(c) **Insurance premium** means the loan insurance premium paid by the financial institution to the Commissioner in consideration of the contract of insurance.

(d) **Beginning of amortization** means the date one month prior to the date of the first monthly payment to principal and interest.

(e) **Maturity** means the date on which the loan indebtedness would be extinguished if paid in accordance with periodic payments provided for in the original note and security instrument.

(f) **Debenture** means registered, transferable securities in book entry or certificated form which are valid and binding obligations, unconditionally guaranteed as to principal and interest by the United States.

§ 203.441 **Insurance of loan.**

Under compliance with the commitment, or as provided in §203.255(b) with respect to mortgages processed under the Direct Endorsement program, the Commissioner shall insure the loan evidencing the insurance by the issuance of an insurance certificate which will identify the regulations under which the loan is insured and the date of insurance.

§ 203.442 **Contract created by Insurance Certificate or by endorsement.**

The loan is insured from the date of the issuance of an Insurance Certificate or from the date of the endorsement of the note. The Commissioner and the lender shall thereafter be bound by the Act and the regulations in §§203.440 et seq. with the same force and to the same extent as if a separate contract had been executed relating to the insured loan.

§ 203.443 **Insurance premium.**

All of the provisions of §§203.260 through 203.269 concerning mortgage insurance premiums, apply to loans insured under §203.50.

§ 203.457 **Voluntary termination of contract.**

Upon request by the borrower and lender the Commissioner may terminate the insurance contract on the loan. The lender shall cancel the insurance endorsement on the insurance certificate or note upon receipt of notice from the Commissioner that the contract of insurance is terminated.

§ 203.458 **Termination by prepayment of loan.**

The contract of insurance shall be terminated if the loan is paid in full prior to its maturity.

§ 203.459 **Notice of termination by lender.**

No contract of insurance shall be terminated until the lender has given written notice thereof to the Commissioner within 15 calendar days from the occurrence of one of the approved methods of termination set forth in this subpart.

§ 203.462 **Pro rata payment of premium before termination.**

No contract of insurance shall be terminated until the lender has paid to the Commissioner the pro rata portion of the current annual insurance premium.

§ 203.463 **Notice and date of termination by Commissioner.**

The Commissioner shall notify the lender that the contract of insurance has been terminated and the effective termination. The termination date shall be the last day of the month in which:

(a) The loan was prepaid; or

(b) A voluntary termination request is received by the Commissioner, or

(c) The contract of insurance is otherwise terminated with the consent of the Commissioner.