



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

November 22, 2013

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

Re: Acquisition of Control of CMG Mortgage Insurance Company, CMG Mortgage Assurance Company, and CMG Mortgage Reinsurance Company (collectively, the "CMG companies") by Arch U.S. MI Holdings Inc.

Dear Mr. Chosy:

The State of Wisconsin Office of the Commissioner of Insurance ("OCI") has reviewed your letter dated September 25, 2013 requesting permission to incorporate the termination of certain existing "Joint Venture Agreements", and the exchange of existing Surplus Notes for equity, into the above-referenced Form A filing (in lieu of separate Form D requests).

Please be advised that OCI agrees with this approach, and will incorporate the decision on these transactions into the Form A proceeding for the acquisition of control of the CMG companies by Arch U.S. MI Holdings Inc.

Please note that our review of the documents submitted with your September 25, 2013 letter raised the following follow-up issue:

- Annex 3 (Continuing Agreements): Annex 3 listed four agreements that are to remain in force following the proposed acquisition (Section 7.12 of the Seller Disclosure Schedule), including:
  - Excess Share Primary Mortgage Reinsurance Agreement between CMG MI and CMG Re
  - Excess Share Primary Mortgage Reinsurance Agreement between CMG MI and PMI Insurance Co.
  - Restated CMG/CMG MA Services Agreement between CMG MA and CMG MI.
  - Restated CMG Reinsurance Services Agreement between CMG Re and CMG MI.

***Please provide an explanation for the continuance of these agreements, assuming the proposed acquisition is effectuated.***

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