



GUIDE FOR SUBMITTING INSURANCE CLAIM CHECK FOR CONSUMER LOAN

We are truly sorry that your property has suffered damages and have prepared this guide to assist you in better understanding the procedure for the release of insurance loss draft proceeds.

It is a condition of your insurance policy and mortgage that all checks be made payable jointly to the mortgagor and Cathay Bank. When you receive the check from your insurance company, please endorse it and send it directly to Cathay Bank. We will deposit the funds into a restricted escrow account. We will then issue a check made payable to the mortgagor and Contractor for your repairs.

To activate the release of funds please follow this guide:

Claims exceeding \$20,000.00 - please send to Cathay Bank the following:

1. Original insurance loss draft check ***endorsed by all of the named insured and lien holders.***
2. A ***copy*** of all information provided by your insurance company, including the entire ***Adjustor's Settlement Worksheet.*** It provides a breakdown of the damage to the property and the insurance company's estimate of the amount of money it will take to complete the repairs.
3. A ***copy*** of your contractor's estimate or contract (*if applicable*). It must list the property address, a description of the repairs being completed, and the dollar amount that you have agreed upon. Both you and your Contractor(s) must sign this document.
4. A ***copy*** of receipts documenting the cost of completed repairs, or a copy of the invoice for materials to be purchased for repairs. This applies only if you are requesting reimbursement from the insurance proceeds.

Claims under \$20,000.00 - please send to Cathay Bank the following:

1. Original insurance loss draft check ***endorsed by all of the named insured and lien holders.***
2. A ***copy*** of all information provided by your insurance company, including the entire ***adjustor's settlement worksheet.***

Please mail the required information to:

Cathay Bank
Loan Servicing/Insurance Division
9650 Flair Dr., MC RS-16
El Monte, CA 91731

You may also FAX any documents, except the original check to 626-454-1206.

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9650 FLAIR DRIVE, EL MONTE, CA 91731 | WWW.CATHAYBANK.COM | 1-800-922-8429

QUESTIONS AND ANSWERS

How long will it take to receive funds?

Cathay Bank will make every attempt to disburse a portion of the funds to you within (3) business days upon receipt of the requested items.

What if I intend to pay off my mortgage with the insurance proceeds?

Please send your written request with the following items to Cathay Bank, Consumer Loan Servicing Dept:

- Original insurance loss draft check **endorsed by all of the named insured and lien holders.**
- A **copy** of all information provided by your insurance company, including the entire **adjustor's settlement worksheet.**

What if I intend to engage a contractor to do the repairs?

- We suggest that you make every effort to assure the contractor is fair and reputable.
- The Better Business Bureau may be able to give helpful information to protect your interests prior to signing a contract.
- We reserve the right to review the qualifications of any contractor. We recommend obtaining at least two different contractor bids, to determine if the costs being charged are reasonable.

What is the process for receiving funds after I engage a contractor with proceeds exceeding \$20,000.00?

- Provide a copy of the contractor's Estimate or Contract. Cathay Bank will mail a check to the mortgager within (3) business days for 1/3 of the contractor's total cost to repair. All checks are mailed certified, unless you prefer to have the check picked up from a local Cathay Bank Branch or request overnight mail at additional estimated mailing cost not to exceed \$20.
 - The first check will be made payable to the mortgagor(s), unless the contract requires direct pay to the contractor.
 - Subsequent checks will be made payable jointly to the mortgagor(s) and the contractor.
 - Checks will only be mailed to our mortgagor(s).
 - When the contractor has completed 50% of the repairs; we will release another 1/3 of the funds after you submit a request for an inspection and the inspection has been completed. A representative from National Field Representatives will inspect the repairs. The cost of the inspection will be paid from the insurance proceeds. The cost will not exceed \$100 for each inspection.
5. The final 1/3 will be released upon the property being 100% complete after you submit a request for a final inspection, the inspection has been completed, and a **Contractor's Waiver of Lien** form completed and signed by the Contractor(s) completing the repairs.

- Mortgagor(s) must execute a ***Mortgagor's Affidavit of Repair Certification*** supplied by Cathay Bank. The original document must be **notarized** and returned to Cathay Bank.
- Mortgage payments must be current prior to the release of any remaining funds.

What if I choose to do some or all of the repairs myself?

Compensation for your labor will be by virtue of the funds remaining after all materials have been purchased. Please contact Loan Servicing/Insurance Division directly at 1-800-9CATHAY (800) 922-8429 to discuss procedures.

How do I contact Cathay Bank Insurance Division?

Call us toll free at 1-800-9CATHAY (800) 922-8429. Our hours of operation are Monday through Friday 8:30 a.m. to 5:30 p.m. (PST). A message can be left if after hours.

Any deviations to the above guidelines must have Cathay Bank's prior approval.
The above guidelines are subject to change without notice.

Thank you for your assistance and cooperation.