

Please take a moment to review these procedures. It will help explain the claim process and assist you in completing each step. As the mortgage servicer, we are named on the insurance proceeds check. The interest we hold in the real property entitles us to oversee the repairs and disburse the insurance funds accordingly.

EXPLANATION OF INSURANCE CLAIM DOCUMENTS

The following information is a description of the documents we may request from you during the processing of the insurance claim funds. The list provides the document title, a description of the document, and where you would obtain the information/document.

From your insurance carrier:

- Estimate of Damages/Adjuster's Worksheet: An itemized list of the damages and the estimated cost to repair. Your insurance company may also refer to this as an adjuster's report or adjuster's worksheet.

From your contractor

- Contract: Signed agreement between you and the contractor including an itemization of the expected materials and total cost; including labor and materials. This must be signed by both you and the contractor as well as list your property address.
- Contractor license/registration: A certification indicating the contractor's qualification to complete work in your state. This is typically issued by your local Contractor's State License Board.
- Liability insurance: Insurance the contractor has secured for protection against losses arising from injury or damage to another person or property.
- W9: This is an IRS form completed by your contractor providing their Tax Identification Number. This can be obtained online at www.irs.gov.
- Building permit: An authorization required by your local government bodies for new buildings and major alterations or expansion of existing structures. Building plans, estimated costs, etc, and a fee are usually required to issue the permit. Such permit is normally required to be displayed at the site.

From us:

- Statement of Completion and Satisfaction: A statement signed by you affirming the repairs to the real property have been completed to your satisfaction.
- Contractor Statement: A form completed by you and your contractor which provides the contractor's information, total contract, deposit amount, and if a permit is required or not. The form also includes an authorization form that you

may complete if you wish for us to work directly with your contractor during the course of your claim.

- **Contractor Release:** A form to be completed by all contractors completing repairs on the real property. The document lists the total contract amount and the balance due on the contract.

CLAIM CLASSIFICATION

We will classify your insurance loss as “monitored” or “non-monitored” based on your loan and the amount of the loss. Please contact our office to discuss the details of your loss and for the classification of your claim.

NON MONITORED INSURANCE LOSSES

U.S. Bank may endorse the claim check if your loss meets non-monitored requirements and your account is current and a good payment history has been maintained for the previous 12 months. The following information must be included with your check for us to process the endorsement:

- Estimate of damages from the insurance company (copy).

MONITORED INSURANCE LOSSES

U.S. Bank monitors losses that do not meet non-monitored requirements to verify the completion of repairs. Funds are issued as the repairs are completed and inspections are periodically performed to verify completion of repairs. The inspection of the real property is a visual inspection only, which does not verify that building codes are met.

Funds are issued as the repairs are completed and inspections are completed periodically to verify completion of the repairs, see "To Receive Draws" sections below. The inspection of the real property is a visual inspection only, and does not verify building codes are met.

NOTE: If your property has sustained a total loss, additional requirements apply such as the review of blue prints for the proposed home.

TO RECEIVE THE FIRST DRAW

In order for the first draw to be released we must receive these items:

- The endorsed claim check
- A copy of the estimate of damages (aka adjuster’s worksheet) from the insurance company.
- A copy of the signed contract for repairs.
- A copy of the contractor's license.
- A copy of the contractor's liability insurance.
- An IRS W9 form completed and signed by the contractor.

Upon receipt of these items we will release a portion of the claim funds payable to you and your contractor. A "Contractor Release" and a "Statement of Completion and Satisfaction" will be sent to you with this draw check. These items must be completed and returned to our office prior to the final draw being issued.

TO RECEIVE THE SECOND DRAW

The following items are required to issue the 2nd draw:

- Inspection confirming the work is 2/3 completed; your contractor can advise you when your work will be at this point.
- Copy of applicable building permits secured. If a permit is not required, a written statement from your contractor can be provided.

TO RECEIVE THE FINAL DRAW

The final draw is released upon receipt of the following items:

- An inspection confirming all repairs are completed.
- Completed, signed, and notarized "Contractor Release"
- Completed and signed "Statement of Completion and Satisfaction"
- If additional funds are due to your contractor over the amount paid by your insurance carrier, please provide proof you have paid this amount due to your contractor.
- Occupancy Certificate is also required if a total loss was sustained.

IMPORTANT NOTES

- All draws are issued payable to the primary borrower and contractor unless otherwise agreed.
- All draw checks are mailed via regular mail unless a prepaid mailer is provided. You should be listed as both the sender and receiver.
- Please contact us approximately one week prior to when you would like the inspection to be completed to request the inspection.
- There is a \$25.00 fee for each inspection performed. We will pay for the cost of 2 inspections; any additional inspections are at your expense.
- All structural repairs must be completed by a contractor.
- If you are completing cosmetic repairs without a contractor, paid receipts must be marked as such by the supplier.
- In the event you retain a Public Adjuster, you are responsible for the fees due to the Public Adjuster. The fees will only be paid if the insurance carrier allotted funds for their payment or as required by law.
- Repairs are to be completed within 90 days or we may apply the funds to the Unpaid Principal Balance (UPB) of the mortgage.

- If you expect your repairs to require more than 90 days to be completed, please notify us of the date the repairs are expected to begin and when they are expected to be completed.
- If your real property has sustained a total loss, a copy of the blueprints for the proposed home are required. The proposed home must be comparable to the original real property in size and design, be located in the same location of the property, etc. The blue prints should include the room count, square footage, and information concerning the foundation. We will review this information as well as compare to the original appraisal. Please note a new appraisal may be required at your expense to confirm the security of the mortgage is not affected. Please do not begin rebuilding until you have received confirmation that your information has been accepted.
- If you would like to apply the insurance claim funds to pay the loan in full; please mail your written request with the endorsed check and any additional funds due to: U.S. Bank Home Mortgage, Attention: Payment Processing, 4801 Frederica Street, Owensboro, KY 42301.

LOSS DRAFT PROCESSING CENTER CONTACT INFORMATION:

Loss Draft/Insurance Claim Inquiries: 866-411-8890*

Customer Service Inquiries (mortgage payment, escrow account, etc): 800-365-7772

Loss Draft Fax Number: 937-525-8877

Loss Draft Email Address: usbhm.insurance.claims@usbank.com

Loss Draft Overnight Mail Address:

U.S. Bank Home Mortgage
Attention: Loss Drafts
1 Assurant Way
Springfield, OH 45501-6501

Loss Draft Regular Mail Address:

U.S. Bank Home Mortgage
Attention: Loss Drafts
P O Box 6501
Springfield, OH 45505

* If your loan is in a foreclosure or bankruptcy status, please contact us at 1-800-365-7778 extension 6897004.