



Rescission Relief for Loans in Forbearance Due To COVID-19

Updated - April 2020

National MI was founded on the principle to provide certainty of coverage and significantly reduce repurchase risk for Master Policy Holders. National MI upholds its commitment to support its customers and has produced the following information to provide further clarity regarding rescission relief for loans in forbearance due to COVID-19:

- **Rescission Relief Eligibility:** Loans impacted by COVID-19 remain eligible to receive rescission relief. Forbearance does not automatically disqualify the lender from rescission relief eligibility. National MI will not automatically make loans ineligible for rescission relief due to forbearance plans associated with COVID-19 Reason for Delinquency (RFD) codes. If the COVID-19-related forbearance occurred before a loan meets the applicable minimum monthly payment requirements for rescission relief, the loan may still be eligible for rescission relief, as long as all mortgage payments after the forbearance period meet the minimum monthly payment eligibility requirements.
- **Missed Payments:** National MI will not treat missed mortgage payments during a COVID-19 related forbearance as missed payments for purposes of meeting the applicable rescission relief payment requirements, as long as the required mortgage payments are otherwise timely made after taking into consideration the forbearance period, and all other mortgage payments after the forbearance period meet the applicable requirements.
- **First Payment Default:** National MI will not automatically rescind coverage or deny a claim for a first-payment default related to a COVID-19 forbearance. If a borrower seeks forbearance prior to making the first loan payment, National MI will continue coverage on the loan if:
 - the loan is originated and closed in compliance with applicable law and meets National MI's underwriting guidelines and fully satisfies all terms and conditions of coverage; and
 - the lender/servicer remits all required MI premiums to National MI as specified in the Master Policy and in accordance with the requirements in National MI's Servicing Guide. The Servicer is advised to continue to remit MI premiums to ensure there is no lapse in coverage if the borrower resumes mortgage payments after the forbearance period. National MI reserves all other rights and remedies under the applicable Master Policy.
- **Failure to Cure:** If a loan never cures after a COVID-19-related forbearance ends, and a claim is filed, National MI will evaluate the loan and determine whether the conditions for rescission relief were satisfied prior to the start of a COVID-19-related forbearance plan.
- **Servicer Notification to National MI:** Servicers are required to notify National MI that the reason for forbearance was due to a COVID-19 forbearance and are encouraged to continue providing complete and timely monthly reporting to National MI as required under the applicable Master Policy.

We are committed and are here to support you and your business. During this time, our goal is to maintain exceptional customer service levels.

For further details on reporting and submission requirements, please refer to National MI's [Servicing Guide](#) or contact servicing@NationalMI.com or call 855.317.4NMI.

For any additional assistance, please contact National MI's Solution Center at solutioncenter@nationalmi.com. We thank you for your business.