Federal Home Loan Bank of Indianapolis
Mortgage Purchase Program
Servicer Accounting Monthly Process (Scheduled/Scheduled)

The following outlines the monthly process flow of communication between the MPP servicer and the master servicer, Bank of New York Mellon (BNYM) for the Scheduled/Scheduled reporting of FHLBI's Mortgage Purchase Program.

1st Business Day – Processing Cycle Begins

MPP servicers begin sending reports with a month-end cutoff to BNYM. The format of this report is available at www.fhlbi.com or contact your MPP Representative. *The servicer accounting specialists at BNYM process these reports.*

2nd Business Day – New Loan Setup Process

BNYM moves all new loans added to MPP from the previous month into the active system.

5th Business Day – Servicer Report Due Date

MPP servicers are required to have the necessary monthly reports to BNYM by this day.

1st Business Day through the Cycle Close – Preclose Process

Throughout the processing cycle, BNYM can run a preclose on MPP servicers. This preclose process allows for the review of loan level and servicer level information as it would appear if BNYM actually closed that servicer for the given cycle. This preclose process allows the servicer accounting specialists to catch potential problems and make necessary changes prior to closing the cycle. Additional precloses can be run until the actual close date.

13th Day of the Month – Scheduled/Scheduled Portfolio Close

BNYM closes the monthly processing cycle. Once the cycle is closed, no further changes can be made for that servicer-cycle combination.

14th Day of the Month – System Update

Assuming the processing cycle was closed on the 13th, BNYM's system will be updated to reflect all new loan level and servicer level information by the morning of the 14th.

14th Day of the Month – NAW and Cash Transaction Reports Available

Assuming the processing cycle closes on the 13th, BNYM's system will generate a notice of automatic withdraw (NAW) report summarizing the amount expected to be remitted by the servicer. The cash transaction report is also available, which provides loan level support for the NAW. NAW information is provided to the MPP servicers and to FHLBI—**this is the amount that will be due on the 18th of the month.**

18th Day of the Month – Required Payments are Due to FHLBI

On the 18th of the month, the amount specified on the NAW report is transferred out of the participating seller's CMS account at FHLBI.

Federal Home Loan Bank of Indianapolis
Mortgage Purchase Program
P&I Cash Reconciliation

This reconciliation is used to insure that the P&I custodial account is fully funded and that there is not a cash shortage or overage.

As of month end close of business date _____

	P&I custodial account (DDA) balance		_____
+	**Deposits in transit**		_____
=	**Adjusted P&I custodial account balance**	**Total A**	$0.00

The P&I custodial account should have the following funds:

+	**All prepaid principal and interest (less servicing fees)**	_____
+	**Principal only payments/curtailments that were collected this month**	_____
+	**Payoff principal and interest collected (less servicing fees)**[1]	_____
-	**All delinquent principal and interest (less servicing fees)**[2]	_____
=	**Total B**	$0.00

Total A and Total B above should agree. Differences must be researched and resolved.

---

[1] Payoff principle may have to be adjusted if the loan was not paid to the current month when it paid off.
[2] Enter zero if delinquent P&I is advanced by the servicing system.

Federal Home Loan Bank of Indianapolis
Mortgage Purchase Program
Scheduled Balance Reconciliation

This reconciliation is intended to insure that the "Actual" loan balance and the "Scheduled" loan balance are in agreement. This reconciliation can be performed on a loan by loan basis or on the total portfolio.

As of month end close of business date _____

	Actual Loan Balances		_____
+	**Prepaid Principal**[1]		_____
-	**Delinquent Principal**[2]		_____
-	**Scheduled Principal Payment**[3]		_____
+	**Scheduled Principal Payment on Payoffs**[4]		_____
=	**Calculated Scheduled Balance**	**Total**	$0.00 _____
-	**Reported Scheduled Balance**		_____
=	**Difference**	**Total**	$0.00

[1] Principal portion of payment paid in advance.
[2] Principal portion of payments remitted to FHLBI, but not received from borrower.
[3] Principal portion of the scheduled payment calculated on the current report.
[4] The scheduled principal payment that would be due if the loan had not paid off.