### EXHIBIT 13

Radian

| Book Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2006 | 2006 | 2006 | 2006 | 2006 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 20

40.0% 40.0% 40.0% 40.0% 40.0%

36.5%
36.5%
40.0%
40.0%
40.0%
40.0%
40.0%
40.0%
40.0%
40.0%
40.0%

Book Year 1997 1998 1999 2000 2001 2002 2003 2004 2006 2006 2008 2008 2008

4.0% 4.0% 4.0% 4.0%

2008 book, since no new loans were written after that date for this MI parrier.

(7) In July 2009, all Pad an contracts were terminated on a "ort-off basis.

(3) The CMG contracts were commuted during 3rd Quarter 2009.

| Book Year | 1897 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2006 | 2006 | 2007 | 2008 | 2008 | 2008 | 2008 | 2008 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 20

14.0% 14.0% 14.0% 14.0% 14.0%

14.0% 14.0% 14.0% 14.0% 14.0% 14.0% 14.0% 14.0% 14.0% 14.0% 14.0%

a % of Original Risk)

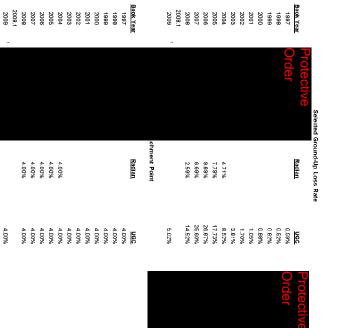
Radian

Milliman

Page 1

CFPB-PHH-00138290







NO ES: (1)

The sum of the Addothreit Point and Seeded Loss Rate in the Leyer do not measurably upual the Sevelad Ground-by Loss Rau measurably upual the Sevelad Ground-by Loss Rau for Ay 2000, all Roban conferences reministed on a "out off bodis. The CMG contracts were command during 2nd Quarter 2008.

Book Year 1997 1998 1999 2000 2001 2002 2003 2004 2006 2006 2006 2008 1

0.00% 9.30% 0.00% 0.00%

UGC
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
1.000%
1.000%
1.000%
1.000%

oss Rate in the Layer

4.00% 4.00% 4.00% 4.00%

Radian

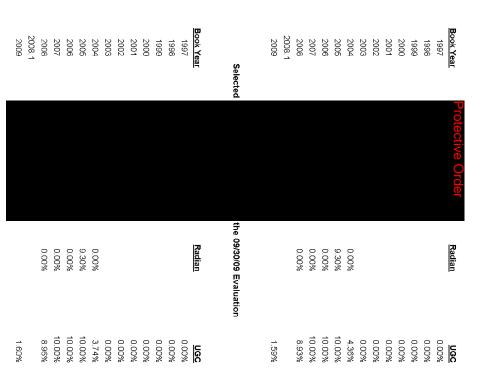
Milliman

Page 2

## Atrium Insurance Corporation

# Summary Comparison of Selected Loss Rate in the Layers 06/30/09 vs. 09/30/09

# Selected Loss Rate in the Layer as of the 06/30/09 Evaluation



Page 3

NOTES: (1)

In July 2008, all Radian contracts were terminated on a "cut-off" basis.

This exhibit excludes the 06/30/09 selections for the CMG books that were

2

commuted during the quarter.

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Incurred Losses at 09/30/09 Based on Projected Ultimate Loss Ratios and Earned Premium To-Date **Atrium Insurance Corporation** All MIs Combined

(\$000's)

(A)	
(B)	
$(C) = (A) \times (B)$	

	Total	2009	2008.1	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	Book Year	
<sup>1</sup> Earned Premium, Net of Ceding Commission	367,987	3 117	1,921	6,963	11,050	11,190	23,743	37,462	54,388	48,263	40,841	25,452	41,395	36,681	28,522	As of 09/30/09	Earned Premium <sup>1</sup>
ng Commission		50.2%	68.5%	138.8%	148.5%	152.2%	167.9%	63.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Loss Ratio	Ultimate
	108,055	59	1,316	9,668	16,407	17,035	39,852	23,718	0	0	0	0	0	0	0	Incurred Losses	Indicated

Notes:

The CMG contracts were commuted during 3rd Quarter 2009. In July 2009, all Radian contracts were terminated on a "cut-off" basis.

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CONFIDENTIAL

Also includes earned premium for book years 1994 - 1996

| Sook Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 2009 | 20

0.0% 276.2% 0.0% 0.0%

timate Loss Ratio

3,833

790 1,608 751 576 107

28,522 28,522 36,681 41,395 25,450 25,023 22,760 17,351 30,509 16,822 7,061 8,125 3,463

Radian

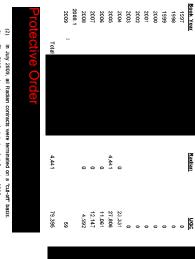
(\$000°s)

Radian

d Losses as of 09/30/09

Radian

| Book Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2006 | 2006 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 2008 | 20



4,441 0 0



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CONFIDENTIAL

### DRAF

## Atrium Insurance Corporation All MIs Combined

## Loss Ratio Comparison Evaluated as of 09/30/09

### (\$000's)

1 A.	Total	2009 2	2008.1	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 1	Book Year			
Also includes reinsurer written premium for book years 1994 - 1996,	al 226,907	1,434	6,925	39,997	49,526	33,783	63,144	32,099	0	0	0	0	0	0	0	Paid Losses	Ultimate	Projected	
emium for book years 1994	473,156	2,856	10,106	28,447	32,337	21,482	38,251	49,914	63,739	51,760	41,994	25,654	41,414	36,681	28,522	<u>Premium</u>	Written	Ultimate	Projected
1 - 1996,	48.0%	50.2%	68.5%	140.6%	153.2%	157.3%	165.1%	64.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Loss Ratio	Ultimate	Projected	

which have completed their run-off per the terms of the contract.

Business through 3rd quarter only

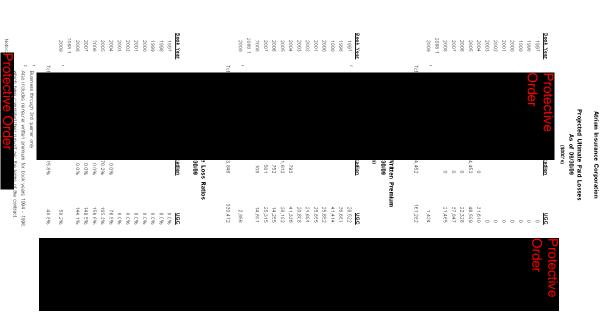
ective Order

Notes:

(2) In July 2009, all Radian contracts were terminated on a "cut-off" basis.

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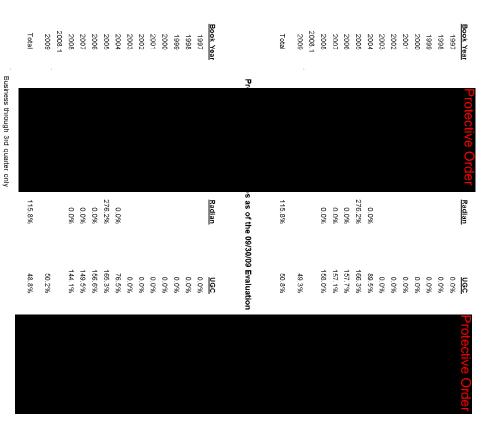
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## Atrium Insurance Corporation

Summary Comparison of Projected Ultimate Loss Ratios 06/30/09 vs. 09/30/09

# Projected Ultimate Loss Ratios as of the 06/30/09 Evaluation



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Notes: (1) (2)

In July 2009, all Radian contracts were terminated on a "cut-off" basis.

The projected ultimate loss ratios as of June 30, 2009 have been restated to exclude the CMG contracts that were commuted during the quarter.

Page 8

<u></u> (2)

Also includes reinsurer written premium for book years 1994 - 1996, which have completed their run-off per the terms of the contract.

The projected values as of June 30, 2009 have been restated to exclude the CMG contracts that were commuted during the quarter.

In July 2009, all Radian contracts were terminated on a "cut-off" basis

Atrium Insurance Corporation
All Mls Combined

## Loss Ratio Comparison

	' '	, 0	10	JC	aų.	ľ		'-	.0	1/2	J	10/	u	IC	' '		IJ	0-	10	ient
					Book Year	1997 1	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008.1	2009 2	Total
>	Projecti		Projected	Ultimate	Paid Losses	0	0	0	0	0	0	0	37,471	63,917	33,798	49,541	39,932	6,927	688	232,275
w	Projections as of 06/30/09	Projected	Ultimate	Written	<u>Premium</u>	28,522	36,681	41,451	25,649	41,985	51,720	63,656	49,793	37,951	21,472	30,930	25,996	8,827	1,396	466,028
n	09		Projected	Ultimate	Loss Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	75.3%	168.4%	157.4%	160.2%	153.6%	78.5%	49.3%	49.8%
0	Projecti		Projected	Ultimate	Paid Losses	0	0	0	0	0	0	0	32,099	63,144	33,783	49,526	39,997	6,925	1,434	226,907
т	Projections as of 09/30/09	Projected	Ultimate	Written	<u>Premium</u>	28,522	36,681	41,414	25,654	41,994	51,760	63,739	49,914	38,251	21,482	32,337	28,447	10, 106	2,856	473,156
п	09		Projected	Ultimate	Loss Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	64.3%	165.1%	157.3%	153.2%	140.6%	68.5%	50.2% 2	48.0%
G = D - A <u>Difference bet</u>			Projected	Ultimate	Paid Losses	0	0	0	0	0	0	0	(5,372)	(773)	(16)	(15)	65	(2)	746	(5,368)
G = D - A H = E - B I = F  Difference between 06/30/09 and 09/30/09	Difference	Projected	Ultimate	Written	<u>Premium</u>	0	0	(37)	6	9	41	83	121	300	9	1,407	2,451	1,278	1,460	7,128
I = F - C <u>nd 09/30/09</u>			Projected	Ultimate	Loss Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-10.9%	-3.3%	-0.1%	-7.0%	-13.0%	-10.0%	0.9%	-1.9%
J=D/A-1																			108.3%	-2.3%
J=D/A-1 K=E/B-1 L=F/C-	% Change	Projected	Ultimate	Written	<u>Premium</u>	0.0%	0.0%	-0.1%	0.0%	0.0%	0.1%	0.1%	0.2%	0.8%	0.0%	4.5%	9.4%	14.5%	104.6%	1.5%
L=F/C-1			Projected	Ultimate	Loss Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-14.5%	-2.0%	-0.1%	-4.4%	-8.5%	-12.7%	1.8%	-3.8%

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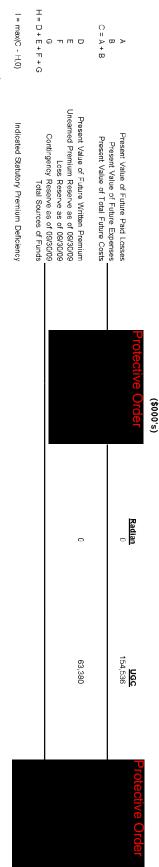
PHH-ROSENTHAL-CFPB-009712 CONFIDENTIAL

CFPB-PHH-00138298

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### Statutory Premium Deficiency Calculation -- Actuarial Central Estimate 1 Atrium Insurance Corporation As of 09/30/09



Refers to a reasonable range of unpaid claim estimates, as developed in Millman's analysis for Atrium.

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CFPB-PHH-00138299

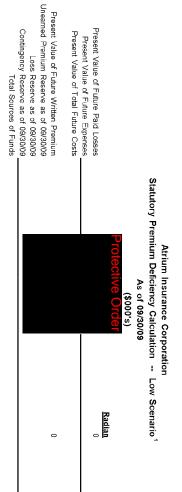
ECX 0646

Notes: (1) The Discount Rate in this scenario is 2%, for illustrative purposes only. Alternative discount rate scenarios have also been provided for evaluation by Atrium management. (2) Expense provisions are based on assumptions provided by Atrium management.

<sup>(3)</sup> These loss and premium forecasts reflect the full runoff of the business on the books as of September 30, 2009 and do not reflect a truncation of cashflows upon depletion of the trust accounts of any of the primary insurance company cedamls.

(4) Per discussions with Arrum management. Arrum's loss reserve of \$112.5 million at 09/30/09 (as posted in its September financial statement) was established in anticipation of the commutation of the OMG contracts and includes a reserve amount of \$3.2 million relating to pending OMG obligations. The loss reserve of \$109.3 million used in the calculation in this exhibit excludes the \$3.2 million relating to OMG, since that amount is considered to be unavailable for other future uses.





<u>uec</u> 149,515

63,380

Notes: (1) The Discount Rate in this scenario is 2%, for illustrative purposes only. Alternative discount rate scenarios have also been provided for evaluation by Arrium management.

Refers to a reasonable range of unpaid claim estimates, as developed in Milliman's analysis for Atrium.

Indicated Statutory Premium Deficiency

H = D + E + F + G

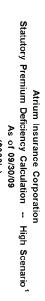
C = A + B

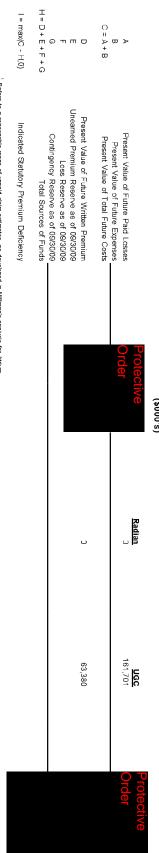
I = max(C - H,0)

(2) Expense provisions are based on assumptions provided by Airiun management.
(3) These loss and premium forecasts reflect the full runoff of the business on the books as of September 30, 2008 and do not reflect a truncation of cashflows upon depletion of the trust accounts of any of the primary insurance company cedarts.
(4) Per discussions with Afrium management, Afrium's loss reserve of \$112.5 million at 09/30/09 (as posted in its September financial statement) was established in anticipation of the CMG contracts and includes a reserve amount of \$3.2 million relating to pending CMG obligations. The loss reserve of \$109.3 million used in the calculation in this exhibit excludes the \$3.2 million relating to DMG, since that amount is considered to be unavailable for other future uses.

Milliman

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Refers to a reasonable range of unpaid claim estimates, as developed in Millman's analysis for Atrium.

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Notes: (1) The Discount Rate in this scenario is 2%, for illustrative purposes only. Alternative discount rate scenarios have also been provided for evaluation by Atrium management. (2) Expense provisions are based on assumptions provided by Atrium management.

<sup>(3)</sup> These loss and premium forecasts reflect the full runoff of the business on the books as of September 30, 2009 and do not reflect a truncation of cashflows upon depletion of the trust accounts of any of the primary insurance company cedamls.

(4) Per discussions with Arrum management. Arrum's loss reserve of \$112.5 million at 09/30/09 (as posted in its September financial statement) was established in anticipation of the commutation of the OMG contracts and includes a reserve amount of \$3.2 million relating to pending OMG obligations. The loss reserve of \$109.3 million used in the calculation in this exhibit excludes the \$3.2 million relating to OMG, since that amount is considered to be unavailable for other future uses.

### RAFT

## Atrium Insurance Corporation All Mls Combined

## Projected Ultimate Losses (\$000s)

	a "cut-off" basis. the terms of the contract	ctive Order In July 2009, all Radian contracts were terminated on a "cut-off" basis. The following books have completed their run-off, per the terms of the contract:	Protective Order  (2) In July 2009, all Radian co  (3) The following books have (	Notes: (2) (3)
		ter only	Business through 3rd quarter only	<u>.</u>
220,564	6,344	226,907	13,214,795	Total
1,434	0	1,434	89,659	2009 1
6,925	0	6,925	322,698	2008.1
39,997	0	39,997	474,812	2008
49,526	0	49,526	526,569	2007
31,891	1,892	33,783	363,770	2006
58,692	4,452	63,144	663,340	2005
32,099	0	32,099	1,065,851	2004
0	0	0	1,560,678	2003
0	0	0	1,887,540	2002
0	0	0	1,787,749	2001
0	0	0	1,294,953	2000
0	0	0	1,498,054	1999
0	0	0	1,199,234	1998
0	0	0	479,889	1997
Paid Losses	09/30/09	in the Layers	Risk	<u>Year</u>
Future	Paid as of	Paid Losses	Original	Book
Projected	Losses	Ultimate		
	Atrium	Projected		

The following books have completed their run-off, per the terms of the contract: UGC's 1994 - 1996 books

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### RAFT

# **Atrium Insurance Corporation**

# Comparison of Selected A Priori Loss Rates

### As of 09/30/09

	Protective Order			Weighted-
Book Year		Radian	<u>uec</u>	Average*
1997			5.20%	5.20%
1998			5.20%	5.20%
1999			5.20%	5.20%
2000			5.20%	5.20%
2001			5.20%	5.20%
2002			5.30%	5.30%
2003			6.00%	6.00%
2004		0.00%	9.50%	8.79%
2005		0.00%	13.75%	13.37%
2006		0.00%	17.25%	16.09%
2007		0.00%	16.25%	15.41%
2008		0.00%	11.00%	10.76%
2008.1				5.50%
2009			5.00%	5.00%

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Weighted-Average A Priori Loss Rate based on New Insurance Written volume (\$) for each MI

(1) (2) € €

### **Atrium Insurance Corporation**

Summary of Selected A Priori Ultimate Loss Rates By Mortgage Insurer and Book Year

		Þ	W	n	0	т	71	ဓ	I
			A Priori	A Priori	A Priori	A Priori	A Priori	A Priori	
		Baseline	Loss Rate,	Loss Rate,	Loss Rate, with	Loss Rate, with	Loss Rate, with	Loss Rate, with	Selected
		Indicated	with	with	Global Insight HPA	Global Insight HPA	Moody's HPA	Moody's HPA	A Priori
Mortgage		A Priori	Global Insight	Moody's	and Adjusted	and Unadjusted	and Adjusted	and Unadjusted	Ultimate
Insurer	Book Year	Loss Rate	HPA	HPA	Underwriting Risk Factor	Underwriting Risk Factor	Underwriting Risk Factor	Underwriting Risk Factor	Loss Rate
	GEI								
	<u> </u>								
United Guaranty	2005	6.83%	12.14%	10.27%	13.91%	15.93%	11.78%	13.47%	13.75%
United Guaranty United Guaranty	2005	5.83% 7.03%	12.14% 14.58%	10 27% 13 26%	13.91% 16.85%	15.93% 19.47%	11.78% 15.33%	13.47% 17.71%	13.75%
United Guaranty United Guaranty United Guaranty	2005 2006 2007	5.83% 7.03% 6.29%	12.14% 14.58% 13.93%	10 27% 13 26% 13 28%	13.91% 16.85% 15.67%	15,93% 19,47% 17,63%	11.75% 15.33% 14.92%	13.47% 17.77% 16.73%	13.75% 17.25% 16.25%
United Guaranty United Guaranty United Guaranty United Guaranty	2005 2006 2007 2008	6.83% 7.03% 6.29% 4.02%	12.14% 14.56% 13.93% 8.67%	10 27% 13 26% 13 26% 13 26% 8 92%	13.91% 16.85% 15.67%	15.93% 19.47% 17.63%	11./5% 15.33% 14.50%	13.47% 17.71% 16.78% 12.05%	13.75% 17.25% 16.25% 11.00%

The "Baseline Indicated A Priori Loss Rate" in Column A is derived based on FICO and LTV using Fitch RMBS assumptions.

The HPA adjustments in Columns B and C are based on the captive's geographic distribution of risk in force and forecasts of home price appreciation over a 20-quarter period from the evaluation date through September 2014, as provided by Global Insight and Moody's Economy. Com. The weights applied to each future quarter reflect the probability distribution of time from origination date to first foreclosure date, based on industry data.

In addition to reflecting the impact of HPA, Columns D through G include the impact of Underwriting Risk Factors based on documentation type, amontization/product type, indicators, occupancy type, loan purpose, property type and loan size.

The "Unadjusted" Underwriting Factor is the product of the individual risk factors, while the "Adjusted" Underwriting Factor is the ground of the individual factors.

Milliman

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