Permits us to offer an alternative to rescission as described in our Servicing Guide. Provides that if our non-delegated underwriting process (or, with respect to loans participating in our early rescission relief program under Section 17(a), our Independent Validation process) reveals that, despite accurate information provided to us, we failed to identify a Significant Defect that should have been apparent to a qualified mortgage insurance underwriter and we erroneously insured a loan, we will not rescind coverage under the Certificate on the basis of that Significant Defect.</p>	<p><b>Yes</b> Lenders and Servicers should be aware of the terminology change</p>	<p>3.1(b), 4.1(d)</p>
<p><b>36 Single Loan Fraud</b></p> <p>a) If we discover any Single Loan Fraud relating to a loan, we may rescind coverage under the Certificate.</p> <p>b) The Rescission Relief Provisions will not limit our rights under this Section 36 except as described in Section 17(g).</p>	<p>Replaces the 2014 Master Policy exclusion for "First Party Misrepresentation." See <i>definition of Single Loan Fraud</i>.</p>	<p><b>Yes</b> Lenders and Servicers should be aware of the terminology change</p>	<p>4.1(j)</p>
<p><b>37 Unapproved assumption</b></p> <p>a) We may cancel coverage under a Certificate for a loan or deny a Claim if the loan was assumed by another Person without our approval, with or without an original Borrower's release from liability for the loan.</p> <p>b) If you are prohibited by applicable law, or by a GSE, to exercise your rights under a due-on-sale clause, or if you are required by applicable law to consent to a loan assumption, we will not cancel coverage under the Certificate or deny the Claim pursuant to paragraph (a) above.</p>	<p>Comparable provision</p>		<p>4.1(b)</p>
<p><b>38 Unapproved change of loan terms or Property</b></p> <p>If you allowed a material change to the terms of the loan or to the Property without our prior approval, we may reduce the Insurance Benefit by the amount we reasonably estimate is the resulting damage. If we determine the change was the principal cause of the Default, we may deny the Claim.</p>	<p>Comparable provisions; Section 4.1(h) of the 2014 Master Policy sets forth certain remedies when the servicer fails to comply with its post-Origination obligations, and Section 4.1(o) of the 2014 Master Policy sets forth certain remedies if the property met the definition of Property on the Certificate Effective Date but not when the Claim was submitted and we reasonably determine the change in the property adversely affected the use, marketability or value of the property. Section 38 of the <i>New Master Policy</i> provides that, if you allowed a material change to the terms of the loan or the Property without prior approval, we may reduce the Insurance Benefit or, if we determine the change was the principal cause of the Default, we may deny the Claim. These provisions, in the aggregate, are comparable.</p>	<p>Awareness</p>	<p>4.1(h), 4.1(o)</p>
<p><b>39 Unapproved Servicer</b></p> <p>We may cancel coverage under a Certificate for a loan if the loan servicing is transferred to a Servicer we have not approved (if you were required to request our approval under Section 49) or to a Servicer otherwise prohibited from servicing the loan under Section 49, or if the loan continued to be serviced by a Servicer whose approval we previously revoked, provided that the Servicer's deficiencies identified by us were not corrected within 60 days, and servicing was not transferred to an approved Servicer 120 days thereafter, in accordance with Section 49.</p>	<p>Comparable provisions</p>		<p>5.4</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>40 Unapproved resale restrictions</b></p> <p>If a Property is subject to a resale restriction that we did not approve (as indicated in our approval letter to the initial Insured or our Underwriting Guidelines), we may rescind coverage under the related Certificate.</p>	<p><i>New exclusion for a Property that is subject to a resale restriction that we did not approve.</i></p>	<p><b>Yes</b> Lenders and Servicers should be aware that rescission relief does not apply if MGIC's prior approval was not obtained for loans and properties with deed or resale restrictions</p>	<p>NA</p>
<p><b>Removed: Loan Charge Off Exclusion</b></p>	<p><i>This exclusion has been deleted</i></p>	<p>Awareness</p>	<p>4.1(m)</p>
<h2 style="color: #00A651;">Your responsibilities</h2>			
<p><b>41 Condition to our obligations</b></p> <p>Our obligation to pay Insurance Benefits under this Policy is subject to your meeting the terms and requirements of this Policy.</p>	<p><i>New provision, similar to section 9.2 Claim Requirements in the 2014 policy.</i></p>	<p>Awareness</p>	<p>NA</p>
<p><b>42 RESPONSIBILITIES OF THE SERVICER</b></p> <p>a) The Servicer is the entity responsible for servicing the loan and the administrative aspects of a loan, including, but not limited to, sending monthly statements, collecting payments, maintaining records of payments and balances, conducting loss mitigation activities and enforcing the loan terms.</p> <p>b) The Servicer is the agent or authorized representative of the Insured and the authorized representative of the Beneficiary for all matters under this Policy, such as giving and receiving notices, cancelling coverage under a Certificate, paying premiums, receiving premium refunds and Insurance Benefits, settling Claims, and performing acts required of the Insured. The Beneficiary's statements, acts and omissions are binding on the Servicer to the extent they relate in any way to a Commitment or Certificate issued under this Policy or would result in acceptance of or a reduction or denial of the Insurance Benefit, or rescission of coverage under a Certificate. Also, the Insured and Beneficiary are bound by any actions or omissions of the Servicer with respect to this Policy. However, for a Beneficiary, the only effect of a Servicer's error or omission will be the non-payment or adjustment of the Insurance Benefit; the Beneficiary will have no other liability to us.</p> <p>c) If the Beneficiary is a GSE Beneficiary, the Servicer must have such GSE Beneficiary's consent to manage or dispose of any Property, receive payment of the Insurance Benefit, modify the loan or the Borrower's obligations under the loan, enter into any agreements with us relating to multiple loans owned by the GSE Beneficiary, or give any consent under this Policy on behalf of the GSE Beneficiary. The Servicer may perform any other acts of a GSE Beneficiary under this Policy without its consent, including agreeing to the resolution of individual Claims.</p> <p>d) If a subservicer is servicing a loan, the Servicer shall remain responsible for performing all obligations of the Servicer under this Policy. All statements, acts and omissions of such subservicer shall be binding on the Servicer to the same extent as if made, performed or omitted by the Servicer.</p>	<p>Comparable provisions</p>		<p>5.3</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>43 PAYMENT OF PREMIUMS</b></p> <p>a) You are solely responsible for paying all premiums due under this Policy, regardless of whether you are reimbursed by a Borrower or anyone else. You must make premium payments in a way that identifies which loans they apply to. For purposes of this Policy, premiums include all related taxes and assessments.</p> <p>b) We will promptly deposit any payments we receive. However, the premium is not deemed accepted until we reconcile the payment with the applicable loan. Our receiving, depositing, or accepting a premium payment does not waive any conditions or any of our rights or remedies under this Policy.</p> <p>c) If we discover a Defect and we determine that the loan would have been eligible for coverage despite such Defect, but at a higher premium, we may notify the Servicer and require payment of the additional premium due. The Servicer must pay the additional premium in a single payment within 60 days of receiving our notice. If we do not receive the additional premium within 60 days, we may rescind coverage under the applicable Certificate.</p>	<p>Comparable provisions; Section 43(c) <i>further provides that if a Defect is not a Significant Defect but the loan still would have been eligible for coverage at a higher premium, then we are permitted to increase the premium; if the increased premium is not paid within 60 days, we are permitted to cancel coverage.</i></p>	<p>Awareness</p>	<p>2.3, 2.4 and 2.7(a)</p>
<p><b>44 Timing of initial premium payment</b></p> <p>We must receive the initial premium payment within the time specified in our Servicing Guide for the premium plan selected on the Commitment, unless we have agreed to another date. The Commitment specifies the amount of the initial premium payment.</p>	<p>Comparable provisions</p>		<p>2.3</p>
<p><b>45 Renewal premiums</b></p> <p>We will notify you of the renewal premium payment for a loan, calculated pursuant to the premium plan identified on the Certificate. To continue coverage, you must pay the renewal premium by the date specified in the notice and as further specified in our Servicing Guide.</p> <p>To maintain coverage, you must pay premium for the period up to the date of a Default. If the Borrower cures the Default, unless you have continued to pay renewal premiums during the period after Default, within 60 days after we are notified of the cure, you must pay any premium owed or coverage under the Certificate for the related loan will lapse. Premiums paid for the period after a Default that results in a Claim will be refunded to you if an Insurance Benefit is paid.</p>	<p>Comparable provisions</p>		<p>2.4, 2.6</p>
<p><b>46 Lapse and reinstatement of coverage</b></p> <p>a) If you have not paid the renewal premium on a loan before the due date, coverage under the Certificate will end at 12:01 AM on the due date (which then becomes the "Lapse Date"), and we will cancel coverage under the Certificate effective as of the Lapse Date. However, we will continue uninterrupted coverage if we receive full payment within 60 days of the Lapse Date or, if a non-payment notice is required by applicable law, within the grace period specified in such non-payment notice or as otherwise required by law. We may also reinstate coverage under the Certificate in accordance with our Servicing Guide.</p> <p>b) If coverage has lapsed on a group of loans because of transfer, seizure or surrender of the loan servicing, you may request reinstatement of coverage only if:</p> <ul style="list-style-type: none"> <li>i) you reinstate coverage on all loans in the group; and</li> <li>ii) you pay all renewal premiums within 120 days of their Lapse Dates.</li> </ul> <p>c) Except as described in Sections 46(a) and (b), we are under no obligation to reinstate coverage that has lapsed for failure to pay renewal premium before or after a Default. If we reinstate coverage, any Claim resulting from a Default that occurred after the Lapse Date will only be covered if the entire renewal premium through the date of Default has been paid as required by our Servicing Guide. In addition, we may charge interest from each affected Certificate's Lapse Date to the date the premiums were actually paid. Interest will be calculated at the three-month Treasury Bill rate published in the Federal Reserve Board's H.15 release for the week including the renewal premium due date or such other similar commercially reasonable measure as we determine and communicate to you by notice.</p>	<p>The 2014 Master Policy provides that we will reinstate coverage after it has lapsed if the reinstatement is in accordance with our then-current reinstatement policy or, within 60 days after the grace period, we receive the full renewal premium and the Servicer demonstrates that the payment lapse was due to a change in servicing rights.</p> <p>The New Master Policy provides that we will continue coverage if we receive full payment within 60 days of the Lapse Date or, if a non-payment notice is required by applicable law, within the grace period specified in such non-payment notice or as otherwise required by law. We may also reinstate coverage under the Certificate in accordance with our Servicing Guide. <i>If coverage has lapsed on a group of loans because of a transfer, seizure or surrender of the loan servicing, the Insured is permitted to request reinstatement of coverage, but only if the Insured (1) reinstates coverage on all loans in the group and (2) pays all renewal premiums within 120 days of their Lapse Dates. We are permitted to charge interest from the Lapse Date until the date the overdue premium is paid.</i></p>	<p>Awareness</p>	<p>2.5</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>47 REQUIRED REPORTING AND NOTIFICATIONS</b></p> <p>You must provide us with a monthly servicing report by the 25th day of each month, if required, as described in our Servicing Guide. The submission of these required reports will constitute a representation by the Servicer that all information contained in such reports is true and complete in all material respects.</p> <p>If you are aware of a dispute relevant to any loan or the applicable Property, you must notify us. We have the right, but not the obligation, to defend any legal action arising from the dispute. We also have the right to direct you to commence legal action if we determine that it is necessary to protect our rights, but if we so direct, then we will pay the expenses for such legal action; provided, however, that this paragraph shall not apply to Appropriate Proceedings.</p> <p>If you are aware of a Significant Defect, Single Loan Fraud or Pattern Activity with respect to a loan, you must notify us within 30 days of discovering such information. You also must notify us, and provide us with all related documents, within 30 days whenever a loan is required to be repurchased from a GSE or any other investor. Following our receipt of such documents, we may request additional information to determine whether Section 30 or 36 applies.</p>	<p>Comparable servicing report provisions; <i>adds requirement that the Servicer notify us within 30 days after becoming aware of a Significant Defect, Single Loan Fraud or Pattern Activity. Requires the Servicer to notify us and provide all related documents within 30 days of when a loan is required to be repurchased from a GSE or any other investor.</i></p>	<p><b>Yes</b></p> <p>Lenders and Servicers should update their processes to ensure they provide MGIC notification when aware of a Significant Defect, Single Loan Fraud, Pattern Activity, and/or receive a repurchase request</p>	<p>5, 5.1</p>
<p><b>48 REQUIRED APPROVALS FOR CHANGES</b></p> <p><b>49 Change of Servicer; Deficiencies in performance</b></p> <p>a) A Servicer of a loan must be approved by us. A Servicer is deemed to be approved if we have separately issued an in-force mortgage guaranty insurance master policy in the same form as this Policy to the Servicer. Otherwise, you must request our approval of the new Servicer. Until we receive notice of and approve a change in Servicer, the Person most recently identified to us as the Servicer of the loan shall be deemed to be the Servicer of the loan.</p> <p>b) We will notify you of any Servicer deficiencies in performance and allow you 60 days to correct those deficiencies. If the Beneficiary is a GSE Beneficiary, we will provide a copy of this notice to the GSE Beneficiary.</p> <p>c) If the deficiencies are not corrected within 60 days, then we may notify you (and the GSE Beneficiary if applicable) that the Servicer's approval is revoked or limited as follows:</p> <p>i) the Servicer will no longer be permitted to service any loans, in which case the servicing of all loans must be transferred to an approved Servicer within 120 days after such notice; or</p> <p>ii) the Servicer will be permitted to continue to service the loans it services as of the effective date of our notice, but will not be permitted to service any other loans (including as result of loan transfer, origination or otherwise). If we so limit a Servicer's approval, we may thereafter revoke approval under clause (i) above without providing an additional cure period with respect to the Servicer's performance deficiencies.</p> <p>d) Subject to paying premium, coverage under a Certificate will continue uninterrupted when servicing is transferred from one approved Servicer to another approved Servicer. We may cancel coverage under a Certificate or deny a Claim if:</p> <p>i) on the date of the servicing transfer, the new Servicer is not an approved Servicer or is a Servicer whose approval is limited as described in Section 49(c)(ii) above, unless the servicing of the related loan is transferred to an approved Servicer within 120 days of our notice to the Servicer and, if applicable, the GSE Beneficiary; or</p> <p>ii) effective as of the day after the 120-day deadline stated above in Section 49(c)(i), servicing has not been transferred as required.</p>	<p>Comparable provisions</p>		<p>5.4</p>
<p><b>50 Change of Beneficiary</b></p> <p>a) If you sell, assign, or transfer a loan, the purchaser becomes the Beneficiary under the Certificate for such loan as of the transfer date.</p> <p>b) In such cases, the Beneficiary may elect to become the Insured under this Policy with respect to the related Certificate as of the transfer date, subject to all of the rights and obligations of the Insured hereunder with respect to such Certificate and the related loan.</p> <p>c) No loan transfer or change in the identity of any Insured, Servicer or Beneficiary will affect any of our rights under this Policy, regardless of the knowledge or responsibility of the new Insured, Servicer or Beneficiary relating to matters occurring before becoming an Insured, Servicer or Beneficiary.</p>	<p>Comparable provisions</p>		<p>5.5(b) and 5.5(c)</p>

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<p><b>51 Workouts; Changes to the Property or loan terms</b></p> <p>a) If you wish to effect a Workout or approve another change in loan terms or a Property, you must receive our approval in advance, unless the change is allowed by the terms of the loan, applicable law or this Policy or we have delegated our approval to accept a Workout to the Servicer by a delegation agreement we executed or under the terms of our Servicing Guide. In each case, the Servicer must report a completed Workout to us within 30 days after the Workout has been completed.</p> <p>b) Provided that you request our approval through an approved delivery method, if you request our approval and have not received our approval, denial or request for additional information within 10 business days, then the Workout is deemed to be approved.</p> <p>c) If we approve a loan modification, the premium rate for coverage will remain the same. Premiums on loans modified with our approval must be paid in accordance with instructions in our Servicing Guide and the premium plan as indicated on the original Certificate.</p> <p>d) If the Beneficiary is not a GSE Beneficiary, and the terms of the approved Workout provide that a cash contribution will be paid by the Borrower or the Borrower will execute a promissory note payable to us, then the amount of such cash contribution will be deducted from the Insurance Benefit paid for the loan, or the promissory note will be delivered to us, as specified in our Servicing Guide or otherwise as agreed. If the Beneficiary is a GSE Beneficiary, and the terms of the approved Workout involve a transfer of title to the Property by the Borrower, then unless otherwise agreed by the GSE Beneficiary and us, any cash contribution by the Borrower and any payment by the Borrower under the terms of a promissory note, less any reasonable expenses incurred in documenting and collecting the Borrower contribution or payments, will be shared by the GSE Beneficiary and us pro rata. Our pro rata share of the contribution will be calculated using a quotient, the numerator of which will be the Insurance Benefit paid, and the denominator of which will be the Total Loss.</p> <p>e) Our approval of any Workout or conveyance of the Property is not an approval of your Claim or an acknowledgment of Insurance Benefits due.</p> <p>f) If a Servicer or GSE Beneficiary has approved a Third-Party Sale pursuant to a delegation of authority, and in connection with a related Claim there is Physical Damage, we may settle the Claim using the Anticipated Loss Option. If we choose to exercise the Anticipated Loss Option in this circumstance, the Estimated Net Proceeds will be determined assuming that the sale of the Property closed without Physical Damage.</p>	<p><i>Revised to require notice of completed Workouts within 30 days and to address approval of a Third Party Sale by the Servicer or GSE Beneficiary pursuant to a delegation of authority.</i></p>	<p>Awareness</p>	<p>5.2</p>
<p><b>52 DEFAULT NOTIFICATIONS AND YOUR ONGOING RESPONSIBILITIES REGARDING DEFAULTS</b></p>			
<p><b>53 Notice of Default</b></p> <p>If the Borrower fails to make two consecutive loan payments, you must give us a notice of Default pursuant to our Servicing Guide prior to the due date of the next loan payment. If you fail to so notify us, any Claim Amount relating to such Defaulted loan will exclude any interest accrued or Advances paid between the deadline for giving us a notice of Default and the date you provide notice. If you continue to fail to so notify us for 12 or more months after the deadline for giving us a notice of Default, we may cancel coverage on the loan pursuant to Section 23(b)(iii).</p>	<p>Comparable provisions; <i>adds that if there is a failure to provide the required notice of Default, any claim amount relating to such defaulted loan will exclude any interest accrued or advances paid between the deadline for giving us a notice of the Default and the date the Insured provided the notice.</i></p>	<p>Awareness</p>	<p>6.1(a), 4.1(h)</p>
<p><b>54 Monthly Default reports</b></p> <p>a) After you give us notice of Default, you must provide us with monthly reports by the 25th day of the following month including the status of the loan and any servicing efforts taken to cure the Default or commence, pursue or complete Appropriate Proceedings. These reports must comply with the requirements in our then current Servicing Guide. This Default report is in addition to the reporting required under Section 47.</p> <p>b) You must continue to submit such monthly Default reports until a Claim is presented to us and we issue our decision to you, or the loan is no longer in Default.</p> <p>c) You must also submit a final report on the resolution of any Default in the month following the resolution.</p>	<p>Comparable provisions</p>		<p>6.1(b)</p>
<p><b>55 Cooperation in servicing efforts</b></p> <p>At our request, you must allow us to assist you in contacting the Borrower for activities such as obtaining information, setting up a payment schedule, scheduling or conducting a Property inspection, or scheduling an appraisal. We have the right to assist in efforts to mitigate any loss, including by engaging a specialty servicer or other vendor at our expense to oversee the Servicer's, Beneficiary's and their agents' activities with respect to loans. You must also provide us with information regarding all of your similar efforts to contact the Borrower and cooperate with us as reasonably necessary to enable us to engage in such mitigation and Borrower contact activities.</p>	<p>Comparable provisions</p>		<p>6.4</p>



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<p><b>56 Payment of Advances</b></p> <p>You must pay all of the following Advances related to a loan when they become due, unless prohibited by law:</p> <ul style="list-style-type: none"> <li>a) Reasonable and customary hazard and flood insurance premiums;</li> <li>b) State and local taxes, assessments and other public charges imposed on the Property, not to include late fees or other penalties;</li> <li>c) In the event of a Default, commercially reasonable and necessary expenses to maintain or protect the Property (other than expenditures to remove an exclusion from coverage, such as Physical Damage);</li> <li>d) Fees required to maintain the first lien status of the loan, including condominium fees, homeowner association dues, co-op maintenance fees, and pro-rated portions of shared fees related to the common areas attendant to the Property;</li> <li>e) Reasonable expenditures to complete Appropriate Proceedings (including moving expenses, where required by applicable law to be paid by the evicting party) and, if we have exercised the Acquisition Option or there is a Third-Party Sale that we have approved or if we otherwise require access to the Property, eviction proceedings. This includes court costs and attorneys' fees, but attorneys' fees must not exceed:               <ul style="list-style-type: none"> <li>i) 3% of the unpaid principal balance and accrued interest that is included in the allowable Claim Amount on a loan with an unpaid principal balance of \$200,000 or greater; or</li> <li>ii) the lesser of: (x) \$6,000; and (y) 5% of the unpaid principal balance and accrued interest that is included in the allowable Claim Amount on a loan with an unpaid principal balance less than \$200,000.</li> </ul> </li> </ul> <p>This limitation does not apply to reasonable attorneys' fees incurred to enforce our subrogation rights.</p>	<p>Comparable provisions</p>		<p>"Advances" in defined terms</p>
<p><b>57 Appropriate Proceedings</b></p> <ul style="list-style-type: none"> <li>a) You must commence Appropriate Proceedings by the later of the following, unless we instruct you to take other action:               <ul style="list-style-type: none"> <li>i) 30 days after the loan remains in Default for a period of six consecutive months; or</li> <li>ii) 60 days after the earliest date allowed by applicable law.</li> </ul> </li> <li>b) The deadlines noted above for commencing Appropriate Proceedings will not apply for as long as:               <ul style="list-style-type: none"> <li>i) proceedings are delayed by a court order or other legal moratorium that applies generally in a particular jurisdiction; or</li> <li>ii) you are actively pursuing a Workout with the Borrower in accordance with this Policy or have already achieved a Workout.</li> </ul> </li> <li>c) We will not give alternate instructions regarding Appropriate Proceedings on loans insured for the benefit of a GSE Beneficiary without first receiving the GSE's approval.</li> <li>d) You must diligently pursue completion of Appropriate Proceedings once commenced and in compliance with the foreclosure timelines stated in the Servicing Guide and conduct Appropriate Proceedings in a way that preserves our deficiency and subrogation rights and your ability to transfer and assign to us your rights against the Borrower. You must also follow our instructions as required by Section 59 when bidding at the foreclosure sale.</li> <li>e) Your failure to comply with the foregoing Sections 57(a) through (d) may result in the exercise of our remedies described in Section 23.</li> </ul>	<p>Comparable provisions</p>		<p>6.2(a) and (b)</p>
<p><b>58 Loss mitigation</b></p> <ul style="list-style-type: none"> <li>a) You must make commercially reasonable efforts to prevent and mitigate loss on a loan in a reasonable and prudent manner, consistent with generally accepted standards of servicing then in use in the first-lien residential mortgage industry, including with respect to loans for which there is no mortgage guaranty insurance, but in no event at a standard less than the GSE-required servicing standards then in effect. You must also comply with our Servicing Guide and any other applicable guidelines to which the Servicer or Beneficiary is subject, and as we may otherwise direct. Such prevention and mitigation efforts include diligent efforts to obtain a cure of a Default, prompt and ongoing Borrower contact, obtaining a Workout, Property inspection and appraisal, or a Third-Party Sale approved by us.</li> <li>b) Your mitigation efforts also include diligent efforts to market any Property for which a Servicer or Beneficiary has obtained title to a Property. The Servicer shall authorize and direct its broker to release to us any marketing information concerning the Property that we request.</li> <li>c) No provisions of this Policy or activities related to loss mitigation shall prevent or delay your commencing Appropriate Proceedings to enforce or satisfy the Borrower's obligations under a loan.</li> <li>d) Your failure to comply with the foregoing Sections 58(a) through (c) may result in us exercising one of our remedies described in Section 23.</li> </ul>	<p>Comparable provisions</p>		<p>6.3, 16.5</p>

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<b>59 Foreclosure bidding instructions</b> Unless we direct you otherwise or you are prohibited by applicable law, you must bid at foreclosure as we instruct in our Servicing Guide. You must receive our approval before you proceed with any other bidding instructions.	Comparable provisions		6.2(b)
<b>60 Eminent domain</b> If the Property or any portion of it is taken by eminent domain or any other government proceeding, you will require the Borrower to apply the compensation received to reduce the outstanding principal balance and interest due on the loan, to the maximum amount permitted under the loan and applicable law. Notwithstanding the foregoing sentence, documented moving or temporary housing expenses associated with the Borrower's relocation are not required to be applied to reduce the outstanding principal balance and interest due on the loan.	Comparable provisions; <i>adds that moving or temporary housing expenses associated with the Borrower's relocation are not required to be applied to reduce the outstanding principal balance and interest due on the loan.</i>	Awareness	5.9
<b>61 OUR OPTIONS UPON DEFAULT</b>			
<b>62 Filing of accelerated Claim</b> a) After receiving your notice of Default, if we request that you submit an accelerated Claim, you must do so within 60 days of our request. Our direction to submit an accelerated Claim will not restrict our rights or remedies. b) Only those Core Claim Documents that exist at the time we request the accelerated Claim must be submitted to us. c) If you do not file the accelerated Claim within 60 days of our request, the Claim Amount will exclude any interest accrued on the loan after that time. d) If we request that you file an accelerated Claim, the Servicer's obligation to pursue and complete Appropriate Proceedings and to mitigate loss will continue as if the submission of the Claim had not been accelerated. e) You will have the right, as described in Section 62(f), to file a supplemental Claim for the amount of Advances not included in the initial, accelerated Claim, but you cannot claim Advances to the extent you have recovered funds, including any Insurance Benefit we previously paid, equal to or more than the Total Loss. f) Within 90 days after completion of a foreclosure sale, deed-in-lieu of foreclosure or a Third-Party Sale closes, you may submit a supplemental Claim for Advances you paid that were not included in the accelerated Claim to the extent they would be included in the Claim Amount for, as applicable, the period through which Appropriate Proceedings were required to have been completed, the date the deed-in-lieu of foreclosure is executed, or the date the Third-Party Sale closes. g) Any information not in existence on the date that the accelerated Claim is submitted, but which would otherwise be required for a Claim to be a Perfected Claim, shall be submitted together with the supplemental Claim. If the supplemental Claim for Advances is submitted within the 90-day period described in Section 62(f) together with all required supporting documentation, we will pay any additional Insurance Benefit under this Policy within 60 days of our receipt of the supplemental Claim. For the avoidance of doubt, any additional Insurance Benefit we may pay in settlement of a supplemental Claim submitted in connection with this section will be limited to the Advances described in Section 62(f). h) No exclusion or deduction that reduced the Claim Amount or Insurance Benefit paid on an accelerated Claim shall be included in any related supplemental Claim. i) If we pay an Insurance Benefit under this Section 62, including any supplemental Claim, it will be paid under the Percentage Option. j) If a Borrower becomes current on a loan after we pay an accelerated Claim, you must repay us the Insurance Benefit within 60 days. If we pay an Insurance Benefit under this Section 62 to a Beneficiary that is a GSE Beneficiary, repayment pursuant to this subsection (j) will not be required unless the GSE Beneficiary has agreed in writing prior to our direction to submit an accelerated Claim that a refund will be payable as provided herein.	Comparable provisions		8.1
<b>63 Claim advances</b> Subject to the prior approval of any applicable GSE Beneficiary, we may advance to you a partial Insurance Benefit on terms we specify at the time of the advance. If such a Claim advance is paid to the Insured or Servicer, we will notify such GSE Beneficiary at the time we pay the Claim advance. The amount of the Claim advance will be deducted from any future Insurance Benefit we may pay with respect to the loan. If the Claim is later denied or curtailed, or coverage under the Certificate is cancelled or rescinded, you must refund the Claim advance to us.	Comparable provisions		8.2

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<b>Claims</b>			
<b>64 FILING A CLAIM</b>	<p>Comparable provisions. The 2014 Master Policy requires that Claims must be submitted within 60 days of the earliest to occur of (1) acquisition of Borrower's title, (2) sale of the property and (3) expiration of the redemption period.</p> <p><i>The New Master Policy eliminates clause ( 3, above ) and updates the events which trigger the 60 day claim filing period.</i></p> <p><i>Please see New Master Policy Section 86 ("Required repayments") below.</i></p>	<b>Yes</b> Servicers should update processes, if applicable, to no longer wait until the end of the ratification, confirmation or redemption periods to file a Claim.	9.1(a), 9.1(b), 4.1(n)
<p>a) In order to file a Claim, one of the following conditions must be met:</p> <ul style="list-style-type: none"> <li>i) completion of the foreclosure sale of the Property, regardless of whether certification, confirmation or ratification of the sale has occurred;</li> <li>ii) conveyance of title to the Property by execution of a deed-in-lieu of foreclosure; or</li> <li>iii) closing of a Third-Party Sale by the Borrower.</li> </ul> <p>b) You must file a Claim within 60 days of the first to occur of the conditions identified under Section 64(a).</p>			
<b>65 What happens if you miss the deadline</b>			
<p>If you do not file a Claim by the deadline stated in Section 64, we are not obligated to include in the Claim Amount any interest accrued or Advances you paid after the deadline passed. If the Claim is submitted more than 120 days after the expiration of the deadline stated in Section 64, then we may deny the Claim.</p>			
<b>66 Documents required</b>	Comparable provisions		9.2(a), 9.2(c), 9.2(f), "Good and Marketable Title" in defined terms, 9.2(a)(iii)
<p>To file a Claim, you must submit to us the information listed in our Servicing Guide as of the date you submit the Claim to us, including the Core Claim Documents. If we require additional information or access to the Property before your Claim can be perfected, we will request it under Section 67 and/or 68.</p> <p>a) Once you have provided the Perfected Claim Information we consider your Claim submission to be a "Perfected Claim". The date on which you have provided all Perfected Claim Information is considered the "Perfected Claim Date". A Perfected Claim does not relieve you of your obligations under Sections 67 and 68 applicable to requests made after a Claim has become a Perfected Claim, and this may result in a change to the Claim Settlement Period for such Perfected Claim.</p> <p>b) If we are acquiring the Property under the Acquisition Option, you must also provide:</p> <ul style="list-style-type: none"> <li>i) good and marketable title to the Property;</li> <li>ii) if we request, a title insurance commitment or a reasonably acceptable legal opinion that you are able to convey title to the Property;</li> <li>iii) possession of the Property, which gives us the immediate right to actual, physical and undisputed occupancy and control of the Property; and</li> <li>iv) a recordable but unrecorded deed, usual and customary for the Property location, containing customary provisions and conveying to us or our designee good and marketable title, together with all documents required to complete the transfer of title, all of which shall be executed.</li> </ul> <p>c) For the title to be good and marketable, all of the following must be true:</p> <ul style="list-style-type: none"> <li>i) there are no liens against the Property, other than those established by public bond, assessment or tax, and there are no delinquencies in their payment;</li> <li>ii) there are no encumbrances affecting the Property, other than recorded building and use restrictions and municipal or zoning ordinances or regulations that do not adversely affect the normal residential use of the Property;</li> <li>iii) the Property is currently in compliance with any applicable ordinances and regulations, and any agreements and restrictions relating to cooperative housing ownership;</li> <li>iv) there are no easements, conditions, resale restrictions, rights, or rights of way that will have a material effect on the ability to sell or transfer the Property, except for those permitted under our Underwriting Guidelines or otherwise approved by us in writing;</li> <li>v) there are no liens against the Property or claims related to toxic waste, environmental contamination, or a similar hazard under any applicable law;</li> <li>vi) if the Property is a cooperative housing unit, there is no unpaid maintenance; and</li> <li>vii) the Property has acceptable means of ingress and egress, and has rights to use public or private water and sewer facilities connected to the Property and any other water rights reasonably necessary for the use and enjoyment of the Property.</li> </ul> <p>d) If we are not acquiring the Property, you must submit, as set forth in our Servicing Guide or upon our request:</p> <ul style="list-style-type: none"> <li>i) a copy of an executed trustee's or sheriff's deed that conveys title of the Property to you, or other evidence that a foreclosure has been completed; or</li> <li>ii) if we have approved the Borrower's deed-in-lieu of foreclosure, the deed that conveyed title to you, together with other documents related to the transaction.</li> </ul> <p>e) If any of the required documents is not available, we will consider alternative documents that you submit and determine whether they are reasonably acceptable.</p>			

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<p><b>67 Additional Claim information required</b></p> <p>a) If any of the Core Claim Documents is missing from your Claim, or we require additional information to process the Claim (i.e., your Claim is not perfected with the information submitted with the initial Claim), we will notify you and request the missing or additional information within 20 days of receiving your Claim. However, we will not request, and you will not be required to resubmit, any Origination File information or documents or Closing File information or documents that were previously submitted to us in connection with the Application, Independent Validation or QC Review of the related loan. If we have any additional requests, we will make such requests within 10 business days after the Perfected Claim Date. Other than requests for access to a Property, as described in Section 68, if we have any such additional requests after the Perfected Claim Date, the Claim Settlement Period will not be extended, and the Beneficiary or Servicer must use reasonable efforts to satisfy the additional requests. We will pursue any investigations related to a Claim expeditiously and in good faith.</p> <p>b) If we have not received information we requested after 30 days, we will send you a reminder. Further, we will provide the Beneficiary with a copy of such reminder if requested by the Beneficiary. If a Claim is not perfected within 120 days of the Claim filing date, unless we and the Beneficiary have agreed to an extension or an extension is required by applicable law or an extension is expressly provided for under the terms of this Policy in Sections 67(d), 68(a) or 68(b), we will deny the Claim on that basis.</p> <p>c) If a Claim is denied without payment under this section, we will have the right to retain all premium paid in connection with the Certificate.</p> <p>d) If we approve a Third-Party Sale after you have filed a Claim but prior to it becoming a Perfected Claim, you must submit the information relating to the sale required by our Servicing Guide, no later than 60 days after the Third-Party Sale closes, and, if you have met all other Claim perfection requirements, the date you submit such information will be the Perfected Claim Date for such Claim. If the Third-Party Sale does not close within the 210-day period after the Claim was initially filed, the Perfected Claim Date for such Claim will be the 210th day, and we may settle the Claim under the Anticipated Loss Option. If we settle the Claim under the Anticipated Loss Option in this circumstance, the Estimated Net Proceeds will be determined assuming a Property value as of the date we approved the Third-Party Sale.</p> <p>e) If a Third-Party Sale is not approved by the date that is 60 days after the Claim becomes a Perfected Claim and we do not elect to settle the Claim pursuant to the Acquisition Option, then the Claim Settlement Period will not be any further extended, nor will our approval be required for a Third-Party Sale. If we approve a Third-Party Sale no later than 60 days after the Claim becomes a Perfected Claim, the Servicer or Beneficiary must submit the information relating to the sale required by our Servicing Guide, no later than 60 days after the Third-Party Sale closes. In this circumstance, the Claim Settlement Period will be extended to the 10th business day after we have received all of the information related to the Third-Party Sale. If the Third-Party Sale does not close within the 210-day period after the Claim was initially filed, the Perfected Claim Date for such Claim will be the 210th day, and we may settle the Claim under the Anticipated Loss Option. If we settle the Claim under the Anticipated Loss Option in this circumstance, the Estimated Net Proceeds will be determined assuming a Property value as of the date we approved the Third-Party Sale.</p>	<p>Comparable provision; <i>and adds the Anticipated Loss Option as a settlement option if an Approved Sale does not close within 210 days.</i></p>	<p>Awareness</p>	<p>7.1, 9.2(b), 9.2(d), 9.2(e), 9.2(f), 9.2(g)</p>
<p><b>68 Access to the Property</b></p> <p>a) If we require access to the Property for any reason, we must request it by the later of the 40th day after a Claim is filed or the 20th day after the Perfected Claim Date, and you must make your best effort to provide it. If the sole reason a Claim does not become a Perfected Claim is the Servicer's or Beneficiary's failure to provide access to the Property when requested, the Claim will become a Perfected Claim on the date Property access is provided (if such access is provided prior to the end of the 210-day period following the Claim submission date).</p> <p>b) If at the end of such 210-day period, Property access has not been provided, the Perfected Claim Date will be the 210th day, and we may settle the Claim under the Anticipated Loss Option. In this circumstance, the Estimated Net Proceeds will be determined assuming that the sale of the Property closed on the date the Claim was submitted.</p> <p>c) If we have requested access within 20 days after the Perfected Claim Date and you are unable to provide access within 210 days of filing the Claim, we may settle the Claim under the Anticipated Loss Option. In this circumstance, the Estimated Net Proceeds will be determined assuming that the sale of the Property closed on date the Claim was submitted.</p>	<p>Comparable provisions</p>		<p>9.2(b), 9.2(e)</p>

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<p><b>69 PAYMENT OF A CLAIM</b></p>			
<p>If we have received a Perfected Claim from you, subject to the terms and conditions of this Policy and the applicable Certificate, we will pay the Insurance Benefit due.</p>			
<p><b>70 Calculation of the Claim Amount</b></p>			
<p>The Claim Amount is calculated as follows:                      Unpaid principal loan balance as of Default date  <i>plus</i> Accrued interest due, calculated at the Contract Rate, subject to Section 71(b)  <i>plus</i> Allowable Advances you paid as set forth in Section 56, subject to Section 71(c)  <i>less</i> Rents or other payments you received before filing the Claim  <i>less</i> Amounts remaining in escrow that you are entitled to as of the last loan payment date  <i>less</i> Amount of pledged collateral that you are entitled to  <i>less</i> Hazard and other insurance amounts received by you or the Borrower but not applied to the loan or restoration of the Property  <i>less</i> Advances that required our approval but were unapproved  <i>less</i> Proceeds of eminent domain proceedings (if, and to the extent, not applied to reduce the unpaid principal loan balance)  <i>less</i> Proceeds of the amount paid to redeem the Property  <i>less</i> The unamortized portion of any financed mortgage insurance premium as calculated in Section 71(d), if applicable  <i>less</i> Any remaining unused interest buy-down funds, discounts or similar features of the loan                      equals Claim Amount                      The Claim Amount is then used to calculate the Insurance Benefit payable under this Policy, which is adjusted in accordance with Section 79.</p>	<p>Comparable provisions</p>		<p>4.4(c), 9.3 and 10.1</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>71 Additional requirements for determining the Claim Amount</b></p> <p>a) Unpaid principal loan balance</p> <p>i) The unpaid principal loan balance does not include capitalization of delinquent interest, penalties, or Advances, except as a result of a Workout that we approved and for which the requisite premium was paid. Upon completion of a Workout, if you seek additional coverage, then you must remit the additional premium due to us. If additional premium was required to be paid to us after an approved Workout, and such additional premium was paid, the unpaid principal loan balance will include any amounts added to the principal as a result of such Workout. If the additional premium was not paid as required, we may exclude the additions to unpaid principal balance from the Claim Amount.</p> <p>ii) If a portion of the unpaid principal loan balance has been forgiven as part of a Workout we approved, the unpaid principal balance will be the unpaid principal balance prior to such forgiveness and the Insurance Benefit will be reduced by any premium that may have been payable for the Certificate had the unpaid principal balance not been so reduced.</p> <p>iii) If the loan is divided into secured and unsecured portions in bankruptcy proceedings, we will deduct the unsecured portion of the principal balance from the Claim Amount, unless you have continued to pay the premium for the total of the secured and unsecured amounts.</p> <p>b) Interest</p> <p>i) The periods for which accrued interest is included in the Claim Amount will vary based on the payment option we select, as explained below, but will never exceed 36 months.</p> <p>ii) If an Insurance Benefit is paid under the Percentage Option, we will include in the Claim Amount accrued and unpaid interest through the earlier of the date the Claim is filed or required to be filed.</p> <p>iii) If an Insurance Benefit is paid under the Acquisition Option, we will include in the Claim Amount accrued and unpaid interest through the date we pay an Insurance Benefit.</p> <p>iv) If an Insurance Benefit is paid under the Anticipated Loss Option, we will include in the Claim Amount accrued and unpaid interest through the date we pay an Insurance Benefit, subject to subsection (v) below.</p> <p>v) If an Insurance Benefit is paid under the Anticipated Loss Option because access to the Property was not timely provided as required in Section 68, we will include in the Claim Amount accrued and unpaid interest through the date we pay the Insurance Benefit, but excluding the amounts of accrued and unpaid interest for the period during which access was requested but not provided.</p> <p>vi) If an Insurance Benefit is paid under the Third-Party Sale Option, we will include in the Claim Amount accrued and unpaid interest through the date on which the Third-Party Sale closed.</p> <p>vii) If we rescind and later reinstate coverage under a Certificate without your having provided us with new information, we will include in the Claim Amount accrued and unpaid interest through the date we pay an Insurance Benefit.</p> <p>viii) If a loan has been divided into secured and unsecured portions pursuant to proceedings under the federal bankruptcy law, we will include in the Claim Amount accrued and unpaid interest on both the secured and unsecured portions through the date interest is covered as specified for each settlement option above (but for no prior period), so long as the premium paid for coverage under the Certificate was calculated and paid based on both the secured and unsecured portions of the loan.</p> <p>ix) If a portion of the unpaid principal balance of the loan has been forgiven or forborne to the end of the amortization period as part of an approved Workout, no interest will accrue on the forgiven or forborne amount.</p> <p>c) Advances</p> <p>i) Advances will be included in the Claim Amount only to the extent that such Advances were in fact paid by the Servicer or the Beneficiary.</p> <p>ii) Advances incurred to pay anyone working for the Insured, Servicer or Beneficiary, or for your own internal costs, will not be included in the Claim Amount.</p> <p>iii) Advances will be included in the Claim Amount only with respect to the period for which interest is allowed under this Policy, as explained in Section 71(b).</p> <p>d) If we elect the Percentage Option, or the Percentage Option is used to calculate the Insurance Benefit, and all or any of the mortgage insurance premium was included in the original principal amount of the loan, the following amount will be deducted from the Claim Amount and added to the Insurance Benefit: (x) the original mortgage insurance premium amount included in the principal balance, multiplied by (y) a percentage (not to exceed 100%) equal to the unpaid principal balance described in Section 71(a), divided by the original principal balance of the loan.</p>	<p>Comparable provisions</p>		<p>4.4(c), 9.3 and 10.1</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<b>72 OPTIONS FOR PAYMENT OF INSURANCE BENEFITS TO SETTLE A CLAIM</b> It is our option to choose which method we will use for settling a Claim:	Comparable provisions		10.1
<b>73 Percentage Option</b> We will pay you the Claim Amount multiplied by the percentage of the loan that is covered, as stated on the Certificate. With the Percentage Option, you will retain the title to the Property.	Comparable provisions		10.1
<b>74 Third-Party Sale Option</b> a) If we approve a Third-Party Sale within the Claim Settlement Period, we will pay you the lesser of (i) the Claim Amount less Net Proceeds of such Third-Party Sale and less any reduction for Physical Damage, as described in Section 77, or Incomplete Construction, as described in Section 78, or (ii) the amount calculated under the Percentage Option. If we do not settle the Claim under Section 73 or 75 before the end of the Claim Settlement Period, you need not obtain our approval for a Third-Party Sale. If we settle the Claim based on a Third-Party Sale after the Claim Settlement Period, the Insurance Benefit will include the applicable amount of Section 80 interest. b) If we approve a Third-Party Sale pursuant to Section 67(e) and the sale does not close before the end of the Claim Settlement Period, we may postpone settlement of the Claim and the Claim Settlement Period will be extended to the 10th business day after we have received all of the information related to the Third-Party Sale, in accordance with Section 67(e). If the sale does not close within the 210-day period after the Claim was initially filed, we may settle the Claim under the Anticipated Loss Option or the Percentage Option, whichever is less. If we choose to exercise the Anticipated Loss Option in this circumstance, the Estimated Net Proceeds will be determined assuming a Property value as of the date we approved such Third-Party Sale. c) If a Third-Party Sale occurs without our approval and we determine that the sale price was below market value, when we calculate the Claim Amount, we will substitute the Estimated Net Proceeds for Net Proceeds when calculating the Insurance Benefit under Section 74(a).	Describes the method to calculate the Insurance Benefit when we approve a Third-Party Sale, including when the sale does not close. Under the 2014 Master Policy, if a sale is considered, but does not close, we may settle the Claim under either the Acquisition Option or the Percentage Option. <i>Under the New Master Policy, if a Third-Party Sale does not close by the 210th day after the Claim was initially filed, we may settle the Claim under the Anticipated Loss Option or the Percentage Option.</i>	Awareness	7.2, 7.3, 9.2(e), 9.2(g)(ii), 10.1(c)
<b>75 Acquisition Option</b> a) Within the later of 60 days following the Perfected Claim Date and the date we are granted access to the Property (as we may request under Section 68), we will notify you if we elect the Acquisition Option. If we do so, we will pay the Insurance Benefit, as calculated below, following receipt of the deed conveying good and marketable title to and possession of the Property. Within 45 days after we notify you of our election, you must provide us with: (i) a recordable but unrecorded deed, customary for the Property location and with customary warranties and covenants, conveying good and marketable title; (ii) possession of the Property; and (iii) any documents necessary to complete the transfer of title of the Property to us. b) We will send the deed to the Property to be recorded within 60 days of our receipt. c) The amount we will pay you is calculated as follows: Claim Amount less any reduction for Physical Damage or Incomplete Construction, as described in Sections 77 and 78. d) If we choose the Acquisition Option but you are unable to convey the title and possession of the Property within the later of 210 days of filing the Claim and 45 days after we elect the Acquisition Option, you will retain title to the Property and we may settle the Claim under the Anticipated Loss Option.	Both the 2014 Master Policy and the New Master Policy provide us with an Acquisition Option for settling a Claim.  <i>Under Section 75(a) of the New Master Policy, we have 60 days after the later of the Perfected Claim Date and the date we are granted access to the Property under Section 68 to notify the Servicer that we have elected the Acquisition Option. This is compared to 20 days after the date we obtain access to the property in Section 9.2(f) of the 2014 Master Policy.</i>  <i>Under Section 75(d) of the New Master Policy, if we choose the Acquisition Option and the Insured or Servicer is unable to convey the title and possession of the Property within the later of 210 days of filing the Claim and 45 days after we elect the Acquisition Option, we may instead settle the Claim under the Anticipated Loss Option. By comparison, under the 2014 Master Policy, if the servicer is unable to convey title and possession of the Property, we may instead settle the Claim under the Anticipated Loss Option within 210 days following the submission of the Claim.</i>	<b>Yes</b> Servicers should be aware of timing changes regarding our notification to elect the Acquisition Option. Additionally, when unable to convey title and possession, we may elect the Anticipated Loss Option	9.2(f), 10.1(a)
<b>76 Anticipated Loss Option</b> When we settle a Claim under the Anticipated Loss Option as described in Sections 67(d), 68(b), 68(c), 71(b), 74(b), 75(d), 77(a), 77(b) or 78(b), we will pay you an Insurance Benefit equal to the amount of our anticipated loss, which may result in no Insurance Benefit being payable by us.  The amount of our anticipated loss is calculated as follows: Claim Amount less Estimated Net Proceeds.	<i>Under Section 76 of the New Master Policy, the Anticipated Loss is calculated as follows: Claim Amount less Estimated Net Proceeds.</i>	Awareness	10.1(d)

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>77 Adjustments for Physical Damage to the Property</b></p> <p>a) <i>When we are able to estimate restoration costs</i> . If Physical Damage was not the principal cause of the Default giving rise to a Claim, the Property has not been restored and we are able to reasonably determine the estimated restoration costs of Physical Damage, we may reduce the Claim Amount by the amount of such costs if we elect the Acquisition Option or Third-Party Sale Option. If the estimated Physical Damage exceeds 10% of the Original Value and there is no acquisition or approved or closed Third-Party Sale by the end of the initial 60-day Claim Settlement Period, the Claim Settlement Period shall be extended until the earlier of a Third-Party Sale or, if we notify you that we intend to elect the Anticipated Loss Option, 210 days following the filing of the Claim. If no Third-Party Sale has closed by such 210<sup>th</sup> day, or if you notify us before such 210<sup>th</sup> day that no Third-Party Sale will occur, we may exercise the Anticipated Loss Option. The Servicer or Beneficiary is required to use its diligent efforts to market the Property pursuant to Section 58(b). In establishing the cost to restore the Property to a condition no worse than its condition on the Commitment date, we may either obtain a complete repair estimate from an independent third party of our choosing or rely on third party repair estimates provided by the Servicer or Beneficiary. Any estimate must be based on an examination of both the inside and outside of the Property and dwelling. If we choose our own third party estimate, we will provide a copy of it to you upon request. You have the right to appeal the amount deducted for Physical Damage in accordance with Section 91 or choose to restore the Property yourself.</p> <p>b) <i>When we are unable to estimate restoration costs</i> . If we are unable to reasonably determine the estimated restoration costs of Physical Damage, we may exercise the Anticipated Loss Option or settle the Claim under another option pursuant to Section 72.</p>	<p>See Exhibit A</p>	<p><b>Yes</b> Servicers should review Exhibit A</p>	<p>4.1(p)(iii)</p>
<p><b>78 Clarifications on adjustments for Incomplete Construction</b></p> <p>a) <i>When we are able to estimate construction completion costs</i> . If we are able to reasonably determine the estimated costs to complete construction in the case of Incomplete Construction, we may reduce the Claim Amount by the amount of such completion costs. In establishing the cost to complete the Property, we may either obtain an estimate from an independent third party of our choosing or rely on third party estimates provided by the Servicer or Beneficiary. If we choose our own third party estimate, we will provide a copy of it to you upon request. You have the right to appeal the amount deducted for Incomplete Construction in accordance with Section 91 or choose to complete construction of the Property yourself.</p> <p>b) <i>When we are unable to estimate construction completion costs</i>. If we are unable to reasonably determine the estimated costs to complete construction, we may exercise the Anticipated Loss Option or settle the Claim under another option pursuant to Section 72.</p>	<p><i>Describes the method to calculate the reduction in the Claim Amount in the case of Incomplete Construction, and when we are permitted to exercise the Anticipated Loss Option.</i></p>	<p><b>Yes</b> Review in conjunction with section 27</p>	<p>NA</p>
<p><b>79 Amounts added to or deducted from the Insurance Benefit</b></p> <p>a) We will add the following amounts to the Insurance Benefit, or remit them separately, if applicable:</p> <ul style="list-style-type: none"> <li>i) Deficiency Expenses you incurred, if we elect to participate in recovery of a deficiency judgment against the Borrower.</li> <li>ii) premiums you paid for the period after the Default date, which must be remitted separately to a GSE Beneficiary, if any.</li> <li>iii) the amount calculated in accordance with Section 71(d).</li> </ul> <p>b) We will deduct any of the following amounts from the Insurance Benefit, if applicable:</p> <ul style="list-style-type: none"> <li>i) Insurance Benefit payments we have already made to you, <i>i.e.</i> , accelerated Claims and/or Claims advances.</li> <li>ii) premiums that were due but unpaid through the date of Default or that were previously returned to you, including any unpaid premium due after an approved Workout.</li> <li>iii) our portion of any payment you received from the Borrower as a condition for approving a Third-Party Sale by the Borrower or a deed-in-lieu of foreclosure, as described by Section 51.</li> </ul>	<p>Specifies that certain Deficiency Expenses and paid premiums will be added to the Insurance Benefit, and that Insurance Benefits already paid, due and unpaid premiums and payments received from the Borrower will be deducted from the Insurance Benefit.</p>	<p>Awareness</p>	<p>10.1</p>
<p><b>80 Delayed settlement</b></p> <p>a) If we do not settle a Claim within the Claim Settlement Period, we will notify you of any investigation with respect to the loan or the Property that is still pending and work diligently to complete it expeditiously and in good faith. If we later pay the Claim, we will include interest on the amount of the Insurance Benefit from the date the Claim Settlement Period expired to the date we paid the Claim.</p> <p>b) We will calculate such interest as follows:</p> <ul style="list-style-type: none"> <li>i) for 60 days after the Claim Settlement Period expires: at the Contract Rate; and</li> <li>ii) for the 61st day and beyond: at the Contract Rate plus 10 percentage points.</li> </ul> <p>c) However, we will not add the 10 percentage points to the Contract Rate if the delay in paying the Claim is caused by the failure of payment systems beyond our control.</p>	<p>Comparable provisions</p>		<p>10.2</p>
<p><b>81 Written Explanation of Benefits (EOB)</b></p> <p>We will provide an EOB that explains the details of any Insurance Benefit paid and any decision we have made to adjust the Claim Amount or Insurance Benefit.</p>	<p>Comparable provisions</p>		<p>4.2(a)</p>



2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>82 Coordination of coverage</b></p> <p>The coverage provided under any Certificate issued under this Policy is primary mortgage guaranty insurance. The Insured shall not carry any duplicate policy of primary mortgage guaranty insurance on a loan covering the same loss. In the event of a duplicate policy, we will pay the loss on a pro rata basis with the duplicate insurer. Any Insurance Benefit that otherwise becomes payable under this Policy shall be paid by us regardless of the existence of any supplemental or second-tier credit enhancement on a loan. Supplemental or second-tier credit enhancement shall include any policy of mortgage guaranty pool insurance, supplemental primary mortgage guaranty insurance, credit insurance, reinsurance, or any other form of credit enhancement that is not a duplicate policy of primary mortgage guaranty insurance covering the same loss.</p>	<p>Comparable provisions. <i>At the request of Fannie Mae and Freddie Mac, this provision states how coverage under the New Master Policy interacts with other mortgage guaranty insurance coverages, and generally prohibits the Insured from carrying any duplicate policy of primary mortgage guaranty insurance on a loan covering the same loss.</i></p>	<p>Awareness</p>	<p>5.8</p>
<p><b>83 AFTER A CLAIM IS PAID</b></p>			
<p><b>84 Fulfillment of our obligation</b></p> <p>Upon our payment of the Insurance Benefit, including any we may pay after we settle a supplemental Claim, our liability under the Certificate is fully and finally discharged.</p>	<p>Comparable provisions</p>		<p>12.1</p>
<p><b>85 Supplemental Claims</b></p> <p>a) The Servicer or Beneficiary will be entitled to submit a supplemental Claim for allowable Advances actually paid by the Servicer or Beneficiary if such Advances were (1) incurred prior to the date the initial Claim was submitted, but not included in the initial Claim or (2) incurred after the date the initial Claim was submitted and during any period for which accrued and unpaid interest would be included pursuant to the applicable Claim settlement option as described in Section 71(b), or as described in our Servicing Guide. Nothing herein will be deemed to entitle the Servicer or Beneficiary to seek a supplemental or additional payment of anything other than such Advances. If the supplemental Claim for Advances and all required documentation related thereto are submitted within 90 days after payment of an Insurance Benefit, we will pay any amounts due within 60 days of our receipt of a true and complete supplemental Claim. If the Insurance Benefit is calculated pursuant to the Percentage Option, the Percentage Option will also be used to calculate the amount of any benefit payable under the supplemental Claim. No exclusion or deduction that reduced the Claim Amount or Insurance Benefit paid on the initial Claim shall be included in any supplemental Claim.</p> <p>b) Section 85(a) does not apply to supplemental Claims submitted in connection with accelerated Claims.</p>	<p>States that supplemental Claims will be permitted for allowable Advances incurred through the date the Claim was submitted and for any period for which interest would be included as described in Section 71(b). <i>Also specifies that Section 85 does not apply to supplemental Claims submitted in connection with accelerated Claims.</i></p>	<p>Awareness</p>	<p>9.1(c) and 8.1(d)</p>
<p><b>86 Required repayments</b></p> <p>If any Person redeems the Property after we pay a Claim, and the sum of the Insurance Benefit paid plus the redemption amount exceeds the Claim Amount, you must repay us the excess within 60 days of the redemption. If you fail to pay us such excess by such date, then (a) interest will accrue on the amount due but unpaid from the 61<sup>st</sup> day after redemption until the date paid to us, calculated at a rate per annum equal to the one-year Treasury Bill rate in effect on such 61<sup>st</sup> day, as published by the Federal Reserve Board; and (b) you agree to pay all of our collection costs, including reasonable attorneys' fees and expenses, that we incur in order to enforce our rights under this Section 86.</p>	<p><i>Sets forth our remedy if the Insured fails to return excess Insurance Benefit payment, and requires a refund of the excess Insurance Benefit payment if the Property is redeemed after we pay the Claim.</i></p>	<p><b>Yes</b></p> <p>Servicers should ensure processes are in place to refund the excess Insurance Benefit payment if the Property is redeemed after we pay the Claim</p>	<p>9.1(b)</p>
<p><b>87 Subrogation</b></p> <p>a) If we pay an Insurance Benefit, we will be subrogated to your rights with respect to the loan, Borrower and the Property. Our rights of recovery against the Borrower or any other Person are in equal priority to yours. Upon request, you will provide any information or documents necessary to transfer or assign such rights of recovery to us. You will also take any actions and cooperate with us in any actions or proceedings we pursue to enforce our rights or seek other remedies we are entitled to. Either before or after the payment of an Insurance Benefit, you are prohibited from taking any action that would affect our subrogation rights, including providing a release of liability to the Borrower.</p> <p>b) The following provision applies with respect to loans for which the related Property is located in any of the following jurisdictions: Alabama, Arizona, Illinois, Iowa, Kansas, New York, Ohio, Texas, Virginia or Wisconsin: If the Property consists of a single-family dwelling occupied by a Borrower, we do not have subrogation rights against any Borrower and no Borrower will be liable to us for any deficiency arising from a foreclosure sale.</p>	<p>Comparable provisions (including state-specific requirements in the body of the New Master Policy)</p>		<p>11.1, 20.2</p>

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>88 Pursuit of a deficiency judgment</b></p> <p>a) Each of us can elect to pursue a deficiency judgment against the Borrower independently or jointly. Neither party may pursue a deficiency judgment in an amount greater than its share of the total deficiency amount established and due after the foreclosure sale calculated as set forth in Section 88(b).</p> <p>b) Our share of a deficiency judgment is an amount equal to the Insurance Benefit paid, up to the amount of the total deficiency established and due after the foreclosure sale. Your share is the amount, if any, by which the total deficiency amount exceeds the Insurance Benefit paid. If we elect to pursue a deficiency judgment jointly with the Beneficiary, or the Servicer acting on behalf of the Beneficiary, we will execute a separate joint pursuit agreement which will provide that all expenses (including court costs, attorneys' fees and other Advances actually paid by the Servicer or Beneficiary and, except on that portion of any Insurance Benefit paid on an accelerated Claim, interest exclusive of delinquency charges and penalty rates and not compounded) associated with the preservation and pursuit of the deficiency judgment in excess of those expenses associated with the normal and customary foreclosure process in absence of deficiency judgment proceedings, and all amounts collected pursuant to the deficiency judgment will be shared pro rata by the Beneficiary and us. Our pro rata share of the recovery and expenses will be calculated using a quotient, the numerator of which shall be the Insurance Benefit paid, and the denominator of which shall be the total deficiency amount.</p> <p>c) If your pursuit of a deficiency judgment would increase the costs associated with a foreclosure, you will contact us before starting the foreclosure proceeding.</p> <p>d) If the Beneficiary, or the Servicer acting on behalf of the Beneficiary, elects to pursue a deficiency judgment and we elect not to participate, we will not be subrogated to any of the Insured's rights of recovery against the Borrower or any other Person relating to the loan or the Certificate with respect to which we have paid an Insurance Benefit. The Beneficiary, or the Servicer acting on behalf of the Beneficiary, will be responsible for all costs associated with pursuing the deficiency judgment. We will reimburse only the interest and expenses associated with the normal and customary foreclosure process in the absence of the deficiency judgment proceedings and will not reimburse any additional expenses associated with obtaining the deficiency judgment.</p> <p>e) Other than formally seeking deficiency judgments from the court, you and we are both free to pursue collection activities against the Borrower independently, as allowed by applicable law.</p>	Comparable provisions		11.3
<p><b>89 Preservation of rights; return of Insurance Benefit</b></p> <p>a) Paying an Insurance Benefit under this Policy does not affect our rights against the Borrower or anyone else who has made a misrepresentation.</p> <p>b) If we pay any Insurance Benefit and within 180 days thereafter we determine that the Insurance Benefit should not have been paid because a condition precedent to submitting the Claim or paying the Insurance Benefit was not satisfied or we miscalculated the amount of the Insurance Benefit, then within 60 days of such determination the Servicer or the GSE Beneficiary (if the GSE Beneficiary elected to receive the Insurance Benefit) shall repay the Insurance Benefit or the excess amount, as applicable.</p>	<i>States that paying an Insurance Benefit does not affect our rights against the borrower or any other person who made a misrepresentation.</i>	Awareness	10.3
<b>90 YOUR RIGHTS AFTER A CLAIM</b>			
<p><b>91 Right to appeal</b></p> <p>You have the right to appeal any Claim curtailment, Claim denial, Certificate cancellation or rescission within 90 days of our decision. If your request for reconsideration, and all information required under our Servicing Guide is not submitted within such 90-day period, your request will be denied. If you appeal before the deadline, we will reach a decision within 90 days after we receive your appeal.</p>	Comparable provisions, except that <i>the New Master Policy provides for 90 days to review the appeal</i> , whereas the 2014 Master Policy provided for 60 days.	Awareness	4.4(a), 4.4(b)
<p><b>92 Reinstatement after appeal</b></p> <p>If as a result of your appeal we reverse our decision to deny or curtail a Claim that is a Perfected Claim, or cancel or rescind coverage, we will (i) in the case of Claim denial or curtailment of a Perfected Claim pay any additional Insurance Benefit due within 10 business days of our determination to reverse our initial Claim decision, and (ii) in the case of a cancellation or rescission, reinstate coverage on the Certificate. If a Claim pending at the time of the cancellation or rescission of coverage was a Perfected Claim, the reinstatement date will be considered the new Perfected Claim Date and we will then settle the Claim within the Claim Settlement Period determined on the basis of the new Perfected Claim Date. A Claim that was not a Perfected Claim at the time of the denial or rescission or cancellation of coverage must be perfected upon reinstatement of coverage as required by Sections 66, 67 and 68, as applicable.</p>	Deleted provision stating that if a Claim was pending when coverage was rescinded, and the coverage is subsequently reinstated based solely on our reconsideration of the original rescission decision, without the production of any new information or documents, then the interest added to the calculated loss will be accumulated unpaid interest through the date we pay the Insurance Benefit.	Awareness	4.4(b), 4.4(c), 4.4(d), 4.4(e)
<p><b>93 Arbitration</b></p> <p>Any dispute related to this Policy may be settled by binding arbitration, as long as all parties involved in the dispute agree in writing to do so, with each party paying their own costs and for common costs to be shared equally. If so, the arbitration will follow the applicable rules of the American Arbitration Association, or other rules that all parties mutually agree to. The decision of the arbitrators will be final and binding, and will be enforceable in any court in the U.S.</p> <p>No party is required to submit to arbitration. A decision made by an arbitrator will not apply to any GSE Beneficiary who had not consented in writing to the arbitration.</p>	<i>States that disputes will be settled by binding arbitration only if all parties agree to this method of dispute resolution. The 2014 policy required arbitration. Given this provision, the New Master Policy will not be accompanied by state-specific endorsements that prohibit mandatory arbitration, since such endorsements are no longer necessary.</i>	Awareness	15.1, 15.2

2020 Master Policy Section Reference	Summary of Changes	Lender or Servicer Action?	2014 Master Policy Cross Reference
<p><b>94 Limitation of actions</b></p> <p>a) Any dispute or legal action, brought by or on behalf of the Insured, Servicer, or Beneficiary arising out of this Policy must be commenced within two years after the right to bring the claim, dispute, or any other legal action starts to accrue. Such right in connection with any Claim, coverage dispute, or Insurance Benefit starts to accrue upon the earlier of the following: (i) our rescission or cancellation of coverage under a Certificate; (ii) the Insured's acquisition of title to the Property; (iii) the closing of a Third-Party Sale; (iv) our denial of a Claim; or (v) our payment of any Insurance Benefit. Such right in connection with any event that is unrelated to any Claim, coverage dispute, or Insurance Benefit starts to accrue at the time that the event that caused an alleged liability is deemed to have occurred. Any dispute or legal action arising out of this Policy commencing after the two year limitation of actions period will be barred as untimely.</p> <p>b) However, you cannot initiate any legal action related to a Claim until the Claim Settlement Period has ended, unless the action is related to a rescission of coverage.</p> <p>c) In the case of rescission, cancellation of coverage, denial of a Claim, or a reduction of the Claim Amount or the Insurance Benefit, the applicable two-year period will begin on the date on which we give notice of such action.</p>	<p>Comparable provisions; <i>state variations moved to Annex A</i></p>	<p>Awareness</p>	<p>15.3</p>
<h2 style="color: #00A651;">Cancellation</h2>			
<p><b>95 CANCELLATION OF LOAN COVERAGE BY YOU</b></p> <p>a) You may cancel coverage under a Certificate at any time by notice to us, specifying the reason for cancellation and the proposed effective date of cancellation, which can be no earlier than 45 days prior to our receipt of the notice. Cancellation of a Certificate by the Servicer is binding on the Beneficiary whether or not the Beneficiary is notified. The Servicer is responsible for notifying the Beneficiary of cancellation of coverage. Any Default that occurs after cancellation of coverage under a Certificate will not be covered under this Policy.</p> <p>b) Cancellation of coverage under a Certificate cannot be requested unless the Insured is the current owner of the loan or is acting on instructions from the Beneficiary. We reserve the right to collect any unpaid or deferred premiums due at the time of cancellation.</p> <p>c) Cancellation of coverage under any Certificate will not cancel this Policy.</p> <p>d) You agree that you will not sell a loan for which coverage under a Certificate has been cancelled with any implication that it is still covered under this Policy. In addition, you agree not to misrepresent the fact that coverage under a Certificate has been modified or cancelled.</p> <p><b>96 Refund of premium</b></p> <p>a) If you cancel coverage under a Certificate with a refundable premium plan, we will refund the applicable portion based on our premium schedule and the cancellation schedule, which is posted on our website.</p> <p>b) No premium will be refunded:</p> <p style="padding-left: 20px;">i) if a notice of Default was submitted before cancellation of coverage, unless you waive your right to any Insurance Benefit under the Certificate for the loan; or</p> <p style="padding-left: 20px;">ii) if it applies to the period more than 45 days before the date we received your notice of cancellation. If we do not receive your notice within 45 days of any required cancellation or termination date, you will be responsible to return to the Borrower any premium paid to us for the period more than 45 days before the date we received your notice, in addition to any refunded premium you received from us, if applicable.</p>	<p>Comparable provisions; <i>adds that no premium will be refunded if a notice of Default was submitted before cancellation of coverage, unless the Insured waives its right to any Insurance Benefit under the related certificate; additionally states that the Insured agrees that it will not sell a loan for which coverage under a Certificate has been cancelled with any implication that it is still covered under the Policy and will not misrepresent the fact that coverage has been modified or cancelled.</i></p>	<p>Awareness</p>	<p>3.3, 3.4, 3.5</p>
<p><b>Removed: Option to Acquire a Loan</b></p>	<p>This provision is not included in the new Master Policy</p>	<p>Awareness</p>	<p>8.3</p>
<p><b>Annex A - State Variations</b></p>	<p>Annex A of the New Master Policy sets forth various state-specific variations to the policy form. Annex A will replace the corresponding state-specific endorsements that accompany the 2014 Master Policy.</p>	<p>Awareness</p>	<p>Various state-specific endorsements</p>

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Exhibit A

Summary of Section 31 ("Physical Damage as principal cause of Default") and Section 77 ("Adjustments for Physical Damage to the Property") of New Master Policy

<u>2014 Master Policy Physical Damage Exclusion</u>	<u>New Master Policy Physical Damage Exclusion</u>
<p>If the Physical Damage was the principal cause of the Default ("PCD") giving rise to the Claim, we may issue a Claim Denial Notice denying the Claim in full. Physical Damage is deemed to be the principal cause of default if either (1) there is direct evidence that the Physical Damage led to the Default, or (2) the following five prongs are met.</p> <ul style="list-style-type: none"> <li>i. as of Claim submission date, Borrower has not restored the Property to its Commitment date condition</li> <li>ii. we reasonably determine that the estimated cost to restore the Property would equal or exceed 25% of the UPB of the Loan</li> <li>iii. Property uninsured or underinsured for loss arising from Physical Damage</li> <li>iv. Default occurred on or after the date that the Physical Damage occurred or manifested itself</li> <li>v. the Property is Uninhabitable</li> </ul>	<p>The New Master Policy removes the direct evidence option from the 2014 Master Policy. We will evaluate Physical Damage as PCD based on the following four prongs.</p> <ul style="list-style-type: none"> <li>i. comparable provision</li> <li>ii. "25% of the UPB of the Loan" changed to "20% of the Original Value [of the Property]"</li> <li>iii. comparable provision</li> <li>iv. comparable provision</li> <li>v. prong removed</li> </ul>
<u>2014 Master Policy Result</u>	<u>New Master Policy Result</u>
<p>Claim is denied if Physical Damage is deemed the PCD.</p>	<p>If Physical Damage is deemed the PCD and the Servicer does not notify us of intent to restore Property within 60 days of notice of our intent to deny, then the Claim may be denied.</p> <p>If the Servicer notifies us of intent to restore Property within 60 days of notice of intent to deny, then the Servicer has 180 days to restore Property to its condition on the commitment date, reasonable wear and tear excepted (up to 1 year with extension of time).</p> <p>If Property is not timely restored, then Claim may be denied. If Property is timely restored, then we settle Claim using the Claim settlement option we choose.</p>
<p>If Physical Damage is not deemed the PCD, and we are able to estimate restoration costs, then we may elect the Acquisition Option, the Percentage Option, or approve a Pre-Settlement Sale. If Physical Damage is not deemed the PCD, and we are unable to estimate restoration costs, we may elect the Anticipated Loss Option ("ALO"). In the case of the Acquisition Option, Pre-Settlement Sale, and ALO, we will reduce the Insurance Benefit on account of the Physical Damage.</p>	<p>Comparable provisions, except we may elect the ALO both when we are unable to estimate restoration costs, and when we are able to estimate restoration costs but the amount of Physical Damage is 10% or more of the Original Value, and no Third-Party Sale has occurred within 210 days of the filing of Claim.</p>

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**Exhibit B**

**Summary of Section 17 ("Limitations on our right to rescind coverage") of New Master Policy**

The loans we insure are originated by banks and other mortgage lenders. The vast majority of those loans are then sold to one of the Government Sponsored Enterprises, Fannie Mae or Freddie Mac ("GSEs"), which becomes the beneficiary of the insurance coverage. The GSEs are the coverage beneficiaries on the vast majority of the loans we insure.

The GSEs requested an update to the policy provisions in our 2014 Master Policy that govern when we are permitted to rescind coverage of a loan, and the circumstances under which we are no longer permitted to exercise the remedy of rescission. These provisions, which we refer to collectively in the New Master Policy being submitted as the "Rescission Relief Provisions," are set forth in Section 17 of the New Master Policy.

Subject to certain exceptions, the 2014 Master Policy generally provides that we cannot rescind coverage of a loan if:

- The Borrower has established a history of timely payments for the first 36 months the loan was in effect; the 36<sup>th</sup> loan payment is not 30 days delinquent; all loan payments were made from the Borrower's own funds; not more than two loan payments were 30 days delinquent; no single loan payment was 60 or more days delinquent; and the loan is not subject to a Workout (as further described in the Section 4.3(a) of the existing policy) ("36-month Relief"); or
- For eligible loans included in the early rescission relief program, the Borrower has established a history of timely payments for the first 12 months the loan was in effect; the 12<sup>th</sup> loan payment is not 30 days delinquent; all loan payments were made from the borrower's own funds; and we determine, based on our Independent Validation (Underwriting Review and Validation) of loan file information, that the loan is eligible for rescission relief, as further described in Section 4.3(b) of the existing policy ("12-Month Relief") or the applicable endorsement.

Under the 2014 Master Policy, 36-Month Relief and 12-Month Relief do not apply if there is a "First Party Misrepresentation" or "Pattern Activity," in each case based on "Credible Evidence," as those terms are defined in the 2014 Master Policy.

The New Master Policy includes a comparable provision for 36-Month Relief in Section 17(d) of the New Master Policy and the following additional Rescission Relief Provisions:

- Replaces the 12-Month Relief provision with another early rescission relief provision that applies to eligible loans included in the early rescission relief program at the time the insurance application was submitted and when we have successfully completed an Independent Validation of the loan. These provisions are set forth in Section 17(a) and (c) of the New Master Policy and in our Rescission Relief Guide (the Rescission Relief Guide is available on our website and is updated periodically; the updates apply only to loans originated after the update is published). If we are unable to make a determination or complete the Independent Validation within 180 days because the insured failed to provide the requisite information, then early rescission relief will not be available for that loan.
- Provides that we cannot rescind coverage on account of a Significant Defect if the borrower has established a history of timely payments for the first 60 months the loan was in effect and all loan payments were made from the borrower's own funds, as further described in Section 17(e) of the New Master Policy.
- Provides that we cannot rescind coverage on account of a Significant Defect based on inaccurate results obtained from an Automated Tool that we approve, as further described in Section 17(f) of the New Master Policy.
- Provides that we cannot rescind coverage on account of Single Loan Fraud by the Borrower under certain circumstances, such as where we have successfully completed an Independent Validation and the Borrower has established a history of making the requisite timely payments on the loan from the borrower's own funds, or if rescission relief available at 36 months or 60 months applies (see Sections 17(d) and (e)), as further described in Section 17(g)).

The New Master Policy provides that rescission relief is not available in the case of Single Loan Fraud (except in the case of borrower fraud as described in Section 17(g)) or Pattern Activity. See Sections 30 and 36.

The 2014 Master Policy and the New Master Policy include comparable provisions with regard to when we are permitted to request additional documentation after a loan becomes eligible for rescission relief. See Section 4.3(d) of the 2014 Master Policy and Section 17(h) of the New Master Policy.

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Definitions	Wording of Definition in the 2020 Master Policy	Comments
Automated Tool	"Automated Tool" means a system, process or tool used by us or the initial Insured that we have approved for use in underwriting or validating a loan in accordance with the requirements for such usage described in our Underwriting Guidelines.	New definition. Used in: <ul style="list-style-type: none"> <li>Sections 11(a) and 17(f) (stating that the Insured must use Automated Tools in the manner specified in our applicable guide)</li> </ul>
Core Claim Documents	"Core Claim Documents" means all of the following, unless otherwise specified in the Servicing Guide: (i) a completed Claim form and all other information and supporting material required by our Underwriting Guidelines in effect on the Application date for information relating to origination of the loan, and by the Servicing Guide in effect on the date of Default for all other required information; (ii) information demonstrating that title has been acquired by the Servicer, Beneficiary or a third party, if applicable; and, upon request, and if not already provided; (iii) the Origination File; (iv) the Closing File; and (v) the Servicing File.	New definition. Lists the minimum set of required documents that must be submitted for a claim. Used in: <ul style="list-style-type: none"> <li>Section 62, "Filing of accelerated Claim"</li> <li>Section 66, "Documents required"</li> <li>Section 67, "Additional Claim information required"</li> </ul>
Defect	"Defect" means a misstatement, misrepresentation, omission, or data inaccuracy in connection with the origination or closing of a loan or the Application, as we determine based on Credible Evidence. The only remedy available for a Defect (unless such Defect is a Significant Defect) is as described in Section 43(c).	New definition. Used in: <ul style="list-style-type: none"> <li>Definition of "Significant Defect"</li> <li>Section 43 (relating to our remedy of repricing the premium in connection with certain Defects)</li> </ul>
Delegated Underwriting Program Guide	"Delegated Underwriting Program Guide" means the specific procedures and processes included in our Servicing Guide and/or Underwriting Guidelines with which the initial Insured must comply to be eligible for, and maintain eligibility with, our delegated underwriting program. We may change the Delegated Underwriting Program Guide at any time by giving notice to the initial Insured or posting the changes on our website.	New definition. Used in: <ul style="list-style-type: none"> <li>Section 9, "Delegated vs. non-delegated underwriting"</li> <li>Section 11, "Your responsibilities for each Application"</li> <li>Section 15, "Monitoring of loan manufacturing process; auditing procedures"</li> </ul>
Incomplete Construction	"Incomplete Construction" means a failure to obtain a certificate of occupancy and to complete construction, rehabilitation or remodeling of a Property in accordance with approved plans and specifications in a good and workmanlike manner, or as indicated in the Original Value.	New definition. Used in: <ul style="list-style-type: none"> <li>The exclusion in Section 27, "Incomplete Construction"</li> <li>Section 74, "Third-Party Sale Option"</li> <li>Section 75, "Acquisition Option"</li> <li>Section 78, "Clarifications on adjustments for Incomplete Construction"</li> </ul>
Independent Validation	"Independent Validation" means the review of a loan we conduct pre- or post-closing to determine if early rescission relief under Section 17 applies. Independent Validation for the full loan includes a review of the Application and the Origination File (in whole or in part) to confirm that a loan meets the applicable Underwriting Guidelines and that there are no Significant Defects. If you do not qualify for the Closing File submission exception (as specified in our Rescission Relief Guide), Independent Validation also includes a comparison of the Closing File to the Application and Commitment. A QC Review qualifies as an Independent Validation. In the case of early rescission relief applicable only to Original Value, Independent Validation means a review of the Property's Original Value and related materials required to be submitted by our Rescission Relief Guide to confirm that there are no Valuation Defects.	New definition; replaces the term "Underwriting Review and Validation" as used in the 2014 Master Policy. Used in: <ul style="list-style-type: none"> <li>Section 17, "Limitations on our right to rescind coverage"</li> <li>The exclusion in Section 35, "Significant Defect"</li> <li>Section 67, "Additional Claim information required"</li> </ul>

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Definitions	Wording of Definition in the 2020 Master Policy	Comments
Pattern Activity	<p><b>Pattern Activity</b> means misstatements, misrepresentations or omissions:</p> <ul style="list-style-type: none"> <li>o involving three or more loans we insure that were originated by the same initial Insured;</li> <li>o made, with or without knowledge of the initial Insured, in connection with the origination or closing of the loans, or the Applications, pursuant to a common pattern or activity and that involve at least one party common to all of the loans;</li> <li>o that constitute Significant Defects; and</li> <li>o if the initial Insured is the common party, involve the same individual, or if another party is the common party, involve the same individual or entity.</li> </ul>	<p>Updated definition, including the following revisions: (1) applies when three (rather than two) loans are involved and (2) the conduct must constitute a Significant Defect. Used in:</p> <ul style="list-style-type: none"> <li>- Section 17(h)(ii), "Limitations on our right to rescind coverage"</li> <li>- The exclusion in Section 23, "Failure to comply with conditions and Insured's obligations"</li> <li>- The exclusion in Section 30, "Pattern Activity"</li> <li>- Section 47, "Required Reporting and Notifications"</li> </ul>
Perfected Claim	<p><b>Perfected Claim</b> has the meaning set forth in Sections 66, 67 and 68 [of the New Master Policy].</p>	<p>Updated definition. Used in:</p> <ul style="list-style-type: none"> <li>- Section 66, "Documents required"</li> <li>- Section 67, "Additional Claim information required"</li> <li>- Section 68, "Access to the Property"</li> </ul>
Perfected Claim Date	<p><b>Perfected Claim Date</b> has the meaning set forth in Sections 31(c), 66, 67, 68 or 92, as applicable [of the New Master Policy].</p>	<p>New definition. Used in:</p> <ul style="list-style-type: none"> <li>- Section 31, "Physical Damage as principal cause of Default"</li> <li>- Section 66, "Documents required"</li> <li>- Section 67, "Additional Claim information required"</li> <li>- Section 68, "Access to the Property"</li> <li>- Section 92, "Reinstatement after appeal"</li> </ul>
Perfected Claim Information	<p><b>Perfected Claim Information</b> means the Core Claim Documents, any additional information we may request pursuant to Section 67, and access to the Property, if requested within the time required for requests made prior to Claim perfection in Section 68.</p>	<p>New definition. Used in:</p> <ul style="list-style-type: none"> <li>- Section 66, "Documents required"</li> </ul>
Physical Damage	<p><b>Physical Damage</b> means any injury, physical damage or impairment to a Property that we reasonably estimate to be in excess of the greater of \$5,000 or 2% of the Original Value, whether caused by accident, natural disaster or otherwise, including due to any of the following: physical injury or destruction of tangible property; demolition by any entity; defects in construction, rehabilitation or remodeling; defects in materials; infestation; land subsidence; earth movement or slippage; earthquake; volcanic activity; avalanche; flood, wind, hurricane, tornado; wildfire; any act of God; any event declared a disaster by the Federal Emergency Management Agency or other governmental agency; riot, insurrection, terrorism, civil strife or war; or any Environmental Impairment. The presence of radon gas, lead paint, or asbestos in a dwelling does not constitute Physical Damage.</p>	<p>Updated definition. We must reasonably estimate that damage to a Property exceeds the greater of \$5,000 or 2% of the Original Value to constitute Physical Damage. Used in:</p> <ul style="list-style-type: none"> <li>- The exclusion in Section 31, "Physical Damage as a principal cause of Default"</li> <li>- Section 32, "Physical Damage that is not the principal cause of Default"</li> <li>- Section 51, "Workouts; Changes to the Property or loan terms"</li> <li>- Section 56, "Payment of Advances"</li> <li>- Section 74, "Third-Party Sale Option"</li> <li>- Section 75, "Acquisition Option"</li> <li>- Section 77, "Adjustments for Physical Damage to the Property"</li> </ul>
QC Review	<p><b>QC Review</b> means a quality control review of an Application or an insured loan that we conduct in accordance with our quality control processes and procedures.</p>	<p>New definition. Used in:</p> <ul style="list-style-type: none"> <li>- Definition of Independent Validation</li> <li>- Section 67, "Additional Claim information required"</li> </ul>

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Definitions	Wording of Definition in the 2020 Master Policy	Comments
Rescission Relief Guide	"Rescission Relief Guide" means our guide or the section of our Servicing Guide and/or Underwriting Guidelines describing the loan types or programs eligible, and documentation and submission requirements for obtaining, early rescission relief as set forth in Section 17(a). We may change the Rescission Relief Guide at any time by notice to the initial Insured or posting the changes on our website.	New definition. Used in: <ul style="list-style-type: none"> <li>Section 4, "Documents that constitute our agreement"</li> <li>Section 7, "Communications"</li> <li>Section 17, "Limitations on our right to rescind coverage"</li> </ul>
Significant Defect	"Significant Defect" means a Defect existing on the Certificate Effective Date that is in any respect material to our acceptance of the risk or the hazard assumed under our Underwriting Guidelines in effect when you submit the Application, such that had we known of the Defect we would not have insured the loan, regardless of whether the Defect causes a Default or contributes to the Claim Amount, including for example: (i) the underwriting of the Borrower's creditworthiness and ability to borrow funds or repay the loan or the Borrower's eligibility and qualification or the Borrower's identity; (ii) the underwriting criteria related to the Property or project eligibility; the Property appraisal or the physical or environmental condition of the Property; (iii) loan terms and criteria or any terms and criteria set forth in any negotiated provision; (iv) a life-of-loan exclusion in this Policy for which rescission is a remedy; (v) requirements applicable to the closing and sale of the loan; or (vi) the form and/or execution of required loan and mortgage documents, without which the loan would be ineligible for insurance or the enforceability of the mortgage terms would be limited.	New definition. Used in: <ul style="list-style-type: none"> <li>Section 12, "Representations by the Insured"</li> <li>Section 17, "Limitations on our right to rescind coverage"</li> <li>The exclusion in Section 23, "Failure to comply with conditions and Insured's obligations"</li> <li>The exclusion in Section 35, "Significant Defect"</li> <li>Section 47, "Required Reporting and Notifications"</li> </ul>
Single Loan Fraud	"Single Loan Fraud" means we find clear and convincing evidence of, or a legal judgment or other legally binding determination confirms, a knowing misstatement, misrepresentation, or omission by any Person in connection with the origination or closing of a loan, or the Application, that was intended to: (i) defraud any party involved in the transaction; or (ii) obtain any insurance, money, funds, credits, assets, securities, or other properties from any party involved in the transaction by means of fraudulent pretenses, representations, or promises. Single Loan Fraud includes a Valuation Defect where there is clear and convincing evidence that the appraiser manipulated, inappropriately utilized or misrepresented information in producing the appraisal report that established the Original Value.	Replaces the 2014 Master Policy definition "First Party Misrepresentation" and uses the term "clear and convincing evidence" rather than "Credible Evidence." Used in: <ul style="list-style-type: none"> <li>Section 17(g), "Limitations on our right to rescind coverage"</li> <li>The exclusion in Section 23, "Failure to comply with conditions and Insured's obligations"</li> <li>The exclusion in Section 36, "Single Loan Fraud or other fraud"</li> <li>Section 47, "Required Reporting and Notifications"</li> </ul>
Valuation Defect	"Valuation Defect" means (i) a percentage variance of 15% or more between the Original Value and the opinion of market value for the subject Property as determined by a licensed appraiser in an appraisal report prepared at our request as of the date of the Original Value in compliance with industry standard appraisal practices, or another generally accepted industry standard for retrospective valuation, and (ii) the loan-to-value ratio calculated as of the Certificate Effective Date using the retrospective value did not meet our Underwriting Guidelines applicable to the loan. The percentage variance is the quotient determined by dividing the difference between the two values by the Original Value, expressed as a percentage. A Valuation Defect is a Significant Defect.	Replaces the 2014 Master Policy definition "Material Value Variance." Used in: <ul style="list-style-type: none"> <li>Sections 17(c), (d) and (h), "Limitations on our right to rescind coverage"</li> </ul>
Workout	"Workout" means a deed-in-lieu of foreclosure, a Third-Party Sale by the Borrower or any forbearance, modified repayment plan, or other modification of a loan.	Replaces the 2014 Master Policy definition "Workout". Used in: <ul style="list-style-type: none"> <li>Section 17(d)(vi), "36-month limitation"</li> <li>Section 17(j), "Rescission relief following a Workout or refinance"</li> <li>The exclusion in Section 23, "Failure to comply with conditions and Insured's obligations"</li> <li>The exclusion in Section 34, "Release of indebtedness"</li> <li>Section 51, "Workouts; Changes to the Property or loan terms"</li> <li>Section 57, "Appropriate Proceedings"</li> <li>Section 58, Loss mitigation"</li> <li>Section 71, "Additional requirements for determining the Claim Amount"</li> </ul>