



Mortgage Impairment Application

Mortgage Protection Insurance

Summary of Available Coverages

Note: Internet Explorer is required to use automatic submission feature in browser. All other browsers are not supported & require manual download and return to salesupport@pfic.com.

Any combination of sections outlined below may be purchased, provided Sections A and/or C are included.

- Section A (1): Physical loss or damage from "Required Perils."** Covers loss to the Assured's interest through the uncollectability or non-existence of insurance against perils that are required by the borrower - including mandatory flood insurance - in the Assured's loan closing procedures.
- Section A (2): Liability.** Covers errors and omissions, on a claims made basis, relating to the Assured's handling of physical damage insurance and homeowner's insurance covering the real property of borrowers. The Assured's defence costs are also provided for within the limits.
- Section B (1): Real estate tax liability.** Covers the Assured against errors and omissions relating to non-payment of real estate tax by the Assured on behalf of a borrower.
- Section B (2):** Section suspended as coverage incorporated in Section F.
- Section B (3): Life and Disability insurance.** Covers the Assured against errors and omissions arising out of the Assured's procurement and maintenance of life or disability insurance on behalf of a borrower.
- Section B (4): Flood Disaster Act 1973 liability.** Covers the Assured against errors and omissions claims arising out of Assured's duty to determine whether or not a particular property is in a flood zone.
- Section B (5): GNMA procedures.** Covers the Assured, as mortgage servicer, against errors and omissions should the Assured fail to comply with GNMA procedures which result in a guarantee being lost.
- Section B (6): Title Errors & Omissions liability.** Covers errors & omissions arising out of the Bank's failure to obtain the correct title insurance, or a title abstract or legal opinion as to a title depending on custom and practice.
- Section B (7): Recordation Errors & Omissions.** Covers errors and omissions arising out of the Bank's recordation of a loan as a servicer of a loan sold to GNMA/FNMA/FHLMC
- Section B (8): Satisfaction of Mortgage liability.** Covers errors and omissions arising out of the Bank's connection with the satisfaction of a mortgage on property in which the Assured holds an insurable interest.
- (Section B coverages are on a 'claims made' basis and, in addition, provide for the Assured's defence costs, within the limits)*
- Section C: Physical loss or damage from Balance of Perils.** Provides insurance should the security for the loan suffer a physical loss from any other cause other than outlined in A(1), and the Assured be unable to recover the loan from the borrower.
- Section F: Loss of Veterans Administration, Federal Housing Administration, Small Business Administration and private mortgage guarantee coverage.** Covers loss to the Assured's interest should he fail to provide to a 'mortgage guarantee' agency or Insurance Company its property notice of loans in arrears.
- Section G: Loss of Security Interest due to Defective Title.**
- Section H: Custodial Errors and Omissions.** Losses incurred due to the verification, certification, maintenance and custody of documents concerning loans sold to GNMA, FNMA or FHLMC.

General Information

Application Date		Vendor Number	Client Number	
Name of Applicant				
Property Address		City	State	Zip
Mailing Address (if different from above)		City	State	Zip
Contact Person Name	Contact Person Phone	Contact Person E-mail		
How did you hear about PFI?		Explain:		
Year Established	Charter	State	Federal	National
Type of Institution (i.e. Savings & Loan, Member of Savings & Loan League, Federal/Commercial/National Savings Bank, Mortgage Bank, or other)				
Major affiliations (National Savings & Loan League/State Savings & Loan Association, other)				

Applicant's Mortgage Portfolio

Note: "Applicant" is to be understood as applicant plus servicing subsidiary named in General Information.
 "Value" should, where possible, exclude the value of loans secured solely by land.
 For the purpose of this insurance, "Mortgage" includes "Home Equity Loans" and "Second Mortgages."

- Does applicant's standard mortgage agreement require borrowers to procure and maintain insurance in an amount of not less than the amount of applicant's mortgage interest for a minimum of the perils of fire and extend coverage and in compliance with any commercial policy coinsurance clause?
 Yes No
- Does the applicant require being named as mortgagee on the mortgagor's insurance policy?
 Yes No
- Does the applicant require hazard policies for mortgaged properties to be provided by insurance companies with a rating of at least B from Best's policyholder ratings?
 Yes No
- For loans serviced on the applicant's behalf by others, does the applicant require that servicers carry their own E&O insurance?
 Yes No
- What is the average life of the applicant's recently paid up loans?
 years
- Does the applicant check that insurance required of the mortgagor is in force at loan closing?
 Yes No
- Does the applicant check that insurance is in place at policy anniversary?
 Yes No
- Does the applicant "force place" coverage when necessary?
 Hazard Insurance Yes No
 Flood Insurance Yes No
 Name of Carriers:
 Describe the tracking method used:
- Does the applicant's force-placed program include the "Automatic Coverage Endorsement"?
 Yes No

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Applicant's Mortgage Portfolio (cont.)

10. Provide the number of foreclosures completed and the number of mortgages outstanding for each of the last three calendar years:

	Total Number of Mortgages Outstanding	Number of Foreclosures	Average Balance of Loans Foreclosed
Year ended			
Year ended			
Year ended			

11. Over the past 12 months, what was the average length of time prior to sale of foreclosed property?

12. Provide average percentage of mortgages that were 90 days or more delinquent over the past 12 months:

13. Estimated number and value of loan originations over the next 12 months, broken down as follows:

	Number	Value
Residential (1-4 Family) Mortgages		
Commercial Mortgages		

14. Breakdown of all mortgages (including Commercial, Seconds and Home Equity Loans):

	Number	Value
(a) Number of mortgages serviced by applicant for own interest (wholly or part owned):		
(b) Number of mortgages serviced by applicant for others (no mortgage interest):		
(c) Number of mortgages serviced by others for applicant's interest (wholly or part owned):		
(d) Total numbers of mortgages both owned & non-owned but serviced (i.e. (a)+(b)+(c)):		

15. Number and value of ALL loans as shown in 14 (d) above that are located in:

	Number	Value	
Florida			% in 1 st tier Coastal Counties
Alabama			% in 1 st tier Coastal Counties
Connecticut			% in 1 st tier Coastal Counties
Delaware			% in 1 st tier Coastal Counties
Georgia			% in 1 st tier Coastal Counties
Louisiana			% in 1 st tier Coastal Counties
Maine			% in 1 st tier Coastal Counties
Maryland			% in 1 st tier Coastal Counties
Massachusetts			% in 1 st tier Coastal Counties
Mississippi			% in 1 st tier Coastal Counties
New Hampshire			% in 1 st tier Coastal Counties
New Jersey			% in 1 st tier Coastal Counties
New York			% in 1 st tier Coastal Counties
North Carolina			% in 1 st tier Coastal Counties
Rhode Island			% in 1 st tier Coastal Counties
South Carolina			% in 1 st tier Coastal Counties
Texas			% in 1 st tier Coastal Counties
Virginia			% in 1 st tier Coastal Counties

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Applicant's Mortgage Portfolio (cont.)

	Number	Value
16. Commercial Mortgages only:		
17. 2 nd Mortgages & Home Equity Loans:		
18. Mobile Homes only:		
19. Mortgages in excess of \$1,000,000		

20. The outstanding balance of the 5 largest loans

1. _____
2. _____
3. _____
4. _____
5. _____

21. Approximate percentage of serviced loans subject to VA, FHA, SBA or other Mortgage Guarantee Insurance: _____ %

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

23. State approximate percentage number of loans on which applicant "escrows" for:

Hazard Insurance	%	Life & Disability	%	Real Estate Taxes	%
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24. What procedures does the applicant employ to monitor payment of Real Estate Taxes?

25. Does the applicant service loans for FHLMC, FNMA and/or GNMA?

Yes No If "yes," provide the following:

# of loans	UPB
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- (a) Number of loans for FHLMC:
- (b) Number of loans for FNMA:
- (c) Number of loans for GNMA:

26. Has the applicant agreed to undertake custodial services for FHLMC, FNMA and/or GNMA?

Yes No If "yes," provide the following and complete (d), (e) & (f) below:

# of loans	UPB
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- (a) Number of loans for FHLMC:
- (b) Number of loans for FNMA:
- (c) Number of loans for GNMA:
- (d) Description of the location, fire protection & security provided by applicant for these files:
- (e) Details of back-up records in existence in case of loss to the original files:
- (f) Details of how the applicant controls & tracks file access, removal & return:

27. Does the applicant require mortgagors to obtain Title Insurance and/or the equivalent, as appropriate to local practice at loan closing?

Yes No If "yes," provide the following:

- (a) Percentage of loans on which evidence is required at loan closing:
- (b) Description of these requirements:
- (c) Description of applicant's loan policy provisions with respect to title examinations/searches:
- (d) Estimated number of mortgage loans to be made in next 12 months:

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Geographical Breakdown of Loans

Note: Include in the following, those loans in which the applicant has a mortgage interest (wholly or part owned) only (i.e. loans declared in Applicant's Mortgage Portfolio Q14 (a) + (c) only)

Do not include loans owned by other than the applicant.

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

- Total number of mortgages (wholly or partially owned) numbered in Applicant's Mortgage Portfolio Q14 (a) + (c):
- Total value of mortgages (wholly or partially owned) numbered in Applicant's Mortgage Portfolio Q14 (a) + (c):
- Area division of mortgages numbered and valued above:

	Number	Value
All States (excluding those states set out separately below):		
North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas		
Tennessee		
Arkansas		
Missouri		
Kentucky		
Washington		
Oregon		
California Counties, including:		
San Francisco, San Mateo		
Contra Costa, Alameda		
Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Solano, & Sonoma		
Monterey, San Benito, Santa Cruz, Santa Clara		
Los Angeles		
Orange		
Kern, St. Luis Obispo, Santa Barbara, Ventura		
San Diego		
Alpine, Imperial, Inyo, Mono, Riverside, San Bernadino		
All other counties not included above		
Hawaii		
Alaska		
Puerto Rico		
Other (please specify)		

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Coverage Required

	Standard Limit	Optional Limit	Standard	Optional Deductible
Section A (1), A (2)	Limit \$1,000,000		Deductible \$1,000	
Section B (1)	Limit \$100,000		Deductible \$1,000	
Section B (3)	Limit \$100,000		Deductible \$500	
Section B (4)	Limit \$500,000		Deductible \$500	
Section B (5)	Limit \$250,000		Deductible \$500	
Section B (6)	Limit \$250,000		Deductible \$500	
Section B (7)	Limit \$250,000		Deductible \$500	
Section B (8)	Limit Optional		Deductible	
Section C-Optional	Limit \$1,000,000		Deductible \$5,000	
Section F	Limit \$250,000		Deductible \$500	
Section G	Limit \$250,000		Deductible \$500	
Section H	Limit \$250,000		Deductible \$500	

Others (specify):

Previous Mortgage Protection Policy

Carrier _____

Limit of Liability _____

Deductible _____

Policy Period _____

Premium _____

Declaration

1. Has the applicant made application for insurance under any of the sections of the policy had been declined?

Yes No

If "yes," state circumstances:

2. Has the applicant suffered any losses during the past 5 years or is the applicant aware of any circumstances likely to give rise to a loss under any section of the policy?

Yes No

If "yes," give details:

STATEMENT: Any person who knowingly and with intent to defraud any insurance company or another person, who files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties. This application becomes a part of the insurance policy if bound. I have read and fully understand the above information, as well as answered the questions to the best of my knowledge.

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.

Note: This is not a Binder. Coverage will not be considered bound unless written confirmation is provided by Proctor Loan Protector.

Authorized Signature (Required)

Date

I agree to receive policies, endorsements, invoices and other correspondence via the email address on file with Proctor Loan Protector. Updates will be handled during the regular course of business.

STATEMENT: **Applicable in AL, AR, DC, LA, MD, NM, RI, and WV:** Any person who knowingly (or willfully)* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD Only.

Applicable in CO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing false, incomplete, or misleading information is guilty of a felony (of the third degree)*. *Applies in FL Only.

Applicable in KS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker of any agent thereof, any written statement as part of, on in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for purpose of misleading, information concerning and fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the state values of the claim for each such violation)*. *Applies in NY Only.

Applicable in ME, TN, VA and WA: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)* include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.

Applicable in NJ: Any person who includes and false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Applicable in CA: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Proctor Loan Protector is a trademark of Proctor Financial, Inc.

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