



**Payment Monitoring Guideline for Portfolio Loans
1/1/2012**

Contact:

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

Loan payment due dates vary per each individual loan's Promissory Note or in a subsequent Assumption or Modification Agreement. The received date shall mean the actual date of receipt of funds by the Correspondent and not the postmarked date unless outlined in the loan documents.

I. Collection

- A. The borrower's payment shall include the principal and interest as stated in the Promissory Note and, if applicable, any escrow payment.
- B. If the monthly payment is made by auto-draft, the draft shall be initiated in sufficient time so that the funds are received on the payment due date or subsequent grace period but in no event later than 2 days prior to the end of the grace period.

II. Late Payment

- A. The Correspondent shall send a late payment notice to the borrower by the end of the **5th day** after a loan has become delinquent.
- B. A copy of the notice should be sent to the appropriate Loan Administrator II.
- C. The Correspondent shall notify the appropriate Loan Administrator II in the event payment is not received within **1 day** after the same shall become due and payable.
- D. Refer to the Correspondent Servicing Guideline titled ***Late Fee Guideline for Portfolio Loans*** related to late fee processing.

II. Payment Shortfall

- A. There is a \$1.00 "Threshold" on all payments remitted—Meaning: All payment's within \$1.00 of the amount due must be accepted. Any payment made where the difference between the amount due and the actual payment is greater than \$1.00 should be rejected. In this instance, the borrower must be notified immediately to make up the difference.

III. Remittance

- A. Please refer to the Correspondent Servicing Guideline titled ***Remittance Guideline for Portfolio Loans*** related to remitting loan payments to the Lender.