



Advantage MPP

INFORMATIONAL BULLETIN

MPP BULLETIN 01-22

July 18, 2022

EQUIFAX® INC. CODING ISSUE§

*Please contact our
MPP Department at
1-800-274-4636 with questions
concerning MPP Guide changes.*

EQUIFAX® INC. CODING ISSUE§

This Bulletin is effective immediately and applies to all loans impacted by the Equifax coding issue.

As you may likely know, Equifax encountered coding issues that resulted in a potential miscalculation of certain attributes used in model calculations. Per Equifax, the coding issue has since been resolved but the issue likely impacted about 12% of credit scores generated by Equifax from March 17 to April 6, 2022.

Loans already sold to FHLBank Indianapolis

FHLBank Indianapolis understands that the Equifax coding error was outside the control of underwriters and sellers. Consequently, Sellers will not be required to correct and resubmit underwriting packages to FHLBank Indianapolis. Additionally, FHLBank Indianapolis will exempt the Equifax coding error scores as QA violations.

Loans not yet sold to FHLBank Indianapolis

For loans with credit reports within the impacted date range of March 17 through April 6, the Sellers must obtain an updated report from Equifax and incorporate the updated score in the calculation for acceptable delivery. (Middle score, or lower score if only two obtained, should be used for determination of loan qualification).

- For loans not yet closed, Sellers must use the updated scores to obtain a new AUS approval. If manually underwritten, the updated scores should be used for loan underwriting and delivery.
- For loans already closed, Sellers must obtain an updated Equifax score to calculate the qualifying credit score for loan delivery.

Regardless of the initial Equifax score, all loans delivered to FHLBank Indianapolis must qualify for sale to Advantage MPP.

FHLBank Indianapolis periodically issues Informational Bulletins to provide program updates and information to approved Mortgage Purchase Program (MPP) sellers, including: MPP Guide revisions and changes; operational guidance or clarifications; and notices/reminders of industry issues that may affect sellers.

The Informational Bulletins are coded so that users can easily identify the issue and year of bulletin publication. For example, "Bulletin 06-20" indicates the sixth Informational Bulletin issued in 2020.

Please retain these bulletins in the back of your MPP Guide for easy reference. Bulletins can also be found posted on the MPP Materials page online at www.fhlbi.com.