

# RateStar Premium Options Comparison



## MONTHLY

PREMIUM TYPE	PAID BY	PAYMENT	ACTIVATION	BENEFIT	REFUNDABILITY	RENEWALS
<b>EZ Monthly</b> Provides coverage month-to-month.	Member/ Credit Union	Paid monthly in arrears.	Receipt of closing date from credit union.	No upfront cost.	<b>BPMI:</b> Unearned premium is refundable if the cancellation is due to the HPA. <sup>1</sup>	Set at the company level. All branch locations receive the same renewal rates.
		<b>BPMI:</b> Member pays credit union monthly, beginning with the first mortgage payment. Credit union remits the monthly premium to Arch MI.		<b>BPMI:</b> No increase in interest rate or loan amount to cover cost of premium.		
		Arch MI bills the credit union based on the closing date.		<b>LPMI:</b> All premiums are paid by the credit union; the cost of premium is reflected in the interest rate.		
<b>Standard Monthly</b> Provides coverage month-to-month.	Member/ Credit Union	Paid monthly in advance.	Receipt of first month's premium payment.	<b>BPMI:</b> No increase in interest rate or loan amount to cover cost of premium.	<b>LPMI: Non-refundable.</b>	Set at the company level. All branch locations receive the same renewal rates. <sup>2</sup>
		First month's MI premium collected at closing.		Minimal upfront cost.		

## SINGLE PREMIUM

PREMIUM TYPE	PAID BY	PAYMENT	ACTIVATION	BENEFIT	REFUNDABILITY	RENEWALS
<b>Single Premium – Non-Refundable</b> Provides coverage for the full term of the loan.	Member/ Credit Union	One-time premium due at closing.	Receipt of full MI amount.	<b>BPMI:</b> If financed, total monthly mortgage payment is typically lower than payment with a monthly premium.	<b>BPMI:</b> Unearned premium is refundable if the cancellation is due to the HPA.	Not applicable. No renewals for Single Premium.
		<b>BPMI:</b> Premium is paid in cash or financed into the loan amount (subject to credit union guidelines).			<b>LPMI: Non-refundable.</b> HPA cancellation provisions do not apply to lender-paid premiums.	
		<b>BPMI:</b> Premium may be paid partially or in full by the builder, seller or another interested party. <sup>4</sup>				

<sup>1</sup> Because MI is included in the mortgage payment and paid in arrears, no refund is typically due.

<sup>2</sup> **Level Renewal Option:** When this option is selected, the applicable rate is applied to the original insured loan amount until year 11. The level renewal rate for years 11 through term is the lower of the original premium rate or 0.20% for non-credit union or 0.17% for credit union rates.

<sup>3</sup> For details on the Homeowners Protection Act (HPA), visit [archmicu.com/mi-cancellation](http://archmicu.com/mi-cancellation).

<sup>4</sup> Subject to the maximum interested-party contributions allowed per the transaction.

## RATESTAR BUYDOWN

PREMIUM TYPE	PAID BY	PAYMENT	ACTIVATION	BENEFIT	REFUNDABILITY	RENEWALS
<b>RateStar Buydown<sup>SM</sup></b> Provides coverage month-to-month	Member	Upfront premium may be paid partially or in full by the builder, seller or another interested party. <sup>4</sup>	Receipt of upfront buydown premium and closing date.	Flexibility in premium.	Upfront premium: Unearned premium is refundable if the cancellation is due to the HPA. <sup>5</sup>	Set at the company level.
		Member pays credit union monthly, beginning with the first mortgage payment. Credit union remits the monthly premium to Arch MI.			Monthly renewals: Unearned premium is refundable if the cancellation is due to the HPA. <sup>3</sup>	
		Monthly premium is based on risk and amount of upfront premium selected. A higher upfront premium results in a lower monthly premium.				
		Upfront premium is paid in cash.				

## ANNUAL

PREMIUM TYPE	PAID BY	PAYMENT	ACTIVATION	BENEFIT	REFUNDABILITY	RENEWALS
<b>Refundable Annual Premium</b>	Member	Premium is paid annually.	Receipt of MI premium.	No increase in interest rate or loan amount to cover cost of premium.	Refundable: Unearned premium is refundable on a pro-rated basis.	Set at the company level. All branch locations will receive the same renewal rates. <sup>2</sup>
		First annual premium is paid in cash or financed into the loan amount and paid at closing (subject to credit union guidelines).		First annual premium may be paid partially or in full by the builder, seller or another interested party. <sup>4</sup>		
		Credit union establishes escrows for monthly accrual of the next year's premium, beginning with the first mortgage payment.				
		Arch MI bills credit union annually.				
<b>Non-Refundable Annual Premium</b>	Credit Union	Credit union pays initial premium at closing.	Receipt of MI premium.	All premiums are paid by the credit union; the cost of premium is reflected in the interest rate.	Non-refundable only.	Set at the company level. All branch locations will receive the same renewal rates. <sup>2</sup>
		Arch MI bills credit union annually.		HPA cancellation provisions do not apply to lender-paid premiums.		