



DEPARTMENT OF
INSURANCE AND FINANCIAL INSTITUTIONS

MORTGAGE GUARANTY INSURER'S REPORT OF POLICYHOLDERS POSITION

COMPANY NAME: _____ **NAIC #:** _____

ENTER QUARTER (i.e. 3/31/2017) OR CALENDAR YEAR END (i.e. 12/31/2016) PERIOD FOR WHICH THIS REPORT IS BEING FILED _____

ARS § 20-1550 describes the calculation of Minimum Policyholders Position. Policyholders Position is defined in ARS § 20-1541(5), as including the contingency reserve established under ARS § 20-1556 and surplus as regards policyholders reported in your financial statement. All calculations of Minimum Policyholders Position shall consider layers of coverage, deductibles and excess reinsurance. The face amount of the mortgage shall include reinsurance assumed and shall be calculated net of reinsurance ceded under agreements which are in compliance with ARS § 20-1557(C). When reporting on the minimum policyholder position the insurer shall make adjustments for the following:

- A. Exclude the Minimum Policyholders Position provided by A.R.S. § 20-1550 on an individual or group loan in default for which an insurer has established a loss and loss adjustment expense reserve greater than or equal to the Minimum Policyholders Position for such loan. (Deduction to be taken on Line 20)

- B. In the event that the loss and loss adjustment expense reserve on an individual or group loan is less than the Minimum Policyholders Position for such loan as provided by A.R.S. § 20-1550 an insurer shall not exclude the Minimum Policyholders Position for such loan from its calculation of its Minimum Policyholders Position, but rather shall add the loss and loss adjustment expense reserve for such loan to its total Policyholders Position as computed on this form. (Addition to be made on Line 25)

You must complete the tables on pages 2 and 3 to calculate the Minimum Policyholders Position for comparison with actual Policyholders Position. The amounts reported on Lines 1 through 19 should be gross before any deductions or adjustments on account of established loss reserves.

Line 20 Instruction – Include on this line the total calculated Minimum Policyholder Position on all individual and group business for which the insurer has established appropriate loss reserves that are in excess of the calculated Minimum Policyholder Position.

Line 24 Instruction – Only include a deduction for subsidiaries' minimum policyholders position by an amount equal to the excess of the subsidiary's minimum policyholders position over the subsidiary's contingency reserves, on a subsidiary by subsidiary basis.

Line 25 Instruction – Include on this line the loss and loss expense reserves in individual and group contracts reported by the insurer where the calculated Minimum Policyholder position exceeds those loss reserves. The calculated Minimum Policyholder Position for this business shall not be deducted on Line 20.

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MINIMUM POLICYHOLDERS POSITION				
FIRST LIENS:	A	B	C	A+B-C=D
	DIRECT	ASSUMED	CEDED	NET TOTAL
Individual Loans [ARS § 20-1550(B)]				
1. Loan-to-value more than 75%				
2. Loan-to-value 50% - 75%				
3. Loan-to-value less than 50%				
4. Total Individual Loans (Line 1+ 2 + 3)				
Group of Loans [ARS § 20-1550(C)]				
5. Equity 20-50%, or equity plus prior insurance or a deductible 25 - 55%				
6. Equity less than 20%, or equity plus prior insurance or a deductible less than 25%				
7. Equity more than 50%, or equity plus prior insurance or a deductible more than 55%				
8. Total Group Loans (Line 5 + 6 + 7)				
9. TOTAL FIRST LIENS (Line 4 + 8)				

SECOND LIENS [ARS § 20-1550(E)]	A	B	C	A+B-C=D
	DIRECT	ASSUMED	CEDED	NET TOTAL
Individual Loans				
10. Loan-to-value more than 75%				
11. Loan-to-value 50-75%				
12. Loan-to-value less than 50%				
13. TOTAL INDIVIDUAL LOANS (Line 10 + 11 + 12)				
Group of Loans				
14. Equity 20-50%, or equity plus prior insurance or a deductible 25 - 55%				
15. Equity less than 20%, or equity plus prior insurance or deductible less than 25%				
16. Equity more than 50%, or equity plus prior insurance or a deductible more than 55%				
17. TOTAL GROUP LOANS (Line 14 + 15 + 16)				
18. TOTAL SECOND LIENS (Line 13 + 17)				
19. LEASES [ARS § 20-1550(F)]				
20. Deduct aggregate Minimum Policyholder Position for certain loans with established loss reserves (See Instruction on Page 1)				
21. TOTAL MINIMUM POLICYHOLDERS POSITION (Line 9 + 18 +19 – 20)				

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ACTUAL POLICYHOLDERS POSITION	
	AMOUNT
22. Surplus as Regards Policyholders (financial statement Page 3, Line 37)	
23. Contingency Reserve [ARS § 20-1556]	
24. Subsidiaries' Minimum Policyholders Position (See Instruction on Page 1)	
25. Loss Reserves on Specified Loans (See Instruction on Page 1)	
26. TOTAL ACTUAL POLICYHOLDERS POSITION (Line 22 + 23 – 24) + 25	
27. EXCESS OF POLICYHOLDERS POSITION OVER MINIMUM POLICYHOLDERS POSITION, Redundancy/(Deficiency) (Line 26 – 21)	

The undersigned Officer attests that the above is a true and accurate calculation of the Minimum Policyholders Position as required by ARS § 20-1550, and of our Actual Policyholders Position, as reported in our financial statement for the specified period and adjusted for investments in subsidiaries per Line 24 above.

Signature of Officer_____
Title of Officer_____
Name of Officer (Type or Print)_____
Date**DUE DATES:**

Foreign and Alien domiciled insurers – On or before March 1 of each year.

Arizona domiciled insurers – On or before March 31 of each year.

FILING INSTRUCTIONS:

Send this report to the Department annually and quarterly to financialfilings@difi.az.gov.

Name the document using this format "MGMP-NAIC Number-Insurer Name" (e.g. MGMP-5555-INSURERNAME).

DO NOT MAIL ORIGINAL / HARDCOPY DOCUMENT.