Instructions Page for Servicers

Purpose

Servicers of MPF Traditional Mortgage Loans must use this form in order to implement a trial period for a Temporary Loan Payment Modification in accordance with MPF Traditional Servicing Guide Chapter 8.

Preparation

- **When** – The Servicer must complete (but not sign) this form prior to implementing a trial period for a Temporary Loan Payment Modification.
- **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 Servicer must use their own letterhead or blank letterhead for the Loan Workout Plan. The Servicer must complete (but not sign) the form and submit it to the MPF Provider for review prior to sending to the Borrower for signature. The form must be prepared for execution by all Borrowers on the Mortgage Loan, ensuring sufficient signature blocks are added for each Borrower.
- **Attachments** – The completed form must be accompanied by a completed Temporary Loan Payment Modification Agreement (Form SG401).

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

Submission

- **When** - The Servicer must submit the completed (but not signed) form to the MPF Provider prior to presenting the document to the Borrower(s) and prior to implementing a trial period for a Temporary Loan Payment Modification.
  - **How** – The Servicer must upload the form via eMAQCS® Plus at [https://eMAQCS.covius.com](https://eMAQCS.covius.com).
  - **To Whom** – The Servicer must submit the form to the MPF Provider.

Assistance

Please email the MPF Provider at [MPFdefaultservicing@fhlbc.com](mailto:MPFdefaultservicing@fhlbc.com) for any questions or assistance needed in completing or submitting the form.

Helpful Hints

- The Servicer must use their own letterhead or blank letterhead for the Temporary Loan Payment Modification Agreement.
- See MPF Traditional Servicing Guide Chapter 9 for instructions on sending this form to the Borrower.
- Once the Borrower signs and returns the originals of the Loan Workout Plan (Form SG400) and the Temporary Loan Payment Modification Agreement (Form SG401), the Servicer must sign the originals of the Loan Workout Plan (Form SG400), returning one original to the Borrower and retaining the other original in the Mortgage Loan File.

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Revision Date 04/30/20
Form SG400
If I am in compliance with this Loan Workout Plan (the “Plan”) and my representations in Section 1 continue to be true in all material respects, then the Lender will provide me with a Temporary Loan Payment Modification Agreement (“Modification Agreement”), as set forth in Section 3, that would amend and supplement (1) the Mortgage on the Property, and (2) the Note secured by the Mortgage. The Mortgage and Note together, as they may previously have been amended, are referred to as the “Loan Documents.” Capitalized terms used and not defined in this Plan have the meaning given to them in the Loan Documents.

I have provided (1) confirmation of the reasons I cannot afford my mortgage payment and (2) documents to permit verification of all of my income (except that I understand that I am not required to disclose any child support or alimony unless I wish to have such income considered) to determine whether I qualify for the offer described in this Plan (the “Offer”). I understand that after I sign and return two copies of this Plan to the Lender, the Lender will send me a signed copy of this Plan. This Plan will not take effect unless and until both I and the Lender sign it and Lender provides me with a copy of this Plan with the Lender’s signature.

1. The Loan Workout Plan. On or before each of the following due dates, I will pay the Lender the amount set forth below (“Trial Period Payment”), which includes payment for Escrow Items, including real estate taxes, insurance premiums and other fees, if any:

<table>
<thead>
<tr>
<th>Trial Period Payment #</th>
<th>Trial Period Payment</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

I understand and acknowledge that during the period commencing on the date of this Plan and ending on the earlier of: (i) the first day of the month following the month in which the last Trial Period Payment is due (the “Trial Period”) or (ii) termination of this Plan:

A. TIME IS OF THE ESSENCE under this Plan. This means I must make all payments on or before the dates that they are due;

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1 If there is more than one Borrower or Mortgagor executing this document, each is referred to as “I”. For purposes of this document words signifying the singular (such as “I”) shall include the plural (such as “we”) and vice versa where appropriate.
B. Provided I continue to meet the obligations under the Plan, foreclosure proceedings will be suspended or dismissed. Where permitted by law, any pending foreclosure action will not be dismissed and may be immediately resumed from the point at which it was suspended if this Plan terminates, and no new notice of default, notice of intent to accelerate, notice of acceleration, or similar notice will be necessary to continue the foreclosure action. All rights to such notices are being hereby waived by me to the extent permitted by applicable law;

C. The Lender will hold the payments received during the Trial Period in a non-interest bearing account until completion of the Trial Period. The Lender will apply these payments in accordance with Section 3 of this Plan if I complete the requirements of this Plan;

D. When the Lender accepts and holds a payment during the Trial Period it will be without prejudice to, and will not be deemed a waiver of, the acceleration of the loan or foreclosure action and related activities and shall not constitute a cure of my default under the Loan Documents unless such payments are sufficient to completely cure my entire default under the Loan Documents;

E. If prior to the end of the Trial Period, (i) the Lender does not provide me a fully executed copy of this Plan and the Modification Agreement; (ii) I have not made the Trial Period payments required under Section 1 of this Plan; (iii) the Lender determines that any of my representations in Section 2 were not true and correct as of the date I signed this Plan or are no longer true and correct at any time during the Trial Period, or (iv) I have not provided all information and documentation required by the Lender, or (v) I fail to meet any requirements required for modification, the Loan Documents will not be modified and this Plan will terminate. In this event, the Lender will have all of the rights and remedies provided by the Loan Documents, and any payment I make under this Plan shall be applied to amounts I owe under the Loan Documents and shall not be refunded to me; and

F. The Plan is not a modification of the Loan Documents.

G. If, under the Lender's procedures, a title endorsement(s) and/or subordination agreement(s) are required to ensure that modified Loan Documents retain first lien position and are fully enforceable, I understand and agree that the Lender will not be obligated or bound to make any modification of the Loan Documents or to execute the Plan if the Lender has not received an acceptable title endorsement(s) and/or subordination agreement(s) from other lien holders, as Lender determines necessary.

2. My Representations and Covenants. I certify, represent to Lender, covenant and agree as follows:

A. I am unable to afford my mortgage payments for the reasons indicated in my Hardship Certification and as a result, (i) I am either in default or believe I will be in default under the Loan Documents in the near future, and (ii) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future;

B. One of the borrowers signing this Plan lives in the Property as a principal residence, and the Property has not been condemned;

C. There has been no impermissible change in the ownership of the Property since I signed the Loan Documents\(^2\);

\(^2\) A permissible transfer of the Property is any transfer that the Lender is required to allow, such as transfer covered by the Garn St. Germain Act, 12 U.S.C. Section 1701j-3, and including transfers (i) to a relative as a result of the borrower's death, (ii) to the borrower's spouse or child(ren), as long as the transferee will occupy the property, (iii) by devise, descent, or operation of law on the death of a joint tenant or tenant by the entirety, (iv) to a spouse under a divorce decree or legal separation agreement or from an incidental property settlement agreement, as long as the transferee will occupy the property, and (v) into an inter vivos trust, as long as the borrower is and will remain a beneficiary and occupant of the Property.
D. I have provided to Lender documentation for all income that I receive (and I understand that I am not required to disclose any child support or alimony that I receive, unless I chose to rely on such income when requesting to qualify for the Offer);  
E. Under penalty of perjury, all documents and information I have provided to Lender pursuant to this Plan, including the documents and information regarding my eligibility for the Plan, are true and correct; and  
F. If Lender requires me to obtain credit counseling in connection with the Plan, I will do so.  

3. The Temporary Loan Payment Modification. I understand that the Lender has determined the final amounts of unpaid interest and any other delinquent amounts (except late charges) to be added to my loan balance, after deducting from my loan balance any remaining money held at the end of the Trial Period under Section 1.D. above and the new payment amount. If (1) I comply with the requirements in Section 1; (2) my representations in Section 2 were and continue to be true in all material respects; (3) I provided Lender with all required information and documentation; and (4) the Lender determines that I qualify, the Lender will send me the Modification Agreement signed by the Lender which will contain the terms and conditions of the modification, including new payment amounts for an additional thirty-three (33) month period (thirty-six months cumulative in which the three payments applied under this Plan shall be applied in accordance with the terms of the Modification Agreement)  

Upon execution of the Modification Agreement by the Lender, this Plan shall terminate and the Loan Documents, as modified by the Modification Agreement, shall govern the terms between the Lender and me for the remaining term of the loan.  

4. Additional Agreements. I agree to the following:  

A. That all persons who signed the Loan Documents or their authorized representative(s) have signed this Plan, unless (i) a borrower or co-borrower is deceased; (ii) the borrower and co-borrower are divorced and the Property has been transferred to one spouse in the divorce decree, the spouse who no longer has an interest in the Property need not sign this Plan (although the non-signing spouse may continue to be held liable for the obligation under the Loan Documents); or (iii) the Lender has waived this requirement in writing.  
B. That this Agreement shall supersede the terms of any modification, forbearance, Loan Workout Plan, or other loss mitigation option that I previously entered into with Lender.  
C. To comply, except to the extent that they are modified by this Plan, with all covenants, agreements, and requirements of Loan Documents, including my agreement to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments, the amount of which may change periodically over the term of my loan.  
D. That this Plan constitutes notice that the Lender’s waiver as to payment of escrow items, if any, has been revoked. I have been advised of the amount needed to fund my escrow account and I agree to the establishment of an escrow account.  
E. That the Loan Documents are composed of duly valid, binding agreements, enforceable in accordance with their terms and are hereby reaffirmed.  
F. That all terms and provisions of the Loan Documents remain in full force and effect; nothing in this Plan shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Loan Documents.  
G. That I will execute such other and further documents as may be reasonably necessary to either (i) consummate the terms and conditions of this Plan; or (ii) correct the terms and conditions of this Plan if an error is discovered.
H. That the Lender will only allow the transfer and assumption of the loan, including this Plan, to a transferee of my property in the case of my death, divorce or marriage to the same extent as permitted under the Garn St. Germain Act, 12 U.S.C. Section 1701j-3. This loan, including this Plan, may not, under any other circumstances, be assigned to, or assumed by, a buyer or transferee of the Property.

I. That, as of the Trial Period, if any provision in the Note or in any addendum or amendment to the Note allowed for the assessment of a penalty for full or partial prepayment of the Note, such provision is null and void.

J. That I will execute such other documents as may be reasonably necessary to either (i) consummate the terms and conditions of this Plan; or (ii) correct the terms and conditions of this Plan if an error is detected after execution of this Plan. I understand that a corrected Plan will be provided to me for my signature and this Plan will be void and of no legal effect upon notice of such error. If I elect not to sign any such corrected Plan, the terms of the original Loan Documents shall continue in full force and effect, such terms will not be modified by a Temporary Loan Payment Modification Agreement, and I will not be eligible for a modification under the Temporary Loan Payment Modification Plan.

K. Mortgage Electronic Registration Systems, Inc. (“MERS”) is a separate corporation organized and existing under the laws of Delaware and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, (888) 679-MERS. In cases where the loan has been registered with MERS who has only legal title to the interests granted by the borrower in the mortgage and who is acting solely as nominee for Lender and Lender’s successors and assigns, MERS has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling the mortgage loan.

L. That if any document related to the Loan Documents and/or this Plan is lost, misplaced, misstated, inaccurately reflects the true and correct terms and conditions of the Loan, or is otherwise missing, I will comply with the Lender's request to execute, acknowledge, initial and deliver to the Lender any documentation the Lender deems necessary. If the Note is replaced, the Lender hereby indemnifies me against any loss associated with a demand on the Note. All documents the Lender requests of me under this Section 4.M. shall be referred to as "Documents." I agree to deliver the Documents within ten (10) days after I receive the Lender’s written request for such replacement.

In Witness Whereof, the Lender and I have executed this Plan.

Lender (Seal)  Borrower Signature

By: (Seal)  Date

Name  Co-Borrower Signature

Title  Date

Date

LOAN WORKOUT PLAN  Revision Date 10/27/17