



**Insufficient Funds Notice Guideline for Portfolio Loans
1/1/12**

Contact:

Loan Administrator II, Cincinnati, OH – For all life company serviced loans

I. Notice

- A. Notice of insufficient funds should be forwarded immediately after the Correspondent receives notification. Notice should be sent to appropriate Lender Contact Person.
- B. Documentation from the borrower's bank should be provided.
- C. The Correspondent shall contact the borrower immediately to inquire about the status of the payment.

II. Loan Status

- A. Any loan whose payment is not made due to insufficient funds shall be serviced as a delinquent loan by the Correspondent until full payment is received and the loan becomes current.

III. Remittance

- A. Correspondents are not required to advance funds on loans.
- B. In the event that funds are remitted and the Correspondent is advised there are insufficient funds, Lender will return funds to the Correspondent immediately. If funds have been forwarded to a participating Lender, funds will be returned to Correspondent upon receipt from the participating Lender.