

## EXHIBIT A TO WESTSTAR LOAN SERVICE INSTRUCTIONS

### THIS SECTION APPLIES TO THE BENE ONLY HOWEVER SETUP WILL NOT BE ACCEPTED IF NOT COMPLETE

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) amended the Real Estate Settlement and Procedures Act (RESPA) of 1974, which is implemented by Regulation X and the Truth in Lending Act (TILA), which is implemented by Regulation Z, with regard to the servicing of certain residential mortgage loans. The Consumer Financial Protection Bureau (CFPB) issued rules in January 2013 to implement these Dodd-Frank Act amendments to RESPA and TILA. These rules were finalized in October of 2013 with interim final rules for implementation.

Please be advised that in accordance with the final rules as implemented, any loan that is made by a "Creditor," which is defined differently under RESPA and TILA, is required to be compliant with the Act and related rules during the course of its servicing period. Under RESPA and its implementing regulations, "creditor" is defined as follows:

Defined in section 103(g) of the Consumer Credit Protection Act (15 U.S.C. 1602(g)), that makes or invests in residential real estate loans aggregating more than \$1,000,000 per year. For purposes of this definition, the term "creditor" does not include any agency or instrumentality of any State, and the term "residential real estate loan" means any loan secured by residential real property, including single-family and multifamily residential property.

Similarly, TILA and Regulation Z applies "to each individual or business that offers or extends credit ... when four conditions are met: (1) the credit is offered or extended to consumers, (2) the offering or extension of credit is done regularly, (3) the credit is subject to a finance charge or is payable by a written agreement in more than four installments, and (4) the credit is primarily for personal, family, or household purpose. See 12 CFR 1026.1(c)(1). In evaluating the applicability of requirements and liability under TILA/Regulation Z, it is necessary to determine whether a person or entity is acting as a "creditor" as defined by 12 CFR 1026.2(a)(17). In relevant part, TILA/Regulation Z defines the term "Creditor" as follows:

A person who regularly extends consumer credit that is subject to finance charge or is payable by written agreement in more than four installments (not including a down payment), and to whom the obligation is initially payable, either on the face of the note or contract, or by agreement when there is not note or contract.

See 12 CFR 1026.2(a)(17). The phrase "regularly extends consumer credit" is explained as follows:

A person who regularly extends consumer credit only if it extended credit (other than credit subject to the requirements of § 1026.32) more than 25 times (or more than 5 times for transactions secured by a dwelling) in the preceding calendar year. If a person did not meet these numerical standards in the preceding calendar year, the numerical standards shall be applied to the current calendar year.

See 12 CFR 1026.2(a)(17). Significantly, although a person generally must extend more than five dwelling-secured transactions to be considered as regularly extending consumer credit, under Regulation Z, making even one HOEPA or Section 32 loan through a mortgage broker qualifies as regularly extending consumer credit.

See (<http://www.consumerfinance.gov>) for further clarification.

**Weststar suggests that you review this with your legal advisor to determine if you fall under the "creditor" rules.**

Please review these new rules and make the appropriate box stating if you meet the criteria of as creditor as defined by the CFPB.

- I have read the new CFPB rules and understand the definition of a "creditor" and agree that I DO fall under the rule as a creditor.
- I have read the new CFPB rules and understand the definition of a "creditor" and have determined that I DO NOT fall under the rule as a creditor.

Under the final rule, the CFPB requires every servicer to contact each Lender/Creditor to determine what "Foreclosure Prevention Alternatives" the Lender/Creditor offers, if any, and to make that information available to the borrowers should they become delinquent in their mortgage loan payments. Weststar must be able to prove that you provided us with your "Foreclosure Prevention Alternatives," if any, that you are willing to offer to your borrower(s).

Please choose one of the below options. Please attach additional documents as necessary for Option 2.

Option 1:

- No "Foreclosure Prevention Alternatives" are offered.

Option 2:

- Please follow the below instructions on ALL my loans.

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\*\*\*Payee SIGNATURE:

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\*\*\*Payee SIGNATURE:

