

V. SUBMITTING A CLAIM

Lenders are required to notify CPCFA within 120 days of when the lender has charged off all or part of a qualified loan as a result of default. If the form is filled out properly and the lender has faithfully complied with CalCAP requirements, CalCAP will authorize the Program trustee (if account is trustee-held) or the participating financial institution (if account is lender-held) to reimburse the lender for their claimed losses from the lender's loss reserve account within 30 business days.

The lender must experience a net loss originating from the outstanding principal, accrued and unpaid interest, and/or reasonable out-of-pocket expenses in order for CPCFA to approve a claim.

In addition to the claim form, lenders should submit:

1. A complete transaction history of the account
2. A short written synopsis of the loan history, including the last payment date, when and why the loan charged off, any liquidation efforts (dates and amounts) and future collections efforts
3. Receipts for any reasonable out-of-pocket expenses claimed
4. Bill of Sale for liquidated collateral

When assessing whether an out-of-pocket expense is considered reasonable, financial institutions should consider the best lending practices and act in a prudent and judicious manner during their collection processes.

Lenders must abide by their standard collection practices both before and after a claim is filed with CPCFA. If a lender receives any recoveries after a claim is filed with CPCFA, the lender must reimburse the loan loss reserve account on a dollar for dollar basis and must report the recovery on the lender's Quarterly Report.

A copy of the form can be found in Chapter VIII of this manual. However, lenders should always check the CalCAP CARB website for the most current versions:

☞ Claim Application: <http://www.treasurer.ca.gov/cpcfca/calcap/forms/claim.pdf>

A. Instructions for Completing the Claim Application

Form 5: CalCAP Claim Application Form

Lender and Borrower Information Section	
<p>CALIFORNIA CAPITAL ACCESS PROGRAM California Pollution Control Financing Authority Office Location: 801 Capitol Mall, 2nd Floor Sacramento, CA 95814 Telephone (916) 654-5610</p>	<p>Mailing Address: P.O. Box 942809 Sacramento, CA 94209-0001 CalCAP@treasurer.ca.gov Fax (916) 589-2805</p>
<p>CalCAP FINANCIAL INSTITUTION CLAIM APPLICATION</p>	
<p>NOTE: A lender is required to notify the Authority within 120 days of when the lender has charged off all or part of a qualified loan as a result of default by a borrower. If the form is filled out properly and the lender has faithfully complied with CalCAP requirements, CPCFA will authorize the Program trustee to reimburse the lender from the lender's loss reserve account within 30 business days.</p>	
<p><u>Lender and Borrower Information</u></p>	
<p>Participating Lender: _____</p>	<p>Lender's CalCAP ID #: _____</p>
<p>Lender Contact: Name: _____</p>	<p>CalCAP Loan Number: _____</p>
<p>Phone: _____</p>	<p>Borrower's Name: _____</p>
<p>Address: _____</p>	<p>Borrower DBA: _____</p>
<p>_____</p>	<p>_____</p>
Field:	Information Needed:
<ul style="list-style-type: none"> ▪ Participating Lender 	<ul style="list-style-type: none"> ✓ Name of the financial institution.
<ul style="list-style-type: none"> ▪ Lender Contact 	<ul style="list-style-type: none"> ✓ Name, phone number, and address of lender representative CalCAP can contact with questions about this claim.
<ul style="list-style-type: none"> ▪ Lender's CalCAP ID# 	<ul style="list-style-type: none"> ✓ The financial institution's assigned CalCAP Lender ID. This number was issued and provided on the signed copy of the lender's "Financial Institution Enrollment" agreement and the "Welcome Letter" that accompanied it. (This number never changes.)
<ul style="list-style-type: none"> ▪ CalCAP Loan Number 	<ul style="list-style-type: none"> ✓ The number CalCAP assigned to the loan after it was approved. This number can be found on the approved CalCAP loan enrollment application form. A copy of this was returned to the lender.
<ul style="list-style-type: none"> ▪ Borrower's Name 	<ul style="list-style-type: none"> ✓ Name of the primary borrower representing the business.
<ul style="list-style-type: none"> ▪ Borrower DBA ("Doing Business As") 	<ul style="list-style-type: none"> ✓ Name of business, sole proprietor, partnership, corporation, etc.
Loan Information Section	
<p><u>Loan Information</u></p>	
<p>Original Principal Amount of Loan: _____</p>	<p>Date of Loan: _____</p>
<p>Default Amount: _____</p>	<p>Date of Default: _____</p>
<p>Is this loan secured? Yes No</p>	<p>Date of Charge-off: _____</p>
<p>If yes, what form of security _____</p>	
<p>Was the loan in the first \$1 million of CalCAP loans made by lender? Yes No</p>	
<p>Have enforcement proceedings begun? Yes No</p>	
<p>Lender's priority of claim (If two or more claims filed by lender): _____</p>	

Field:	Information Needed:
<ul style="list-style-type: none"> Original Principal Amount of Loan 	<ul style="list-style-type: none"> ✓ Amount disbursed to borrower upon first funding of loan.
<ul style="list-style-type: none"> Date of Loan 	<ul style="list-style-type: none"> ✓ Date of initial disbursement.
<ul style="list-style-type: none"> Default Amount 	<ul style="list-style-type: none"> ✓ Delinquent amount of loan (outstanding principal prior to liquidation of collateral).
<ul style="list-style-type: none"> Date of Default 	<ul style="list-style-type: none"> ✓ Date of last delinquency (date Borrower ceased repayment)
<ul style="list-style-type: none"> Is this loan secured? <input type="checkbox"/> Yes <input type="checkbox"/> No <ul style="list-style-type: none"> If yes, what form of security 	<ul style="list-style-type: none"> ✓ Identify whether collateral was used to secure the loan. If answered "yes", describe the type of collateral used.
<ul style="list-style-type: none"> Date of Charge-off 	<ul style="list-style-type: none"> ✓ Date the loan was deemed uncollectable by the lender and charged off the books from an asset to a liability.
<ul style="list-style-type: none"> Was the loan in the first \$1 million of CalCAP loans made by lender? <input type="checkbox"/> Yes <input type="checkbox"/> No 	<ul style="list-style-type: none"> ✓ Indicate whether this loan falls within the first \$1 million for a new lender (regardless of amount enrolled).
<ul style="list-style-type: none"> Have enforcement proceedings begun? <input type="checkbox"/> Yes <input type="checkbox"/> No 	<ul style="list-style-type: none"> ✓ Answer "yes" if lender has started collection efforts, otherwise answer "no".
<ul style="list-style-type: none"> Lender's priority of claim (If two or more claims filed by lender) 	<ul style="list-style-type: none"> ✓ Rank the priority of this claim in comparison to other claims already filed by lender.

Claim Information Section

Claim Information

Outstanding Principal \$ _____

Liquidated Collateral \$ _____

Accrued and Unpaid Interest \$ _____

Out-of-pocket expenses (Attach detailed explanation) \$ _____

Total \$ _____


Please attach a complete transaction history report, a short narrative of the loan history, receipt(s), and Bill of Sale(s) (if applicable).

- The lender warrants this claim is being filed within 120 days of the loan being charged off and that charge-off was consistent with the lender's usual methods for taking action on loans not enrolled in the Program.
- Lender will, as CPCFA's agent, pursue additional recovery on this defaulted loan through legal proceedings, seizure and liquidation of collateral, guarantees, and/or other sources.
- Lender certifies it has given notice to the Authority of the initial enrollment of the loan in CalCAP, and either:
 - (1) has given notice to the Authority of any renewals or extensions of the loan; or
 - (2) the loan was continuously renewed or extended since the date of its initial enrollment in CalCAP.
- This claim is for a loan that the undersigned holds, or a loan that has been assigned, transferred, or pledged to another entity pursuant to prior authorization by CPCFA.

Authorized Signature

Date

Title

Field:	Information Needed:
<ul style="list-style-type: none"> Outstanding Principal 	<ul style="list-style-type: none"> ✓ List the amount of the outstanding principal calculated as: Original Principal Amount – <u>Payments Applied to Principal</u> = Outstanding Principal <p> CPCFA does not authorize payment for lender-issued fees (NSF fees, late fees, etc.).</p>

▪ Liquidated Collateral	✓ This is the full liquidated amount.
▪ Accrued and Unpaid Interest ⁵	✓ List the amount of accumulated, unpaid interest calculated from the day after the last interest payment was made until the date of loan charge-off. The interest is calculated at the rate listed on the original application.
▪ Out-of-Pocket expenses (Attach proof of payments and identifying details)	✓ List the amount of reasonable out-of-pocket expenses incurred related to delinquent loan recovery efforts (e.g. repairs, towing charges, legal fees), and include invoice and corresponding proof of payment documentation for any listed out-of-pocket expense. The receipts must contain identifying information (e.g. Borrower Name, CalCAP #, Lender Loan #, VIN #).
▪ Total	✓ This is the total sum of the outstanding principal, accrued and unpaid interest, and out-of-pocket expenses. ⁵
▪ Authorized Signature	✓ To be signed by the Lender designated as an authorized signer.
▪ Date	✓ Date the claim was signed.
▪ Title	✓ Title of the Lender designated as an authorized signer.

⁵ Claim Calculator is accessible via: <http://www.treasurer.ca.gov/cpcfca/calcap/tools/calculator.xlsx>