



August 3, 2011

To our Customers:

We wish to inform you that Republic Mortgage Insurance Company ("RMIC") will discontinue writing new commitments for insurance effective August 31, 2011. RMIC has been operating pursuant to a waiver of minimum state risk to capital ratio requirements which expire at the end of August. With this letter we are providing additional information regarding cessation of new commitments, policy servicing, claims operations and investor requirements below. If you have additional questions or concerns, please contact your RMIC Account Manager or you may call us at 1-800-999-7642.

Policy Servicing & Claims Operations

Servicing of existing policies will not be affected by this change. RMIC will continue to maintain all systems, processes, and contact points for policy servicing, loss mitigation, and claims operations just as we do today. This includes participation in HAMP and Same Servicer HARP programs.

Timing and Investor Requirements

RMIC will continue to issue new commitments until the close of business August 31st. We are authorized to issue the resulting certificates at a later date as these loans close and premiums are remitted to RMIC. While we will continue to issue commitments until August 31, 2011, we recognize and expect that Investor acceptance and deadlines may differ from our regulatory approval. We therefore encourage customers to review Investor delivery requirements prior to ordering from RMIC.

While RMIC is discontinuing writing new insurance, we intend to continue to support our customers and provide non-insurance products and solutions. RMIC will continue to offer Contract Underwriting, Credit Reporting Services, Valuation Products, Customer Relationship Management Technology, and other services important to our customers.

As stated in our ultimate parent company's, Old Republic International Corporation, July 28th press release, our objective is to move production of new business to a separately capitalized and held mortgage guaranty insurance subsidiary. To date we have not been able to secure the GSEs' concurrence with this objective. We intend to pursue these discussions as a solution to the long term continuity of the mortgage insurance business.

Both RMIC and our parent company continue to believe in the mortgage insurance business and the important role it plays in the Nation's housing finance system. We appreciate the trust and confidence that you have placed in RMIC over many years and we look forward to continuing to work with you.

Sincerely,

Chris Nard
President and Chief Executive Officer