

Instruction Page

Purpose

PFIs delivering MPF Government MBS loans may use this exhibit to find responses to their MPF Custody questions in accordance with MPF Government MBS Selling Guide Chapter 8.

Use

- **When:** The PFI may use this exhibit when completing the MPF custody process for MPF Government MBS loans.
- **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 PFIs who have questions about the MPF custody process.

Assistance

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 Government MBS Selling Guide Chapter 8.
- PFIs with Custody questions for MPF Traditional and MPF Xtra mortgage loans, should refer to MPF Traditional Selling Guide Chapter 15, MPF Xtra Selling Guide Chapter 15, and Exhibit J: MPF Custody FAQs for additional information

MPF® Custody Frequently Asked Questions and Answers

The following is a list of frequently asked questions and issues pertaining document custody with the MPF Government MBS Custodian.

Contact Information

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

Deutsche Bank National Trust Company
1761 E Saint Andrews Pl
Santa Ana, CA 92705
Telephone: 714-247-6000
Email: santaana.custodyrequests@db.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.

PFIs must deliver the related custody docs to the Custodian using the address below and fill-in in the corresponding department name:

Deutsche Bank National Trust Company
Attn: _____
1761 E Saint Andrews Pl
Santa Ana, CA 92705

Below is a list of the department names based on the document type being delivered:

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Document Purpose:	Department Name:
Review	FHLBC Review
Reinstates (30day SLA)	FHLBC Reinstatements
Reinstates (24-48hr SLA)	FHLBC Rush Reinstatements
Note Swaps	FHLBC Note Swaps
Exceptions	FHLBC Exceptions
Trailing Docs	FHLBC Trailing Docs
Data Entry	FHLBC Correspondent
Release Forms	FHLBC ROS

2. What information needs to be on the collateral file 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.

4. What should be included with my loan documents that I am delivering to the Custodian?

PFI's must use Exhibit G-M: MPF Government MBS Manifest Template, to create a manifest list of the mortgage loan documents that are being delivered to the Custodian. The PFI must include the completed manifest list in every shipment envelope that is delivered to the MPF Government MBS Custodian.

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-M and Exception Code definitions are found on Exhibit I-M.

2. What are the most common Exceptions?

- Address discrepancies between the Note and information submitted to MPF. PFI's should

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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-M](#)) and submit the form to the Custodian by e-mailing the completed form to santaana.custodyrequests@db.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-M](#)) submit the form to the Custodian by e-mailing the completed form to santaana.custodyrequests@db.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-M](#)).

Custody Reports

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

- 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). 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

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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 Government MBS Custodian but have not yet been reviewed?

No. The MPF Government MBS Custodian and MPF Custody Department keep a daily list of Collateral Files and final document packages that are at the MPF Government MBS 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@fhlbc.com.

Return of Collateral Documents

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

A [Form SG340-M](#) 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?

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The [Form SG340-M](#) 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@fhlbc.com.

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