

United Guaranty

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## SERVICING REQUIREMENTS

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For Commitments and Certificates issued on or after November 1, 2013

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## ACTIVATIONS

[Click here](#) for the **Activations Quick Reference Guide**.

In order to activate coverage, submit the following information by electronic notification.

Loan Closing Date: _____	Lender Loan #: _____
Borrower's 1 <sup>st</sup> Payment Date: _____	Date: _____
(** PostPay® - no premium due at this time. Go to <a href="http://www.ugmiguide.com">www.ugmiguide.com</a> to activate.)	

When servicing of a loan is transferred at the time of loan closing, please enter the name and address of the new servicer on the remittance copies of the Commitment and Certificate where indicated.

<b>New Servicer Information:</b>	
Lender Loan #: _____	
New Servicer Name: _____	Address: _____
City, State, ZIP: _____	

Activations must be submitted prior to the Commitment Expiration Date on the Commitment and Certificate. [Click here](#) for information on Reinstatements.

Commitment Date:	03/23/2012	Premium Period:	Monthly	Renewals:	Level
Expiration Date:	07/23/2012	Coverage %:	25%	MI Type:	PostPay®, Borrower Paid MI
Insured Loan Amount:	\$100,000	Refundable:	Yes		
Submission Type:	Standard				

For information on Payment Methods, [click here](#).

In the event of underpayment of the initial premium, United Guaranty will send a notification in writing to request the remainder of the payment. Failure to remit the remaining amount within 15 days of notification will result in a follow-up notice and possible expiration of the Commitment and Certificate.

### Initial Premium Payment—Non-PostPay® (Monthly, Annual, Single)

Certificate number, closing date, and the initial premium payment should be remitted to United Guaranty for activation of coverage. For payment by check, please note the closing date. United Guaranty will promptly process the payment, and the insurance will be effective as of the loan closing date.

For **Monthly**, only one month of the mortgage insurance premium must be collected at closing for loans that use the Monthly Premium payment option.

For **Annual**, collect an entire year of the mortgage insurance premium at closing.

For **Single**, collect the entire mortgage insurance premium for life of loan (full term).

The Commitment and Certificate will indicate a premium period, the premium amount due at closing, and the annualized premium factor for the first year and for each subsequent year of coverage. United Guaranty will accept one year's premium when a lender chooses to collect more than one month's premium at closing.

**Example of Monthly:**

<b>Commitment Date:</b>	03/23/2012	<b>Premium Period:</b>	Monthly	<b>Renewals:</b>	Level
<b>Expiration Date:</b>	07/23/2012	<b>Coverage %:</b>	25%	<b>MI Type:</b>	Borrower Paid MI
<b>Insured Loan Amount:</b>	\$100,000	<b>Refundable:</b>	Yes		Performance Premium
<b>Submission Type:</b>	Standard				
<b>Premium Due to Activate:</b>	\$63.13	<b>Rate with Taxes/Surcharges:</b>			0.75756%
<b>Premium without Taxes</b>	\$62.50	<b>Years 2-10 with Taxes/Surcharges:</b>			0.75756%
		<b>Years &gt;10 with Taxes/Surcharges:</b>			0.20208%
<b>1<sup>st</sup> Year Premium Factor:</b>	0.750%	<b>Surcharge:</b>	\$0.63		1.000%
<b>Years 2-10 Premium Factor:</b>	0.750%				
<b>Years &gt; 10 Premium Factor:</b>	0.200%				

**Example of Annual:**

<b>Commitment Date:</b>	03/23/2012	<b>Premium Period:</b>	Annual	<b>Renewals:</b>	Level
<b>Expiration Date:</b>	07/23/2012	<b>Coverage %:</b>	25%	<b>MI Type:</b>	Borrower-Paid
<b>Insured Loan Amount:</b>	\$180,000.00	<b>Refundable:</b>	Yes		Performance Premium®
<b>Submission Type:</b>	Full File				
<b>Premium Due/Annual:</b>	\$747.59	<b>Rate with Taxes/Surcharges:</b>			0.41533%
<b>Premium without Taxes</b>	\$738.00	<b>Years 2-10 with Taxes/Surcharges:</b>			0.41533%
		<b>Years &gt;10 with Taxes/Surcharges:</b>			0.20260%
<b>1<sup>st</sup> Year Premium Factor:</b>	0.410%	<b>County Tax:</b>			0.000%
<b>Years 2-10 Premium Factor:</b>	0.410%	<b>Municipal Tax:</b>			0.000%
<b>Years &gt; 10 Premium Factor:</b>	0.200%	<b>Net Local Tax:</b>			0.000%
		<b>Surcharge:</b>	FLORIDA		1.300%
		<b>Total Tax:</b>			\$9.59

**Example of Singles:**

<b>Commitment Date:</b>	03/23/2012	<b>Premium Period:</b>	Single	<b>Renewals:</b>	N/A
<b>Expiration Date:</b>	07/23/2012	<b>Coverage %:</b>	25%	<b>MI Type:</b>	Borrower-Paid
<b>Insured Loan Amount:</b>	\$100,000.00	<b>Refundable:</b>	Yes		Performance Premium®
<b>Submission Type:</b>	Standard				
<b>Premium Due to Activate:</b>	\$2,612.50	<b>Rate with Taxes/Surcharges:</b>			2.61250%
<b>Premium without Taxes:</b>	\$2,500.00	<b>County Tax:</b>	FRANKLIN		2.000%
<b>Rate:</b>	2.500%	<b>Municipal Tax:</b>	FRANKFORT		1.500%
		<b>Net Local Tax:</b>			3.500%
		<b>Surcharge:</b>	KENTUCKY		1.000%
		<b>Total Tax:</b>			\$87.50
					\$25.00
					\$112.50

## Initial Premium—PostPay® (Monthly Only)

For PostPay® monthly premium, no premium is due at loan closing. Immediately after the loan closes, submit the new loan servicer information and the loan closing date to [postpay@ugcorp.com](mailto:postpay@ugcorp.com). PostPay loans can also be activated with the PostPay Activation option on United Guaranty's MI Guide® website under PC Unite® or through the Loan Boarding program. United Guaranty's insurance is in force from the day of closing.

If submitting the Commitment and Certificate, please complete the following sections prior to submitting the loan for activation.

Loan Closing Date: _____	Lender Loan #: _____
Borrower's 1 <sup>st</sup> Payment Date: _____	Date: _____
(** PostPay® - no premium due at this time. Go to <a href="http://www.ugmiguide.com">www.ugmiguide.com</a> to activate.)	

<b>New Servicer Information:</b>	
Lender Loan #: _____	
New Servicer Name: _____	Address: _____
City, State, ZIP: _____	

Premium due will be billed the month following activation or your next [billing cycle](#) and is due by the end of the following month.

PostPay: Example		
January 12	February 1	March 1
<ul style="list-style-type: none"> <li>• Loan closes; customer activates loan and pays no initial premium.</li> <li>• Coverage is effective as of the closing date.</li> </ul>	<ul style="list-style-type: none"> <li>• United Guaranty bills the initial premium.</li> <li>• Premium is due for the month of February.</li> <li>• Premium is due by the end of March.</li> </ul>	<ul style="list-style-type: none"> <li>• United Guaranty bills the renewal premium.</li> <li>• Premium is due for March.</li> <li>• March premium is due by the end of April.</li> </ul>

# CANCELLATIONS

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## Cancellation of Coverage

A [Request for Cancellation](#) form should be completed and sent to the [Servicing Department](#) via fax, mail, or email within 60 days of the cancellation date. Please sign and date all mailed, emailed, or faxed correspondence.

In lieu of a cancellation form, a letter or email including the following information may be provided:

1. Certificate number.
2. Borrower's name.
3. Property address.
4. Reason for cancellation.
5. Exact address where check should be sent, if applicable.
6. If cancelling due to loan payoff, documentation may be required.

United Guaranty reserves the right to require documentation of the date of loan payoff.

## Cancellation of Coverage—Refund or Premium Due

For convenience, use the Cancellation Refund Schedules on United Guaranty's Web page ([https://www.ugcorp.com/mi\\_tools/cancellation\\_refund.html](https://www.ugcorp.com/mi_tools/cancellation_refund.html)) or PC Unite's cancellation of coverage "What If" function to determine the refund amount or premium owed. Cancellations are governed—and may be limited by—the terms and conditions of the Master Policy. Cancellations can be processed via PC Unite on United Guaranty's MI Guide at [www.ugcorp.com](http://www.ugcorp.com) or Loan Boarding.

The type of Refundable or Non-Refundable Premium listed on the Commitment and Certificate will determine whether a possible refund is due when the coverage is canceled.

Example as listed on the Commitment and Certificate:

<b>Premium Period:</b> Monthly
<b>Coverage %:</b> 25%
<b>Refundable:</b> No

<b>Premium Period:</b> Annual
<b>Coverage %:</b> 25%
<b>Refundable:</b> Yes

Monthly Premiums are unique in that they are usually paid in arrears. Therefore, when coverage is canceled at loan payoff or for any other reason, it is unlikely that a refund will be due for a Monthly Premium.

# REINSTATEMENTS

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## Expired or Canceled Active Commitments

Extensions to the Commitment and Certificate are not allowed. If the mortgage loan does not *close* within the term of the Commitment and Certificate, a new application for mortgage insurance will be required. All current guidelines, eligibility criteria, and pricing in effect at the time of the new application will apply.

If the lender does not activate the Commitment and Certificate prior to expiration and the loan closed prior to the expiration date, then the lender will need to apply for reinstatement by emailing [customerservice@ugcorp.com](mailto:customerservice@ugcorp.com).

## Reinstatement of Insurance

Insurance that was canceled in error may be eligible for reinstatement. Requirements for reinstatement differ depending on the circumstances of cancellation and the amount of time elapsed since the cancellation.

To request reinstatement, please complete the [Request for Reinstatement of Coverage](#) form, and fax it, along with a 12-month pay history, to United Guaranty at 800.253.8432, or email it to [ugcqc@ugcorp.com](mailto:ugcqc@ugcorp.com). If reinstatement is approved and a refund was issued when coverage was canceled, United Guaranty requires that the amount of the refund be returned to United Guaranty. In addition, all premiums which would have been due had the insurance remained in effect must be paid if the reinstatement is approved.

You will be notified via email if the request has been approved and whether there are any other requirements for reinstatement.



# BILLING METHODS

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## Traditional Billing Method

### Annual Billing

United Guaranty bills servicers once a year for each Certificate requiring annual renewal of insurance. The date of renewal for a Certificate is determined by the initial effective date of the insurance. For example, if a Certificate becomes effective on May 7, the renewal premium will be due in May of the next year and each subsequent year.

### Monthly Billing

United Guaranty generates Premiums Due Statements on a monthly basis. Each statement includes all Certificates for renewal premiums due within the month. Servicers receive the Premiums Due Statements one month before the premiums are due to allow time for prompt payment and/or reconciliation. For monthly premium plans, billing will be for the current month only, unless records show three or more months are due. Loans that have been reported delinquent will not be included on the bill.

### FLEXIBILL®

United Guaranty's flexible billing option, FLEXIBILL, allows servicers to choose from four billing date options to synchronize billing with the servicer's payment schedule. By changing the traditional MI billing to a more flexible system, FLEXIBILL reduces billing exceptions, and is especially suited to servicers who frequently buy or sell servicing.

Because FLEXIBILL is considered "open-items" billing, bills are for everything due (up to and including the current month) as well as loans that have been reported delinquent. To avoid duplicate billing, the prior month's premium payments must be received within five business days prior to the next billing date.

To sign up for FLEXIBILL, call the Servicing Department at 888.822.5584 (Option 1) with a preferred billing date from the four billing cycle options: week two (8th), week three (16th), week four (24th), or week five (30th).

### Automated Services

To streamline billing processes, United Guaranty offers two alternatives: EDI-based renewal billing and Web billing. These options allow electronic receipt and process for renewals via EDI or Web, and are available for servicer's systems as well as service bureaus.

### Electronic Data Interchange (EDI)

For servicers currently using tape-to-tape billing, the transition to EDI is virtually seamless. To inquire about EDI billing, contact United Guaranty's EDI & Business Technology Department at 800.334.8966.

## Web-Based Billing

Servicers requesting Web-based billing must have an active MI Guide account. Contact the ReadResource Center<sup>®</sup> for assistance at 888.484.4636. Request MI Guide connections with "View Renewal Premium" and upload applications. Once set up, servicers should contact the EDI & Business Technology Department at 800.334.8966 or [ugbilling@ugcorp.com](mailto:ugbilling@ugcorp.com) to have the billing method changed to Web. Two email addresses are required for set up. When the bill is ready to be viewed, United Guaranty will send an email to both contacts.

# PREMIUM STATEMENTS

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## Processing the Premiums Due Statement

When you receive the monthly statement, you should verify that the information contained on the statement is correct. Notify the [Servicing Department](#) immediately if there are any discrepancies, as prompt attention to problems will facilitate future processing. If there is a servicing transfer, indicate this on the back of the Premiums Due Statement, Request for Servicing Transfer, or through United Guaranty's MI Guide.

## Level Renewal Premiums

When premium is calculated using the level renewal method, the amount due appears on the Premiums Due Statement. Please do not make changes to the printed premium due amount. If there are questions about the amount due, please contact the Servicing Department 888.822.5584 (Option 1) to request a change.

## Declining Renewal Premiums

When premium is calculated using the declining renewal (Standard) method, enter the current loan balance and apply the renewal premium factor to this amount in order to determine the premium due.

*Please note the due date:* In some cases, reinstated policies require payment for multiple years or months of past renewals to be made current. To properly calculate the amount due for loans on a declining balance, the loan balance **as of the due date** must be applied.

## Remitting the Renewal Payment

A check for the total premiums due should be sent with the remittance copy of the Premiums Due Statement. [Click here](#) for Payment Methods.

## Follow-Up Statement

A payment delay of more than two months from the due date will result in a follow-up bill. A further delay in payment will result in cancellation of insurance for non-payment of renewal premium, in accordance with the terms of the Master Policy. Servicers will receive a Termination of Insurance Notice for each loan canceled. As an alternative, servicers may request cancellation data be sent on an Excel spreadsheet.

In the event of underpayment of a renewal premium, United Guaranty will notify the lender in writing requesting the remainder of the payment. Failure to remit the remaining amount due within 15 days of notification will result in a follow-up request. In the event of overpayment, United Guaranty will promptly issue a refund check for the overage amount.

## Remitting Renewal Payments on Monthly Premiums

For loans insured under a Monthly Premium payment option, the monthly premiums due will be listed on the same statement as annual premiums due. The year and month a monthly premium is due appears in the due date column. The first Premiums Due Statement will list all premiums due after the initial premium has been paid, for the period up to and including the current month. Subsequent statements will list only the current premium due and will not list any past due premiums, or a cumulative total, unless on FLEXIBILL. Past due premiums must be paid at once to prevent termination of insurance. For monthly premiums that are paid on a declining balance, report the principal loan balance once a year by writing the amount in the “anniversary principal balance” column. Thereafter, the premium due will be calculated based on the balance provided, until another balance is reported.

# PAYMENT METHODS

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## Send full premium to lockbox:

Wells Fargo  
United Guaranty Residential Insurance Company  
P.O. Box 60957 Charlotte, NC 28260

## For overnight delivery:

Wells Fargo  
United Guaranty Residential Insurance Company  
1525 West W. T. Harris Blvd. – 2C2  
Charlotte, NC 28260

## For Wiring instructions contact:

[CashManagement@ugcorp.com](mailto:CashManagement@ugcorp.com)

# CHANGES TO THE COMMITMENT AND CERTIFICATE

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Once a loan has been approved for insurance, the Commitment and Certificate will be sent via fax to the Lender.

## Changes on Commitments

Upon receipt of the Commitment and Certificate, verify that the information on the form is correct. If corrections are needed, notify United Guaranty's [Servicing Department](#) via email. The request should clearly identify the change and the loan involved and should provide the information *as it appears on the Commitment and Certificate*. Note that, depending on the nature of the change, United Guaranty underwriters may request additional documentation.

United Guaranty will promptly process the request for change and provide an amended Commitment and Certificate. *Please do not make changes or corrections on a Commitment and Certificate.* United Guaranty cannot accept initial premium payment for any Commitment and Certificate that has been manually altered without proper United Guaranty authorization

If no changes are required, [click here](#) for information on how to activate your Commitment and Certificate.

# SERVICING TRANSFERS

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Servicing transfers—the sale of servicing rights to loans from one lending institution to another—affect billing and claims procedures. The selling servicer should notify United Guaranty of such transfers, whether one or several loans are involved. United Guaranty will approve the change of servicing in accordance with the terms of the Master Policy.

In the event of a servicing transfer, the seller should email or fax a Request for Servicing Transfer to the [Servicing Department](#). Please verify that the new servicer's name and address is complete and accurate, and that all loans involved in the transfer are included along with the related loan information.

In lieu of a United Guaranty form, a letter containing the following information may be provided:

1. Selling servicer's name, address, contact person.
2. New servicer's name and address.
3. Certificate number.
4. Property address.
5. New servicer's loan number.
6. Borrower's full name.

Please sign and date all mailed correspondence.

Servicing transfers can also be processed via PC Unite on United Guaranty's MI Guide at [www.ugcorp.com](http://www.ugcorp.com) if the lender making the change is the current lender of record.

**Important:** Although the seller is primarily responsible for notifying United Guaranty of any servicing transfers, servicers who have purchased servicing rights to insured loans may wish to contact United Guaranty and verify that the correct information has been received and processed. Doing so may protect a new servicer from incorrect billing and, consequently, cancellation of insurance.

**Note:** Servicing transfers at the time of loan closing should be indicated on the Commitment and Certificate when remitting the initial payment to United Guaranty.

# SELF SERVICE ON-LINE APPLICATIONS

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## PC Unite®

PC Unite is United Guaranty's online servicing system providing servicers access from the lender's PC to United Guaranty-insured loans. This free program allows the servicer to view, and in some cases, update information.

Designed to provide Web-based connection with United Guaranty, this interactive product allows servicers to submit individual and batch loan updates, print certificates, process cancellations, conduct audits, and check loan status. PC Unite is available through United Guaranty's MI Guide, and allows servicers to access the following information or functions online:

- Loan Information
- Print Certificate
- Transfer servicing.
- Calculate refunds or premium due.
- Access transaction history
- Cancel coverage.
- View information about refund checks.
- Print a United Guaranty Commitment and Certificate.
- Activate coverage on PostPay commitments.
- Loan Boarding
- Access Forms
- Access Premiums Due Statements and other premium information.
- Access Cancel Coverage Reports

To request PC Unite, call the ReadResource Center at 888.484.4636.

## Loan Boarding

Through the loan boarding option, servicers can report closing dates for PostPay loans. When servicers receive the data, United Guaranty will activate coverage, update records to reflect the servicer, and update the loan number.

With an industry-standard 266 EDI transmission to United Guaranty, requests for cancellation of coverage and transfer of servicing are processed quickly and efficiently.



## Activations Quick Reference Guide

For Commitments and Certificates issued on or after 11/1/2013

	<b>Non PostPay—Upfront Premium Required</b>	<b>PostPay—No Upfront Premium Required</b>
<b>Steps for Activation</b>	<ol style="list-style-type: none"> <li>1. The Non-Post Pay option is offered for Monthly, Annual, Single, and Split Premiums. Premium payment will be due at time of activation.</li> <li>2. Send the certificate number, total premium due, new loan number, and, if applicable, servicing transfer information to activate loan (see “Payment” section below).</li> <li>3. Once activated, insurance coverage is in force as of the date of closing.</li> </ol>	<ol style="list-style-type: none"> <li>1. Available for Monthly Premiums only. The PostPay option allows the lender to delay the first premium payment until after activation.</li> <li>2. Email certificate number, closing date, new loan number and, if applicable, servicing transfer information to the <a href="#">Servicing Department</a>. (Please see “Activation” section below).</li> <li>3. Premium due will be billed the month following activation (or your next billing cycle) and is due by the end of following month.</li> <li>4. The first premium payment must be received within 90 days of activation, or the Commitment and Certificate will be canceled, requiring an application for reinstatement.</li> <li>5. Once activated, insurance coverage is in force as of the date of closing.</li> </ol>
<b>Required Information</b>	<p>Required information could include, but is not limited to certificate number, premium, closing date, new loan number, and, if applicable, servicing transfer information.</p> <p>All information required for activation must be received before the expiration date on the Commitment and Certificate, or the Commitment and Certificate will expire, requiring an application for reinstatement.</p>	
<b>Activation</b>	<p>To activate the Commitment and Certificate, submit required information with full Premium Due to United Guaranty’s lockbox (please see Payment Information section below).</p>	<p>To activate the Commitment and Certificate, please use one of the following methods:</p> <ol style="list-style-type: none"> <li>1. <b>EDI Loan Boarding</b> – EDI activation process.</li> <li>2. <b>United Guaranty’s MI Guide®</b>, with this path: MI Guide &gt; PC Unite &gt; PostPay Activation</li> <li>3. <b>Email</b> the complete form to <a href="mailto:postpay@ugcorp.com">postpay@ugcorp.com</a>.</li> </ol>
<b>Contact</b>	<p>If you have questions, please contact United Guaranty’s Servicing Department at 888.822.5584 (Option 1) or email <a href="mailto:ugcqc@ugcorp.com">ugcqc@ugcorp.com</a>.</p>	
<b>Payment</b>	<p>Send full Premium Due to United Guaranty’s lockbox:</p> <p style="text-align: center;"><b>Wells Fargo United Guaranty Residential Insurance Company P.O. Box 60957 Charlotte, NC 28260</b></p> <p>For Wiring instructions, please contact: <a href="mailto:CashManagement@ugcorp.com">CashManagement@ugcorp.com</a></p>	

## CONTACT INFORMATION

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Please contact the Servicing Department to speak to an MI Servicing Specialist. MI Servicing Specialists are available Monday through Friday, 8:30 a.m. to 5:30 p.m. ET.

Phone: 888.U.CALL.UG (888.822.5584), Option 1.

Email: [ugcqc@ugcorp.com](mailto:ugcqc@ugcorp.com)

Fax: 800.253.8432

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