

NEW AMERICAN FUNDING
c/o PFIC
Attention: Loss Draft Department
P.O. Box 7125
Troy, MI 40087-7125



[DATE]

[NAME1]
[NAME2]
[MAILING_ADDRESS1]
[MAILING_ADDRESS2]
[CITY], [STATE] [ZIP]

Re: Mortgage Loan No. [XXXXXXXX]
Property Address: [ADDR1]
[ADDR2]
[CITY], [ST], [ZIP]

Dear Homeowner,

Thank you for contacting us regarding your recent property damage. We understand the claims process is a difficult time, and we will do our best to help you through this process as quickly as possible.

The following claims packet will provide you with important information and guide you through the claims process. It is important to note that, depending on your claim, we may not automatically endorse checks from your insurance company. Please read the attached information carefully and contact us should you have any questions.

You can contact us by dialing 1-888-884-5314, Monday through Friday, from 8:30AM to 8:00PM EST, or by emailing us at NAFLD@pfic.com.

All materials can be mailed to the following address:

NEW AMERICAN FUNDING
c/o PFIC
Attention: Loss Draft Department
P.O. Box 7125
Troy, MI 40087-7125

Sincerely,

Loss Draft Department
New American Funding

Overview of the Loss Draft Process

When an insurance claim check (also called a “loss draft”) is paid for damage to a home, there are several steps that have to be taken.

1. **Determine if You Qualify for Quick Endorse.** Use the information below to determine if your insurance claim qualifies for our Quick Endorse Process.

Your Loan is Current	If your total claim amount* is for \$10,000 or less, you qualify for Quick Endorse.
Your Loan is Delinquent	If your total claim amount* is for \$2,500 or less and your loan is not a VA or FHA loan, you qualify for Quick Endorse. VA and FHA loans do not qualify for Quick Endorse, regardless of your total claim amount.

****You can find the total claim amount for your insurance claim on the Loss or Damage Report or Adjuster’s Worksheet that you should receive from your insurance adjuster.***

If you qualify for Quick Endorse, simply provide us with the information in the Loss Draft Document Checklist below and we will endorse and return your check to you. You can then endorse and deposit the check, and you will be responsible for ensuring that the repairs are made to your home.

2. **Process if You Do Not Qualify for Quick Endorse.** If you do not qualify for Quick Endorse, then we are required by the owner of your loan to hold your insurance proceeds and disburse them to you as inspections are completed on your home. The process is:
 - a. **You must provide required documentation.** You will be required to provide the information in the Loss Draft Document Checklist below in order for us to begin processing your claim. We cannot begin processing your claim without receiving all of this required information.
 - b. **We will hold and disburse your insurance proceeds after inspections are completed.** We may disburse funds while repairs are being made or only at the completion of the repairs, depending on the extent of the repair work. We will require an inspection be performed before we will disburse funds, which may occur several times for larger repair projects. See the Loss Draft Disbursement Guidelines for additional information.

Contact us at 1-888-884-5314 if you need help determining whether you qualify for Quick Endorse or have any questions.

FREQUENTLY ASKED QUESTIONS

- **Why is New American Funding listed on my check?** New American Funding is listed on the check because we are the loss payee on the insurance policy. We are required to be the loss payee on the insurance policy by the owner of your loan, which has a security interest in the property. Our responsibility is to ensure the property is repaired in the event of damage and restored to its original or higher value.
- **How do I get my documents notarized?** Banks and credit unions usually have a notary public who will notarize documents at little or no cost. Notaries can also be found at the local post office or mailing center, school, or city hall. A directory of public notaries in your area can be found at: www.asnnotary.org.
- **Do I have to rely exclusively on my insurance company's adjuster?** No. However, if you choose a public adjuster, the fee for their services will NOT be paid with the insurance claim proceeds and you will be required to pay their fee out of pocket.
- **Am I required to use a licensed contractor?** Yes. If do not qualify for Quick Endorse, you will not be allowed to obtain the funds from the insurance check without having the repairs made to your home.
- **How will New American Funding contact me during the loss draft process?** We will make attempts to contact you via telephone and mail. The Loss Draft Department will use your billing address and telephone number as the best avenues to reach you. If you have a temporary address or phone number that you are using during the repairs, please notify us in order to update your contact information.

EXPLANATION OF TERMS AND DOCUMENTS

- **Claim Check** – When a property is damaged, the insured will contact the insurance company which will document the damages and issue a check to the insured for repairs. The borrower(s) and mortgage holder will be named on the check.
- **Conditional Waiver of Lien** – This is a form completed by the contractor who made repairs on the property. This document states that the contractor will release any liens on the property and the job is considered paid in full.
- **Contractor's Liability Insurance** – The contractor should have liability insurance to cover any injuries or damages that the contractor may be responsible for during the completion of the repairs.
- **Loss or Damage Report or Adjuster's Worksheet from the Insurance Adjuster** - When the insured files a claim with the insurance company, an adjuster should be sent to inspect the home and provide a report with details about the damages. If you do not have this document, please contact your insurance company to obtain one.
- **Signed Agreement with the Contractor** – This refers to the contract between the borrower and the contractor who will be completing the repairs. This agreement should be signed by both the contractor and the borrower.
- **Substitute W-9** – This is a form that will be completed by your contractor to provide their Tax ID Number.
- **Total Claim Amount** – The total claim amount is your loss amount minus depreciation and your insurance deductible. You can find the total claim amount on the Loss or Damage Report or Adjuster's Worksheet that you should receive from your insurance adjuster.

Loss Draft Document Checklist

After you receive the check from your insurance company, submit the following documentation to us to begin the loss draft process.

If You Qualify for Quick Endorse

If you qualify for Quick Endorse, you will need to mail us the following documents:

- Customer Contact Form
- Claim check from the insurance company - Please **do not** endorse the check prior to mailing it. Be sure to write your mortgage loan number on the check.
- Loss or Damage Report or Adjuster's Worksheet from the insurance adjuster

If You DO NOT Qualify for Quick Endorse

If you **do not** qualify for Quick Endorse, you will need to mail us the following documents:

- Customer Contact Form
- Claim check from the insurance company – The check **must** be endorsed by all parties prior to mailing it. Be sure to write your mortgage loan number on the check.
- Loss or Damage Report or Adjuster's Worksheet from the insurance adjuster
- Repairs Affidavit

Additional Requirements for Larger Claims - If you have a total claim amount of more than \$10,000 (\$20,000 if you have a Fannie Mae or Freddie Mac loan), you will also have to provide the following documents:

- Signed agreement with the contractor
- Copy of the contractor's liability insurance
- Substitute W-9
- Conditional Waiver of Lien signed by the contractor

Mail Your Documents to us at:

NEW AMERICAN FUNDING
c/o PFIC
Attention: Loss Draft Department
P.O. Box 7125
Troy, MI 48007-7125

If Sent By Overnight Mail, Send to us at:

NEW AMERICAN FUNDING
c/o PFIC
Attention: Loss Draft Department
5225 Crooks Road
Troy, MI 48098



Customer Contact Form

- Please complete the following information regarding your claim. This form must be mailed in with your check.
- Please make a copy of this form for your records.

Borrower Name(s): _____

Loan Number: _____

Property Address: _____

Home Phone: _____ Mobile Phone: _____

Work Phone: _____ Other Phone: _____

Date of Loss: _____

Reason for Loss (fire, flood, wind, etc.): _____

Insurance Information

Insurance Provider: _____

Insurance Adjuster's Name: _____

Insurance Adjuster's Phone: _____

Contractor Information

Contractor's Name: _____

Contractor's Address: _____

Contractor's Phone: _____

If you would like us to discuss and/or disclose claim information to an additional third party, please complete the Third Party Authorization form.

Third Party Authorization Form

- This form gives authority for us to discuss details about your claim with a third party. This only needs to be completed if you wish for a third party to be able to obtain information about your loan.
- If applicable, please complete this form in its entirety and mail it back with the other claim documents.
- This form must be signed and dated for the authorization to be considered valid. No information will be released until we have received a signed document.

I/We _____ hereby authorize New American Funding (my lender/
(Borrower name(s))

mortgage servicer) to disclose any and all information related to our loss claim for _____

(Property address)

to the following third party, _____,
(Third party name) (Third party company if applicable)

(Relationship to borrower(s)) (Third party phone number)

I do hereby indemnify and forever hold harmless New American Funding from all suits, actions, claims or other issues that result from New American Funding disclosing information pertaining to the claim listed above.

Printed Borrower Name	Signature	Date
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Printed Borrower Name	Signature	Date
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Loan Number _____