

FORMULA FOR FIGURING RATE RULE R-8 CREDITS

(include in workpapers)

Amount of **written payoff** (amount on settlement statement) of existing lien or liens covered by Mortgagee Policy and to be renewed and extended within 8 years.

Credit Figured by Age of Outstanding Policy (ies):

- 4 years or less = 50% credit
- More than 4 years but less than 8 years = 25% credit

<u>Written Payoff</u>	=	<u>Premium at Current Rates</u>	(X)	_____ %	=	<u>Credits</u>
\$ _____	=	\$ _____	(X)	_____ %	=	\$ _____
\$ _____	=	\$ _____	(X)	_____ %	=	\$ _____
\$ _____	=	\$ _____	(X)	_____ %	=	\$ _____
\$ _____	=	\$ _____	(X)	_____ %	=	\$ _____

Total Of All Credits:

(\$ _____)

Amount of new loan, but not less than Written payoff.

New Premium, but never less than Minimum Basic Rate

<u>New Loan Amount</u>	=	<u>Full Premium Amount</u>	less (\$ _____)	=	<u>Premium to be Charged</u>
\$ _____	=	\$ _____	less (\$ _____)	=	\$ _____
			+ Special charges (if any)		+ _____
			Total Premium to be Charged:		\$ _____

*After eight (8) years from the date of the original debt, the basic rate shall apply.