

## DISCLOSURE STATEMENT – SERVICING TRANSFER

***NOTICE TO MORTGAGE LOAN APPLICANTS  
THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS  
MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN  
RELATED RIGHTS. READ THIS STATEMENT AND SIGN IT ONLY  
IF YOU UNDERSTAND ITS CONTENTS.***

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2061 et seq.), you have certain rights under the Federal Law. This statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. “Servicing” refers to collecting your principal, interest and escrow account payments. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

### Transfer Practices and Requirements

If the servicing of your loan is assigned, sold, or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale, or transfer of the servicing not less than fifteen (15) days before the date of the transfer. The new loan servicer must also send you notice within fifteen (15) days after the date of the transfer. The present servicer and the new servicer may combine this information in one notice, so long as the notice is sent to you fifteen (15) days before the effective date of transfer. The fifteen (15) day period is not applicable if a notice of prospective transfer is provided to you at settlement. The law allows a delay in time (not more than thirty (30) days after a transfer) for services to notify you under certain limited circumstances, when your servicer is changed abruptly. This exception applies only if your servicer is fired for cause, is in bankruptcy proceedings, or is involved in a conservatorship or receivership initiated by a Federal agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name, address, and toll-free or collect call telephone numbers of the new servicer, and the toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions about the transfer of servicing. During the sixty (60) day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed upon you.

### Complaint Resolution

Section 6 of RESPA (12U.S.C. 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a “qualified written request” to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgement within twenty (20) Business Days of receipt of your request. A “qualified written request” is a written correspondence, other than notice on a payment coupon or other payment medium supplied by your servicer, which includes your name and account number, and your reasons for the request. No later than sixty (60) Business Days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this sixty (60) Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. (A Business Day is any day, excluding public holidays (State or Federal), and Saturday and Sunday.

Damages and Costs

Section 6 of RESPA also provides damages and costs for individuals or classes of individuals in circumstances where services are shown to have violated the requirements of that Section.

Servicing Transfer Estimates by Original Lender

1. The following is the best estimate of what will happen to the servicing of your mortgage loan.

We may assign, sell or transfer the servicing of your loan sometime while the loan is outstanding.

OR

We do not service mortgage loans, and we presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your service.

2. For all the mortgage loans that we make in the twelve (12) month period after your mortgage is funded, we estimate that the percentage of mortgage loans, which will have transfer servicing, is between twenty six (26) to fifty (50) percent. (This estimate does include assignments, sales or transfers to affiliates or subsidiaries.) This is only our best estimate and is not binding. Business conditions or other circumstances may affect our future transferring decisions.
3. This is our record of transferring the servicing of the loans we have made in the past.

**“We have previously assigned, sold or transferred the servicing of first lien mortgage loans”**

(This information does include assignments, sales or transfers to affiliates or subsidiaries)

Celtic Bank Corporation

By: \_\_\_\_\_

I/We have read this disclosure form, and understand its contents, as evidenced by me/our signatures(s).

I/We understand that this acknowledgement is a required part of the mortgage loan application.

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Applicant

Date

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Applicant

Date