

for Originations Prior to February 8, 2008 and HPA Termination

Months Policy in Force	Percent of Premium Refunded								Months Policy in Force	Percent of Premium Refunded								Months Policy in Force	Percent of Premium Refunded							
	A	B	C	D	E	F	G	H		A	B	C	D	E	F	G	H		A	B	C	D	E	F	G	H
1	90	90	90	90	90	90	90	90	39			17	28	37	43	46	47	77					3	13	17	19
2	88	89	89	89	89	90	89	90	40			15	26	36	42	44	46	78					3	13	17	18
3	86	88	88	89	89	89	89	89	41			13	24	35	41	43	44	79					2	12	16	18
4	85	87	88	88	88	89	88	89	42			11	23	33	40	42	43	80					2	12	16	17
5	83	86	87	87	88	88	88	88	43			9	21	32	39	41	42	81-82					1	11	15	17
6	81	85	86	87	87	88	88	88	44			7	20	31	37	40	41	83					0	11	15	16
7	79	84	85	86	87	87	87	87	45			6	18	29	36	39	40	84-85						10	14	16
8	77	83	85	85	86	87	87	87	46			4	17	28	35	38	39	86						9	14	15
9	76	82	84	85	85	86	86	86	47			2	15	27	34	37	38	87-88						9	13	15
10	74	81	83	84	85	86	86	86	48			0	14	25	33	36	37	89						9	13	14
11	72	80	82	83	84	85	85	85	49				13	25	32	35	36	90-92						8	12	14
12	70	79	81	82	84	85	85	85	50				11	24	31	34	35	93-95						7	11	13
13	64	75	79	80	82	83	83	83	51				10	23	30	33	35	96						6	11	13
14	59	72	76	78	80	81	82	82	52				9	22	29	32	34	97-98						6	10	12
15	53	69	74	76	78	80	80	80	53				8	21	28	32	33	99						5	10	12
16	47	65	71	74	77	78	79	79	54				7	20	28	31	32	100						5	10	11
17	41	62	69	72	75	77	77	77	55				6	19	27	30	31	101-102						5	9	11
18	35	58	66	70	73	75	75	76	56				5	18	26	29	31	103						4	9	11
19	29	55	64	68	71	73	74	74	57				3	17	25	28	29	104-106						4	8	10
20	23	52	61	65	69	72	72	73	58				2	16	24	28	29	107						3	8	9
21	18	48	59	63	67	70	71	71	59				1	15	24	27	28	108-110						3	7	9
22	12	45	56	61	66	68	69	70	60				0	14	23	26	28	111						2	7	9
23	6	42	53	59	64	67	68	68	61					13	22	25	27	112-114						2	6	8
24	0	38	51	57	62	65	66	67	62					13	21	25	26	115-116						1	6	8
25		35	48	55	60	64	65	66	63					12	21	24	26	117-118						1	5	7
26		32	46	53	59	62	63	64	64					11	20	24	25	119						0	5	7
27		29	44	51	57	61	62	63	65					11	20	23	25	120							5	7
28		26	41	49	55	59	60	61	66					10	19	23	24	121-125							4	6
29		22	39	47	53	58	59	60	67					9	18	22	24	126-129							3	5
30		19	36	45	52	56	58	58	68					9	18	21	23	130							3	4
31		16	34	43	50	54	56	57	69					8	17	21	22	131-134							2	4
32		13	32	40	48	53	55	56	70					7	17	20	22	135							2	4
33		10	29	38	46	51	53	54	71					7	16	20	21	136-140							1	3
34		6	27	36	45	50	52	53	72					6	15	19	21	141							1	3
35		3	24	34	43	48	50	51	73					5	15	19	20	142							0	2
36		0	22	32	41	47	49	50	74					5	14	18	20	143-147								2
37			20	31	40	46	48	49	75					4	14	18	20	148-153								1
38			18	29	39	44	47	48	76					4	14	18	19	154-180								0

Refund Schedule Matrix			
LTV	30-40 Years	20-25 Years	15 Years
95.01-100%	H	E	D
90.01-95%	G	E	C
85.01-90%	F	D	B
85% or Less	E	B	A

Note: For specific-term single premium plans — three, five and seven years — use refund schedules B, D and E respectively.

To determine which schedule to use:

- 1) Select the original loan LTV (excluding financed premium, if applicable).
- 2) Select the original loan term.
- 3) Select the corresponding schedule.

Refund Example

ASSUMPTIONS:

- Qualify for HPA termination.
- \$100,000 loan, 90% LTV, 25% coverage, 30-year fixed-rate mortgage.
- 1.50% is the Single Premium rate.
- Mortgage Insurance is canceled in the eighth month.

Three Easy Steps

1. Select the refund schedule: To calculate the refund, use the Refund Schedule Matrix (see other side) to determine which refund schedule to use. Schedule "F" is used for a 90% LTV, 30-year mortgage loan.
2. Determine the refund percentage: From the "Months Policy in Force" column, find the eighth month, move to the right and locate the corresponding refund percentage under the "Percent of Premium Refunded" column for schedule F.
3. Do the calculation: In this example, Arch MI would refund 87% of the Single Premium payment and retain 13%.

Calculation Example

REFUNDED PREMIUM: $\$1,500 (1.50\% \times \$100,000) \times 87\% = \$1,305.00$

ARCH MI RETAINED PREMIUM: $\$1,500 (1.50\% \times \$100,000) \times 13\% = \$195.00$