

Mortgage Impairment Program Application



TOKIO MARINE
HIGHLAND

Part 1: General questions

Note: Policies will be issued in the joint name of the applicant and any "servicing" subsidiary scheduled below.

1. Name of applicant: _____
2. Mailing address: _____
3. Year established: _____ Charter State Federal National
4. Type of institution (i.e. Savings and Loan – Member of Savings and Loan League; Federal/Commercial/National Savings Bank; Mortgage Bank; or other): _____
5. Major affiliations (i.e. National Savings and Loan League/State Savings and Loan Association): _____

6. Name and address of servicing subsidiary company(ies): _____

7. Contact name: _____ Phone number: _____ Fax number: _____

Section 2: Questions concerning the Applicant's mortgage portfolio

Note: "Applicant" is to be understood as applicant plus servicing subsidiary named in Part 1.

"Value" should where possible exclude the value of loans secured solely by land.

For the purpose of this insurance "Mortgages" includes "Home Equity Loans" and "2nd Mortgages".

1. Does Applicant's standard mortgage agreement require borrower to procure and maintain insurance in an amount of not less than the amount of Applicant's mortgagee interest and in compliance with any co-insurance clause in such insurance for the perils of:

Fire, Extended Coverage? Yes No

Vandalism? Yes No

All/Risk Package Type Policy/ Mobile Homeowners form? Yes No
2. What type of coverage is most often obtained by borrowers? _____
3. For construction loans, does Applicant require borrower to carry builders full All Risks policy? Yes No
4. Do you require hazard policies for mortgaged properties to be provided by insurance companies with a rating of at least A+, A or B from Best's policyholder ratings? Yes No
5. Do you check that insurance required of the mortgagor is in force
(a) at loan closing? Yes No (b) and at policy anniversary? Yes No

If (b) is 'yes', what type of system do you employ? _____

6. Does Applicant carry a 'forced placement' which automatically provides coverage on a property on which Applicant is aware there is no existing insurance of the type that is required in the mortgage document? Yes No

If 'yes', name carrier: _____

7. Average number and value of foreclosures during past 3 years: Number _____ Value \$ _____

8. Breakdown of all Mortgages (including Commercial, 2nd's and Home Equity Loans)

(a) Number of mortgages serviced by Applicant for own interest (wholly owned or part owned): Value: \$ _____

(b) Number of mortgages serviced by Applicant for others (no mortgage interest): Value: \$ _____

(c) Number of mortgages serviced by Applicant which form security for Mortgage Backed Securities: Value: \$ _____

(d) Number of mortgages serviced by others for Applicant's interest (wholly or partly owned): Value: \$ _____

(e) Total number of mortgages both owned and non-owned but serviced (i.e. (a) + (b) + (c) + (d)): Value: \$ _____

9. Approximate percentage of loans serviced by applicant for others (**no mortgage interest**) per 8(b) are located in:

California _____% Florida _____%

Gulf Coast States _____% Eastern Seaboard _____%

10. **Commercial Mortgages only** Number _____ Value \$ _____

11. **2nd Mortgages and Home Equity Loans** Number _____ Value \$ _____

(a) of the above number, on how many does the applicant hold the first mortgage? _____

(b) of those which the assured does not hold the first mortgage, what procedures, if any, are followed to determine the existence and maintenance of hazard insurance: _____

12. State approximate percentage of serviced loans subject to VA, FHA, SBA or other Mortgage Guarantee Insurance: _____%

13. What procedures are followed to give proper notice of delinquency to mortgage guarantors?

14 . State approximate number of loans on which Applicant 'escrows' for:

Hazard Insurance _____ Life and Disability _____ Real Estate Taxes _____

15. What procedures do you employ to monitor payment of Real Estate Taxes?: _____

16. Does the Applicant provide mortgages in California? Yes No

If 'yes' , does the Applicant require earthquake coverage to be obtained protecting the subject property? Yes No

17. Does the Applicant provide mortgages in areas designated as flood prone in accordance with the Flood Disaster Protection Act of 1973?

Yes No

If 'yes', explain what procedures are followed to make certain borrowers have obtained a Federal Flood Policy or suitable substitute as required at closing and each anniversary thereafter: _____

Part 3: Geographic breakdown of loans

Note: Include in the following those loans in which the Applicant has a mortgage interest (**wholly or part owned**) only. **Do not include loans owned by other than the Applicant.**

Regarding GNMA or other fully modified "pass throughs" or similar vehicles originated by the Applicant, "**if an insurable interest exists and Section C protection is required, include**". Do not include GNMA fully modified "pass throughs" where the Applicant is an investor only.

"Value" should where possible exclude the value of loans secured solely by land.

1. Total number of mortgages (wholly or partially owned) numbered in Part 2 Q8. (a)+(c) (if required) and(d): _____

2. Total value of mortgages (wholly or partially owned) numbered in Part 2 Q8. (a)+(c) (if required) and (d): _____

3. Area division of mortgages numbered and valued above:

(a) **All States-excluding** those States set out below:

Total value: \$ _____ Number _____

(b) Maine, New Hampshire, Massachusetts, Connecticut, New York, New Jersey, Rhode Island, Virginia, Maryland and Delaware

Total value: \$ _____ Number _____

Approximate percentage of these loans in first tier coastal counties _____ %

(c) North and South Carolina, Georgia and Florida

Total value: \$ _____ Number _____

Approximate percentage of these loans in first tier coastal counties _____ %

(d) Texas, Louisiana, Mississippi and Alabama

Total value: \$ _____ Number _____

Approximate percentage of these loans in first tier coastal counties _____ %

(e) **California Counties**, including: (**Note: Coverage will not be bound unless following are completed correctly**)

(i) San Francisco, San Mateo

Total value: \$ _____ Number _____

(ii) Contra Costa, Alameda

Total value: \$ _____ Number _____

(iii) Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Solano and Sonoma

Total value: \$ _____ Number _____

(iv) Monterey, San Benito, Santa Cruz, Santa Clara

Total value: \$ _____ Number _____

(v) Los Angeles

Total value: \$ _____ Number _____

(vi) Orange

Total value: \$ _____ Number _____

(vii) Kern, St Luis Obispo, Santa Barbara, Ventura

Total value: \$ _____ Number _____

(viii) San Diego

Total value: \$ _____ Number _____

(ix) Alpine, Imperial, Inyo, Mono, Riverside, San Bernadino

Total value: \$ _____ Number _____

(x) All other counties not included in (i) to (ix) above

Total value: \$ _____ Number _____

(f) Hawaii, Alaska, Puerto Rico, other (please specify): _____

Total value: \$ _____ Number _____

Part 4: Mobile Homes:

Does question 8 under Part 2 of the proposal indicate any Mobile Home loans? Yes No

Whether the answer is yes or no, please provide details as follows:

Number of Mobile Home Mortgage loans _____

The total outstanding mortgage balance _____

The States these Mobile Homes are situated in _____

Has the insured suffered any losses with respect to Mobile Homes? Yes No

If yes, please give full details _____

Part 5: Banking locations only. Questions applicable to Sections D and E of the Policy

Please provide separate schedule of all locations to be insured showing interests and values and giving full details of age of buildings, construction and protections, and flood exposure (if any) and details of fire and extended coverage insurances.

Part 6: Coverage required

Section A: Limit _____ Deductible _____

Section B(1): Limit _____ Deductible _____

Section B(2): Limit _____ Deductible _____

Section B(3): Limit _____ Deductible _____

Section B(4): Limit _____ Deductible _____

Section C: Limit _____ Deductible _____

Section D: Limit _____ Deductible _____

Section E: Limit _____ Deductible _____

Section F: Limit _____ Deductible _____

Other (specify): _____

Part 7: Previous Mortgage Protection Policy

Carrier: _____

Limit of Liability: _____

Deductible: _____

Policy Period: _____

Premium: _____

Part 8: Declaration

1. Has the Applicant made application for insurance under any of these sections of the Policy and been declined? Yes No

If 'yes', state circumstances: _____

2. Has the Applicant suffered any losses during the past five years or is the Applicant aware of any circumstances likely to give rise to a loss under Sections A, B, D, E or F of the Policy? Yes No

3. Has the Applicant suffered any losses during the past ten years under Section C of the Policy? Yes No

If 'yes' give details: _____

I/we hereby declare that the above statements and particulars are true, that I/we have not suppressed or misstated any material facts and I/we agree that this Proposal Form shall be the basis of the Contract with Underwriters.

(Signature and title of Officer)

(Date)