

Advanced Investor Reporting Reconciling Custodial Accounts

March 2022



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Agenda

- Reporting Cycle and Remittance Type
- P&I Custodial Account Reconciliation
- T&I Custodial Account Reconciliation



Reporting Cycle

Activity Cycle

- Calendar month

Accounting Cut-Off

- Last calendar day of activity month

Reconciliation Due

- Completed monthly, retained by servicer.
- Submitted to MPF Provider upon request.
- Servicers with more than one remittance type must complete a separate custodial account reconciliations for each type.



Remittance Types

	Actual/Actual (Multiple Remittance)	Actual/Actual (Single Remittance)	Scheduled/Scheduled
Remittance Features	<p>Funds are remitted anytime P&I payments, liquidations, and curtailments received (minus the servicing fee) exceeds \$2,500 within the P&I account.</p> <p>On the first business day of each month, funds within the P&I account must be remitted.</p>	<p>All P&I payments, liquidations, and curtailments received (minus the servicing fee) are remitted by the 18th of the following month.</p> <p>If the 18th falls on a weekend or holiday, funds must be remitted by the prior business day.</p>	<p>All P&I payments due, plus liquidations and curtailments received (minus the servicing fee) are remitted by the 18th of the following month.</p> <p>All scheduled P&I payments due are required to be remitted monthly, even if a borrower fails to make their payment.</p> <p>If the 18th falls on a weekend or holiday, funds must be remitted by the prior business day.</p>

Custodial Account Reconciliation

Servicers are required to reconcile both principal and interest (P&I) and tax and insurance (T&I) custodial accounts on a monthly basis

- A number of forms are available for this purpose.
- Forms are broken down by remittance type:
 - ✓ Actual/Actual and Actual/Actual Single Remittance
 - ✓ Scheduled/Scheduled Remittance
- Should be completed as noted and made available when requested.

Reconciliation Reviews

When a review request is made, the following should be sent to the MPF Provider:

- A copy of each reconciliation report:
 - ✓ **SG320A** (or SG320) – P&I Custodial Account Reconciliation
 - ✓ **SG321A** (or SG321) – T&I Custodial Account Reconciliation
- Servicer's P&I bank account statement
- A/A MRA Custodial account (MPF Bank) statement
- Servicer's system generated escrow trial balance
- Any supporting documentation for reconciling items

Reconciliation Review Requests

Requests will include a checklist that should be utilized for the return of proper documentation.

Always review that accounts are titled correctly.



Custodial Account Reconciliation Checklist

PFI# 9999	SERVICER NAME: ABC Bank
CONTACT NAME:	PHONE #
EMAIL ADDRESS:	
REMITTANCE TYPE:	Schedule/Schedule <input type="checkbox"/> Actual/Actual Single <input type="checkbox"/> Actual/Actual <input checked="" type="checkbox"/>

Required Documentation - P&I and T&I Custodial Account Reconciliation

Principal and Interest (P&I) Custodial Account
<input type="checkbox"/> 1. Completed Form SG320(A), all sections must be filled out
<input type="checkbox"/> 2. Copy of bank statements for selected cutoff being reviewed. (If remittance type is A/A be sure to include FHLB non-interest bearing account statement.)
<input type="checkbox"/> 3. Bank statement or screen print reflecting verification of the Deposits in Transit, Disbursements in Transit, and/or Adjustments
Escrow Custodial (T&I) Account
<input type="checkbox"/> 4. Completed Form SG321(A), all sections must be filled out. (If you do not escrow, please note such and provide Trial Balance for support.)
<input type="checkbox"/> 5. Copy of bank statements for selected cutoff being reviewed
<input type="checkbox"/> 6. Bank statement or screen print reflecting verification of the Deposits in Transit, Disbursements in Transit, and/or Adjustments
<input type="checkbox"/> 7. A Servicing System generated Trial Balance Report that displays all FHLB escrow liabilities. (Provide only total pages when submitting to MPF Provider.)
Account Titles
<input type="checkbox"/> 8. Copies of P&I and T&I account signature cards or similar documents with full legal title to verify that the Custodial Account titles comply with the MPF Servicing Guide.

*Correct titles for Arcola First Bank

P&I custodial Account Title: Arcola First Bank as trustee for the benefit of the Federal Home Loan Bank of Chicago its successors and assigns

T&I custodial Account Title: Arcola First Bank as trustee for the benefit of the Federal Home Loan Bank of Chicago its successors and assigns and/or various Mortgagors

If space is limited, it is acceptable to shorten your PFI name and use the following abbreviations:

TTEE - "trustee"
FBO - "for the benefit of"
ISAA - "its successors and assigns"
FHLB - "Federal Home Loan Bank" (district name to be included)
AOVM - "and/or various Mortgagors"

Reconciliation Review Requests

Required reconciliation documents may be securely uploaded via the eMPF® Website or emailed to the address provided in the request

Document Upload

Select a Document Category

Annual Eligibility Certification (AEC)	Use to securely transfer AEC supporting documentation, such as your QC information or fidelity and E&O insurance documents.
Bank Reconciliations	Use to securely transfer copies of bank reconciliations and all supporting documentation. This may include one or multiple P&I accounts and T&I accounts as well as a A/A multi-remittance account and main DDA account the PFI has within its Home Loan Bank.
Government MBS Mortgage	Use to securely transfer Mortgage Document File packages required for Government MBS loans.
High Level Concern (HLC)	Use to securely transfer HLC files which consist of a copy of the origination file, the original appraisal, and a review appraisal for a specific MPF On Balance Sheet Loan.
MPF Servicing Miscellaneous	Use to securely transfer any servicing files that do not pertain to HLC or Bank Reconciliation.
Servicing Transfer	Use to securely transfer documents to the appropriate Servicer for loans with a transfer of servicing.
Other Documents	Use to securely transfer files for ad-hoc processes. Examples include audit documents or completed MPF Xtra Alternative Funding process templates.

Payment Deposits and Withdrawal Basics

Principal and Interest Deposits

Required P&I account deposits:

- Principal and Interest payments
- Liquidation proceeds (including REO sales and pre-foreclosure proceeds)
- Curtailments

Optional P&I account deposits:

- Late charges
- Penalty interest
- Assumption fees
- Unapplied funds (only if T&I account is not established)



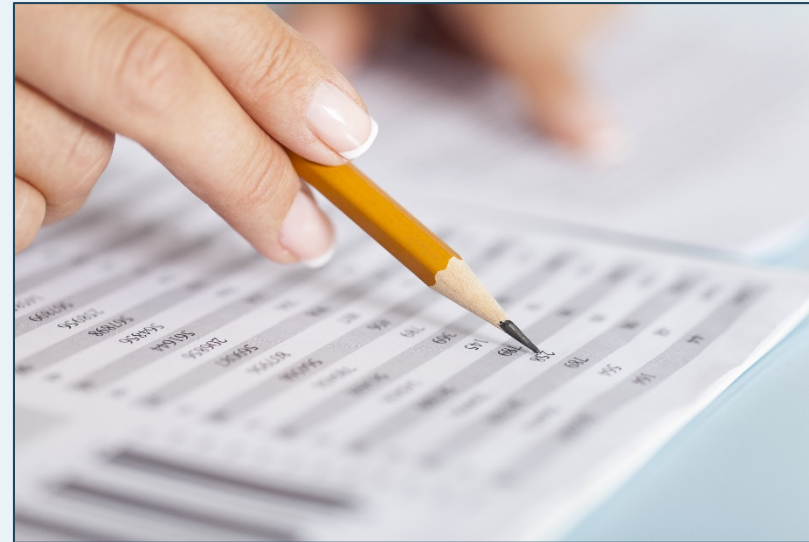
8,300.00	+++++	8,300.00
1,000.00	+++++	8,383.00
500.00	+++++	7,383.00
7,300.00	+++++	6,883.00
7,600.00	+++++	7,383.00
7,600.00	+++++	83.00
7,800.00	+++++	7,683.00
2,300.00	+++++	83.07
25.00	+++++	7,883.07
	+++++	5,583.07

Principal and Interest Deposits

P&I deposits must correspond with deposits shown on the Servicer's internal history/ledger account for the MPF Bank P&I Custodial Account

- Deposits are made up of:
 - ✓ P&I payments
 - ✓ Curtailments
 - ✓ Liquidations
- Deposits to make adjustment

Note: *Be aware of transaction reversals*



Permissible Withdrawals

- Remittances to servicer's applicable A/A account with the MPF Bank to fund the monthly P&I remittance drafts.
- Removal of amounts deposited in error.
- Removal of servicing fees and other ancillary fees.

Withdrawals for P&I listed on the depository statement should correspond to withdrawals posted to the internal history/general ledger account.

Reconciliations

Reconciliations are related to Turnaround Reports (TARs)

- If a TAR indicates no errors, then generally there should not be any bank reconciliation exceptions.
- If the P&I reconciliation process does find issues, the most recent monthly remittance needs to be reviewed for accuracy.
- If the Servicer and Master Servicer records are equal, an error such as funds being deposited into the incorrect account may have occurred.

Reconciliations

- After identification of an issue (what occurred and what date), Servicers have 60 calendar days to cure.
- Ideally, this should be done before the end of the accounting cycle.
- **To cure, the Servicer should:**
 - ✓ Deposit (credit) funds into the P&I custodial account if the account is short; or
 - ✓ Remove (debit) the funds out of the P&I custodial account if the account has excess funds (an overage); and
 - ✓ Document and attach the documentation to the reconciliation so that the history of the transactions are recorded.



Items Required to Reconcile

- Servicer's P&I account bank statement.
- MPF Bank A/A account bank statement (A/A MRA and/or MPF Xtra)
- Supporting documentation for reconciling items including verification of deposits in transit, disbursements in transit and/or miscellaneous adjustments.
- **P&I Custodial Reconciliation Form (Form SG320A or SG320)**
 - ✓ All sections completed.
 - ✓ If mortgages are serviced under both actual/actual and actual/actual single remittance types, a **SG320A** must be completed for each remittance type.

Guide to Monthly Custodial Reports

Form Name	Purpose	Products	Submitted
SG320: P&I Custodial Account Reconciliation (Scheduled/Scheduled)	Used to reconcile the balance of each P&I custodial account	MPF Traditional MPF Government MBS	MPF Traditional: Upon request MPF Government MBS: Must be completed within 30 days of the monthly reporting cycle cut-off date and are requested around the 20 th of each month.
SG320A: P&I Custodial Account Reconciliation (Actual/Actual)	Used to reconcile the balance of each P&I custodial account	MPF Traditional MPF Xtra	Upon request
SG321: T&I Custodial Account Reconciliation (Scheduled/Scheduled)	Used to reconcile the balance of each T&I custodial account	MPF Traditional MPF Government MBS	MPF Traditional: Upon request MPF Government MBS: Must be completed within 30 days of the monthly reporting cycle cut-off and are requested around the 20 th of each month.
SG321A: T&I Custodial Account Reconciliation (Actual/Actual)	Used to reconcile the balance of each T&I custodial account	MPF Traditional MPF Xtra	Upon request


Scheduled/Scheduled Remittance

The vast majority of loans serviced under the MPF Program fall under the Actual/Actual remittance types

- Scheduled/Scheduled remittance types utilize the following forms for P&I and T&I reconciliations:
 - ✓ **Form SG320** P&I Custodial Account Reconciliation
 - ✓ **Form SG321** T&I Custodial Account Reconciliation
- Both forms include detailed instructions to assist with completion.

Scheduled/Scheduled Remittance

NOTE: A common misstep on Form SG320 is the **Ending Cash Ledger Balance** in Section A (line 8) should match the **Account Total** in Section B (line 6).

P&I Custodial Account Reconciliation (Form SG320) 

PFI/ Servicer Information

PFI Number: _____ Servicer Name: _____


Product Information

Choose one product per form: ☐ MPF Traditional ☐ MPF Government MBS

P&I Custodial Account Reconciliation of Cash Ledger to Depository Account Statement

Time Period Covered: _____ Account #: _____

A. Reconciliation of Cash Ledger to Depository Account Statement	
1. Cash Ledger Balance Forward (Line 8 from last month)	+
2. Cash Ledger Adjustments	+
3. Collections on Mortgage loans	+
4. P&I Advances:	
a. Deposits	+
b. Withdrawals	-
5. Servicing Fees Withdrawn/Withheld	-
6. Other (Manual):	
a. Deposits	+
b. Withdrawals	-
7. Remittances (Lines 1+2+3+4+5+/-6)	-
8. Ending Cash Ledger Balance	=
9. Outstanding Checks	+
10. Deposits in Transit	-
11. Depository Adjustments	+
12. Depository Balance	=

P&I Custodial Account Reconciliation (Form SG320) 

P&I Custodial Account Proof of Cash Ledger Ending Balance

B. Proof of Cash Ledger Ending Balance		Interest/ Other	Servicing Fees	Principal	Total
1.	Unscheduled Collections Due Next Withdrawal Date:				
	a. Curtailments				
	b. Liquidations				
	c. Liquidation Gains				
2.	Funds on Deposit Due Servicer:				
	a. P&I Advances Receivable				
	b. Residual Interest on Liquidations				
	c. Servicing Fees				
3.	Other Funds on Deposit:				
	a. Prepaid Installments				
	b. Unapplied Funds				
	c. Other (explain):				
4.	Delinquent Installments				
5.	Funds on Deposit				
6.	Account Total (Lines 1-5)				

Principal and Interest (P&I) Custodial Account Reconciliation

P&I Account Statements Review

Servicer and MPF Bank Account Statements


- The cut off date is the last processing day of the month.
- The monthly depository statements should correspond with the reporting cycle.
- Account statements should cover activity from the 1st day of the month thru the end of the month.

P&I Custodial Account Reconciliation

Form SG320A

- Used for **MPF Traditional** and **MPF Xtra** loans under the Actual/Actual or Actual/Actual Single Remittance option.
- Does not have to be submitted monthly but **will be requested** for review on an annual or as-needed basis.

NOTE: This presentation will focus on reconciling Actual/Actual remittance types.

P&I Custodial Account Reconciliation (Form SG320A) 

PFI/Service Information

PFI Number: _____ Servicer Name: _____

Product Information

This form is for the MPF Traditional product only. Choose one remittance type per form:

Remittance Type: ☐ Actual/Actual ☐ Actual/Actual Single

Body of Form

Time Period Covered: _____

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

		P&I Custodial Account Acct#	A/A Account at MPF Bank Acct#
	Date	Amount	Amount
1.	Bank Statement Balance		
2.	Deposits in Transit	+	+
3.	Transfers between P&I and A/A	-	+
4.	Disbursements in Transit	-	-
5.	Remittance Due MPF Bank on the 18 th	-	-
6.	Adjustments (explanation and date):	+/-	+/-
7.*	Zero Balance Reconciliation (Lines 1+2+3+4+5+6)	=	=

*The account balance should be zero. Any unreconciled items must be cleared within 60 days.

Attachments/Supporting Documentation

Are supporting documents attached? ☐ Yes ☐ No

List any supporting documents and/or any missing documents and provide an explanation for any missing documents:

Employee Information

By submitting this form, I certify that the information contained herein is true and accurate.

Printed Name of Employee Completing Form: _____

Title: _____ Email: _____

Phone Number: _____ Date Completed: _____

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Revision Date 5/31/18

Reconciling for the MPF Xtra Product

SG301X - Monthly Remittance Recap

- Used only for the **MPF Xtra** product.
 - ✓ Used to reconcile the collections remitted for the cutoff period, used as a log *throughout the month* and then compared to the activity reported as of the cutoff date.
 - ✓ **Should match P&I activity reported on Form SG300**

[illegible]

Completing Form SG320A

Line 1 Bank Statement Balance

Body of Form				
Time Period Covered: _____				
For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.				
			P&I Custodial Account Acct# _____	A/A Account at MPF Bank Acct# _____
		Date	Amount	Amount
1.	Bank Statement Balance			
2.	Deposits in Transit		+	+
3.	Transfers between P&I and A/A		-	+
4.	Disbursements in Transit		-	-
5.	Remittance Due MPF Bank on the 18 th		-	-
6.	Adjustments (explanation and date): _____ _____		+/-	+/-
7.*	Zero Balance Reconciliation (Lines 1+2+3+4+5+6)		=	=

*The account balance should be zero. Any unreconciled items must be cleared within 60 days.

- Enter the ending balance from the Servicer's bank statement as of the last business day of the month.
- With **actual/actual**, there are two accounts: the PFI's P&I Custodial Account and the Actual/Actual MRA ("A/A Account") at the MPF Bank - use the balances from both accounts for the reconciliation.
- For **actual/actual single remittance**, only enter the balance under the P&I Custodial Account column.

Line 1 PFI Bank Account Balance

Body of Form				
Time Period Covered: May 2021				
For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.				
			P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52

Summary of Accounts		
Account Type	Account Number	Ending Balance
ABC Bank Business Checking	XXXXXXX9876	\$4,620.44
ABC Bank Business Checking-XXXXXXX9876		
Account Summary		
Date	Description	Amount
05/01/2021	Beginning Balance	\$2,125.50
	18 Credit(s) This Period	\$258,292.46
	9 Debit(s) This Period	\$255,797.52
05/28/2021	Ending Balance	\$4,620.44
Deposits		
Date	Description	Amount
05/03/2021	P&I CUSTODIAL DEPOSITS FOR FEDERAL HOME LOAN BANK	\$10,382.19
05/04/2021	P&I CUSTODIAL DEPOSITS FOR FEDERAL HOME LOAN BANK	\$82,195.85
05/05/2021	P&I CUSTODIAL DEPOSITS FOR FEDERAL HOME LOAN BANK	\$2,481.50


Line 1 A/A MRA Account Balance

Body of Form

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52

FHLBank
Chicago

ABC Bank
100 Main St
Hometown, IL 55505-1111

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05/01/2021 Thru 05/31/2021
Monthly Transactions Report
Generated February 22, 2022 04:01:49 PM

Tax ID: 11-1111111
Customer Number: 09999

Account Number: 1234

STATEMENT SUMMARY
FHLBC MPF - MRA/A

Beginning Balance	Credits	Amount	Debits	Amount	Current Balance
\$716,847.37	8	\$254,661.27	10	\$729,355.12	\$242,153.52

Effective Date	Posting Date	Description	Debits	Credits	Balance
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Line 2 Deposits in Transit

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# <u>119876-5</u>	A/A Account at MPF Bank Acct# <u>1234-5</u>
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit		+ 3,737.37	+ 4,620.44

- List any outstanding deposits not yet reflected on the bank statement.
- Under actual/actual, there may be deposits outstanding to either or both accounts.
- For actual/actual single remittance, the Servicer will have entries only under the P&I Custodial Account column.
- Each outstanding deposit must be recorded separately by date, if possible.
- The dates entered should be the dates that funds were applied to the loans.
- Funds must be deposited to the P&I Custodial Account within two business days of the Servicer's receipt of the payment.

Line 2 Deposits in Transit

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit		+ 3,737.37	+ 4,620.44

Tax ID: 11-1111111
Customer Number: 00000

Account Number: 1234

Deposits

Date	Description	Amount
06/01/2021	P&I CUSTODIAL DEPOSITS FOR FEDERAL HOME LOAN BANK	\$3,737.37

Beginning Balance	Credits	Amount	Debits	Amount	Current Balance
\$242,153.52	11	\$517,204.07	10	\$250,511.43	\$508,846.16

Effective Date	Posting Date	Description	Debits	Credits	Balance
		Previous Statement Balance			\$242,153.52
06/01/2021	06/01/2021	ACH PROCESSING - DEPOSIT	\$0.00	\$4,620.44	\$246,773.96

Line 3 Transfers between P&I and A/A

Time Period Covered: 05/31/2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

		Date	P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
			Amount	Amount
1.	Bank Statement Balance	05/31/2021		
2.	Deposits in Transit		+	+
3.	Transfers between P&I and A/A		-	+
4.	Disbursements in Transit		-	-
5.	Remittance Due MPF Bank on the 18 th		-	-
6.	Adjustments (explanation and date):		+/-	+/-
7.*	Zero Balance Reconciliation (Lines 1+2+3+4+5+6)		=	=

*The account balance should be zero. Any unreconciled items must be cleared within 60 days.

- Enter any amounts not yet transferred from the P&I account to the A/A account.
- The P&I column should show a debit and the A/A column should show a credit.

Line 3 Transfers between P&I and A/A

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

		Date	P&I Custodial Account Acct# 119876-5 Amount	A/A Account at MPF Bank Acct# 1234-5 Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit		+ 3,737.37	+ 4,620.44
3.	Transfers between P&I and A/A		- 3,737.37	+ 3,737.37

Tax ID: 11-1111111
Customer Number: 09999

Account Number: 1234

Electronic Debits

Date	Description	Amount
06/01/2021	MPF Traditional Remittance	\$4,620.44
06/02/2021	MPF TRADITIONAL REMITTANCE	\$3,737.37

Amount	Current Balance
\$242,153.52	\$508,846.16

Effective Date	Posting Date	Description	Debits	Credits	Balance
		Previous Statement Balance			\$242,153.52
06/01/2021	06/01/2021	ACH PROCESSING - DEPOSIT	\$0.00	\$4,620.44	\$246,773.96
06/02/2021	06/02/2021	ACH PROCESSING - DEPOSIT	\$0.00	\$3,737.37	\$250,511.33

Line 4 Disbursements in Transit

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# <u>119876-5</u>	A/A Account at MPF Bank Acct# <u>1234-5</u>
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit	06/01/2021	+ 3,737.37	+ 4,620.44
3.	Transfers between P&I and A/A	06/02/2021	- 3,737.37	+ 3,737.37
4.	Disbursements in Transit	06/01/2021	- 4,620.44	-

Electronic Debits

Date	Description
06/01/2021	MPF Traditional Remittance
06/02/2021	MPF TRADITIONAL REMITTANCE

Amount

\$4,620.44
\$3,737.37

- List any outstanding disbursements not yet reflected on the bank statement.

Line 5 Remittance Due MPF Bank on 18th

Body of Form				
Time Period Covered: <input type="text"/>				
For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.				
			P&I Custodial Account Acct# <input type="text"/>	A/A Account at MPF Bank Acct# <input type="text"/>
		Date	Amount	Amount
1.	Bank Statement Balance			
2.	Deposits in Transit		+	+
3.	Transfers between P&I and A/A		-	+
4.	Disbursements in Transit		-	-
5.	Remittance Due MPF Bank on the 18 th		-	-
6.	Adjustments (explanation and date): <input type="text"/> <input type="text"/>		+/-	+/-
7.*	Zero Balance Reconciliation (Lines 1+2+3+4+5+6)		=	=

*The account balance should be zero. Any unreconciled items must be cleared within 60 days.

- Enter the remittance expected to be withdrawn on the 18th of the following month (or the proceeding business day if the 18th is not a business day).
- This amount should equal the principal and net interest plus or minus any cash adjustments on the Final TAR.

Line 5 Remittance Due MPF Bank on 18th

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit	06/01/2021	+ 3,737.37	+ 4,620.44
3.	Transfers between P&I and A/A	06/02/2021	- 3,737.37	+ 3,737.37
4.	Disbursements in Transit	06/01/2021	- 4,620.44	-
5.	Remittance Due MPF Bank on the 18 th	06/18/2021	-	- 250,511.43

Servicer Turnaround - Final Report

Servicer Number - 9999

Cycle Date - 06/01/2021

Run Date 6/14/2021 12:46:44 PM

LSVTRNARNDP



Summary Report									
	Loan Cnt	Prin Amt	Interest Amt	Curt Amt	Curt Int	Prin Adj Amt	Liq Amt	Act End Bal	Sch End Bal
9999	ABC Bank								
Investor	157	59,882.74	38,832.89	7,324.85	0.00	0.00	144,470.95	19,240,033.50	0.00
Servicer	157	59,882.74	38,832.85	7,324.85	0.00	0.00	144,470.95	19,240,033.50	0.00
Total Differences		0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.00
Remittance Summary:	Ending Loan Count:		154						
	Total Principal:		211,678.54						
	Total Net Interest:		38,832.89						
	Cash Adjustment:		0.00						
	Net Realized Loss/-Gain:		0.00						
	Non Supp Comp Int:		0.00						
	Prepayment Penalty Amount:		0.00						
	Int Adj-Non Adv Amount:		0.00						
	Remittance		250,511.43						

Line 6 Adjustments

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# 119876-5	A/A Account at MPF Bank Acct# 1234-5
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit	06/01/2021	+ 3,737.37	+ 4,620.44
3.	Transfers between P&I and A/A	06/02/2021	- 3,737.37	+ 3,737.37
4.	Disbursements in Transit	06/01/2021	- 4,620.44	-
5.	Remittance Due MPF Bank on the 18 th	06/18/2021	-	- 250,511.43
6.	Adjustments (explanation and date):		+/-	+/-
	May 2021 rounding difference to fund .04			- 0.10
	April 2021 rounding difference to fund .06			

9999

ABC Bank

MPF Program

Investor	157	59,882.74	38,832.89	7,324.85	0.00	0.00	144,470.95	19,240,033.50	0.00
Servicer	157	59,882.74	38,832.85	7,324.85	0.00	0.00	144,470.95	19,240,033.50	0.00
Total Differences		0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.00

- Enter any other debits or credits that may represent outstanding adjustments.
- This section should be used for items such as erroneous deposits or withdrawals to the account that have not yet been corrected.
- Any amounts noted should also reflect explanations/dates and should be cleared within the next accounting cycle.

Line 7 Zero Balance Reconciliation

Time Period Covered: May 2021

For actual/actual remittance, complete both columns. For actual/actual single remittance, complete the P&I Custodial Account column only.

			P&I Custodial Account Acct# <u>119876-5</u>	A/A Account at MPF Bank Acct# <u>1234-5</u>
		Date	Amount	Amount
1.	Bank Statement Balance	05/31/2021	4,620.44	242,153.52
2.	Deposits in Transit	06/01/2021	+ 3,737.37	+ 4,620.44
3.	Transfers between P&I and A/A	06/02/2021	- 3,737.37	+ 3,737.37
4.	Disbursements in Transit	06/01/2021	- 4,620.44	-
5.	Remittance Due MPF Bank on the 18 th	06/18/2021	-	- 250,511.43
6.	Adjustments (explanation and date):		+/-	+/-
	<u>May 2021 rounding difference to fund .04</u>			
	<u>April 2021 rounding difference to fund .06</u>			
7.*	Zero Balance Reconciliation (Lines 1+2+3+4+5+6)		= 0.00	= 0.00

*The account balance should be zero. Any unreconciled items must be cleared within 60 days.

- This line is a sum of the amounts entered in each column.
- Since both the A/A and A/A single remittance types require that the remittance due the MPF Bank equals the collections during the accounting cycle, this total should always equal zero.

P&I Custodial Account Reconciliation

Form SG300: The Monthly Summary and Remittance Report

How does this form tie into the Custodial Account reconciliation process?

LINE 14, The Total Monthly Remittance Amount should match what is shown on **Line 5** of Form SG320A.

This should also equal the principal + interest +/- cash adjustments from the final TAR.

The image displays Form SG300, titled "Monthly Summary and Remittance Report (Form SG300)". The form is divided into several sections:

- PFI/Service Information:** Includes fields for PFI Number and Service Name.
- Product Information:** Includes checkboxes for MPF Product (MPF Traditional, MPF Xtra, MPF Government MBS) and Remittance Type (Actual/Actual, Actual/Actual Single, Scheduled/Scheduled).
- Portfolio and Remittance Summary:** Includes a table for "Time Period Covered" with columns for Loan Count and Principal. The table rows are: Beginning Unpaid Principal Balance, Loans Added, Loans Removed, Principal Collections, Principal Curtailments, Principal Adjustments, Total Count and Ending Unpaid Principal Balance, and Total Count and Scheduled Principal Balance (for scheduled/scheduled only).
- Remittance Report (Form SG300):** Includes a table for "Remittance Report (Form SG300)" with columns for "Remittance Type" and "Amount". The table rows are: Total Realized Losses (attach Form SG320), Total Monthly Remittance Amount (lines 11+12-13), and Total Monthly Remittance Amount (lines 11+12-13).
- Attachments/Supporting Documentation:** Includes checkboxes for "Are supporting documents attached?" (Yes/No) and a section for "List any supporting documents and/or any missing documents and provide an explanation for any missing documents:".
- Employee Information:** Includes a section for "By submitting this form, I certify that the information contained herein is true and accurate." with fields for Printed Name of Employee Completing Form, Title, Email, Phone Number, and Date Submitted.

At the bottom right, it says "Revision Date 10/27/17 Form SG300".

Comparing Monthly Reports

SG301X - Monthly Remittance Recap (used for the MPF Xtra product)

How does this form tie into the custodial account reconciliation process?

The remittance activity for the month should match **Line 5** of Form **SG320A** and should be compared to the final TAR remittance amount.

Each business day of the month should be listed in the first column (1st -31st).

[illegible]

Tax and Insurance (T&I) Custodial Account Reconciliation

T & I Custodial Account Reconciliation

Items needed to reconcile a T&I account:

- Servicer's system generated escrow trial balance.
- Servicer's T&I bank statement.
- Supporting documentation for reconciling items including verification of deposits in transit, disbursements in transit and/or adjustments.
- Form **SG321A** or **SG321**- T&I Custodial Account Reconciliation

T&I Custodial Account Deposits

T&I account funds belong to the borrower

Required T&I account deposits:

- Escrow funds
- T&I advances
- Buydown funds (may be held in a separate custodial account)
- Unapplied funds
- Hazard insurance proceeds for the restoration and repair of the property.
- Liquidation proceeds that offset a deficit in the Escrow Account.
- Remaining balance of property insurance loss drafts.

For information
a new loan, please call: 1-800-...

is on this portion of the statement, detach and mail to address listed for inquiries on the reverse side.

Details of Amount Due/Paid	
Principal and Interest	\$1,579.78
Subsidy/Buydown	\$0.00
Escrow	\$472.87
Amount Past Due	\$0.00
Outstanding Late Charges	\$0.00
Other	\$0.00
Total Amount Due	\$2,052.65
Account Due Date	December 01, 2009

T&I Custodial Account Withdrawals

Permissible T&I account withdrawals

- Timely payment of borrower's escrow items.
- Refund to the Borrower for excess escrow funds.
- Recovery of escrow advances made on the borrower's behalf.
- Payment of interest to borrower on escrow funds, if required.
- Removal of any deposits made in error.
- Unapplied funds for P&I payments.



Form SG321A

T&I Custodial Account Reconciliation

- **Form SG321A** is used to reconcile the T&I Custodial Account as of the accounting cycle cutoff to the servicer's internal trial balance.
 - ✓ Used for Actual/Actual remittance types.
- The Servicer's system-generated trial balance report is the primary resource for detailing the various loan level funds on deposit in the T&I Custodial Account.
- Escrow shortages must be advanced by the Servicer and subsequently collected from borrower.
- All "other" items should be cleared in 90 days (60 days for MPF Government MBS).

SG321A T&I Account Reconciliation

T&I Custodial Account Reconciliation (Form SG321A)		mpf Mortgage Partnership Finance	
PFI/ Servicer Information			
PFI Number:	9999	Servicer Name:	ABC Bank
Product Information			
Choose one of each category per form:			
Product:	<input checked="" type="checkbox"/> MPF Traditional	<input type="checkbox"/> MPF Xtra	
Remittance Type:	<input checked="" type="checkbox"/> Actual/Actual	<input type="checkbox"/> Actual/Actual Single	
T&I Custodial Account Reconciliation			
T&I Custodial Account Number: November 2021			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		= 54,775.79
6.	Escrow Trial Balance as of the Last Business Day of the Month		- 54,775.79
7.	Zero Balance Reconciliation (Lines 5-6)		= Zero (0)
Attachments/Supporting Documentation			
Are supporting documents attached? <input type="checkbox"/> Yes <input type="checkbox"/> No			
List any supporting documents and/or any missing documents and provide an explanation for any missing documents:			
<small>"Mortgage Partnership Finance", "MPF", "eMPF", "MPF Xtra" and "eMAQCS" are registered trademarks of the Federal Home Loan Bank of Chicago. The "MPF Mortgage Partnership Finance" logo is a trademark of the Federal Home Loan Bank of Chicago.</small>			
Revision Date 10/27/17 Form SG321A Page 3 of 4			

T&I Custodial Account Reconciliation (Form SG321A)		mpf Mortgage Partnership Finance	
Employee Information			
By submitting this form, I certify that the information contained herein is true and accurate.			
Printed Name of Employee Completing Form: De Roberts			
Title:	MPF Trainer	Email:	droberts@fhib.com
Phone Number:	(312) 565-5289	Date Completed:	12/13/18
<small>"Mortgage Partnership Finance", "MPF", "eMPF", "MPF Xtra" and "eMAQCS" are registered trademarks of the Federal Home Loan Bank of Chicago. The "MPF Mortgage Partnership Finance" logo is a trademark of the Federal Home Loan Bank of Chicago.</small>			
Revision Date 10/27/17 Form SG321A Page 4 of 4			

Line 1 Bank Statement Balance

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: November 2021			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit		+
3.	Disbursements in Transit		
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		
6.	Escrow Trial Balance as of the Last Business Day of the Month		
7.	Zero Balance Reconciliation (Lines 5-6)		

Mailing Label
ABC BANK
FEDERAL HOME LOAN BANK/
T & I CUST ACCT/
100 Main Street
Hometown, IL 55505

eStatement: None
eStatement: None

Current Update

Description	Debits	Credits	Date	Balance
Balance Forward:				\$54,443.31
ESCROW DEPOSITS FOR FHLB-MPF		\$724.26	Nov 30, 2021	\$55,167.57
TODAY'S NEGATIVE ESCROW FOR FHLB-MPF		\$990.74 /	Nov 30, 2021	\$56,158.31
ESCROW WITHDRAWALS FOR FHLB-MPF	\$81.80		Nov 30, 2021	\$56,076.51
PRIOR DAYS NEGATIVE ESCROW FOR FHLB-MPF	\$990.74 /		Nov 30, 2021	\$55,085.77
Balance This Statement:			Nov 30, 2021	\$55,085.77

Line 1. Bank Statement Balance

Enter bank statement balance as of the last business day of the month.

Line 2 Deposits in Transit

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: November 2021			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
3.	Disbursements in Transit		
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		
6.	Escrow Trial Balance as of the Last Business Day of the Month		
7.	Zero Balance Reconciliation (Lines 5-6)		

Mailing Label

ABC BANK
FEDERAL HOME LOAN BANK
T & I CUST ACCT/
100 Main Street
Hometown, IL 55505

eStatement: None
eStatement: None

Current Update

Description	Debits	Credits	Date	Balance
Balance Forward:				\$55,085.77
TODAY'S NEGATIVE ESCROW FOR FHLB-MPF		\$990.74	Dec 01, 2021	\$56,076.51
ESCROW DEPOSITS FOR FHLB-MPF		\$1,052.02	Dec 01, 2021	\$57,128.53
PRIOR DAYS NEGATIVE ESCROW FOR FHLB-MPF	\$990.74		Dec 01, 2021	\$56,137.79
ESCROW WITHDRAWALS FOR FHLB-MPF	\$1,362.00		Dec 01, 2021	\$54,775.79
Balance This Statement:			Dec 01, 2021	\$54,775.79

Line 2. Deposits in Transit

- List any deposits not yet reflected on the bank statement.
- Each outstanding deposit must be recorded separately by date and supporting documentation should be attached.
- The date entered should be the date funds were applied to the loans.
- Funds must be deposited to the T&I Custodial Account within 2 business days of receipt.

Line 3 Disbursements in Transit

Line 3. Disbursements in Transit

- List any outstanding disbursements not yet reflected on the bank statement.
- Each outstanding disbursement should be itemized with dates and supporting documentation attached.

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: November 2021			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		=
			-
			= Zero (0)

Mailing Label				
ABC BANK				
FEDERAL HOME LOAN BANK				
T & I CUST ACCT/				
100 Main Street				
Hometown, IL 55505				
eStatement: None				
eStatement: None				
Current Update				
Description	Debits	Credits	Date	Balance
Balance Forward:				\$55,085.77
TODAY'S NEGATIVE ESCROW FOR FHLB-MPF		\$990.74	Dec 01, 2021	\$56,076.51
ESCROW DEPOSITS FOR FHLB-MPF		\$1,052.02	Dec 01, 2021	\$57,128.53
PRIOR DAYS NEGATIVE ESCROW FOR FHLB-MPF	\$990.74		Dec 01, 2021	\$56,137.79
ESCROW WITHDRAWALS FOR FHLB-MPF	\$1,362.00		Dec 01, 2021	\$54,775.79
Balance This Statement:			Dec 01, 2021	\$54,775.79

Line 4 Other - Explain

Line 4. Other- Explain

- Enter any other debits or credits that may be outstanding.
- Use for items such as erroneous deposits or withdrawals to the account that have not yet been corrected.
- Any amounts noted should reflect dates and explanations – items should be cleared within the next accounting cycle.

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: <u>November 2021</u>			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		=
6.	Escrow Trial Balance as of the Last Business Day of the Month		-
7.	Zero Balance Reconciliation (Lines 5-6)		= Zero (0)

Line 5 Total

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: <u>November 2021</u>			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		= 54,775.97
6.	Escrow Trial Balance as of the Last Business Day of the Month		-
7.	Zero Balance Reconciliation (Lines 5-6)		= Zero (0)

Line 5. Total of Lines 1 through 4

Line 6 Escrow Trial Balance Total

Inst : 870
Report: LCM/601 19 10.00.8
System: 11/30/2021 21:47

ABC Bank
LOAN CUST L MODULE
TOTALS

INVESTOR: 1 FEDERAL HOME LOAN BANK

* INVESTOR TOTALS *

REMITTANCE NUMBER	--NAME--	NUMBER	PRINCIPAL	INTEREST	P&I	PAYMENT AMOUNT	ESCROW
1	FHLB	112	8,142,489.94	17,995.95	69,770.96	25,506.69	
** TOTAL **		112	8,142,489.94	17,995.95	69,770.96	25,506.69	

* ESCROW TOTALS *

REMITTANCE NUMBER	--NAME--	NUMBER	POSITIVE AMOUNT	NUMBER	NEGATIVE AMOUNT	NUMBER	TOTAL AMOUNT
1	FHLB	69	54,775.79	5	990.74	74	53,785.05
** TOTAL **		69	54,775.79	5	990.74	74	53,785.05

* OTHER TOTALS *

REMITTANCE NUMBER	--NAME--	NUMBER	SCHEDULED FUNDS AMOUNT	NUMBER	ADVANCED FUNDS AMOUNT	NUMBER	PREPAYMENT AMOUNT
1	FHLB	0	.00	0	.00	0	.00
** TOTAL **		0	.00	0	.00	0	.00

T&I Custodial

T&I Custodial A


1.	B
2.	D
3.	D
4.	C
5.	

T&I Custodial Account Reconciliation			
T&I Custodial Account Number: November 2021			
		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other - Explain:		
5.	Total (Lines 1+2+3+4)		= 54,775.97
6.	Escrow Trial Balance as of the Last Business Day of the Month	11/30/21	= 54,775.97
7.	Zero Balance Reconciliation (Lines 5-6)		= Zero (0)

Line 6. Escrow Trial Balance as of the Last Business Day of the Month

- Enter the total of your escrow funds, which are held for the payment of escrow items.
- A loan level trial balance reflecting escrow balances should be attached as supporting documentation.

Line 7 Total – Zero Balance

T&I Custodial Account Reconciliation (Form SG321A)

PFI/ Servicer Information
PFI Number: 9999 Servicer Name: ABC Bank

Product Information
Choose one of each category per form:
Product: ☒ MPF Traditional ☐ MPF Xtra
Remittance Type: ☒ Actual/Actual ☐ Actual/Actual Single

T&I Custodial Account Reconciliation
T&I Custodial Account Number: November 2021

		Date (MM/DD/YY)	Amount
1.	Bank Statement Balance as of the accounting cycle cut-off date	11/30/21	55,085.77
2.	Deposits in Transit	11/30/21	+ 1,052.02
			+
3.	Disbursements in Transit	11/30/21	1,362.00
4.	Other – Explain:		
5.	Total (Lines 1+2+3+4)		= 54,775.97
6.	Escrow Trial Balance as of the Last Business Day of the Month	11/30/21	- 54,775.97
7.	Zero Balance Reconciliation (Lines 5-6)		= Zero (0)

Attachments/Supporting Documentation
Are supporting documents attached? ☒ Yes ☐ No
List any supporting documents and/or any missing documents and provide an explanation for any missing documents:

Line 7. Zero Balance Reconciliation (total of lines 5 - 6)

The total funds in the T&I Custodial Account should equal the escrow trial balance, therefore the reconciliation should always balance to zero.

MPF Resources

MPF Loan Accounting

MPFLoanAccounting@fhlbc.com

MPF Service Center

Phone - 877-345-2673

Email – MPFServiceCenter@fhlbc.com

Hours - 8:30 am to 4:30 pm CST

MPF National Education

MPFTraining@fhlbc.com

Questions

