

## INSURANCE CLAIM PROCESS

Dear Member,

Thank you for contacting Spectrum Credit Union regarding your insurance claim. This may be a difficult time for you, but rest assured we are here to help. The following steps, checklist, and supporting documentation will assist in the timely processing of your insurance claim and proceeds.

### ACTIONS FOR YOU TO TAKE

#### Step 1: Contact Your Insurance Carrier and Report Your Claim

Your first step is to contact your insurance carrier and file a claim. Your insurance agent will assign a dedicated claims adjuster to work with your filing and to schedule damage inspections. Once inspections are scheduled, your agent will provide you with information on when to expect the loss draft proceeds.

#### Step 2: Funds Received from Your Insurance Agency

After you've received proceeds from your damage claim, bring your check along with the supporting documents (STEP 3), to the closest Spectrum Credit Union branch

#### **OR**

Mail your check directly to our Mortgage Servicing Department along with the supporting documents (STEP 3) to:

Spectrum Credit Union  
Attn: Loan Servicing  
P.O. Box 2069  
Oakland, CA 94604-2069

If you have questions or concerns, please feel free to reach our Servicing Department at [RELS@chevronfcu.org](mailto:RELS@chevronfcu.org) OR via phone at 800-232-8101, ext. 5125.

#### Step 3: Provide Documentation to Spectrum Credit Union

Contact Spectrum Credit Union and provide the following documentation along with your Insurance Check as outlined on Step 2.

#### **Claims \$15,000.00 and under**

Submit and complete the following items:

Provided by your Insurance Agency	Borrower to Complete
<ul style="list-style-type: none"><li>• Endorsed Loss Draft Check</li><li>• Adjustor's Report</li></ul>	<ul style="list-style-type: none"><li>• Borrowers' Intent to Repair (Attached)</li></ul>

Once the documents along with the claim check are provided to us, we will endorse and release the check to you.

Please reference the FAQs for a detailed description of items listed above.

### Claims between \$15,000.01 and \$40,000.00

Submit and complete the following items:

Provided by your Insurance Agency	Provided by your Licensed Contractor	Borrower to Complete
<ul style="list-style-type: none"><li>• Endorsed Loss Draft Check</li><li>• Adjustor's Report</li></ul>	<ul style="list-style-type: none"><li>• Contractor's Valid License and Registration</li><li>• Contractor's Damage Estimate and Agreement</li><li>• Contractor's Waiver of Lien (<i>Attached</i>)</li></ul>	<ul style="list-style-type: none"><li>• Borrowers' Intent to Repair (<i>Attached</i>)</li></ul>

Once the documents are completed and submitted, we may need to validate that a licensed and insured contractor(s) are used to make repairs. After documents and contractor information are reviewed and validated, we may advance funds in increments and/or endorse and release the entire amount. A final property inspection may be requested prior to the release of incremental funds.

All insurance claim proceeds are to be made payable to you and/or the licensed contractor.

Please reference the FAQ for a detailed description of items listed above.

### Claims over \$40,000.01

Submit and complete the following items:

Provided by your Insurance Agency	Provided by your Licensed Contractor	Borrower to Complete
<ul style="list-style-type: none"><li>• Endorsed Loss Draft Check</li><li>• Adjustor's Report</li></ul>	<ul style="list-style-type: none"><li>• Contractor's Valid License and Registration</li><li>• Contractor's Damage Estimate and Agreement</li><li>• Contractor's Valid Insurance</li><li>• Contractor's Waiver of Lien (<i>Attached</i>)</li><li>• Contractor's Form W9 (<i>Attached</i>)</li></ul>	<ul style="list-style-type: none"><li>• Borrowers' Intent to Repair (<i>Attached</i>)</li></ul>

Once the documents are completed and submitted, we will need to validate that a licensed and insured contractor(s) are used to make repairs. Following review and validation of the documents and contractor information, we will advance funds in an incremental schedule as listed below:

- 1<sup>st</sup> Disbursement: Greater of \$40,000 or 33% of the insurance proceeds
- 2<sup>nd</sup> Disbursement: Additional 33% upon completion of 50% of the overall repairs (Inspection required prior to the release of funds)
- 3<sup>rd</sup> Disbursement: Upon completion of 100% of the overall repairs (Inspection required prior to the release of funds)

As stated above, funds are to be disbursed based on periodic completions and inspections. All insurance claim proceeds are to be made payable to you and the contractor.

## BORROWER'S INTENT TO REPAIR

Member #: \_\_\_\_\_

Mortgage Loan #: \_\_\_\_\_

Member(s) Name: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Property Address: \_\_\_\_\_

Check Amount: \_\_\_\_\_

I/We hereby certify that the insurance claim funds in the amount listed above are to be used to repair/ restore the property to as good a condition or better than prior to the damage, that all repairs will be made in a timely manner, and that no material or liens will occur as a result of the labor performed or materials used. Once all repairs are completed and the property has been restored to its original condition prior to the damage, I/we certify that an inspection may be required before Spectrum Credit Union issues a check for the remaining funds.

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

**CONTRACTOR'S WAIVER OF LIEN AND FULL RELEASE  
(REQUIRED FORM)**

*\*Contractor will need to complete this form as part of the initial loss claim package and to be completed prior to commencement of work. Contractors will confirm that they will waive any and all claims of lien once full payment for labor and materials has been received.*

**Member Information**

Loan #: \_\_\_\_\_

Name of Member or Homeowner: \_\_\_\_\_

Property Address (Legal Description): \_\_\_\_\_

\_\_\_\_\_

**Contractor Information**

State Of: \_\_\_\_\_ County Of: \_\_\_\_\_

Contractor Name: \_\_\_\_\_

Contractor Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Contact Number: \_\_\_\_\_

Email: \_\_\_\_\_ Payment Amount: \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, in consideration for the final Payment of \$ \_\_\_\_\_, all claim(s) of lien for labor and/or materials will be waived. (Please note this amount will need to match the Signed Contract amount provided by contractor). I, the contractor completing repairs to the above-mentioned property, agree that I am duly licensed under applicable laws and regulations. I also acknowledge that all liens be waived upon full payment received as noted above. I will comply with applicable codes and regulations overseeing residential repair or reconstruction and will be repairing damage at the property listed above as reported in the insurance adjuster's worksheet unless specifically noted.

CONTRACTOR NAME (print): \_\_\_\_\_

CONTRACTOR SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

**Attention Notary:** Please ensure that all sections of the acknowledgment are completed and that the notary stamp and expiration date are legible and are not altered.

STATE OF: \_\_\_\_\_

COUNTY OF: \_\_\_\_\_

I, the undersigned authority, in and for said County in said State, hereby certify that

\_\_\_\_\_, whose name as

\_\_\_\_\_ of

\_\_\_\_\_, a corporation, is signed to

the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation. Given under my hand this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

NOTARY PUBLIC (SEAL):

MY COMMISSION EXPIRES: \_\_\_\_\_

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

<b>Print or type See Specific Instructions on page 2.</b>	<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	<b>2</b> Business name/disregarded entity name, if different from above	
	<b>3</b> Check appropriate box for federal tax classification; check only <b>one</b> of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	
	<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	<b>5</b> Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	<b>6</b> City, state, and ZIP code	
	<b>7</b> List account number(s) here (optional)	

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

<b>Social security number</b>									
-				-					
<b>or</b>									
<b>Employer identification number</b>									
-									

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

## Frequently Asked Questions

**Q. This is the first time I/we are filing an insurance claim. What are my next steps?**

A. The first step is to contact your insurance carrier and/or agent to start and file a claim.

**Q. Why is my insurance check also made payable to Spectrum Credit Union?**

A. Spectrum Credit Union holds a secured interest in the property and is listed as the loss payee on the insurance policy. Our responsibility is to ensure the property is repaired and restored to its original or higher value in the event of damage to the property.

**Q. Where are the funds deposited?**

A. For quick endorse funds, funds will be sent back to you. For claims needing further review, funds may be deposited in either your share account or an interest-bearing Restricted Escrow Account under your mortgage loan.

**Q. Can I bring my claim check to the local branch?**

A. Yes, you may visit your local Spectrum Credit Union branch for assistance with your claim. As stated on the checklist, there may be certain instances where we are able to quick endorse the claim check. In addition, to avoid delays due to improper endorsement and incomplete application, please contact our Servicing Department first.

**Q. Am I required to have an inspection completed?**

A. Depending on the extent of the damage to your property, there are times when one or more inspections may be required. Contact our Servicing Department for further details.

**Q. Why does Spectrum Credit Union need to inspect my property?**

A. Spectrum Credit Union holds a secured interest in the property and needs to ensure that the insurance claim proceeds are used to restore the property.

**Q. Am I required to use a licensed contractor?**

A. Yes, depending on the type and claim amount. For claims over a certain amount, a licensed and qualified contractor may be required to complete repairs to your home. We understand situations may differ, so please contact our Servicing Department for details.

**Q. How do I contact your Servicing Department?**

A. To contact us via phone please reach us at 800-232-8101 ext. 5125; via email at [RELS@chevronfcu.org](mailto:RELS@chevronfcu.org). Our mailing address is as follows:

Spectrum Credit Union  
Attn: Loan Servicing  
P.O. Box 2069  
Oakland, CA 94604-2069

## Forms Glossary and Information

**Loss Draft or Claim Check** – check an insurer issues to borrower(s) and the mortgage holder due to damage after a claim has been filed.

**Adjustors' Report or Worksheet** – an adjustors' report or worksheet is an itemized list of damages to the property provided by the insurance agency. If you do not have this document, please contact your insurance agency to either start the claim or obtain a report.

**Contractor's Damage Estimate and/or Agreement** – this Estimate will be provided to you by your contractor. This is a proposal that the contractor will provide to you itemizing the total cost to repair the home. The Contractor's Agreement may be included with the contractor's estimate. If the Agreement is not included, please request this from the contractor. The Contractor's Agreement refers to the contract between the homeowner(s) and the contractor performing the repairs.

**Contractor's Valid License and Registration** – Proof of an active and valid State license.

**Contractor's Valid Insurance** – the contractor should have active liability insurance to cover injuries and/or damages they may be responsible for during the completion of repairs.

**Contractor's Waiver of Lien** – this waiver of lien is completed and signed by the contractor, confirming that they will waive any claims of lien upon receiving the payment in full. This is provided to you for your contractor to complete and sign.

**Contractor's Form W9** – form completed by your contractor to provide their Tax ID number. This is provided to you for your contractor to complete and sign.

**Borrower's Intent to Repair** – A borrower signed form verifying your intent to repair the damage to your home. This is provided for you to complete and send back to us.