

Exhibit J

Instructions Page

Purpose

PFI's delivering MPF Traditional or MPF Xtra may use this exhibit to find responses to their MPF Custody questions in accordance with MPF Traditional Selling Guide Chapter 15 and MPF Xtra Selling Guide Chapter 15.

Preparation

- **When** – The PFI may use this exhibit when completing the MPF custody process.
- **Who** – This exhibit may be used by an employee of the PFI who is specifically designated on the most recent Delegation of Authority to be responsible for the MPF custody process.
- **How** – This exhibit may be used as a job aid to provide assistance to PFI's who have questions about the MPF custody process.

Additional Guidance

Please email the MPF Custody Department at mpf_custody@fhlbc.com for any questions or assistance needed in using this job aid.

Helpful Hints

- The MPF Custody fees are detailed in MPF Traditional Selling Guide Chapter 15 and MPF Xtra Selling Guide Chapter 15.
- PFI's delivering MPF Government MBS loans, refer to MPF Government MBS Selling Guide Chapter 8 and Exhibit J-M MPF Custody FAQs for additional information.

The following is a list of frequently asked questions and issues pertaining document custody with the MPF Program Custodian (Custodian).

Contact Information

1. What is the contact information for the MPF Program Custodian (“Custodian”)?

Computershare
ATTN: MPF Program
751 Kasota Avenue
Minneapolis, MN 55414
Telephone: 877-886-5400

Email: MPFRequest@Computershare.com

2. What is the contact information for the MPF Custody Department?

MPF Custody Department
Fax: 312-896-9235
Email: MPF_Custody@fhlbc.com

eMPF Website

1. What if I don’t have access to the eMPF website?

Individuals who previously had access but have forgotten their password or the password has since expired may proceed to the eMPF login screen for the transaction site, click on “Forgotten Password” and follow the instructions to obtain a new password. Individuals who have not previously had access must complete a Delegation of Authority - Supplemental form and submit it to their MPF Bank. Please contact your MPF Bank representative for the Delegation of Authority – Supplemental Form.

Document Packaging and Delivery

1. How do I deliver the loan documents to the Custodian?

Package each loan’s documents in a legal-sized manila folder with a label in the upper right-hand corner. Folders must be shipped Fed Ex or UPS in order to maintain tracking of the files.

2. What information needs to be on the label?

Labels must have the following information printed legibly:

- Master Commitment Number
- MPF Loan Number

- PFI Loan Number
- Borrower Name

3. What if I am delivering multiple loans?

Multiple Files must be shipped in Master commitment order and in MPF loan number order in each Master Commitment.

Pre-Funding Certification vs. Post-Funding Certification

1. What is the difference between pre-Funding certification and post-Funding certification?

Pre-funding certification applies to MPF Xtra loans that have **not** received funding confirmation on or before 2/1/2022. PFIs are required to obtain pre-funding certification no later than three (3) Business Days prior to the delivery commitment expiration date. Failure to obtain pre-funding certification will result in a need to extend the applicable delivery commitment.

Post-funding certification applies to MPF Xtra loans that **have** received funding confirmation on or before 2/1/2022. PFIs are required to obtain initial certification no later than 7 calendar days after funding. Loans that are not certified by the certification due date are subject to uncertified loan fees until certification is obtained.

Please reference MPF published material for more information related to pre-funding certification for MPF Xtra loans.

2. Will my delivery commitment expiration date be automatically extended if I do not obtain Pre-Funding Certification for MPF Xtra within the required timeframe?

Delivery Commitment expiration dates will not automatically be extended. PFIs are responsible for monitoring the status of their Loan Certification against Delivery Commitment expiration, and will be responsible for extending Delivery Commitments as necessary. Pre-funding certification custody reports are available through eMPF to help track certification status.

3. How can I extend my Delivery Commitment?

Delivery Commitments may be extended by logging into eMPF, navigating to Delivery Commitment under the Transactions tab. Once there, enter the Delivery Commitment number and select Extend and complete the extension details. Delivery Commitments may also be extended by calling the MPF Service Center at (877) 345-2673.

4. Who can I contact if I have questions about my Delivery Commitments?

For questions regarding Delivery Commitments, please call the MPF Service Center

at (877) 345-2673 or by sending an email to MPF-Help@fhlbc.com.

5. For MPF Xtra loans subject to Pre-Funding Certification, when can I expect funding proceeds?

A loan is eligible for delivery to FNMA when the Program Custodian has completed the initial certification review with no exceptions. Funding confirmation can be expected two (2) Business Days following Document Certification, provided that no data discrepancies are identified by Fannie Mae in the final stage of loan funding. Document certification status updates will be available on eMPF in the new pre-funding certification document custody reports.

6. How can I monitor the status of MPF Xtra loans subject to Pre-Funding Certification?

In order to help track the progress of loan certification, three reports will be available to the PFIs in eMPF. The reports should be reviewed daily to ensure that you are aware of each loan's certification status. Please note that the certification and exception data on the reports is as of the previous Business Day.

- Pre Cert Files Not Received – This report will show loans that have had a funding request submitted, but documents have not yet been received by the Program Custodian. The report will outline the date required to obtain certification and number of calendar days left based on the expiration of the Delivery Commitment.
- Pre Cert Completed – This report will show loans that have completed the certification process. The report will outline the number of calendar days between funding request and loan certification.
- Pre Cert Document Exceptions – This report will show loans that have been submitted for certification, but are pending exceptions. The report will outline the date required to obtain certification and number of calendar days left based on the expiration of the Delivery Commitment.

7. Are MPF Xtra Loans delivered after 2/1/2022 subject to Uncertified Loan Fees?

No, MPF Xtra Loans delivered after 2/1/2022 are not subject to Uncertified Loan Fees. The PFI is responsible for delivery commitment extension or par off fees as applicable.

Exception Issues

1. What is an Exception?

An Exception is any error related to a document that is required to be included in a Collateral File, which prevents a Collateral File from meeting the requirements for certification. Daily reports are generated that list any Exceptions cited for each Collateral File. To help you understand the reports, the Custodian Document Code definitions are found on [Exhibit H](#) and Exception Code definitions are found on [Exhibit I](#).

2. What are the most common Exceptions?

- Address discrepancies between the Note and information submitted to MPF. PFI's should ensure the address information is correct and consistent throughout all documentation. Incorrect chain of assignments. The assignment chain should end with the PFI to blank.
- Mortgagor names(s) does not agree with the Assignment. To avoid exceptions for co-owner vs. co-borrowers, please include the first page of the Security Instrument in the Collateral File.
- Missing final certification documents. PFI's should utilize [Exhibit L](#).
- Borrower name or address of the mortgage property, does not match the Note on an allonge and Assignment.
- The Note is missing a required endorsement.
- Legal description of the property is missing.

3. How do I correct an Exception?

You must work with the MPF Custody Department to cure any document or data errors in order to correct the Exception.

4. How long does it take to process an Exception correction?

The normal turn-around-time for the processing of an Exception correction is 1 (one) Business Day.

5. Does my institution incur a fee when an exception is cited on a document?

Yes, the fee for the initial citation of an exception is \$3.50. Loans that are not subject to pre-funding certification are charged \$1.00 for every day past the

certification due date until certification is obtained.

Changing Document Information

1. How do I correct the terms of the loan on the Note?

In order to correct the financial information on the Note, you must complete a Request for Release of Documents ([Form SG340](#)) and submit the form to the Custodian by e-mailing the completed MPFReleaseTeam@computershare.com. Once the Custodian receives the form and the request is approved, the entire Collateral File will be forwarded to you. Upon receipt of the Collateral File, you must correct the Note and have the change initialed by the Borrower. The entire Collateral File must then be sent back to the Custodian who, in turn, will recertify the Mortgage Loan.

2. How do I replace a document in the Collateral File?

In order to correct or replace a document in the Collateral File, you must complete a Request for Release of Documents ([Form SG340](#)) submit the form to the Custodian by e-mailing the completed Form SG340 to MPFReleaseTeam@computershare.com. Once the Custodian receives the form and the request is approved, the entire Collateral File will be forwarded to you. Upon the receipt of the Collateral File, you must either correct the necessary document or insert the replacement document into the Collateral File and take out the document that you are replacing. The entire Collateral File must be returned to the Custodian who, in turn, will recertify the Mortgage Loan.

3. Can the Custodian remove a document from a collateral file?

No, in order to remove any documents from the Collateral File, your institution must complete a Request for Release of Documents ([Form SG340](#)).

Custody Reports

1. What are the Custody reports that that are available to PFIs?

MPF Xtra loans after 2/1/2022:

- Pre Cert Files Not Received – This report will show loans that have had a funding request submitted, but documents have not yet been received by the Program Custodian. The report will outline the date required to obtain certification and number of calendar days left based on the expiration of the Delivery Commitment.
- Pre Cert Completed – This report will show loans that have completed the certification process. The report will outline the number of calendar days between funding request and loan certification.
- Pre Cert Document Exceptions – This report will show loans that have been submitted for certification, but are pending exceptions. The report will outline the date required to obtain certification and number of calendar days left based on the expiration of the Delivery Commitment.

MPF Xtra loans Funded on or before 2/1/2022 and MPF Traditional Loans:

- Initial Document Exception report - specifies the Mortgage Loans for which Collateral Files have been reviewed but not certified due to Exceptions found in the documents.
- Final Document Exception report – specifies the Mortgage Loans for which the final package for government loans has been received but not certified due to Exceptions found in the documents.
- Loans Funded File not Reviewed-Initial – specifies the Mortgage Loans that have been funded but the Custodian has not received the Collateral File.
- Loans Funded File not Reviewed-Final – specifies the Mortgage Loans for which none of the final documents (Mortgage Insurance Certificate, Loan Guaranty Certificate, Indian Loan Guaranty Certificate, RHS Loan Note Guaranty) have been received by the Custodian.
- Certified Loans Report – specifies the Mortgage Loans that have obtained initial and/or final certification on the previous business day.

2. How do I access the Custody reports?

Custody reports are accessed on the eMPF® website via the Reports tab. Once under the Reports tab, choose the Custody option to view the reports. Custody reports are typically updated by 12:00 p.m. CST every Business Day, and each report is available in both PDF and CSV file formats.

3. What if I don't have access to the eMPF website?

Individuals who previously had access but have forgotten their password or the password has since expired may proceed to the eMPF login screen for the transaction site, click on "Forgotten Password" and follow the instructions to obtain a new password. Individuals who have not previously had access must complete a Delegation of Authority - Supplemental Form and submit it to their MPF Bank. Please contact your MPF Bank representative for the Delegation of Authority – Supplemental Form.

Custody Invoices

1. What are the Custody invoices that are available to PFIs?

There are two different Custody invoices:

- Uncertified Loan Fee (ULF) Invoice – specifies the fee charged to the PFI for each calendar day that a Mortgage Loan exceeds its Initial and/or Final Certification due date(s). NOTE: MPF Xtra Loans delivered on or after 2/1/2022 are not subject to Uncertified Loan Fees. The preliminary ULF invoice shows the amount that will be debited from the PFI's DDA on the 18th calendar day of the month or on the preceding

Business Day if the 18th is not a Business Day. A final ULF report is available on the day funds are actually debited from the PFI's DDA.

- Exception Correction Fee (ECF) Invoice – specifies the fees charged to the PFI for every Exception cited by the MPF Program Custodian during the Initial Certification process, the Final Certification process, or the recertification process. The preliminary ECF invoice shows the amount that will be debited from the PFI's DDA on the 18th calendar day of the month or on the preceding Business Day if the 18th is not a Business Day. A final ECF report is available on the day funds are actually debited from the PFI's DDA.

2. How do I access the Custody invoices?

Custody invoices are available on the eMPF website under the Reports tab. Under the Reports tab, choose the Custody option and input your PFI number in the box provided in order to view the Custody invoices. Preliminary invoices are available no later than the first Business Day of each month, and final Custody invoices are available on the 18th calendar day of each month or on the preceding Business Day if the 18th is not a Business Day.

3. What if I don't have access to the eMPF website?

Individuals who previously had access but have forgotten their password or the password has since expired may proceed to the eMPF login screen for the transaction site, click on "Forgotten Password" and follow the instructions to obtain a new password. Individuals who have not previously had access must complete a Delegation of Authority - Supplemental form and submit it to their MPF Bank. Please contact your MPF Bank representative for the Delegation of Authority – Supplemental Form.

4. How can I obtain a copy of an old invoice?

To obtain a copy of an old invoice, please email the MPF Custody Department at MPF_Custody@fhlbc.com.

5. How are the Custody fees collected?

Custody fees are automatically debited from the Demand Deposit Account (DDA) established at your MPF Bank on the 18th calendar day of each month or on the preceding Business Day if the 18th is not a Business Day.

6. Am I penalized for Collateral Files or final document packages that are at the MPF Program Custodian but have not yet been reviewed?

No. The MPF Program Custodian and MPF Custody Department keep a daily list of Collateral Files and final document packages that are at the MPF Program Custodian but have not yet been reviewed. An Uncertified Loan Fee credit is given to affected Master Commitments based on the number of files that have been received but not yet reviewed. Credits can be found under the category of "Backlog" on the ULF Reports.

7. Who do I contact if I have questions regarding my monthly custody invoices?

Custody invoice questions should be emailed to the MPF Custody Department at MPF_Custody@fhbc.com.

Return of Collateral Documents

1. When must I request the return of the Collateral?

A [SG340](#) must be submitted to the Custodian within 3-5 days of any loan payoff or liquidation.

2. How do I request the Collateral File be returned?

The [SG340](#) must be completed and signed by an individual who has authority as stated on the Delegation of Authority Supplemental Form currently on file and submitted to the Custodian. If you are unsure of who in your institution has the authority, please contact MPF_Custody@fhbc.com.