



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

December 5, 2013

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MR JOHN A CHOSY
ASSOCIATE GENERAL COUNSEL
CUNA MUTUAL GROUP
5910 MINERAL POINT ROAD
MADISON WI 53705

Re: Form A Acquisition of Control of CMG Mortgage Insurance Company, CMG Mortgage Assurance Company, and CMG Mortgage Reinsurance Company by Arch U.S. MI Holdings Inc. ("Arch MI") filed on September 24, 2013

Dear Mr. Chosy:

The State of Wisconsin Office of the Commissioner of Insurance ("OCI") has reviewed your letter dated September 25, 2013 submitted on behalf of the following sellers in the above-referenced Arch MI Form A filing: CMFG Life Insurance Company, and the Receiver of PMI Mortgage Insurance Co. in Rehabilitation (on behalf of PMI Mortgage Insurance Co.) (the "Sellers").

It is our understanding that the following transactions are required by the Stock Purchase Agreement submitted with the Arch MI Form A:

- (1) The termination of certain existing Joint Venture Agreements, as required by Section 7.12 of the Stock Purchase Agreement, and
- (2) The exchange of the existing Surplus Notes for equity in the form of paid in capital, as required by Section 7.15 of the Stock Purchase Agreement.

We also acknowledge that the Sellers have requested that these transactions be incorporated into OCI's Order on the Arch MI Form A, in lieu of separate Form D filings by the Sellers.

Please be advised that OCI agrees with this approach, and will incorporate its decision on the above-referenced transactions into the Order on the Arch MI Form A filed with OCI on September 24, 2013.

Please feel free to call me at (608) 266-9896 if you have any questions.

Sincerely,

Kristin L. Forsberg
Insurance Financial Examiner, Licensing Specialist
Bureau of Financial Examinations