

Instructions Page

Purpose

Servicers of MPF Traditional, MPF Xtra, and MPF Government MBS loans must use this form to notify the MPF Provider when a property insurance loss has occurred in accordance with MPF Traditional Servicing Guide Chapter 4, MPF Xtra Servicing Guide Chapter 4, and MPF Government MBS Servicing Guide Chapter 4.

Preparation

- **When** – The Servicer must submit this form for the following scenarios:
 - If the Insurance Proceeds are greater than \$40,000,
 - If the Mortgage Loan is 31 or more Days Delinquent, or
 - If the Mortgaged Property is located in an area affected by a Major Disaster.
- **Who** - This form must be completed by an employee of the Servicer who has responsibilities that would cause such individual to be knowledgeable of the facts and processes needed to complete this form and has authority to certify to the truthfulness and accuracy of the information on this form.
- **How** – The form may be completed electronically.
- **Attachments** – The completed form must be accompanied with the following documentation that supports the Servicer’s recommendation:
 - **For all Property Losses that require submission of an SG342, Servicers must include:**
 - Insurance Adjustor’s Report, and
 - Copy of the Settlement Check (Front and Back)
 - **Additional information required for Property Losses with Insurance Proceeds greater than \$40,000:**
 - Contract for repairs, and
 - Inspection showing completion of the repairs to date (pictures and an attestation of completion of the work from the PFI or the contractor on the PFIs letterhead).

Submission

- **When** – The Servicer must submit the completed form and supporting documentation within five (5) Business Days of the Servicer’s discovery of damage occurring to the Mortgaged Property.
- **How** – The completed form must be emailed to MPFServicing@fhbc.com.
- **To Whom** – The completed form must be submitted to the MPF Provider.

The Servicer should retain a copy of the completed form for their own records.

Assistance

Property Insurance Loss Draft Notification (Form SG342)



Please email the MPF Provider at MPFServicing@fhlbc.com for any questions or assistance needed in completing the form.

Helpful Hints

- Decisions regarding the amount and timing of disbursements must be made based on the status of the Mortgage Loan at the time of the loss event in accordance with MPF Traditional Servicing Guide Chapter 4, MPF Xtra Servicing Guide Chapter 4, and MPF Government MBS Servicing Guide Chapter 4.
- When the property damage exceeds \$40,000, the MPF Provider's written approval is required prior to disbursing Insurance Proceeds.
- If property was damaged as a result of natural disaster, the Servicer must comply with the requirements in MPF Traditional Servicing Guide Chapters 4 and 8, MPF Xtra Servicing Guide Chapters 4 and 8, and MPF Government MBS Servicing Guide Chapters 4 and 8.

PFI/Servicer Information

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Property Insurance Loss Draft Notification (Form SG342)



PFI Number: _____ Servicer Name: _____

Loan Information

MPF Loan Number: _____ Borrower Name: _____

Property Address: _____

Unpaid Principal Balance: _____ Next Payment Due: _____

Occupancy: Occupied Vacant/Abandoned

Product Information

Choose one product per form:

Product: MPF Traditional MPF Xtra MPF Government MBS

Property Insurance Loss Information

Insurance Company: _____ Policy Number: _____

Amount of Draft: \$ _____

Describe cause and nature of damage: _____

Servicer's recommendation, including the distribution amount:

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 Submitted: _____

DO NOT COMPLETE – MPF Provider USE ONLY

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Prior approval is only required when the property insurance loss exceeds thresholds listed in Chapter 4 of Servicing Guide.

Approved Denied Date: _____

Comments: _____

Name: _____ Title: _____

Signature: _____

Contact Information (Phone/Email): _____