Section 9--611. Notification Before Disposition of Collateral.

(a) "Notification date." In this section, "notification date" means the earlier of the date on which:

(1) a secured party sends to the debtor and any secondary obligor a signed notification of disposition; or

(2) the debtor and any secondary obligor waive the right to notification.

(b) Notification of disposition required. Except as otherwise provided in subsection (d), a secured party that disposes of collateral under Section 9--610 shall send to the persons specified in subsection (c) a reasonable signed notification of disposition.

(c) Persons to be notified. To comply with subsection (b), the secured party shall send a signed notification of disposition to:

(1) the debtor;

(2) any secondary obligor; and

(3) if the collateral is other than consumer goods:

(A) any other person from which the secured party has received, before the notification date, a signed notification of a claim of an interest in the collateral;

(B) any other secured party or lienholder that, 10 days before the notification date, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

(i) identified the collateral;

(ii) was indexed under the debtor's name as of that date; and

(iii) was filed in the office in which to file a financing statement against the debtor covering the collateral as of that date; and

(C) any other secured party that, 10 days before the notification date, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in Section 9--311(a).

(d) Subsection (b) inapplicable: perishable collateral; recognized market. Subsection (b) does not apply if the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market.

(e) Compliance with subsection (c) (3) (B). A secured party complies with the requirement for notification prescribed by subsection (c) (3) (B) if:

(1) not later than twenty days or earlier than thirty days before the notification date, the secured party requests, in a commercially reasonable manner, information concerning financing statements indexed under the debtor's name in the office indicated in subsection (c) (3) (B); and

(2) before the notification date, the secured party:

(A) did not receive a response to the request for information; or

(B) received a response to the request for information and sent a signed notification of disposition to each secured party or other lienholder named in that response whose financing statement covered the collateral.

(f) Additional pre-disposition notice for cooperative interests.

(1) In addition to such other notification as may be required pursuant to subsection (b) of this section and section 9-613 of this article, a secured party whose collateral consists of a residential cooperative interest used by the debtor and whose security interest in such collateral secures an obligation incurred in connection with financing or refinancing of the acquisition of such cooperative interest and who proposes to dispose of such collateral after a default with respect to such obligation, shall send to the debtor, not less than ninety days prior to the date of the disposition of the cooperative interest, an additional pre-disposition notice as provided herein.

(1-a) Notwithstanding any other provision of law, with regard to a reverse cooperative apartment unit loan, at least forty-five days before a secured party, as defined under Section 9-102(a)(73), or its agent takes any steps to dispose of its collateral, as provided for in Section 9-610, the secured party or its agent shall give notice to the borrower, and separate notice to the borrower's designated third-party if one has been designated in at least fourteen-point type except for the heading which shall be in at least sixteen-point type. The notice shall include the following:

YOU COULD LOSE YOUR COOPERATIVE APARTMENT UNIT TO FORECLOSURE. PLEASE

READ THE FOLLOWING NOTICE CAREFULLY.

Date

Borrower's address

Loan Number:

Property Address:

Dear Borrower(s) {or heirs of Debtor?}:

As of _____, your reverse cooperative apartment unit loan is in default. Under New York State Law, we are required to send you this notice to inform you that you may be at risk of losing your home.

Your reverse loan is in default because you have not complied with the following conditions of your loan:

_____ You are not occupying your cooperative apartment unit as your primary residence

_____ You did not submit the required annual certificate of occupancy

_____ The named borrower on the reverse loan has died

_____ You did not pay maintenance on your unit to the cooperative corporation, and {servicer} paid your maintenance for you on the following date(s) in the following amount(s):_____

_____

_____ You did not make required repairs to your unit

If the claim is based on your failure to pay maintenance to the cooperative corporation, you can cure this default by making the payment of $_____ for the advances we made towards these payments on your behalf.

You have the right to dispute the claims listed above by contacting us, by calling _____ or sending a letter to _____. This may include proof of payments made for water and sewer charges or a current declaration page from your insurance company, or any other proof to dispute the servicer's claim.

OPTIONS MAY BE AVAILABLE FOR YOU TO CURE YOUR DEFAULT. SOME OF THESE OPTIONS ARE LISTED BELOW. YOU MAY CONTACT {SERVICER} AT {TOLL-FREE NUMBER} TO DISCUSS YOUR OPTIONS.

If you are in default for failure to pay maintenance, you may qualify for a re-payment plan to cure the default balance owed.

Attached to this notice is a list of New York approved housing counseling agencies and legal services in your area which provide free

counseling. A statewide listing by county is also available at https://www.dfs.ny.gov/consumers/help_for_homeowners/new_york_state_non-profit_housing_counseling_agencies. You may also call your local Department of Aging for a referral or call 311 if you live in New York City.

Qualified free help is available; watch out for companies or people who charge a fee for these services.

You may also contact {SERVICER} directly at _____ and ask to discuss all possible options to allow you to cure your default and prevent the foreclosure of your home. While we cannot ensure that a resolution is possible, we encourage you to take immediate steps to try to achieve a resolution. The longer you wait, the fewer options you may have.

If you have not taken any actions to resolve this matter within ninety days from the date this notice was mailed, we will have the right to take your cooperative shares from you.

If you need further information, please call the New York State Department of Financial Services' toll-free helpline at 877-226-5697 or visit the Department's website at http://www.dfs.ny.gov.

IMPORTANT: You have the right to remain in your unit until you receive a court order telling you to leave the property. If a foreclosure action is filed against you in court, you still have the right to remain in the unit until a court orders you to leave. You legally remain the owner of your cooperative shares and are responsible for the unit until the shares are transferred to a new owner through a sale. However, there will be no court proceeding before the shares are transferred to a new owner. After the shares are transferred, the new owner may begin a court proceeding to evict you from the unit.

This notice is not an eviction notice.

(2) The notice required by this subsection shall be in bold, fourteen-point type and shall be printed on colored paper that is other than the color of the notice required by subsection (b) of this section, and the title of the notice shall be in bold, twenty-point type. The notice shall be on its own page.

(3) The notice required by this subsection shall appear as follows:

Help for Homeowners at Risk of Foreclosure

New York State Law requires that we send you this information about the foreclosure process. Please read it carefully.

Notice

You are in danger of losing your home. You are in default of your obligations under the loan secured by your rights to your cooperative apartment. It is important that you take action, if you wish to avoid losing your home.

Sources of Information and Assistance

The State encourages you to become informed about your options, by seeking assistance from an attorney, a legal aid office, or a government agency or non-profit organization that provides counseling with respect to home foreclosures.

To locate a housing counselor near you, you may call the toll-free helpline maintained by the New York State Department of Financial Services at (enter number) or visit the Department's website at (enter web address).

One of these persons or organizations may be able to help you, including trying to work with your lender to modify the loan to make it more affordable.

Foreclosure rescue scams

Be careful of people who approach you with offers to "save" your home. There are individuals who watch for notices of foreclosure actions or collateral sales in order to unfairly profit from a homeowner's distress. You should be extremely careful about any such promises and any suggestions that you pay them a fee or sign any papers that transfer rights of any kind to your cooperative apartment. State law requires anyone offering such services for profit to enter into a contract which fully describes the services they will perform and fees they will charge, and which prohibits them from taking any money from you until they have completed all such promised services.

(4) The department of financial services shall prescribe the telephone number and web address to be included in the notice.

(5) The department of financial services shall post on its website or

otherwise make readily available the name and contact information of government agencies or non-profit organizations that may be contacted for information about the foreclosure process, including maintaining a toll-free helpline to disseminate the information required by this subsection.