



## National Mortgage Insurance Corporation New York State Variation Endorsement to Master Policy Mortgage Guaranty Insurance (AS08.12.01 07 13)

Upon the Company's issuance of this endorsement to the Insured, the Mortgage Guaranty Insurance Master Policy, Form No. AS08.12.01 07 13 (the "Policy") is hereby amended as follows for each Loan and its related Certificate to the extent required by New York law.

Capitalized terms not otherwise defined herein shall have the meanings given to them in the Policy.

1. The definition of **Default Amount** is hereby deleted and replaced in its entirety with the following language:

**Default Amount** means the unpaid principal balance of a Loan as of the date of Default (including any increase in the principal balance), subject to the provisions of Section II (Exclusions or Reductions in Coverage) with respect to reductions in the Insurance Benefit. If a Loan has been divided into secured and unsecured portions pursuant to proceedings under the federal bankruptcy laws, the Default Amount shall include the unpaid principal balance due under the unsecured portion of the Loan, provided that the premium paid has been calculated based on both the secured and unsecured portions of the Loan.

2. The definition of **Negative Amortization** is deleted in its entirety.

3. **Section V.A.3(a)** is hereby deleted and replaced in its entirety with the following language:

The amount of unpaid principal balance due under the Loan as of the date of Default without capitalization of delinquent interest, penalties or Advances, but including amounts added to the Loan balance as a result of a loan modification approved by the Company (including any capitalized interest); and

4. **Section V.E.1** is hereby deleted and replaced in its entirety with the following language:

1. Subrogation. The Company will be subrogated, upon payment of an Insurance Benefit, in the amount thereof in equal priority to all of the Insured or Third-Party Beneficiary's rights of recovery, if any, against a Borrower or any other Person relating to the applicable Loan or Property. For the avoidance of doubt, this does not include any rights to pursue a Deficiency Judgment against a Borrower in connection with a Loan insured under this Policy. Upon the Company's request, or a request by the Company's designee on its behalf, the Insured or Third-Party Beneficiary shall provide such information and execute and deliver to the Company or its designee such documents and instruments and undertake such actions as may be necessary to transfer, assign and secure such rights. The Insured and Third-Party Beneficiary of the Loan shall not, and shall cause their agents not to, either before or after payment of an Insurance Benefit, prejudice such rights.

5. Paragraphs 2, 3, 4 and 5 of **Section V.E.** are hereby deleted in their entirety.

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This endorsement shall vary, alter, waive or extend any terms, conditions, provisions, agreements or limitations of the above referenced Policy only as noted above.

**NATIONAL MORTGAGE INSURANCE CORPORATION**

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PRINCIPAL OFFICER

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SECRETARY

SAMPLE