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Genworth Financial 

MORTGAGE INSURANCE  
SERVICING MANUAL

## MORTGAGE INSURANCE SERVICING MANUAL

Genworth Mortgage Insurance Corporation (in all states except NY)  
Genworth Residential Mortgage Insurance Corporation of North Carolina (in NY)

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# INTRODUCTION

Genworth Mortgage Insurance Corporation (Genworth) is an AA-rated mortgage insurer. We are one of the industry leaders in providing Mortgage Insurance and have the service and innovation answers that make us uniquely able to serve you.

## **What is Mortgage Insurance (MI)?**

Mortgage Insurance is an insurance product designed to protect a lender against losses incurred when a borrower cannot fulfill (defaults on) a mortgage loan contract. The MI industry customers and claims beneficiaries are lending institutions, not the final consumer - the borrower. Nevertheless, Mortgage Insurance can actually mean the difference between a borrower being able to purchase a home or not. MI allows the borrower to pay less than the traditional 20% down payment.

The actual Mortgage Insurance contract is between the lender (customer) and the MI Company, with the borrower often paying the premium. The insurance contract is in the form of a document known as a Master Policy. The Master Policy defines the terms and conditions of the contract between Genworth and the customer. Payment for any insurance claim is made to the lender or its designee when there is a default due to nonpayment by the borrower for any number of reasons. The Master Policy also defines how lenders must report delinquencies (late payments) and foreclosure proceedings (steps to reclaim mortgage collateral from non-paying buyer).

## **Genworth Mortgage Insurance Corporation's Goal**

Genworth Mortgage Insurance Corporation's goal is to provide you with not only Mortgage Insurance coverage, but also unsurpassable customer service. In that spirit, we have prepared this manual to assist you in understanding the Mortgage Insurance process and procedures for Genworth insured loans, performing workouts and submitting claims.

The purpose of this manual is to better serve you; if you have any questions or comments regarding this guide, please call the Genworth ActionCenter<sup>®</sup> at 800 444.5664. The ActionCenter<sup>®</sup> is staffed by a team of highly trained information specialists who are available from 8 a.m. to 8 p.m., Eastern Standard Time, to provide assistance, answers and action on any MI subject.

***We have provided the information in this manual in order to help you better understand and utilize our billing, delinquency, loss mitigation and claim services. The information in this booklet references the most widely used Genworth Master Policy (MP 201-1/95), which may differ from your particular master policy. Your master policy is the agreement between your company and Genworth, and the terms of that policy apply to all loans insured under it. Consult your specific master policy if you have questions concerning its contents. Please remember that the Genworth Master Policy is subject to change without notice. Insurance written under any future or revised master policies will be subject to the requirements of that particular master policy.***

## GENWORTH SERVICING WEBSITE

Genworth's Servicing Website at <http://www.genmortgageinsurance.com> offers customers access to portfolio information on loans insured by Genworth. The site is accessible through any Internet connection and provides secure access to data through the use of individual IDs and passwords associated with the customer's Genworth organization number. Features on the website offer customers access to both general servicing information and processes and Loss Mitigation information and processes. The areas of the website are:

### Insurance Servicing :

#### **CERTILINK<sup>SM</sup>**

Features include:

- Verify premium has been received and applied by Genworth
- Check the renewal date and premium amount of the insurance
- Confirm who we show as servicer of the loan
- Process a servicing transfer
- Correct the loan number
- Cancel Genworth Mortgage Insurance
- Activate insurance, when loans close, (Zero Monthly product only)
- Inquire the amount of premium due on the date you cancel a certificate

#### **Payment History on the Web (POW)**

Features include:

- View a history of renewal premium payments on certificates

#### **Billing on the Web (BOW)**

Features include:

- View or print a monthly renewal billing

### Delinquency & Claims:

#### **Delinquencies on the Web (DOW)**

Features include:

- View previously submitted delinquent loan information
- Report delinquent loan information

#### **Claims on the Web (COW)**

Features include:

- Submit claims
- View the status of previously submitted claims

## GENWORTH SERVICING WEBSITE (cont.)

### **Workouts:**

Features include:

- Submit workout information for Genworth approval
- Inquire on the status of previously submitted workout information

Because you have direct access to your information in the Genworth database, you will always have the current information on the loans that Genworth insures for you.

If you have questions or need information about how to access Certilink<sup>SM</sup>, please contact the Genworth ActionCenter<sup>®</sup> at 800 444.5664.

**\*\*\* The URL for the Genworth Servicing Website given above will be changing in the future, due to our company name change from General Electric Mortgage Insurance to Genworth Mortgage Insurance Corporation. The URL given above will continue to be active until further notification.**

## KEY DEPARTMENTS

### Policy Servicing

800 334.9270

- Initiating, Maintaining and Cancelling MI Coverage
- Certilink<sup>SM</sup>

### Delinquency Reporting

800 334.9270

- Reporting the Delinquent Loan
- DOW (Delinquencies on the Web)

### Loan Workout Center

800 455.0871

- Servicing the Delinquent Loan
- e-LMO Fast Track<sup>TM</sup>

### Claims Department

800 334.9270

- Submitting a Claim for Loss
- COW (Claims on the Web)
- E-Bid

### Investigation Department

800 334.9270

- Quality Control

### ActionCenter<sup>®</sup>

800 444.5664

- Notices
- Forms
- User IDs and Passwords
- Encryption Software

## SUBMITTING THE INITIAL PREMIUM

Insurance must be activated within ten (10) days after the loan closes as stated in your master policy.

Insurance may be activated through several means:

- A copy of the commitment/certificate including the loan close date, any loan number update, amount of premium being remitted which is signed by an authorized representative and includes customer contact information may be mailed along with a check payable to Genworth Mortgage Insurance Corporation for the initial premium to the address provided on the commitment/certificate.
- A copy of the commitment/certificate including the loan close date, any loan number update, which is signed by an authorized representative and includes customer contact information may be mailed without initial premium if the loan is insured under Genworth's Zero Monthly product. If the loan is insured under Zero Monthly, no initial premium amount is printed on the commitment/certificate. These commitment/certificates should be mailed to the address printed on the commitment/certificate or may be faxed to the number provided on the commitment.
- Zero Monthly Certificates may be activated via Certilink<sup>SM</sup> by using the activation feature on this website. The loan close date for a selected certificate, any updated lender loan information and the borrower's first payment date is entered. Once submitted, this information is updated in our database overnight. Coverage cannot be activated via Certilink<sup>SM</sup> on loans that are not insured under the Zero Monthly product.
- Sending an Excel file via e-mail to [Certinfo@genworth.com](mailto:Certinfo@genworth.com) may also activate insurance for the Zero Monthly product. The file format is: certificate number, loan number and loan close date (dd/mm/yyyy).
- If you would prefer to wire funds once a month for premium on all loans closed in that month, call our automated Hotline at 800 334.9270, x2323 for further information.

**Tender of initial premium or loan close date for the Zero Monthly product, constitutes a representation and certification by the insured or its agent that (a) all special conditions set forth in the commitment have been satisfied and that (b) the loan is not in default on the date the initial premium/loan close date is received.**

## CONSTRUCTION TO PERMANENT LOANS

Genworth will accept premium and place insurance in force with the loan closing date and initial premium if required prior to completion of the dwelling if the following conditions apply:

- There is only one loan closing (the loan covers both construction and permanent financing).
- The borrower (homebuyer) has executed the note and is responsible for the payments due.

The first renewal premium will be based on the loan closing effective date and the initial term. Genworth will only honor a claim if the borrower (not the builder) is in default and the dwelling is completed per plans and specs prior to submission of the claim.

A payment history or copy of the note may be required, depending upon the answer to the following questions:

- Who is obligated for repayment of the construction/permanent loan?  
If the answer is someone other than the homebuyer, we do not insure until the loan is in the homebuyer's name.
- Will there be another loan closing after construction is completed?  
If the answer is "yes," we do not insure until after the second loan closing date.
- Is the borrower required to make interest-only payments during the construction period?

If the answer is "yes," a current satisfactory payment history is required for Genworth to insure the loan.

If the answer is "no," the terms and conditions during the construction period will determine whether a payment history is required.

## Renewal Billing

All renewal billings are generated monthly. Whether electronic or paper, the billing formats include both monthly and annual renewal billing types. Annual premium renewals are billed in the month preceding the actual month the annual premium is due on the individual certificates. Monthly premium renewals are billed currently (in the same month the billing is generated). For instance, a March billing would include annual certificates where the premium is due in April and monthly certificates where the premium is due in March.

Lender paid insured loans (LPMI) and borrower paid insured loans (BPMI) are billed on the same bill and separated so that all LPMI certificates are together and all BPMI certificates are together, for paper bills. Automated billing formats include codes to identify LPMI and BPMI certificates based on the respective format of your computer system or service bureau.

Failure to pay renewal premiums on any certificate will result in the automatic cancellation of Mortgage Insurance on the certificate, as defined in the Master Policy.

### Types of Renewal Plans

#### Monthly Premiums:

- Renewal premium due each month
- Amortized (declining) renewal plans
  - Premium based on the loan balance at the anniversary month (month the loan closed) of the loan
  - Loan balance updated in our system annually, in the anniversary month of the loan
  - The unpaid principal balance of the loan should be supplied to Genworth in the eleventh month (month prior to the anniversary month). Servicers will need to supply the balance, on that billing statement, and calculate the renewal premium due
- Level (constant) renewal plans
  - Premium always based on the original loan amount

#### Annual Premiums:

- Renewal premium due once each year
  - Amortized (declining) renewal plans
    - Premium based on the current balance at the time of renewal
    - The unpaid principal balance of the loan should be supplied to Genworth. The billing notice will indicate only the premium rate and servicers should supply the balance and calculate the renewal premium due
- Level (constant) renewal plans
  - Renewal premium due will remain the same for the first ten (10) years and then decrease to a lower renewal rate for the remaining life of the insurance

## Types of Renewal Plans (cont.)

### Single Premiums:

- Single premium plans provide Mortgage Insurance for the life of the loan and no renewal premiums are due
- **It is important that any servicing transfers be reported to Genworth so that the current servicer information can be maintained**
- **It is critical that Genworth be notified when coverage should be cancelled (Please refer to your company's Homeowners Protection Act guidelines and policies)**

## Zero Monthly Product and Regular Monthly Product

The Zero Monthly Mortgage Insurance product begins once the servicer/lender/closing agent notifies Genworth that the loan has closed and supplies the closing date. The product characteristics are:

- Coverage begins when loan closes (Notification of loan closing must be submitted to Genworth) **No initial premium is paid at loan closing**
- First renewal premium is due on the **1<sup>st</sup> day of the month following loan closing**
- First renewal premium is billed during the month the premium is due

The Regular Monthly Mortgage Insurance product begins once the servicer/lender/closing agent notifies Genworth that the loan has closed, supplies the closing date AND Genworth receives the initial premium due. The product characteristics are:

- Coverage begins when loan closes **AND initial premium is received by Genworth**
- First renewal premium is due **30 days from the loan closing date**
- First renewal premium is billed during the month the premium is due

## Billing Methods

Genworth accepts various renewal billing methods in an effort to accommodate all servicer systems and capabilities. The preferred billing method, both from a processing productivity viewpoint and from a data integrity viewpoint is one that is fully automated and requires less or no manual intervention.

Billing methods of this type include:

### **EDI (Electronic Data Interchange)**

- An industry wide standard format is used which has been adopted by all MI companies using the MISMO (Mortgage Industry Standards Maintenance Organization) agreed upon formatting language

### **Electronic Billing Formats**

- Genworth offers other forms of electronic files for servicers and/or service bureaus who have specific required formats and methods of communication

### **Billing on the Web**

- Access your bill online at [www.gemortgageinsurance.com](http://www.gemortgageinsurance.com) through the Certilink<sup>SM</sup> system. Your bill is available the day following your chosen billing cycle date.

### **Billing via Excel**

- Your billing file is sent to a specified email address via a password-protected format the day following your chosen billing cycle date.

For more information concerning these or other automated billing formats and for information on the ACH or Wire payment methods please contact the Genworth MI Hotline at 800 334.9270 ext. 2323.

### **Paper Billing Format**

- Genworth also offers a paper billing method for those customers that have not implemented automated processes.

## Renewal Premium Due When Insurance Is Cancelled

It is the Insured's, or its agent's responsibility, to ensure all premiums due are remitted to Genworth; therefore, your cancellation process must include the calculation of premiums due. Following is an example calculation for monthly product:

- Premium is paid through the end of March 2004. Borrower pays off the loan on May 14, 2004. Determine the premium due by comparing the paid through date to the pay off date. In this example, one month's premium is owed for the month of April. In addition, if the premium plan is non-refundable, premium is also owed for the month of May. If the premium plan is refundable, premium is due for 13 days in May. You would calculate the partial month due by dividing the monthly premium by the number of calendar days in the renewal month and then multiplying that amount by 13.
- In order to ensure that all premium owed is paid, you may utilize the payoff function in Certilink<sup>SM</sup>(See Section A2) or call your Servicer Account Specialist at 800 334.9270. For customers using service bureaus (Fidelity or Mortgage Serv), you would always select to pay premium at the time a cancellation is processed in your servicing system.

## Overdue Notices

**Overdue notices** are sent monthly at the time your bill is generated. Insurance coverage will cancel due to non-payment if the premium is not received. Instructions are provided with the overdue notice.

Please note, that while we provide you with overdue notices, according to our Master Policy, Genworth reserves the right to cancel coverage for nonpayment of renewal premium unless the loan is delinquent. When the loan cures, all unpaid renewal premiums are due.

**Genworth utilizes an imaging system for processing overdue notices; therefore, when sending these notices to Genworth please do not use a highlighter.**

## Premium Due on Delinquent Loans

Premium **is not** due on a certificate reported to Genworth as delinquent. When the loan is brought current, all past due premiums should be remitted to Genworth. Failure to remit premiums at the time the loan is cured could result in coverage being cancelled for non-payment.

If the loan remains delinquent and results in foreclosure with a claim being submitted, any overpayment of premiums will be refunded or premiums due will be deducted from the claim payment.

## CERTIFICATE CHANGES

Please notify Genworth immediately of any changes to an insured loan and submit the appropriate documentation to your Servicing Account Specialist.

### MODIFICATIONS

Genworth's Master Policy states that any modification to the original terms of the mortgage loan must have prior written approval by Genworth (except modifications called for by the loan documents and which do not require prior approval of the loan holder). To obtain a Notice of Modification or letter, please contact the ActionCenter<sup>®</sup> at 800 444.5664. The following information is required when submitting a Notice of Modification or letter:

- Borrower's name
- Certificate number
- Lender loan number
- Property address
- New and old P&I payment
- New and old interest rate
- Mortgage instrument type
- Verification that loan is current

Please mail the above information to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

**For modification on delinquent loans, contact the Loan Workout Center at 800 455.0871.**

### CONVERTIBLE ARMs

If a loan has a conversion option in the mortgage note, Genworth does not require prior approval.

### ASSUMPTIONS

An assumption notice can be obtained by contacting the ActionCenter<sup>®</sup> at 800 444.5664. If you are requesting an assumption with release of liability on a Genworth certificate, please submit a completed Assumption Notice or letter and credit package for the new borrower to your local Genworth Service Center. For specific requirements in your area, please contact your local Genworth Service Center. If your assumption is without the release of liability, please complete the Assumption Notice and fax it to 888 291.2144 or mail it to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

**For assumptions on delinquent loans, contact the Loan Workout Center at 800 455.0871.**

## PARTIAL RELEASE

When you send a request for a partial release, our objective is to review the documentation and decide whether or not the release would adversely affect the marketability or value of the property. In all cases except property taken by “eminent domain”, the following information is required:

- A letter outlining the following:
  - Why the release is being requested
  - Whether money is to be exchanged, and if so, the amount
  - The details regarding the release (reason, who will receive land being released, amount of land being released, etc.)
- 12 month payment history
- Copy of the original Security Instrument (Deed or Mortgage), and original Appraisal
- Survey outlining the property to be released relative to the location of the house.
- A new appraisal stating the value of the portion being released and the value of the remaining property.
- Copy of pending sales contract

Please mail the above information to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

### **Conditions for Approval include but are not limited to:**

- The loan must have no thirty (30) day delinquencies in the immediate three (3) months and no more than one (1) thirty (30) day delinquency in the past year.
- Genworth may require that funds received from the sale of property be applied to reduce the outstanding loan balance.

**We reserve the right to require additional documentation depending upon the circumstances of the release.**

In the case of “eminent domain”, a new appraisal is not necessary. However, Genworth’s Master Policy states that if a property is taken by “eminent domain”, any funds are to be applied to the outstanding loan balance to the extent permitted by the laws of the state in which the property is located.

**For partial release on delinquent loans, contact the Loan Workout Center at 800 455.0871.**

## **PARTIAL RELEASE (contd.)**

### **WAIVERS**

Waivers are a result of previously undisclosed easements and/or encroachments. When Genworth approves a waiver request, we are agreeing to continue insurance on a loan for that parcel of property.

When sending a waiver request, the following documentation is required:

- A statement from the appraiser that the changes do not adversely affect the value of the property.
- A survey outlining the changes.

Please mail the above information to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

## COVERAGE CHANGES

To consider a certificate for an **increase** in coverage, the following is required:

- A written request
- A contact name with telephone and fax number
- Effective date of change (loan closing date or the date the request is received)
- 12-month payment history.

Please mail the above information to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

Once the increase in coverage is approved, Genworth will fax the servicer an amended commitment/certificate that will reflect the increased coverage and premium amount. Coverage increases will not be approved if the loan has been 30 days delinquent within the past 3 months or more than one (1) thirty (30) day delinquency in the past year.

To consider a certificate for a **decrease** in coverage, the following is required:

- A written request (the effective date is the date Genworth processes your request)

Once the written request is received, we will process it and fax the servicer a new commitment/certificate which will reflect the decreased coverage and premium amount. If the certificate has an annual renewal, we will calculate the differences in premium for the time remaining in the present term and issue a refund, if any, to the servicer. If the certificate has a monthly term, the decreased coverage and premium will be effective at the next renewal. No refunds of premium will be processed for prior premiums paid.

## ADDRESS CHANGES

If an error occurred and the address on the certificate of insurance is different from the loan documents, a request to change must be submitted in writing with a copy of the appraisal.

If the certificate of insurance reflects a lot and block number and a servicer has a street address, a request to change must be submitted in writing along with a copy of the original appraisal. Sometimes the state will change an address and if this occurs we will need to receive a copy of the letter from the state prior to making the change.

## SERVICING TRANSFERS

As stated in Genworth's Master Policy, it is the seller's responsibility to give Genworth prior notice of all servicing transfers. Advising us of servicing transfers will help ensure that billing statements are sent to the proper servicer and will help prevent possible cancellation of coverage. However, if you have recently acquired a loan and if you have not received a bill for a particular certificate, please notify your Servicing Account Specialist so that we may check our records and make any appropriate servicing changes.

If you have any questions concerning servicing transfers, please contact your Servicing Account Specialist at 800 334.9270.

Genworth can accept servicing transfers via various formats. For further information, contact your Servicing Account Specialist at 800 334.9270.

If you'd like to use our form, you may copy the form (Page D12) or call the Genworth ActionCenter<sup>®</sup> at 800 444.5664 for a supply.

**Genworth utilizes an imaging system for processing servicing transfers; therefore, when sending these notices to Genworth please do not use a highlighter.**

Servicing transfers may also be submitted on-line through Certilink<sup>SM</sup> or through the transmission of the standard EDI 266 Transaction.



Genworth Mortgage Insurance

P.O. Box 981063  
 El Paso, TX 79998-1063  
 800 444.5664  
 Fax 888 964.9159

**SERVICING TRANSFER NOTICE**

Please complete and return only if you have released the servicing of loan(s).  
 All renewal billing/correspondence will be sent to the new servicer.

\_\_\_\_\_  
 Current Servicer's Name

\_\_\_\_\_  
 New Servicer's Name

\_\_\_\_\_  
 Address (P.O. Box, Street)

\_\_\_\_\_  
 Address (P.O. Box, Street)

\_\_\_\_\_  
 City State Zip

\_\_\_\_\_  
 City State Zip

\_\_\_\_\_  
 Contact Name (Please Print)

\_\_\_\_\_  
 Contact Name (Please Print)

(\_\_\_\_) \_\_\_\_\_  
 Phone Number

(\_\_\_\_) \_\_\_\_\_  
 Phone Number

Date of Transfer: \_\_\_\_/\_\_\_\_/\_\_\_\_  
 Month Day Year

Certificate Number (10 Digit Number)	New Servicer's Loan Number	Borrower's Full Name (Last, First, Middle Initial)

\_\_\_\_\_  
 Authorized Signature  
 1/9/2007

\_\_\_\_\_  
 Title  
 D12

\_\_\_\_\_  
 Date

## REINSTATEMENTS

**Cancelled Commitments** occur when coverage has not been activated prior to the expiration date printed on the commitment. Call Genworth's National Processing Center at 800 672.7717 for reinstatement requirements for a cancelled commitment. Do not send a premium payment until you have received notification that the Commitment will be reinstated.

**Cancelled Certificates** occur as a result of nonpayment of premium or at a servicer's request. If a certificate is cancelled, the following documentation is needed to consider reinstatement. Please forward this information to your Servicing Account Specialist.

- Written request to reinstate coverage.
- A twelve month, current and satisfactory mortgage payment history. "Current" refers to a history which shows the last twelve months' payment record through the current month. "Satisfactory" refers to the loan having no payments more than 30 days late within the last three months and no more than one payment more than 30 days late within the past twelve months. (Payment histories may not be submitted as Excel spreadsheets.)
- We retain the right to request a current certification of value or current appraisal.
- If the cancellation was due to us processing a servicer's cancellation request and unearned premium was issued, the full amount of the refund will be required in addition to the information listed above.
- If a reinstatement is approved, all premiums must be paid prior to insurance coverage being reinstated.
- You may use the certification form (Page D14) rather than submit a 12-month Mortgage payment history for our review. When using this form, you are giving us a warranty that the history meets our requirements and the insurance is eligible for reinstatement. Should the loan subsequently go to claim status, you will be asked to provide the payment history showing that the loan met the reinstatement requirements at certification.



## Genworth Certification Form

I am requesting reinstatement of the certificate(s) of insurance on the loan(s) listed below:

Certificate #	Borrower	Loan #	Loan Balance	Loan Close Date

I have reviewed the last 12 months payment history (or history from inception of loan if not seasoned for a year) of the above listed loans, and I certify that, as of the date of this certification, the above loans meet the requirements listed below:

No loan has a payment more than 30 days late in the last three months and no loan has more than one payment 30 days late in the past 12 months.

I am aware in the event that the certification proves to be inaccurate, with respect to a loan, Genworth reserves the right to rescind coverage or adjust any claim filed with respect to such loan.

Signature: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Title: (please print) \_\_\_\_\_

Company: (please print) \_\_\_\_\_

Date: \_\_\_\_\_ Telephone: \_\_\_\_\_

Please return via fax to 800 291.2144

## CANCELLING MI COVERAGE

Genworth Mortgage Insurance Corporation processes cancellation refunds when notified by the servicer either in writing or by automated means. All cancellation requests must provide the following information:

- Borrower's name
- Loan number
- Genworth's ten (10) digit certificate number
- Date of cancellation
- Reason for cancellation
  - Paid in Full
  - LTV Drop
  - Other (please explain)
- Address to which any applicable refund should be mailed

**All cancellation refunds are made payable to the borrower or servicer and mailed to the address provided.**

Cancellation requests received from borrowers will be forwarded to the servicer.

Paper cancellation requests may be faxed to 888 964.9159 or mailed to:

Genworth Mortgage Insurance Corporation  
Attn: Policy Servicing  
6601 Six Forks Road  
Raleigh, NC 27615

A copy of the form given (Page E3) may be reproduced and used to submit paper cancellation request.

## Electronic Forms of Cancellation Request

- Certilink<sup>SM</sup> - Genworth Servicing Website (**See Section A2**)
- EDI transmissions (For further information, please contact the ActionCenter<sup>®</sup> at 800 444.5664.)
- Excel files containing all of the required information may be sent by e-mail to [Certinfo@Genworth.com](mailto:Certinfo@Genworth.com).
- **Please contact the ActionCenter<sup>®</sup> if you wish to use PGP (Pretty Good Privacy) encryption software. PGP is standard software that allows electronic information to be encrypted. If you choose not to use PGP, we strongly urge that at a minimum the files be password protected since private consumer information is contained on the file. If password protection is used, a second communication must be provided containing the password.**
- For loans covered under the Homeowners Protection Act, cancellations will be effective as of the date requested and applicable refunds processed.
- For loans not covered under HPA, cancellation dates that are more than 90 days prior to the date the request is received will be manually processed as a “partnership”. Partnership means that Genworth will refund any applicable unearned premium within the prior 90 days and refund one-half of any premium paid prior to 90 days. The servicer will be required to pay the additional one-half. All partnership refunds will be sent to the servicer.
- Occasionally, cancellations are not requested timely by the servicer. We recognize that these defects occur and will process the request as quickly as possible. These requests are processed in the order received to prevent giving preferential treatment to any servicer. Our processing goal on all requests of this type is eighteen (18) days from receipt.



## PRIMARY INSURANCE

### REPORTING THE DELINQUENT LOAN

A Notice of Delinquency or first report of a delinquent primary insured loan must be filed within ten (10) days after either of the following occurs:

1. The loan is three (3) payments in default:

**A loan is three (3) payments in default** if the monthly installment due on January 1 remains unpaid at the close of business on March 1. In this example, the Notice of Delinquency would be due to Genworth by March 10.

or

2. Proceedings have commenced affecting the loan, the property or the insured's or borrower's interest in the Mortgaged property (e.g., bankruptcy).

**First payment defaults must be reported within forty-five(45) days after the default. Consult your specific Pool policy for timing requests.**

All Certificates can be reported by:

1. Data File (ASCH text file)
2. DOW – Delinquencies on the Web
3. Phone – 800 334.9270
4. Fax – 919 846.4514 or 919 846.3125
5. Paper
6. E-Mail – gnw.delq@genworth.com

Please mail paper reports to:

Genworth Mortgage Insurance Corporation  
Attn: Delinquency Reporting  
6601 Six Forks Road  
Raleigh, NC 27615

Loans insured under both a Genworth Primary and Pool Certificate of Insurance should only be reported under the Primary Certificate of Insurance. Your loan insured under Genworth's Pool Certificate of Insurance will be updated concurrently.

Loans insured under both a Genworth Primary and Pool Certificate of Insurance should follow requirements of the **Bulk/Pool** Master policy with regard to your initial Notice of Delinquency.

**We encourage you to notify Genworth of a delinquency earlier than the Master Policy requires. This will enable us to review the file and determine if steps can be taken to avoid foreclosure. Failure to report the initial Notice of Delinquency as required by your Master Policy will result in curtailment of interest upon submission of your Claim for Loss.**

**Monthly reporting of delinquent status information should continue until the borrower is no longer in default or until a Claim for Loss has been filed with Genworth. If you fail to report a monthly update on a delinquent loan, Genworth will notify you regarding your oversight and request updated delinquency information.**

## REPORTING THE DELINQUENT LOAN BY DATA FILE

The Data Files can be sent over the Internet using the following methods: FTP dropbox, email, Advantis or other secure network websites such as Lender websites. Additionally, Data Files can be received by NDM transmission from Service Bureaus.

Genworth's Data File Reporting service eliminates the need to manually complete delinquency notices. Instead, these reports are prepared automatically in an ASCII text format in the generally accepted MBA Data File layout. The automated reporting also completes the Monthly Reporting requirements on previously delinquent certificates. Automated reporting can also be used to report bankruptcy and foreclosure information. Each month, simply provide us with a data file containing the status of each of your delinquent loans – from the day the problem loan is reported to the day one of the following occurs: a claim is filed, the loan is paid in full, or becomes current. This service helps us track delinquent loans without the need for paper reporting.

**Monthly reporting of delinquent status information should continue until the borrower is no longer in default or until a Claim for Loss has been filed with Genworth. If you fail to report a monthly update on a delinquent loan, Genworth will notify you regarding your oversight and request updated delinquency information.**

The Genworth required data file format is based on a standardized format developed by a joint task force from the Mortgage Bankers Association and the Mortgage Insurance Companies of America, both industry trade groups. This automated reporting format is used throughout the private MI industry.

Genworth's Data File Reporting Service assists in reporting delinquencies to Genworth at the earliest possible date. And the earlier Genworth knows of a problem loan, the better our opportunity to help you cure the delinquency.

If you are not reporting delinquencies to Genworth by Data File but are interested in doing so, all you need is the capability to track delinquent loans by computer, either in-house or through an outside supplier. For more information please call Delinquency Reporting at 800 334.9270.

## **REPORTING DELINQUENT LOANS USING DOW** (Delinquencies on the Web)

DOW (Delinquencies On The Web) allows you to access our website with your PC using a Windows® application. (Windows® is a registered trademark of Microsoft Corp.) This allows servicers the ability to report delinquencies without filling out forms, making copies, faxing documents or making telephone calls to Genworth.

The basic requirements for DOW are Access to the World Wide Web  
Note: Though DOW will run on Netscape, Internet Explorer tends to be more efficient.

Because you have direct access to our website you will always have the current version of DOW which eliminates the need to send upgrades between Genworth and our servicers.

To have a user ID assigned for the website, call the ActionCenter® at 800 444.5664.

DOW can be used to report on one (1) certificate at a time or download a spreadsheet to report multiple certificates.

If you have any questions or need additional information about how to access DOW, please call Delinquency Reporting at 800 334.9270.

**Monthly reporting of delinquent status information should continue until the borrower is no longer in default or until a Claim for Loss has been filed with Genworth. If you fail to report a monthly update on a delinquent loan, Genworth will notify you regarding your oversight and request updated delinquency information.**

## GENWORTH MORTGAGE INSURANCE CORPORATION'S WEBSITE INSTRUCTIONS FOR DOW

For details on claims and billing contact the ActionCenter® 800 444.5664.

The URL for the Mortgage Insurance Website: <http://www.gemortgageinsurance.com>

A user ID (case sensitive – all small letters) and a password (which will be the same as the user ID) will be assigned upon request.

The first time onto the website, the system will display that your password has expired. Two boxes appear. At this time, change your password. The password should be at least six characters long, is case sensitive and can be any combination of numbers and/or letters.

If at anytime you forget your password – call the ActionCenter® at 800 444.5664 to reset your password.

If you want someone to walk you through the system for the first time, please call Delinquency Reporting at 800 334.9270. They will be glad to assist you.

After you have changed your password, you will see a screen that will give you options:

- Either from the buttons on the upper left side of the screen (Put the cursor on the button that has Delinquency Reporting and Claims) or
- The circle in the lower left hand corner with the dollar (\$) sign in it (Put the cursor on the circle and a box will pop up with options in it):

To access DOW (Delinquency on the Web) – Whichever way you get to the pop-up, go to the option that says Delinquency on the Web to get to the default reporting area. Click once on the Delinquency on the Web option to get to the Delinquency Reporting Certificate List that shows only the certificates that have been previously reported that belong to the specific company logging into the website.

In this screen, you can access the area you would enter new delinquent loans, update previously reported delinquent loans and update loans by a spreadsheet download. This area can also be used for entering foreclosure start, sale and lender acquired title dates as well as bankruptcy information.

To obtain Foreclosure bidding instructions on the Web – Go to the instructions for E-Bid.

## WEBSITE INSTRUCTIONS FOR DOW (contd)

Log into the Website

After you have logged into the website, you will see a screen that will give you options:

- Either from the buttons on the upper left side of the screen (Place the cursor on the button that says Delinquency Reporting and Claims) or
- The circle in the lower left hand corner with the dollar (\$) sign in it. (Place the cursor on the circle and a box will appear with options in it.)

Click on the line that says Delinquencies on the Web.

### **The Delinquent Reporting Certificate List will appear:**

This will be a list of any previously reported delinquent loans.

**Sort Feature:** There is a sort feature available for this list right above the list.

- Click the circle in front of the way you want the list sorted and click on the “Change Sort” button to the right. The list will then be sorted by the chosen criteria. Resorting is available anytime.

To **access** the previously reported certificates, click on any certificate number in the list and the Delinquency Reporting – Monthly Delinquency Status page will appear. Another way to get to the Status page is to type the certificate number into the blank box at the top of the Delinquent Reporting Certificate List that says:

Enter certificate # - put the desired certificate number in the box and click on the button to the right that says, “Get Certificate”. The requested Delinquency Reporting – Monthly Delinquency Status will appear with the previously reported delinquent information pre-filling the boxes. You can then change the information to the correct information for the current month.

**!!!Important Tips!!!** If you are going to report a loan as Cured or PIF, please update only the due date and check the circle in front of Current or PIF right above the transfer servicing button in the Delinquency Reporting - Monthly Delinquency Status page. If you change the unpaid principal balance, the system will say you have made an error but it will not tell you what is wrong. FYI – any comments you type in the comments box are posted directly to the Genworth REO notepad.

**To Update** – Once you have changed all the information you desire in the Monthly Delinquency Status page, go to the bottom of the screen. Several buttons should appear:

- Save and Ready to Submit, Save and Next and Exit.

If the buttons on the bottom are not visible – go to the view button on your tool bar and click on the option full screen. This should make them appear.

## WEBSITE INSTRUCTIONS FOR DOW (contd)

**Save and Ready to submit** – This will save what you have entered on the first certificate updated and bring you back to the certificate list. You can either submit the updated certificate to Genworth with the submit button at the top of the certificate list or if there are other certificates that have not been updated on the certificate list, then click on any of the non-updated certificate numbers and the system will bring you to the certificate that needs updating. Continue in this fashion until all certificates are updated. To submit all certificates updated to Genworth, put the cursor on the submit button at the top of the certificate list and hit enter. In a minute or two, the system will tell you at the top of the page how many certificates were successfully submitted.

**Save and Next** – This will save what you have entered and bring you to the next certificate in the certificate list that needs updating. When you have updated the last certificate, this option will then bring you back to the certificate list so you can submit the information saved in the Certificates.

**Exit** – This allows you to exit out of the update feature without updating. A warning button was added to ask if you are sure you want to lose the data entered.

In the Delinquent Reporting Certificate List, the “Saved on” column on the right hand side will have “Not Saved” at the beginning of each month. As you go into each certificate and save it, the date will change to whatever date you saved the information.

## WEBSITE INSTRUCTIONS FOR DOW (contd)

**New NOD** – This allows you to enter a new delinquent loan. Click on the button in the upper left hand corner that says, “New NOD”. On this form the certificate #, name, property address, due date, principal balance and servicer contact name and number are the only required fields. Once the information is entered, the buttons at the bottom work the same as the ones in the Delinquency Reporting Certificate List. Once you have entered and saved the new delinquent loan information, the newly reported loan will show up on the Delinquency Reporting Certificate List.

**Submit the saved information to Genworth** – Depress the large submit button at the top of the Delinquency Reporting Certificate List. After the information is transmitted to Genworth, a line will appear just above the Delinquency Reporting Certificate List. That will indicate how many certificates were transmitted successfully.

**Tip!!** – The last submit date right below the Delinquency Reporting Certificate List will change to whatever date you last transmitted information to Genworth.

You may transmit as many times during the month as you need to; however, you can only transmit information once a day.

If you need any assistance, please call Delinquency Reporting at 800 334.9270 and someone will be glad to assist you.

If you need to get bidding instructions: Go to the instructions for E-Bid.

## COMPLETING THE NOTICE OF DELINQUENCY

### POINTS TO REMEMBER:

- Item 1:** The **MI Certificate Number** has ten (10) digits and can be found on the original certificate of insurance.
- Item 2-4:** Enter the **Servicer Loan Number, Servicer Name, and Servicer Address.**
- Item 5:** Check the appropriate **Investor**, if applicable.
- Item 6-12:** Enter the **Mortgagor** and **Co-Mortgagor** information: name, social security number, property address, mailing address (if different than property address), and telephone numbers.
- Item 13:** **Current Principal Balance** should reflect only the remaining loan amount.
- Item 14:** **Total Delinquent Amount** is the amount needed to reinstate the loan.
- Item 15:** **Bankruptcy File Date/Chapter** should be completed if applicable.
- Item 16:** Enter the month, day and year of the **Loan Due for Date**. This date should correspond to the delinquent payment the borrower is now due to pay. Loans in bankruptcy should reflect the actual Loan Due Date, not the Post Petition Due Date.
- Item 17:** Check the **Reason for Non-Payment**.
- Item 18:** Check whether this is a **First Payment Default** or not.
- Item 19:** Check the appropriate **Occupancy Status**, if known.
- Item 20:** Enter the **Date of Last Mortgagor Conversation**, if known.
- Item 21:** Check to indicate **Servicer's Next Action**.
- Item 22:** **Describe Servicer's Collection Efforts** by providing any detail information regarding the delinquency to assist the Genworth Workout Representatives in evaluating the borrower's situation to determine the best solution to resolve the delinquency.
- Item 23-24** Always provide a **Servicer Contact** and **Servicer Telephone Number**.
- Item 25:** Enter the **Date** of form completion.

**Genworth utilizes an imaging system for processing Notices of Delinquency; therefore, when sending these notices to Genworth please do not use a highlighter.**

**NOTICE OF DELINQUENCY  
First Lien**

**GENWORTH MORTGAGE INSURANCE CORP.**

Contact # 800 334.9270 Delinquency  
Reporting

**MI CERTIFICATE NUMBER:** \_\_\_\_\_ **1.** \_\_\_\_\_ **SERVICER LOAN NUMBER:** \_\_\_\_\_ **2.** \_\_\_\_\_

**SERVICER NAME:** \_\_\_\_\_ **3.** \_\_\_\_\_

**SERVICER ADDRESS:** \_\_\_\_\_ **4.** \_\_\_\_\_

**5. INVESTOR (Check One):**     FHLMC                       FNMA                       OTHER

**MORTGAGER NAME:** \_\_\_\_\_ **6.-12.** \_\_\_\_\_

FIRST                      MIDDLE                      LAST                      MORTGAGOR SOCIAL SECURITY NUMBER

**CO-MORTGAGER:** \_\_\_\_\_

FIRST                      MIDDLE                      LAST                      CO-MORTGAGOR SOCIAL SECURITY NUMBER

**PROPERTY ADDRESS:** \_\_\_\_\_

STREET                      CITY                      STATE                      ZIP

**MAILING ADDRESS IF DIFFERENT:** \_\_\_\_\_

STREET                      CITY                      STATE                      ZIP

**TELEPHONE NUMBERS:**    Home ( ) \_\_\_\_\_ Work ( ) \_\_\_\_\_ Ext. \_\_\_\_\_

**CURRENT PRINCIPAL BALANCE** (exclude all delinquent interest, etc.): **BANKRUPTCY 15.**  
\_\_\_\_\_ **13.** \_\_\_\_\_

**TOTAL DELINQUENT AMOUNT:** \_\_\_\_\_ **14.** \_\_\_\_\_

File Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Chapter: \_\_\_\_\_

**LOAN DUE FOR DATE:**                      MONTH                      DAY                      YEAR  
**16.**

**REASON FOR NON-PAYMENT (Check One):**    **17.**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Unemployment     | <input type="checkbox"/> Temporary Loss of Income | <input type="checkbox"/> Moved/Vacated              |
| <input type="checkbox"/> Marital Problems | <input type="checkbox"/> Bankruptcy               | <input type="checkbox"/> Dissatisfaction w/Property |
| <input type="checkbox"/> Illness          | <input type="checkbox"/> Excessive Use of Credit  | <input type="checkbox"/> Energy/Environment Cost    |
| <input type="checkbox"/> Death            | <input type="checkbox"/> Casualty Loss            | <input type="checkbox"/> Servicer Problem           |
| <input type="checkbox"/> Business Failure |   | (Explain Below)                                     |

Is this a First Payment Default? **18.**  
 Yes     No

**OCCUPANCY STATUS (Check One):**

- MORTGAGOR 19.**  
 TENANT  
 VACANT

**DATE OF LAST MORTGAGOR CONVERSATION:** \_\_\_\_\_ **20.**  
MONTH                      DAY                      YEAR

**SERVICER'S NEXT ACTION WILL BE (Check One):**    **21.**

- |   |   |
|---|---|
| <input type="checkbox"/> Loan Modification/Workout                | <input type="checkbox"/> Foreclosure  |
| <input type="checkbox"/> Recommend Mortgagor List for Sale        | <input type="checkbox"/> Negotiate Payment Plan                                 |
| <input type="checkbox"/> Offer to Take Voluntary Conveyance (DIL) | <input type="checkbox"/> Promise to Pay _____ Date: If available ____/____/____ |
|   | <input type="checkbox"/> Pending Refinance                                      |

**DESCRIBE SERVICER'S COLLECTION EFFORTS:**  
**22.**

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**SERVICER CONTACT:** **23.** \_\_\_\_\_

**SERVICER TELEPHONE NUMBER:** ( ) \_\_\_\_\_ **24.** \_\_\_\_\_ Ext. \_\_\_\_\_ **DATE:** \_\_\_\_\_ / \_\_\_\_\_ **25.** \_\_\_\_\_ / \_\_\_\_\_

## **MONTHLY DELINQUENCY LOAN STATUS REPORT**

After you report the initial Notice of Delinquency form, a monthly status update is required until the loan is brought current or a Claim for Loss is received by Genworth. It is not necessary to continue submitting a Notice of Delinquency form.

If you report by Paper or DOW, Genworth will provide a Monthly Delinquency Loan Status Report (Page F12) reflecting the delinquent loans reported by your institution. This report is provided to assist you in complying with the monthly status update requirement. You should complete this report and return it to Genworth within ten (10) days. Failure to receive such a Monthly Delinquency Loan Status Report does not relieve the insured of the responsibility to provide monthly updates. If you are utilizing a Data File to report your delinquencies, or have requested that we do not provide paper, you will not receive a monthly Delinquency Report.

All delinquent loans you have reported should appear on Genworth's Monthly Delinquency Loan Status Report during the month following your initial Notice of Delinquency. If not, you should contact Delinquency Reporting at 800 334.9270.

## MONTHLY DELINQUENCY LOAN STATUS REPORT

### POINTS TO REMEMBER:

- Items 1-6:** Please verify the information printed in these spaces and make corrections if necessary.
- Item 7:** Enter the information source date.
- Item 8:** Check here only if the loan has been brought current or paid off. If title has been acquired through foreclosure **DO NOT** report as "Paid Off". This type of reference causes Genworth to consider the loan cured which eliminates it from future status reports and may create subsequent problems in the processing of your claim.
- Item 9:** If servicing has been transferred, enter the new servicer's name and address. You should also complete a Loan Sale/Service Transfer Form and submit to our Policy Servicing Department to ensure proper handling of the loan.
- Item 10:** If the loan remains delinquent, check this item and verify or complete items 11-13.
- Item 11:** Current principal balance should reflect only the remaining loan amount.
- Item 12:** Enter the month, day and year of the Loan Due For Date. This date should correspond to the delinquent payment the borrower is now due to pay. Loans in bankruptcy should reflect the actual Loan Due Date, not the Post Petition Due Date.
- Item 13:** Check the appropriate occupancy status, if known.
- Item 14:** Check item that applies and fill in pertinent information.
- Items 15-19:** Verify and correct all information listed in these items.
- Item 20:** Use this section to record your most recent collection efforts. This section should also be used to notify us of any additional information regarding the delinquency (e.g., the length of a forbearance plan).
- Items 21-22:** Always provide a servicer contact and telephone number.
- Item 23:** Enter the date of form completion.

**Genworth utilizes an imaging system for processing Monthly Delinquency Loan Status reports; therefore, when sending these notices to Genworth please do not use a highlighter.**

**Monthly Delinquency Loan Status Report**  
**800 334.9270 Delinquency Reporting**

FOR THE MONTH OF

Mortgage Insurance Company <b>GENWORTH MORTGAGE INSURANCE CORPORATION</b>	P.O. BOX 177800 RALEIGH, N.C. 27619
--	--

Servicer Name 1.	Servicer Loan Number 2.
Servicer Address 3.	

Mortgagor Name 4.	MI Certificate Number 5.
Property Address 6.	

7. LOAN STATUS AS OF \_\_\_/\_\_\_/\_\_\_(MM/DD/YY)

8.  Cured (Loan brought current or paid off by the mortgagor, not foreclosed/REO.)  
 If cured, indicate reason:    Current            Paid Off

9.  Servicing Transferred (Loan has been sold to another Servicer.)  
 If known, Servicer Name \_\_\_\_\_  
 Address, City, State \_\_\_\_\_

10.  Remains Delinquent - Complete the following:

Current Principal Balance (exclude all delinquent interest, etc.) \$ 11.	Loan Due For Date (MM/DD/YY) 12.	Occupancy Status (Check One) <input type="checkbox"/> Mortgagor <input type="checkbox"/> Tenant           13. <input type="checkbox"/> Vacant			
<b>Delinquent Status (Check One)</b> <input type="checkbox"/> Loan Modification/Workout <input type="checkbox"/> Recommend Mortgagor List For Sale <input type="checkbox"/> Offer To Take Voluntary Conveyance (DIL)           14. <input type="checkbox"/> Negotiate Payment Plan <input type="checkbox"/> Promise To Pay - Date, if available ___/___/___ <input type="checkbox"/> Pending Refinance <input type="checkbox"/> Bankruptcy - File Date _____ Chapter _____ <input type="checkbox"/> Active Foreclosure - Complete the following:					
Date To Attorney For Foreclosure 15.	Date Foreclosure Proceedings Filed N/A	Sale Scheduled Date 16.	Date Title Acquired 17.	Redemption Expiration Date (if applicable) 18.	Claim File Date 19.

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 20.

<b>COMPLETED BY</b>		
Servicer Contact Name 21.	Telephone Number 22.	Date Completed By Servicer 23.

## FORECLOSURE BIDDING INSTRUCTIONS

Genworth requires that a servicer get bidding instructions for all Investors except Fannie Mae. For any Fannie Mae loans, Genworth requires that Fannie Mae bidding guidelines be followed.

Servicers can get bidding instructions from two sources:

1. The Genworth Website at <http://www.genmortgageinsurance.com>. To get assigned a user ID for the E-Bid Website, call the ActionCenter<sup>®</sup> at 800 444.5664.

or

2. Call or email the Claims Department at 800 334.9270 to get verbal or written instructions with written confirmation.

If you have any questions or need additional information about how to access E-Bid, please call the Claims Department at 800 334.9270.

## **GENWORTH INSTRUCTIONS FOR WEBSITE ACCESS TO E-BID (FORECLOSURE BIDDING ON THE WEB)**

The URL for the Mortgage Insurance Website: <http://www.gemortgageinsurance.com>

A user ID (case sensitive – all small letters), and a password (which will be the same as the user ID) will be assigned upon request.

The first time onto the website, the system will display that your password has expired. Two boxes appear. At this time, change your password. The password should be at least six characters long, is case sensitive and can be any combination of numbers and/or letters.

If at anytime you forget your password, call the ActionCenter<sup>®</sup> at 800 444.5664 and your original password can be reset.

If you want someone to walk you through the system for the first time, please call the Claims Department at 800 334.9270. They will be glad to assist you.

After you have changed your password, you will see a screen that will give you options:

- Either from the buttons on the upper left side of the screen (Place the cursor on the button that says Delinquency Reporting and Claims) or
- The circle in the lower left hand corner with the dollar (\$) sign in it. (Place the cursor on the circle and a box will appear with options in it.)

To access E-Bid, whichever way you get to the pop-up, go to the option under E-Bid (Online Foreclosure Bidding) to get to the E-Bid Page and click once on Online Foreclosure Bidding.

## **E-BID INSTRUCTIONS TO GET FORECLOSURE BIDDING ON THE WEBSITE**

Sign onto the website with current user ID and password.

To change the password:

- Two boxes will appear
- Type new password into both boxes. The password should be at least six characters long, is case sensitive and can be any combination of numbers and/or letters.

To get to the E-Bid area:

- Put cursor on the circle with the dollar (\$) sign
- A pop-up box will appear with choices
- Click on E-Bid (online Foreclosure Bidding)
- This will take you to the E-Bid Certificate Information Web page
- Enter the certificate number for which you want E-Bid
- Depress the "Search" button
- Certificate information will appear for confirmation (name, address, % of coverage and etc.)
- After you confirm the loan information, depress the "Submit" button

Boxes in which to enter the following information will appear:

- Current property value – Appraisal, BPO or Sheriff Appraisal Amount
- Total Debt, including all fees: UPB, interest, expenses and etc.
- Scheduled Foreclosure Sale date: Enter correct date if incorrect or blank

A box may appear if there is a variance between the current value and the original appraised value. Please check the appropriate box.

- Property Damage (beyond normal wear and tear)
- Depreciating Area
- Unknown (if no reason indicated for lower value)
- Other
- Type in any comments
- Depress the "submit" button

An E-Bid or a comment that indicates who should be contacted for further instructions will appear.

If you need assistance, please contact the Claims Department at 800 334.9270. Someone will be glad to assist you.

## SERVICING THE DELINQUENT LOAN

### OVERVIEW

Genworth encourages you to notify the Raleigh, NC, office of the delinquency earlier than the Master Policy requires. This will enable us to review the file and determine if steps can be taken to avoid foreclosure. Failure to report the initial Notice of Delinquency as required by your Master Policy will result in curtailment of interest upon submission of your Claim for Loss.

Contact the borrower as soon as the loan becomes contractually delinquent. When you have determined the reason for delinquency and if the borrower has the ability to repay the loan, develop a plan to resolve the delinquency.

If you determine the borrower does not have the ability to immediately reinstate the mortgage loan, encourage the borrower to contact the Loan Workout Center in Raleigh, North Carolina (NC) at 800 455.0871. Genworth is committed to using our vast resources to provide you with optimal workout solutions. Forwarding borrower referrals or financial packages gives us a head start in resolving issues which helps reduce your workload and prevents foreclosures. We have found that working with delinquent borrowers at an earlier stage can often decrease losses and increase customer satisfaction.

Genworth encourages you to contact the Loan Workout Center in cases where the potential for a workout exists.

Report any bankruptcy filing involving the mortgage property to Delinquency Reporting immediately at 800 334.9270.

Genworth will contact the borrower(s) directly in an effort to reduce losses to both the Insured and Genworth. The Borrower Contact Letter informs the borrower of the potential for Genworth's assistance. Page G2 is an example of Genworth's Borrower Contact Letter. We will advise the servicer of any borrower contact and resulting conversations including our recommendations to resolve the problem.

For in-depth training on servicing the delinquent loan, please contact your Genworth Loan Servicing Team. ("Key Contacts" section of this manual).



Genworth Mortgage Insurance

6601 Six Forks RD  
Raleigh, NC 27615-6519  
800 365.4322  
Genworth.com

January 9, 2007

**Borrower Name**  
**Borrower Address1**  
**City, State Zip**

RE: Certificate No:  
Lender Name:  
Lender Loan No:

Dear:

Your lender has notified Genworth Mortgage Insurance (GMI), that you are experiencing a hardship that has affected your ability to make your mortgage payments. GMI, as the mortgage insurance company insuring your loan, has various workout programs available that may help you.

**Why does GMI want to help? GMI is a private mortgage insurance company that insured the mortgage for your lender. GMI may be obligated to pay a percentage of any loss incurred by your lender after foreclosing on your property. If GMI can work with you and your lender to help avoid foreclosure, then we all will benefit.**

To evaluate your circumstances, we will need the following:

- **Hardship letter**, explaining why you have been unable to make your mortgage payments.
- Completed **Financial Statement** (form enclosed).
- Two (2) most recent **pay stubs** for each wage earner.
- Copy of two (2) years most recent federal **tax returns**, including all W-2's, schedules and attachments.
- Copy of last written correspondence from your lender.
- Copies of 2 most recent **checking AND savings** statements.

**Please do not send your original documents.**

Upon receipt of this information we will determine what type of assistance may be available to you. If we require additional documentation we will contact you. To ensure timely processing of your file, please return all documents within seven (7) business days. **Should you have any questions about the above-required documentation or what assistance we may be able to provide, call us at 800 365.4322 ext. 3141.**

NOTE: The primary responsibility for servicing your mortgage is retained by **SERVICER NAME**. Foreclosure proceedings are not suspended unless all arrangements are approved by your loan servicer. If you have made prior arrangements to bring you loan current, please call us.

**IF YOU ARE CURRENTLY IN OR HAVE RECENTLY FILED FOR BANKRUPTCY, PLEASE FORWARD THIS LETTER TO YOUR ATTORNEY.**

Sincerely,  
Genworth Mortgage Insurance  
Fax 800 944.3642

G2

1/9/2007

## COUNSELING THE BORROWER

There are two steps to effectively counsel a delinquent borrower. The first step is to establish the reason for default and the second is to obtain and analyze the financial information.

In the initial contact with the delinquent borrower, it is essential to determine the reason for default. Without the true reason for default, effective counseling cannot be accomplished. Once the reason for default has been identified and verified, it can be determined if this is a temporary or a permanent hardship.

What is a hardship? Hardship is defined as a temporary or permanent financial situation making a borrower unable to meet their monthly housing obligation in a timely manner, or making a borrower unable to meet any payments in the future. This should be an event beyond the borrower's control, for example:

- Unemployment
- Curtailment of income
- Forced relocation
- Divorce
- Illness/Disability
- Death

When determining the hardship, be sure to ask open-ended questions such as, "How will you go about finding other work?" to keep the conversation on course and to get to the underlying problem.

Once the reason for default and a hardship has been verified, obtain the financial information to determine if an alternative to foreclosure (workout) should be offered.

## CONSUMER COUNSELING AGENCIES

In some instances, the borrower may be more comfortable with a "disinterested" third-party as a single source of assistance rather than in dealing directly with all of his creditors on an individual basis. You may want to refer the borrower to one of these possible sources who may or may not charge a fee:

- HUD-approved counseling Agencies
- Employer-sponsored counselors
- Local government-sponsored counseling services
- Internally approved counseling Agencies
- Any other reliable counseling service

## SUBMITTING WORKOUT PACKAGES TO GENWORTH

Workouts may be submitted for Genworth's approval in 2 ways:

1. Submitting workout packages on-line is strongly encouraged. Visit our website at <http://www.genmortgageinsurance.com>

Log-on IDs may be obtained by contacting the Genworth ActionCenter® at 800 444.5664 **OR** by contacting your Loss Mitigation Account Manager ("Key Contacts" Section)

2. By sending required documents (Page G7) to the Distribution Desk.

Packages may be mailed or faxed:

Fax: 919 870.2414

Mail: 6601 Six Forks Road  
Raleigh, NC 27615

## WHY DO WORKOUTS?

Genworth will consider a workout on any delinquent mortgagor where, in Genworth's judgment, a workout would result in mitigation of an anticipated loss.

**Workouts benefit all parties involved - the servicer, borrower, investor, insurer and the mortgage industry:**

### **SERVICER:**

- Reduces your workload and increases productivity
- Enables you to focus on riskier loans
- Lessens non-claimable expenses
- Enhances your relationship with the Investor
- Possible incentives from various Investors
- Avoids an REO on a portfolio loan
- Retain servicing income through certain types of workouts
- Reduces costly foreclosure and attorney fees
- Enhances goodwill for future business
- Increases customer satisfaction

### **BORROWER:**

- May reduce the current monthly payment
- May retain his/her home
- May avoid a foreclosure on his/her credit record
- May avoid a deficiency judgment
- If unable to prevent hardship, has alternative to foreclosure

### **INVESTOR:**

- Reduces losses on holding cost and lost interest
- Avoids an REO and the expenses incurred

### **INSURER:**

- Reduces claim dollars paid
- Avoids an REO and the expenses incurred

### **INDUSTRY:**

- Controls rapid property depreciation by avoiding REO sold at auction prices
- Affects future sales prices and comparable values

## GENERAL INFORMATION ABOUT GENWORTH WORKOUTS

- Genworth must approve all workout transactions. Workouts may be submitted for Genworth approval in two ways:
  1. On-Line using e-LMO Fast Track™. Visit our website at:  
[www.gemortgageinsurance.com](http://www.gemortgageinsurance.com)  
  
Log-on IDs may be acquired by contacting the Genworth Action Center® at 800 444.5664 OR by contacting your Loss Mitigation Account Manager (“Key Contacts” Section)
  2. By submitting a complete workout package. Packages may be mailed or faxed:
    - Fax: 919 870.2414
    - Mail: 6601 Six Forks Road  
Raleigh, NC 27615
- Investor approval is necessary for any workout on Genworth insured loans.
- Any workout plan must retain the right to immediately accelerate the note if the borrower does not comply. This language must be a part of all approval letters.
- Genworth may request a contribution from the borrower to the extent of the borrower's financial ability. Any such contribution may be in the form of cash and/or a promissory note.
- Regular follow-up must be performed on all workout files to ensure timely completion of the plan and, if applicable, timely claim submission. Insurance should remain in force until the claim is submitted to the Genworth office in Raleigh, NC.

### BASIC WORKOUT PACKAGE

- Letter from the borrower explaining their current situation and/or hardship
- Borrower's financial statement
- Copies of past two months' pay stubs
- Copies of past two years' tax returns, including schedules (if applicable)
- Copies of past two months' bank statements, checking and savings
- In some cases the workout specialist may request the following:
  - Payoff Statement good for thirty (30) days
  - Reinstatement Figures
  - Brokers Price Opinion or Appraisal
  - Verification of hardship, e.g., layoff notice, death certificate, divorce decree, etc.

## USING WORKOUT OPTIONS

Once you have your basic information, you are ready to explore the available options for resolving the delinquency. All delinquent borrowers' circumstances are different; therefore, their solutions and options are different as well.

### **There are two basic categories of workouts you will encounter:**

- A. A delinquency is cured and the borrower will remain in the home.
- B. A delinquency is not cured and the property is sold through short sale or pre-foreclosure sale.

In category (A) there are four alternatives to foreclosure.

- 1. Repayment Plan
- 2. Forbearance Agreement
- 3. Delinquent Loan Modification
- 4. Borrower Assistance Program<sup>SM</sup>

In category (B) there are three alternatives to foreclosure which are used only after it has been determined that none of the alternatives in category (A) will allow the borrower to keep his home.

- 1. Loan Assumption
- 2. Preforeclosure Sale of Property
- 3. Deed-In Lieu of Foreclosure

## REPAYMENT PLAN

A repayment plan is a plan whereby the borrower agrees to bring the delinquent loan current within a given time frame by making scheduled payments toward the delinquent amount in addition to normal payments. This plan is generally applicable when the delinquency results from a temporary curtailment of the borrower's income that has subsequently been resolved.

(Page G10 for an example of a formal repayment plan.)

If terms of the agreement do not adhere to the Master Policy guidelines, such as proceeding with foreclosure as required, approval must be obtained from Genworth (except for repayment plans with terms of 6 months or less on primary insured loans).

### Scenario

The borrower broke her leg and was unable to work for four months. She received a nominal disability package while out of work. As a result of her injury, the borrower failed to make two consecutive monthly mortgage payments.

When the borrower returned to work, she entered into an agreement with the lender to make a payment and a half until the loan was brought current.

A review of her financial information indicated that the borrower would be able to afford the additional payments to bring the loan current. The borrower brought the loan current after four months.

### Questions to Consider

According to the borrower's financial situation, can the borrower comply with the terms and timing of the plan?

- What is the specific date on which the borrower will be current?
- Will the borrower be able to keep loan current once cured?

### Considerations for Approval

Verify that borrower can comply with terms and timing of plan and can maintain the loan current once cured.

Ascertain specific date by which borrower is to be current.

- Documents required:
  - Basic Workout Package
  - Repayment Agreement (signed)

If an informal Repayment Plan is agreed upon, confirm it in writing to the borrower, so that there is no misunderstanding.

**EXAMPLE  
FORMAL REPAYMENT PLAN**

MAIL TO: \_\_\_\_\_

DATE: \_\_\_\_\_

SERVICER NAME \_\_\_\_\_

SERVICER ADDRESS \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

ACCOUNT NO. \_\_\_\_\_

INSTALLMENT DUE DATE	AMOUNT DUE	PAYMENTS TO BE CREDITED
1. 12/5/2006	\$736.89	8/1/2006 + ½ of 10/1/2006 + 1 ½ late charge
2. 1/5/2007	736.89	9/1/2006 + ½ of 10/1/2006 + 1 ½ late charge
3. 2/5/2007	736.89	11/1/2006 + ½ of 1/1/2007 + 1 ½ late charge
4. 3/5/2007	736.89	12/1/2007 + ½ of 1/1/2007 + 1 ½ late charge
5. 4/5/2007	736.89	2/1/2007 + ½ of 4/1/2007 + 1 ½ late charge
6. 5/5/2007	735.89	3/1/2007 + ½ of 4/1/2007 + 1 ½ late charge
7. 6/5/2007	728.76	5/1/2007 + ½ of 7/1/2007 + 1 late charge
8. 7/5/2007	728.76	6/1/2007 + ½ of 7/1/2007 + 1 late charge
9. 8/5/2007	533.78	8/1/2007 + back late charges + non-sufficient funds
10. 9/1/2007	475.00	9/1/2007
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		

**IMPORTANT:**

The above payment amounts are subject to revision based on any future audits of your escrow account during the period of time this agreement is in effect. It will be required of you to remit the revised payment when it becomes effective – short payments will not be accepted under this agreement.

Please sign and date the original of this agreement and return it immediately. The copy is for your records.

ACCEPTED AND AGREED TO

\_\_\_\_\_  
MORTGAGOR'S SIGNATURE

\_\_\_\_\_  
CO-MORTGAGOR'S SIGNATURE

\_\_\_\_\_  
DATED

\_\_\_\_\_  
CO-MORTGAGOR'S SIGNATURE

\_\_\_\_\_  
CO-MORTGAGOR'S SIGNATURE

## **FORBEARANCE AGREEMENT**

With a forbearance agreement, Genworth and the servicer agree to delay foreclosure or other legal action in return for the borrower's promise to pay the arrearage or the full debt by a specific date. This option is generally used when the borrower has experienced a temporary curtailment of income or temporary financial setback or has sold the home and is waiting to obtain funds through closing to pay off the Mortgage debt.

If terms of the agreement do not adhere to the Master Policy guidelines, approval must be obtained from Genworth.

### **Scenario**

The borrower was in a car accident and was very badly injured. Borrower is unable to work for four months, and will only be able to do light duty work. The borrower was making his payments on time each month before this happened. Now the borrower is unable to make his payments due to the hospital bills and medication that must be covered. The borrower was advised by the insurance company that his claim with them will be settled in six months. The borrower will get all his back pay, money he paid for his hospital bills and on going medication. Borrower has received copies from the courts that state he will be getting \$300,000. The borrower has contacted the servicer and advised them of what has happened and is requesting that they forbear his payments until he gets his settlement and will then bring the loan current.

The servicer has requested to see the documentation proving this money is going to be available and agrees to forbear all activity on this loan for six months.

### **Questions to Consider**

- What is the specific date on which the borrower will pay the arrearage or pay off the loan?
- According to the borrower's financial situation, will the borrower be able to make the loan payment and keep the loan current once cured?

### **Considerations for Approval**

Verify the borrower can comply with terms and timing of agreement and can keep loan current once cured.

Ascertain specific date by which borrower will reinstate.

- Documents required:
  - Basic Workout Package
  - Forbearance Agreement (signed)

If the Borrower has a significant portion of the total delinquent amount and has an idea how they can bring the account current, do not deny agreement without bringing a Genworth Workout Representative into the transaction.

## **DELINQUENT LOAN MODIFICATION**

The loan modification option involves the modification of one or more terms of the note and/or deed of trust or mortgage in order to effect a permanent cure of a delinquent loan. This option is most appropriate when delinquency results from a permanent change in the borrower's ability to make payments and all the facts and circumstances indicate a likelihood of successful resolution of the delinquency.

Modification examples:   Extension of Term  
                                  Reduce Loan Interest Rate  
                                  Product changes: e.g., ARM to Fixed Rate Mortgage  
                                  Capitalization of delinquent interest

### **Scenario**

The borrower and co-borrower both had nominal pay decreases three years in a row, due to the poor financial situation of their employers.

Their ARM has had three annual rate adjustments causing substantial mortgage payment increases. Mortgage pay history shows progressively slower payments, with the loan currently forty-five days delinquent.

A modification of the interest rate and instrument, to a reduced fixed rate, made future mortgage payments affordable. Delinquent interest was capitalized to bring the loan current.

### **Questions to Consider**

- What are the terms of the modification agreement?
- Can the borrower bring the loan current? If not, will the borrower qualify for a repayment plan or the Borrower Assistance Program<sup>SM</sup>?
- Once modified, will the borrower's financial position allow him/her to keep the loan payments current?
- Will Investor consider a modification of the original loan?

## **Considerations for Approval**

- Will Investor consider a modification of the original loan?
- It is the servicer's responsibility to obtain both MI and Investor approval.
- Verify borrower's ability to comply with the terms of the loan modification agreement.
- Discuss with Genworth if risk position or exposure is increased or adversely affected.
- Documents required:
  - Genworth Loan Modification Application
  - Loan Extension/Modification Agreement from Lender (signed)

## **BORROWER ASSISTANCE PROGRAM<sup>SM</sup>**

The Borrower Assistance Program<sup>SM</sup> is a program in which Genworth advances funds on behalf of a qualified but delinquent borrower experiencing a temporary financial setback. This program is available on many loan types. Chronic delinquent loans are not eligible for this program. The following guidelines must apply for the borrower to qualify for the Borrower Assistance Program<sup>SM</sup>:

- Borrower must show desire to remain in the property and have the willingness and ability to make future payments.
- Pay history, prior to hardship, must be good.
- Any advanced funds are expected to be repaid. Those funds not repaid may be deducted from a future claim on the certificate. Please refer to the "Submitting a Claim for Loss" section of this manual for claim payment practices.
- Promissory notes executed by the borrower carry a "zero" percent interest rate with a term defined by Genworth.
- This program is available to those who are currently employed or will be starting a new job within 30 days of the advance or have a steady source of income that can repay the note and make future payments.
- A borrower cannot participate more than two times during the life of the loan.
- If there is a remaining balance owed to Genworth from a previous advance, the outstanding balance will be considered in determining the allowable amount on the additional advance.
- A no-equity situation must be in existence for a borrower to qualify for this program.
- Payment subsidy is for a maximum of six months.

### **Scenario**

The borrower was employed with a major corporation that was faced with layoffs, due to the loss of a government contract. The co-borrower was employed at a local retailer.

The borrower was laid off in December and did not obtain a new comparable position until April. During this period they met the family's minimum needs with the co-borrower's income and the little they had in savings.

Several of their debts, including the mortgage, became delinquent. Since the loan was in foreclosure, partial payments or a repayment plan would not be allowed.

Their payment history prior to the hardship was excellent. Both borrowers are now employed which demonstrates their ability to make future payments. Genworth's assistance in curing the delinquency should result in a permanent cure.

With servicer and Investor approval, Genworth agreed to advance funds to the servicer representing 75% of the delinquent balance. The borrower contributed the remaining 25% of the delinquent amount allowing the loan to be brought current. It was not necessary for Genworth to subsidize any subsequent monthly payments in this situation.

The borrowers signed a promissory note to Genworth for the entire amount of the advance. Through this process, the borrower was able to maintain home ownership.

## **Two Types of Advances**

### To Bring Loan Current the Guidelines Are:

- Borrower must contribute 25% of the arrearage to the delinquent loan
- Advances may not exceed \$7,500.00
- Note repayment should begin no later than 3 months after the funds have been advanced
- Advances will be made to the servicer on the borrower's behalf

### To Subsidize Future Payments the Guidelines Are:

- Monthly subsidy amount cannot exceed 50% of the monthly Mortgage payment
- Advances may not exceed \$5,000.00
- Can be made alone or in conjunction with advancing funds to bring the loan current (total advance not to exceed \$12,500.00)
- Term of the subsidy may not exceed 6 months
- Subsidy advance will be made in one lump sum to the servicer who will hold the funds in escrow for future monthly distribution
- Note repayment should begin no later than 3 months after the subsidy period has expired
- Documents required:
  - Basic Workout Package
  - Loan payment history
  - Verification of amount needed to bring loan current
  - Broker's Opinion of Value/Appraisal
  - Credit report
  - Letter of approval by servicer agreeing to the terms and conditions

## LOAN ASSUMPTION

With a loan assumption, a stronger, more qualified buyer assumes the delinquent borrower's obligation on the loan. This option is most appropriate when the borrower is unable to continue making payments on a permanent basis. The original borrower may or may not be released from liability under a loan assumption.

### Scenario

The borrower and co-borrower both lost their jobs. As a result of their unemployment, they had little cash in savings. The buyer was new to the work force but had an excellent credit rating. His payment and total debt ratios exceeded normal underwriting guidelines, but he was a better credit risk than the current borrower.

This assumption made good business sense, so Genworth was able to make exceptions to some of the normal underwriting guidelines. Genworth approved the assumption (without a release of liability) since the risk with the assumption was less than with the original borrower.

### Questions to Consider

- Is the loan delinquent? Can the original borrower pay closing costs?
- Is the new borrower a better risk than the original borrower?
- Will the original borrower be released from liability?
- Who will reinstate the delinquent payments and pay the closing costs?
- Does the new borrower meet underwriting guidelines, including down payment requirements?
- Will the investor waive the "due on sale clause" if one is on the note?
- Please discuss all assumptions with a Genworth Workout Representative. If an assumption is proposed for less than what is owed, Genworth may be willing to make a claim advance for the difference with the original borrower signing a promissory note.

### Considerations for Approval

- Conduct basic underwriting review of new borrower to determine credit worthiness.
- Review original borrower's current situation to determine whether to release from liability.
- Ensure that contract requires loan to be brought current at the time of assumption.
- Documents required:
  - Original Borrower
    - Basic Workout Package
    - Copy of Sales Contract
    - Comparative Market Analysis/Appraisal
  - New Borrower
    - Loan Application
    - Verification of Employment and Deposit Credit Package

## **PREFORECLOSURE SALE OF PROPERTY**

A preforeclosure sale is simply the borrower's sale of the Mortgaged property prior to foreclosure. This option is most appropriate when the borrower is unable to continue making payments on a permanent basis.

Genworth will request a contribution from the borrower to the extent of the borrower's financial ability. Genworth and/or the Investor will determine the amount of the contribution required.

The servicer representative should always inform the borrower that the investor and/or Genworth may be looking for a contribution from them in order to approve this transaction.

### **Scenario**

The borrower lost his job and relocated to another state to obtain a job in his field of work. Additional housing cost created a negative cash flow, causing the borrower to go into default on the insured property.

The property was then listed at current market value and an offer was received equal to value. Since net proceeds of the sale was not adequate to pay off the Mortgage loan and the borrower was unable to come up with all of the cash necessary to close the sale, Genworth agreed to assist. This contribution was a portion of our insurance guaranty but did not exceed our maximum guaranty.

The borrower signed an interest free promissory note payable to Genworth to repay a portion of the amount of the loss on sale and the balance of the loss was paid in cash at closing.

### **Question to Consider**

- Who is the listing agent and his/her phone number?
- Has the preforeclosure option been discussed with the borrower?
- What is the current value of the property?
- What is the pay-off of the loan through the anticipated closing date?
- What are the closing costs of the sale?
- What contribution, if any, will be required from Genworth?

- According to the borrower's financial situation, how much money can the borrower contribute?
- If Genworth contributes funds, can the borrower repay these funds? How?
- Is title to the property clear? If not, will the junior lien holder sign a release?
- Will the servicer/investor have an additional loss?

### **Considerations for approval**

- Genworth will review the borrower's situation and financial information to determine if assistance is needed.
- Genworth will review the terms of the sales contract to ensure the sale is in Genworth's and the servicer's best interest.
- Genworth will analyze the property and market information to ensure a fair market sale counter offer if necessary.
- The servicer should follow up regularly to ensure the closing and the claim submission are accomplished expeditiously.
- Documents required:
  - Basic Workout Package
  - Copy of Sales Contract
  - Estimate of seller's closing costs
  - Loan pay-off amount as of anticipated closing date
  - Broker's Opinion of Value/Appraisal

## DEED IN LIEU OF FORECLOSURE

A Deed in Lieu of Foreclosure is the acceptance of a deed from the borrower to avoid lengthy foreclosure and additional interest accrual and expenses (e.g., states which have Judicial Foreclosure). This option is generally applicable when the borrower incurs a permanent curtailment of his ability to make payment obligations.

A Deed-in-Lieu generally will not be considered until the property has been listed for a period of at least 90 days, at the current market value.

### Scenario

The borrower and co-borrower had purchased a home in 1985 using both incomes to qualify. Unfortunately, the borrower was involved in a serious accident, leaving him permanently disabled and unable to work. Based on the wife's income and the husband's disability income, they were unable to make their mortgage payment. They were 4 months delinquent and had been marketing the property, at market value, for 6 months in an attempt to complete a pre-foreclosure sale.

After failing to obtain an offer, Genworth agreed to accept a Deed-in Lieu of Foreclosure in order to save the accumulating interest and foreclosure cost. After reviewing the borrower's financials, it was ascertained that their liquid assets had been drained due to the accident; therefore, no cash contribution was requested.

### Questions to Consider

- What is the borrower's financial situation? Can he make a cash contribution or sign a promissory note with Genworth?
- Has the property been marketed? What price? How long? With which realtor and what is his/her phone number?
- Is any other workout feasible?
- Is the borrower a candidate for pursuit of a deficiency judgment?
- Will approval of the Deed-In-Lieu save foreclosure time and cost?
- Is title to the property clear? If not, will the junior lien holder sign a release?
- Is the property vacant? If not, will the borrower vacate on execution of the deed?

## CONSIDERATIONS FOR APPROVAL

- Genworth will review the borrower's situation and verify no other workout alternative is feasible.
- Ensure transaction will reduce the time and expense incurred by foreclosure.
- The servicer must verify title to the property is clear and the property will be vacated when the deed is recorded.
- If at all possible, obtain a borrower contribution in return for acceptance of the deed.
- Follow up regularly to ensure that recording of the deed is accomplished expeditiously.
- Documents Required:
  - Basic Workout Package
  - Copy of Listing Agreement
  - Broker's Opinion of Value/Appraisal
- Please refer to the “Submitting a Claim for Loss” section of this manual for claim payment practices.

## BANKRUPTCY PROCEDURES

This section will familiarize you with the procedures used to ensure loans in bankruptcy are adequately and properly serviced.

Different rules may apply for each bankruptcy proceeding. The servicer's attorney should be familiar with the specifics of each bankruptcy proceeding; therefore, the attorney is in a position to advise you on the legal requirements and most cost effective course of action for each case.

The follow-up on bankruptcy cases can lead to substantial net savings for the Investor and Genworth. The following guidelines provide basic information on the appropriate actions to resolve a bankruptcy.

1. Notify Genworth, in writing, of a loan's involvement in a bankruptcy proceeding. Borrower names, property address, borrower address (if different than property), telephone numbers of all borrowers, bankruptcy chapter filed, and date of bankruptcy filing should be provided.
2. As appropriate, determine the value of the real estate by obtaining a current BPO of the property. A current BPO will assist you in determining the borrower's equity position.
3. You should consider petitioning the court for relief from the automatic stay. When the stay is lifted, proceed with foreclosure and notify Genworth. If appropriate, consider a possible workout solution.
4. Obtain a copy of the debtor's statement of intent regarding secured consumer debts and the bankruptcy schedule showing the determination of the property value and the loan amount.
5. An on-site property inspection is helpful to determine whether or not the property is being used in the manner originally intended. Determine if the property is being maintained and if the premises are presently occupied. If the borrower is no longer occupying the property, take steps to safeguard the premises and petition the court for relief from the automatic stay.

Bankruptcy law contains an "automatic stay" provision which severely limits what actions a creditor can take without court approval. Direct contact with a borrower should be made only after consulting your legal advisors.

## **FORECLOSURE POLICIES AND REPORTING PROCEDURES**

Genworth recommends foreclosure action be initiated no later than the sixth month of delinquency unless Genworth advises you otherwise. The Master Policy will specifically instruct you on the foreclosure time frames to follow. At Genworth's discretion, the servicer may be contacted to discuss earlier initiation of foreclosure or forbearance of foreclosure, depending on the circumstances of the delinquency.

Notify Genworth of foreclosure initiation by noting the foreclosure initiation date on the monthly delinquency report that you provide Genworth.

It is Genworth's intent to pursue a deficiency judgment on all insured properties where local law permits; therefore, the servicer should take the appropriate legal action to preserve deficiency rights on these properties. If the laws of the state in which the property is located are such that preservation of deficiency rights will substantially increase the foreclosure expenses (e.g., Judicial Foreclosure), please contact Genworth's Recovery Department at 800 334.9270 prior to initiation of foreclosure proceedings to determine whether deficiency rights should be preserved. Once Genworth determines to pursue a deficiency judgment, the Insured will be contacted regarding subrogation of deficiency rights and any documentation necessary to substantiate the deficiency.

For foreclosure bidding instructions, refer to the guidelines on Page F13 or call Delinquency Reporting at 800 334.9270 prior to beginning foreclosure proceedings and Genworth's voice-activated electronic reporting assistance service can issue bidding instructions.

## Based on Genworth Mortgage Insurance Primary Insurance Policy

### WHEN TO FILE A CLAIM FOR LOSS

The Claim for Loss must be filed within 60 days following the earlier of:

- The conveyance of Title to the Insured
- The redemption of the property by the borrower or a third-party
- The conveyance of Title to a third-party as permitted by the terms of the policy.

The servicer should file claims according to the above guidelines during any redemption period. Failure to file a Claim for Loss within the time limit required could result in an adjustment to your final claim payment.

Sample instructions and form for a Claim for Loss are on Pages H3 through H8.

In addition, you may submit your claim for loss through the following automated means:

- Genworth Website at <http://www.gemortgageinsurance.com>
- EDI 260 Transaction
- The Fidelity Servicing Platform
- The First American C Max Platform

Please contact Genworth's Claims Department at 800 334.9270 for additional information.

## Based on Genworth Mortgage Insurance Pool Insurance Policy

### WHEN TO FILE A CLAIM FOR LOSS

If Primary Insurance is required, (Loan to Value is greater than 80%), the Insured must submit and settle its Claim for Loss under the Primary Policy before a Claim for Loss may be filed under the Pool Policy. If both Primary and Pool coverage is with Genworth, only one Claim for Loss form needs to be submitted in order to process both your Primary and Pool claims. If the Primary coverage is with another Mortgage Insurance carrier, the Pool insurance Claim for Loss should be filed with Genworth within sixty (60) days after the Primary Claim for Loss has been settled. Otherwise the claim should be filed:

- Within sixty (60) days from the expiration date of any applicable redemption period.
- Within sixty (60) days from the date of an approved sale, preforeclosure sale, third-party sale at foreclosure, acquisition of the property by the Primary Insurance carrier, or a foreclosure sale.

Failure to file a Claim for Loss within the time limit required could result in an adjustment to your final claim payment.

Sample instructions and form for a Claim for Loss are on Pages M3 through M7.

In addition, you may submit your claim for loss through the following means:

- Genworth Website at <http://www.gemortgageinsurance.com>
- EDI 260 Transaction
- The Fidelity Servicing Platform

Please contact Genworth's Claims Department at 1-800-334-9270 for additional information.

## **FILING A CLAIM FOR LOSS**

The Claim for Loss form must be completed in full, must include the signature of an authorized representative and include the date of claim filing. Failure to complete the Claim for Loss in its entirety will result in a delay of your claim settlement.

### **CLAIMABLE ITEMS INCLUDE:**

- Unpaid principal balance
- Accrued interest at the contract rate
- Attorney's fees not to exceed 3% of total principal and interest
- Hazard insurance premiums advanced from default through claim submission (prorated through date of claim settlement)
- Real estate taxes due and advanced from default (prorated through date of settlement)
- Reasonable preservation of property expenses
- Special assessments
- Statutory expenses
- Appraisal/broker's opinion of value

### **THE CLAIM SHOULD BE REDUCED BY:**

- Funds in escrow account at default
- Rent moneys received
- Other funds received to reduce the total indebtedness, such as Primary Mortgage Insurance proceeds or FHA/VA proceeds
- Partial claim advances
- Hazard insurance refunds
- Any proceeds from a Genworth approved sale of property, must also be deducted from the total claim amount

### **NONCLAIMABLE EXPENSES INCLUDE:**

- Restoration expenses with Genworth's approval
- Cosmetic repairs to the property without Genworth's approval
- Late charges
- Penalty interest or compounded interest
- Taxes and insurance paid from borrower's escrow account
- Interest due to Investor after Claim for Loss settled
- Attorney's fees in excess of 3% of the unpaid balance of the insured loan and accumulated interest
- Owner's title policies
- In-house attorney's fees in excess of \$500
- Attorney referral fees
- Mortgage Life Insurance
- Mortgage Insurance premiums
- Delinquent Real Estate taxes prior to default Page H16 for details)

## CLAIM FOR LOSS INSTRUCTIONS

### GENERAL INFORMATION

When filing a Claim for Loss with Genworth, the Uniform Mortgage Insurance Claim for Loss form may be used for primary, pool, preliminary, supplemental or partial claims. Complete lines 1 through 24 for each type of claim.

If filing a preliminary Claim for Loss, complete lines 25 and 26 with interest from loan default date through end of the month of claim submission.

If submitting a supplemental claim, list additional expenses not previously claimed on the appropriate line(s) and subtotal these expenses on line 34. Then complete lines 35 through 39, if appropriate, and subtotal on line 40. Enter the total claim amount on line 41. A breakdown of any supplemental expenses should be shown in the Expense Information section on the reverse side of the Claim for Loss form. Receipts for these expenses must be included when you submit your claim to Genworth.

If filing for a partial claim payment, list the total amount of the advance requested on lines 34 and 43. Explain the reason for the advance on line 44 (Comments) or on a separate sheet.

The following information must be submitted on the stated lines when filing a Genworth Claim for Loss:

**Line #1** - Type of insurance policy under which the claim is being filed (primary or pool).

**Line #2** - Type of claim being filed (initial, preliminary, supplemental, partial or ExpressFunding<sup>SM</sup>)

**Line #3** - Mortgage insurer's name.

**Line #4** - Indicate the date that the claim is being submitted to Genworth.

**Line #5** - Mortgage insurer's address.

**Line #6** - Mortgage insurer's telephone number.

**Line #7, 9 & 11** - Name, address and phone number of the company that should receive the claim proceeds, unless superseding instructions are indicated in lines 20 through 22.

**Line #8** - Insured's loan number.

**Line #10** - Genworth certificate number.

**Line #12** - Not applicable

**Line #13** - Enter the full name of the borrower(s).

**Line #14** - Enter the percent of insurance coverage that applies to the insurance certificate.

**Line #15** - Not applicable

**Line #16** - Full address of the property; including the unit number if applicable.

**Line #17-19** - Servicer's name, loan number, and address if different from the insured's information listed on lines 7, 8, 9 and 11.

**Line #20-22** - Indicate the name, address, and loan number of payee designated to receive the insurance proceeds.

**Line #23-24** - List the investor's name and loan number if different from the insured or payee. Otherwise leave these lines blank and proceed to line 25.

#### **CLAIMABLE ITEMS**

**Line #25** - Outstanding principal balance of the loan at the time of default (excluding interest, taxes, interest capitalization, etc.).

**Line #26** - Interest at the note rate, which has accumulated from the default date through the date of claim submission. Late charges and penalty interest are not claimable expenses.

If the interest rate has changed, please submit a copy of the note and the rate schedule. See line 49 for calculating interest on an ARM loan. Enter the number of days, interest rate, and per diem rate. Genworth uses a 365-day year in calculating the per diem.

**Line #27** - Subtotal Claimable items on lines 25 and 26.

#### **EXPENSE INFORMATION**

See lines 50-55 to itemize the following expenses.

**Line #28** - Actual attorney fees incurred, must not exceed 3% of line 27. Identify on the payment history if paid out of escrow or attach receipts. In-house attorney fees are claimable up to \$500.

**Line #29** - Property taxes paid by your institution. Identify on the payment history if paid out of escrow or attach receipts. Indicate date taxes are paid through and prorate through the date of claim submission. Penalties are not claimable.

**Line #30** - Hazard insurance premium(s) paid by your institution. Identify on the payment history if paid out of escrow or attach receipts. Indicate the date the insurance premium is paid through and prorate through the date of claim submission.

**Line #31** - Preservation of property expenses including normal maintenance, lawn care, heating, clearing away debris, etc. Receipts must be included with the claim. Restoration expenses such as painting, carpet cleaning, etc. are not claimable expenses without prior approval by Genworth.

**Line #32** - Statutory disbursements such as publication fees, filing fees, recording fees, etc. Receipts must be included with the claim.

**Line #33** - This line is for additional expenses not included above, such as broker's opinion of value (BOV), appraisals or other miscellaneous expenses. Include a copy of the appraisal or BOV if expenses are claimed and attach receipts.

**Line #34** - Subtotal Expensed Items on lines 28 through 33.

#### **DEDUCTIBLE ITEMS**

**Line #35** - Enter the escrow balance at default.

**Line #36** - Rent and other receivables. Indicate any funds received that are not reflected in the escrow account.

**Line #37** - Money in any pledged account pertaining to the loan (savings, buy-downs, or other funds held for insured).

**Line #38** - Indicate all hazard insurance premium refunds, or any insurance proceeds that exceed the cost of restoring and repairing the property.

**Line #39** - Include all other deductions not within the above categories on lines 35 through 38.

**Line #40** - Subtotal Deductible Items from lines 35 through 39.

**Line #41** - Total Claim Amount (line 34 minus line 40).

**Line #42** - If a pool claim, indicate the amount of primary settlement or VA/FHA proceeds and attach copy of primary Claim for Loss settlement check and settlement letter. If a presale, indicate net proceeds from sale of property and attach copy of closing statement and proceeds check.

**Line #43** - Subtract amount on line 42 from the total claim amount on line 41.

**Line #44** - Any comments that may further explain the above entries and/or provide information related to processing the claim.

**CLAIM  
AUTHORIZATION**

**Lines #45-48**

**PLEASE CERTIFY THAT ALL STATEMENTS SUBMITTED ARE TRUE, CORRECT, AND COMPLETE. IN ADDITION, THE INSURED CERTIFIES THAT THE PROPERTY IS NOT SUBJECT TO ANY ENVIRONMENTAL CONTAMINATION OR HAZARDS. AN AUTHORIZATION SIGNATURE, CONTACT NAME, TITLE, AND PHONE NUMBER VERIFYING THIS INFORMATION ARE REQUIRED.**

**INTEREST ON ARM  
LOANS**

This section is provided for ARM loans. If additional space is needed, please attach a separate sheet of paper.

**Line #49** - Enter the unpaid principal balance shown on line 25.

**Interest Calculation**

Enter each applicable ARM interest rate and date in effect. Calculate the number of days involved, and enter the total interest accrued for that period. Repeat the calculation for each interest rate in effect through the date of claim submission.

**Total**

Enter the total amounts for each interest rate period to calculate the total accumulated interest on the mortgage. This amount should be entered on line 26 (accumulated interest) on the front of the form.

**INFORMATION**

**Lines #50-55** - Provide a breakdown of the expense totals you are claiming on lines 28 through 33. Indicate the date paid, a description, and the amount where applicable. If additional space is needed please attach a separate sheet of paper.

**REQUIRED  
ENCLOSURES**

**Line #56** - No documentation is required except in the case of a pre-sale. The following documentation is required:

Closing Statement from pre-sale and copy of settlement check.

As provided for in the applicable Genworth Master Policy, Genworth reserves the right to require additional documentation and may limit or discontinue this program at any time.

**ACCESS  
INFORMATION**

Line #57 - Please complete the requested information regarding access to the property. If occupied, please state the name of the occupant. In addition, indicate the name of the contact person the key can be acquired from and their telephone number.

UNIFORM MORTGAGE INSURANCE CLAIM FOR LOSS		For Insurer Use Only
1. Insurance Type <input type="checkbox"/> Primary <input type="checkbox"/> Pool	2. Claim Type <input type="checkbox"/> Initial <input type="checkbox"/> Supplemental <input type="checkbox"/> Other _____	
3. Mortgage Insurance Company	4. Date This Claim Submitted	
5. Mortgage Insurance Company Address	6. Mortgage Insurer Telephone Number	
7. Insured's Name	8. Insured's Loan Number	
9. Address	10. Certificate Number	
11. City                                  State                                  Zip Code	12. Master Policy Number	
13. Borrower Name(s)	14. % Coverage                                  15. Type Coverage	
16. Property Address (Including City, State, Zip Code)		
17. Servicer Name (If Different than Insured's Name)	18. Servicer Loan Number	
19. Servicer Address (Including City, State and Zip Code (If Different than Insured))		
20. Payee Name (If Different than Insured' Name)	21. Payee Loan Number	
22. Payee Address (Including City, State and Zip Code) (If Different Than Insured)		
23. Investor Name (If Different than Payee's Name)	24. Investor Loan Number	
<b>Claimable Items:</b>		
25. Unpaid Principal Balance (Interest paid through ___/___/___)	\$ _____	
26. Accumulated Interest: (From ___/___/___ to ___/___/___ = _____ Days @ _____ %)	_____	
<b>27. Sub-Total Principal and Interest (Line 25 Plus Line 26)</b>		<b>\$ _____</b>
<b>Expense Information:</b>		
28. Attorney's Fees	\$ _____	
29. Property Taxes (Paid through ___/___/___)	_____	
30. Hazard Insurance Premiums (Paid through ___/___/___)	_____	
31. Property Preservation Costs	_____	
32. Statutory Disbursements	_____	
33. Other Disbursements	_____	
<b>34. Sub-Total Claimable Items (Total Lines 27 Through 33)</b>		<b>\$ _____</b>
<b>Deductible Items:</b>		
35. Escrow Account Balance	\$ _____	
36. Net Rental Proceeds	_____	
37. Pledged Savings, Buydowns, or Other Funds Held for Insured	_____	
38. Insurance Proceeds	_____	
39. Other Deductions (Attach Explanation)	_____	
<b>40. Sub-Total Deductible Items (Total Lines 35 Through 39)</b>		<b>\$ _____</b>
<b>41. Total Claim Amount (Line 34 Minus Line 40)</b>		<b>\$ _____</b>
<b>42. Less Adjustments, if any (Attach Explanation)</b>		<b>\$ _____</b>
<b>43. Adjusted Claim Amount (Line 41 Minus Line 42)</b>		<b>\$ _____</b>
44. Comments:		
<b>Claim Authorization:</b>		
<i>I hereby certify that the statements contained herein are true, correct and complete. I understand that a claim will not be complete until all applicable documents have been received by the Insurer. We are not aware of any facts indicating that the subject property is or might be subject to any environmental contamination or hazard, except as disclosed in accompanying attachments.</i>		
45. Authorized Signature _____	46. Contact Name (Type of Print) _____	
47. Title Department _____	48. Phone _____	

49. **ARM Interest Rate Information** Unpaid Principal Balance (from line 25) \$ \_\_\_\_\_

Rate	From	To	Number of Days	Amount
1. _____ %	____/____/____	____/____/____	_____	\$ _____
2. _____ %	____/____/____	____/____/____	_____	_____
3. _____ %	____/____/____	____/____/____	_____	_____
4. _____ %	____/____/____	____/____/____	_____	_____
<b>Total (enter on Line 26)</b>				<b>\$ _____</b>

**Expense Information:**

Type	Date Paid	Description	Amount
50. Attorney's Fees	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 28)</b>	<b>\$ _____</b>
51. Property Taxes	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 29)</b>	<b>\$ _____</b>
52. Hazard Insurance Premiums	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 30)</b>	<b>\$ _____</b>
53. Property Preservation Costs	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 31)</b>	<b>\$ _____</b>
54. Statutory Disbursements	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 32)</b>	<b>\$ _____</b>
55. Other Disbursements	____/____/____	_____	\$ _____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
	____/____/____	_____	_____
		<b>Total (enter on Line 33)</b>	<b>\$ _____</b>

56. Required Enclosures:
- Evidence of good and Merchantable (or Marketable) Title
  - Loan Payment History
  - Expense Documentation
  - Copy of Original Note
  - Copy of Original HUD-1 Statement
  - Copy of Documents Commencing Foreclosure
- Additional Enclosures (If Applicable):
- Rent or Receiver Account History
  - Bankruptcy Documents
  - Buydown Agreement
  - Assumption Agreement
  - Closing Statement From Most Recent Sale
  - Documents Pertaining to Preservation and/or Establishment of
  - Deficiency Judgment
  - Copy of Primary MI Claim for Loss and Settlement Check

57. Is property  Vacant or  Occupied? If occupied, please state name of occupant

Key to property may be obtained from \_\_\_\_\_ Telephone \_\_\_\_\_  
(\_\_\_\_)

For your protection California law requires the following to appear on this form: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULANT CLAIM FOR PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

The following statement applies to insured parties residing in and to those who make claims with respect to insured loans secured by properties located in New Jersey: ANY PERSON WHO KNOWINGLY AND WITH THE 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 THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

Other jurisdictions have laws that apply to insured parties and to those who make claims with respect to properties located in their respective areas which: MAKE IT A CRIME FOR PERSONS WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURANCE COMPANY TO FILE A STATEMENT OF CLAIM CONTAINING FALSE, INCOMPLETE OR MISLEADING INFORMATION, SUCH PERSONS ARE SUBJECT TO PROSECUTION AND PUNISHMENT FOR INSURANCE FRAUD. PENALTIES MAY INCLUDE FINES AND/OR IMPRISONMENT.

Among these jurisdictions are: Alaska, Delaware, Florida, Idaho, Indiana, Nevada, New Hampshire, New York and Ohio.

**THE COMPLETED PAPER CLAIM FOR LOSS SHOULD BE MAILED TO:**

**GENWORTH MORTGAGE INSURANCE CORPORATION**

**6601 SIX FORKS ROAD**

**RALEIGH, NC 27615**

**OR**

**FAX TO 919 846.4514**

**Please contact our Claims Operations Department**

**at 800 334.9270**

**If you have any questions or would like additional information.**

## CLAIM FILING TIME FRAMES

The following time frames have been established for the number of days allowed from default to the date the claim is filed. The days listed include redemption time where applicable as noted by an asterisk (\*). When Genworth has primary coverage only, submit your claim as soon as foreclosure is complete, prior to the expiration of the redemption period. These time frames are provided as a guideline only, as each claim is received and is reviewed on an individual basis.

Alabama	690*	Kentucky	450*	North Dakota	360*
Alaska	720*	Louisiana	420	Ohio	480
Arizona	510*	Maine	900*	Oklahoma	450
Arkansas	690*	Maryland	480	Oregon	450
California	450*	Massachusetts	390	Pennsylvania	510
Colorado	450	Michigan	360*	Rhode Island	330
Connecticut	420	Minnesota	540*	South Carolina	420
Delaware	450	Mississippi	360	South Dakota	540*
District of Columbia	360	Missouri	690*	Tennessee	330
Florida	450	Montana	780*	Texas	300
Georgia	330	Nebraska	360	Utah	570
Hawaii	450	Nevada	360	Vermont	540
Idaho	690*	New Hampshire	330	Virginia	360
Illinois	720*	New Jersey	720*	Washington	390
Indiana	510	New Mexico	690*	West Virginia	360
Iowa	630*	New York	540	Wisconsin	540
Kansas	720*	North Carolina	360	Wyoming	420*

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\*\* When Genworth has primary or pool coverage, submit your claim as soon as foreclosure is complete, prior to expiration of the redemption period.

## FORECLOSURE TIMES AND REDEMPTIONS BY STATE

STATE	F/C TIME	NORMAL REDEMPTION TIME	USUAL F/C METHOD
Alabama	3-4	12	NJ
Alaska	4-7	12	NJ
Arizona	3-9	6(A)	NJ
Arkansas	3	0J-12NJ	J
California	4-7	12J-3NJ	NJ
Colorado	7	0	J
Connecticut	6-8	0 SF	J
Delaware	7	0	J
Dist. Of Columbia	4-7	0	NJ
Florida	7	0	J
Georgia	3	0	NJ
Hawaii	7-8 (months)	0	J
Idaho	9	6	NJ
Illinois	10	6	J
Indiana	9-12	0	J
Iowa	7-11	6	J
Kansas	4	12 (see attached)	J
Kentucky	7	0	J
Louisiana	6	0	J
Maine	10	12	J
Maryland	5	90 days to ratify sale	NJ
Massachusetts	5	0	NJ
Michigan	3	6J-1NJ	NJ
Minnesota	4-6	6	NJ
Mississippi	4	0	NJ
Missouri	3	12	NJ
Montana	6-9	12 (J)	NJ
Nebraska	4	0	NJ
Nevada	4	0	NJ
New Hampshire	3	0	NJ
New Jersey	10-12	6	J
New Mexico	5	10 (1FNMA/ FHUMC INST)	J
New York	10-18.	0	J
North Carolina	4-5	0	J
North Dakota	4	2B	J
Ohio	8-10	0	J
Oklahoma	7	0	J
Oregon	5-7	12J-0NJ	NJ
Pennsylvania	9-12	0	J
Rhode Island	3	0	NJ
South Carolina	6-7	0	J
South Dakota	4	6	NJ
Tennessee	3-4	0	NJ
Texas	2-3	0	NJ
Utah	5	6NJ	NJ
Vermont	10	6SF	J
Virginia	4	0	NJ
Washington	5	8-12J/0NJ	NJ
West Virginia	4	0	NJ
Wisconsin	4	6 no def. 12 def.	J
Wyoming	3	3	NJ

**J - Judicial Foreclosure** - A court orders the foreclosure and supervises the sale and disbursement of the proceeds. It is available in every state and is needed to obtain a deficiency judgment.

**NJ - Non-Judicial Foreclosure** - There is public sale of the property, conducted by the lender or holder, without court supervision. It is usually quicker and less costly, but is only available in about half of the states.

**SF - Strict Foreclosure** - Does not involve a foreclosure sale, but the court may set up a redemption period starting from the default date.

**A** - In most cases 6 months; if abandoned or used for grazing or agricultural purposes - 30 days.

**B** - If less than 10 acres is involved and the claim 2/3 of the original loan, short-term redemption of 2 months is provided; there can be no deficiency judgment. Otherwise 1 year for redemption.

## **KANSAS FORECLOSURE LAW**

The bill amends K.S.A. 1993 Supp. 60-2414 to provide that if a default occurs before 1/3 of the original indebtedness has been paid, the court shall order a three-month (rather than a six month) redemption period. In addition, the statute now provides that if the court finds that the owner has suffered a loss of income due to adverse economic conditions beyond his control prior to the expiration of the three-month redemption period, the court may extend the redemption period by an additional three months.

## **PROTECTION AND PRESERVATION**

In order to protect the Insured's rights under the policy, the servicer should ascertain the occupancy status and condition of the property immediately following the conveyance of Title to the Insured. Also, the servicer should take appropriate measures to assure that title is good and marketable and assure that the property is preserved and protected. Therefore, it is the servicer's responsibility to advance:

- Normal and customary hazard insurance premiums
- Real estate taxes that come due and payable on or after the day of default
- The cost of engaging in foreclosure and eviction proceedings
- Reasonable attorney fees not exceeding 3% of the outstanding principal balance and accumulated interest
- Reasonable expenses necessary for the protection and preservation of the property

Although prior approval for advances is not required by Genworth, the servicer is encouraged to obtain prior approval since Genworth reserves the right to disallow advances if in Genworth's judgment the advances were not reasonable or necessary.

## **EXCLUSIONS FROM LIABILITY**

Genworth shall not be liable for, extend to or cover the following:

- Breach of conditions and insured's Obligations
- Negligence
- Fraud and Misrepresentation
- Incomplete Construction
- Non-Approved Servicer
- Physical Damage
- Environmental Condition
- Balloon Payment; Due on Sale Acceleration
- Refund of Premium

Consult the applicable master policy or contact the Claims Department at 800 334.9270 for additional information.

## **LISTING AND SALE OF REO PROPERTIES**

Immediately after the Insured has obtained title to a property and the property is vacated, the servicer should obtain a Broker's Opinion of Value or Appraisal and list the property for sale at fair market value. Any offers received prior to the settlement of the Claim for Loss must be presented to Genworth for approval or rejection. Failure to timely list properties for sale or to present offers to Genworth may result in an adjustment to the final claim settlement.

## **DELINQUENT REAL ESTATE TAXES PRIOR TO DEFAULT**

When a loan has an established escrow account, real estate taxes are paid from the escrow account prior to and after the default of the mortgage loan. However, in the case of a non-escrowed mortgage loan, the borrower may not have paid real estate taxes when they were due. Typically this occurs in California where mortgage loans are predominantly non-escrow but can also occur in other states.

The servicer has the responsibility for protecting the first lien position of the insured mortgage loan and providing good and marketable title to Genworth prior to the claim payment. In order to meet the above requirements the servicer must diligently service the loan by having tax searches done following the due date of each tax installment and take the appropriate action to ensure that the borrower pays any past due installments.

It has been Genworth's practice to allow, as part of the claim, the most recent and second installment of delinquent taxes that was due immediately prior to default. (e.g., On California non-escrow loans if the loan is due for August 1994, Genworth would allow the April 1994 and the December 1993 tax installments as claimable if they were delinquent at the time the mortgage loan went into default.) We have reviewed our position on this and are willing to compromise further when appropriate even though the Master Policy does not require that we do.

The second installment will only be allowed as claimable if the servicer provides evidence at the time the Claim for Loss is filed that diligently efforts were made to contact the borrower in reference to delinquent taxes. Evidence must include collection histories and copies of certified letters to the borrowers in which the borrower is reminded that failure to pay real estate taxes when due could result in acceleration of the mortgage loan. Evidence may also include copies of repayment plans signed by the borrower in the event the servicer chooses to advance funds to pay this installment. Any payments by the borrower under such repayment plan must be shown as credited against the advance. If after attempts to remedy the situation, the borrower does not pay the delinquent taxes or is uncooperative in repaying an advance made by the servicer, the servicer should establish an escrow account according to the laws of the jurisdiction.

If all else fails the Insured may accelerate the loan balance. The acceleration of a loan is specifically excluded from liability under the First Lien Residential Master Policy (Form MP201 (Rev.1)). However, if the acceleration of a loan is completed due to the failure of the borrower to pay real estate taxes on non-escrow loans, Genworth will accept liability. No other instances of loan acceleration will be included as a liability under the Master Policy. The acceleration of a loan must be reported to Genworth upon commencement of the action.

## SUBMITTING THE INITIAL PREMIUM

An initial premium should be paid at the time the Bulk/Pool closes unless otherwise stated in the Bulk/Pool Master Policy or Letter of Agreement.

### BULK/POOL WIRE/ACH TRANSFER INSTRUCTIONS

Please use the instructions below for all Wire/ACH transfers of premium for Bulk/Pool insurance to Genworth Mortgage Insurance Corporation.

BANK:	Deutsche Bank Trust Company America
ADDRESS:	New York, NY
ABA NUMBER:	021001033
FOR ACCOUNT of:	Genworth Mortgage Insurance Corporation
ACCOUNT NUMBER:	<b><u>50-256-960</u></b>

When creating your wire transfer, please include in the transaction description portion:

1. Premium for Month of \_\_\_\_\_.
2. Your Name and Telephone Number
3. Genworth Mortgage Insurance Corporation Bulk/Pool Number and Your Series Number

When paying by check, please send all checks and supporting documentation to the following address:

Genworth Mortgage Insurance Corporation  
PO Box 277229  
Atlanta, GA 30384-7229

Along with your Wire/ACH or premium, please submit an Excel file to [bulkpremiumprocessing@Genworth.com](mailto:bulkpremiumprocessing@Genworth.com) in the following format listing the details of your payment on a certificate level the day you send premium.

### REMITTANCE EXCEL FILE FORMAT

<u>Maximum # Of Characters</u>	<u>Column</u>	<u>Description</u>
11	A	Genworth Pool Policy Number
16	B	Lender Loan Number
10	C	Genworth Certificate Number
11	D	Unpaid Principal Balance (Rounded to Nearest \$) Premium Amount is Based on this Balance
1	E	Cancellation Code (C=Cancel, Black=Active)
10	F	Cancellation Date (04/10/2004)
10	G	Premium Amounts (Include Decimal and Cents)

The e-mail address for your remittance file is [bulkpremiumprocessing@Genworth.com](mailto:bulkpremiumprocessing@Genworth.com). Any questions, please contact Policy Servicing's Bulk/Pool area at 800 334.9270.

## RENEWAL PREMIUM BILLING

Genworth Mortgage Insurance Corporation offers flexible billing options. The details on each are below.

- Invoice Billing

This is a one-page invoice, which includes the Bulk/Pool number and the renewal rate. You supply the outstanding principal balance and the premium payment you are paying. Along with this, you can submit an Excel file or a paper trial balance. The Excel file process will expedite our processing for you. The format is below:

### REMITTANCE EXCEL FILE FORMAT

<b>Maximum # Of Characters</b>	<b>Column</b>	<b>Description</b>
11	A	Genworth Pool Policy Number
16	B	Lender Loan Number
10	C	Genworth Certificate Number
11	D	Unpaid Principal Balance (Rounded to Nearest \$) Premium Amount is Based on this Balance
1	E	Cancellation Code (C=Cancel, Black=Active)
10	F	Cancellation Date (04/10/2004)
10	G	Premium Amounts (Include Decimal and Cents)

The e-mail address for your remittance file is [bulkpremiumprocessing@Genworth.com](mailto:bulkpremiumprocessing@Genworth.com). Any questions, please contact Policy Servicing's Bulk/Pool area at 800 334.9270.

- Paper Billing Statement

This is a listing of each certificate within the Bulk/Pool for which premium is due. You will need to complete the paper billing by filling in the outstanding principal balance of each certificate along with the premium you are paying on each certificate.

## RENEWAL PAYMENT METHODS

Renewal premium payments may be made by ACH/Wire transfers. The ACH/Wire instructions for Bulk/Pool premiums are below.

### GENWORTH MORTGAGE INSURANCE CORPORATION

#### ACH / WIRE TRANSFER INSTRUCTIONS

Please use the instructions below for all Wire/ACH transfers of premium for Bulk/Pool insurance to Genworth Mortgage Insurance Corporation.

BANK:	Deutsche Bank Trust Company America
ABA NUMBER	021001033
ADDRESS:	New York, NY
FOR ACCOUNT OF:	Genworth Mortgage Insurance Corporation
ACCOUNT NUMBER:	<b><u>50-256-960</u></b>

When creating your wire transfer please include in the transaction detail portion:

- 1. Premium for Month of \_\_\_\_\_**
- 2. Your Name and Telephone Number**
- 3. Genworth Bulk/Pool Number and Your Series Number**

When paying by check, please send all checks and supporting documentation to the following address:

Genworth Mortgage Insurance Corporation  
PO Box 277229  
Atlanta, GA 30384-7229

Any questions, please contact Policy Servicing's Bulk/Pool area at 800 334.9270.

## RENEWAL PREMIUM BILLING CYCLES

All renewal billings are generated on the 1<sup>st</sup> business day of each month. The renewal billings are created based on the following schedules.

- **Monthly Renewals** – Billed in current month of certificate premium due date.
- **Monthly Fill Up** – Billed in current month of certificate premium due date.
- **Quarterly Renewals** – Billed one (1) month prior to the certificate premium due date.
- **Annual Renewals** – Billed one (1) month prior to the certificate premium due date.

**Renewal premiums are due within thirty (30) days of the certificate premium due date.**

It is important that Genworth be notified of any address changes that would affect where the renewal billings and correspondence are to be mailed. These changes can be e-mailed to us at [bulkpremiumprocessing@Genworth.com](mailto:bulkpremiumprocessing@Genworth.com).

## RENEWAL PREMIUM CALCULATION

The renewal premium due is calculated by multiplying the total principal balance in force for the Pool by the renewal rate. For example:

\$1,000,000 (total actual principal balance) x. 0030 (renewal rate) = \$300.00 premium due

Genworth insures each certificate based on the outstanding principal balance of each such certificate; therefore, it is necessary to report the actual balances of each certificate and the premium paid per certificate.

## OVERDUE NOTICES

**Overdue notices** are sent on 30-day and 60-day intervals. You will need to review each certificate on the overdue listing and notate as outlined below:

1. If a payment was recently made, provide date and amount of disbursement.
2. If coverage is no longer needed, mark cancel and indicate paid in full date.
3. If you are unable to identify, please indicate CID (Can Not Identify).

## REINSTATEMENTS

**Cancelled Certificates** occur as a result of nonpayment of premium or at a Master Servicer's request based on the Pool's Master Policy guidelines. If a certificate is cancelled, the following documentation is needed to consider reinstatement:

- Written request to reinstate coverage.
- A twelve month, current and satisfactory mortgage payment history. "Current" refers to a history that shows the last twelve months payment record through the current month. "Satisfactory" refers to the loan having no payments more than 30 days late within the last 90 days and no more than one payment more than 30 days late within the past twelve months.
- We retain the right to request a current certification of value or current appraisal.
- If a reinstatement is approved, all back premium will be due prior to insurance being put back in force.
- You may use the certification form (Page D14) rather than submit a 12-month Mortgage payment history for our review. When using this form, you are giving us a warranty that the history meets our requirements and the insurance is eligible for reinstatement.

Please forward the above information to your Servicer Account Specialist.

## **PARTIAL RELEASE**

When you send a request for a partial release, our objective is to review the documentation and decide whether or not the release would adversely affect the marketability or value of the property. In all cases except property taken by “eminent domain”, the following information is required:

- A letter outlining the following:
  - Why the release is being requested
  - Whether money is to be exchanged, and if so, the amount
  - The details regarding the release (reason, who will receive land being released, amount of land being released, etc.)
  - 12 month payment history
  - Copy of the original Security Instrument (Deed or Mortgage), and Appraisal
  - Survey outlining the property to be released relative to the location of the house.
  - A new appraisal stating the value of the portion being released and the value of the remaining property.
  - Copy of pending sales contract

### **Conditions for Approval include but are not limited to:**

- The loan must have no thirty (30) day delinquencies in the immediate three (3) months and no more than one (1) thirty (30) day delinquent in the past year.
- Genworth may require that funds received from the sale of property be applied to reduce the outstanding loan balance.

**We reserve the right to require additional documentation depending upon the circumstances of the release.**

In the case of “eminent domain”, a new appraisal is not necessary. However, Genworth’s Master Policy states that if a property is taken by “eminent domain”, any funds are to be applied to the outstanding loan balance to the extent permitted by the laws of the state in which the property is located.

**For partial release on delinquent loans, contact the Loan Workout Center at 800 455.0871.**

## CANCELLING MI COVERAGE

Cancellation requests are to be submitted in writing by the Master Servicer of the Pool. There is no refund of premium for Bulk/Pool certificates.

### **Paid in Full Loans**

- Paid in full loans should be reported for cancellation each month.
- Requests can be submitted via Excel to our generic e-mail address: [bulkpremiumprocessing@Genworth.com](mailto:bulkpremiumprocessing@Genworth.com).
- The following format should be used:
  - Genworth's 10-digit certificate number
  - Paid in full date (mmddyyyy)
  - Borrower last name
  - Borrower first name
  - Property Address
- Requests can also be faxed to Genworth at fax number 800 291.2144 attention: Policy Servicing Bulk/Pool Area.

## QUALITY CONTROL - MISREPRESENTATION

Genworth periodically conducts a quality control review on loans that we have insured. We select for review loans that contain high risk characteristics, result in early term defaults or are identified through random sample selection techniques. If a loan is targeted for a quality control review we will contact the servicer to obtain the following documents:

- signed purchase contract
- signed residential loan application FNMA 1003
- title binder or commitment
- final title policy
- settlement statement
- note
- deed of trust or mortgage
- affidavit of purchaser and vendor
- collection efforts, if delinquent
- payment history

If the loan was underwritten through the EXCEL or Easy Submit Program or submitted to Genworth through a tape or electronic transmission we will require the full underwriting package in addition to the documents listed above.

As a Mortgage Insurance company we do not cover losses resulting from defaults on loans containing material misrepresentations (as defined in the applicable policy) or noncompliance to the applicable underwriting guidelines. See pages N2-N3 for Genworth's statements of policy regarding misrepresentation.

## STATEMENT OF POLICY REGARDING MISREPRESENTATION

### FIRST LIEN RESIDENTIAL

Genworth relies on the information provided to us by our Insured on the loan application and related origination documents in issuing the Certificate of Insurance. By acceptance of the Master Policy, our insured have agreed that the statements in the application and other documentation are the Insured's representations, and that Genworth has issued the Certificate of Insurance in reliance upon the accuracy and completeness of such documentation. Genworth believes the Insured to be responsible for the origination process, and thus views information provided by or known to a loan broker or other agent acting on behalf of, or with the consent of, the Insured as if it were provided directly by the Insured.

The extent to which Genworth has relied on inaccurate or fraudulent information would be a factor in Genworth's decision as to the appropriate course of action. We evaluate each case on its own merits. We make each decision to deny a claim or rescind coverage based on the severity and materiality of the misrepresentation.

Genworth will not adjust or deny a claim for loss, or rescind coverage, on the basis of a third-party misrepresentation if the borrower makes twelve consecutive regularly scheduled payments from his/her own funds. This practice is applicable only to insured loans where the Lender, its employees and agents had no actual knowledge of, and did not participate in, any kind of third-party misrepresentation.

As of March 31, 1997, Genworth has provided an endorsement that provides that your commitment/certificate of insurance will be covered for misrepresentations committed by third parties unless the Insured had knowledge of or participated in such third-party misrepresentation. Third-party misrepresentation is defined by a misrepresentation made by anyone other than the Insured, its agents, or employees. For purposes of this definition, the Insured agents shall be construed to include, but not be limited to, the servicers, correspondent lenders, mortgage loan brokers, appraisers, and escrow and closing agents. However, this incontestability shall not apply if the same borrower or other person has made one or more misrepresentations with respect to three or more mortgage loans insured by Genworth within twelve months before or after such misrepresentation.

## **STATEMENT OF POLICY REGARDING MISREPRESENTATION**

### **EXCEL Policy**

Genworth waives the right to rescind or deny coverage due to third-party misrepresentation unless it is determined that the same third-party has made one or more misrepresentations with respect to three or more mortgage loans insured by Genworth for the Insured within twelve months before or after such misrepresentations. Third-party misrepresentation is defined by a misrepresentation made by anyone other than the insured, it's agents, or employees.

For purposes of this definition, the Insured agents shall be construed to include, but not limited to, the servicers, correspondent lenders, mortgage loan brokers, appraisers, and escrow and closing agents.

The extent to which Genworth has relied on inaccurate or fraudulent information would be a factor in Genworth's decision as to the appropriate course of action. We evaluate each case on its own merits. We make each decision to deny a claim or rescind coverage based on the severity and materiality of the misrepresentation.