



## Advantage MPP

### Guide Update Bulletin

MPP Bulletin 01-25

Effective Feb. 19, 2025

Please contact our MPP Department at 800-274-4636 with questions.

This Bulletin is issued to clarify expectations related to Fair Lending.

Section 1.5 Glossary was amended to include **(changes in red)**:

**Federal Home Loan Bank of Indianapolis (~~FHLBank Indianapolis~~)**

The Federal Home Loan Bank of Indianapolis (FHLBank Indianapolis **or the Bank**), its successors and assigns, whether on its own behalf or acting as agent for any other entity, including, without limitation, any other Federal Home Loan Bank (FHLBank)

**Federal Housing Finance Agency**

The Federal Housing Finance Agency (FHFA or the Finance Agency) is an independent agency established by the Housing and Economic Recovery Act of 2008 (HERA) and is responsible for the effective supervision, regulation and housing mission oversight of the Federal National Mortgage Association (Fannie Mae); the Federal Home Loan Mortgage Corporation (Freddie Mac); and the Federal Home Loan Bank System, which includes the 11 Federal Home Loan Banks (FHLBanks) and the Office of Finance (OF).

The first paragraph of Section 1.3 was adjusted to read as follows:

#### Section 1.3 Standards and Regulatory Compliance

Sellers and Servicers must be in full compliance with all applicable federal, state and local laws, including, without limitation, usury, Truth in Lending (TIL), real estate settlement procedures, predatory lending, consumer credit protection, equal credit opportunity, fair housing, **fair lending**, this Guide, and the appendices thereto, lending disclosure laws applicable to the Mortgage, and all laws and regulations relating to the treatment of non-public personal information, including without limitation the Gramm-Leach Bliley Act, as amended ("GLB Act"). Sellers and Servicers shall further comply with this Guide, and the appendices thereto.

Section 1.3.3 was added to the Advantage MPP Guide as follows:

#### Section 1.3.3 Fair Lending

The Bank is committed to compliance with the Finance Agency Regulation § 1293, in addition to all fair lending requirements prescribed by the Fair Housing Act, Equal Credit Opportunity Act and Regulation B, and all other applicable laws and regulations. The Bank is committed to ensuring that it operates consistently with the public interest and with sufficient overall risk management by providing fair, equitable and nondiscriminatory access to credit and housing. Fair lending is central to the principles under which the U.S. housing finance system operates and is a requirement of law. As such, the Bank strives to comply with both the spirit and the letter

of fair lending laws, as applicable. This commitment extends to ensuring that where required, there is appropriate oversight of third parties with which we do business, to ensure that those third parties engage in proper fair lending compliance management.

It is the policy of the Bank to make all products and programs available without unlawful discrimination against any recipient, including on the basis of:

- Race
- Color
- Religion
- National origin
- Sex (including gender, gender identity and sexual orientation)
- Age (provided the individual is of legal age to have the capacity to contract)
- Marital status
- Familial status
- Disability/Handicap
- Receipt of public assistance
- The fact that an individual has exercised their rights under the Consumer Credit Protection Act

Compliance with this policy statement applies to:

- The Bank
- All Bank employees and directors
- Members of the Bank's Affordable Housing Advocacy Council
- The Bank's vendors and contractors
- The Bank's service providers

All sellers and servicers acknowledge that the Bank is committed to compliance with all fair lending requirements prescribed by the FHFA, Fair Housing Act, Equal Credit Opportunity Act and Regulation B, and all other applicable laws and regulations. A seller or servicer shall not discriminate on a prohibited basis under any federal, state or local fair lending laws or regulations, including, but not limited to, all fair lending requirements prescribed by the Finance Agency, Fair Housing Act, Equal Credit Opportunity Act and Regulation B. The Bank shall in no way be responsible for a seller's or servicer's compliance with such fair lending laws, regulations or requirements. All sellers and servicers represent and warrant that it has complied with and shall comply with all fair lending requirements prescribed by the Finance Agency, Fair Housing Act, Equal Credit Opportunity Act and Regulation B, and all other applicable laws and regulations. The Bank will rely upon the representations and warranties of the sellers and servicers in this regard. The Bank shall have the right to independently monitor or verify a seller's or servicer's compliance with such laws, regulations or requirements. If the Bank learns or determines that a seller or servicer is in violation of any fair lending law, regulation or requirement, the Bank may take whatever action it deems necessary to mitigate the risks or issues discovered, including taking any of the actions, rights and remedies set forth in the Advances, Pledge, and Security Agreement, Master Agreement, the other Program Documents, servicing contract and this Guide, as applicable.

With regard to loans owned by FHLBank Indianapolis, sellers and servicers shall promptly send the Bank written notice of any complaints received related to fair lending, fair housing, and/or unfair or deceptive acts or practices.

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*FHLBank Indianapolis periodically issues Bulletins to provide program updates and information to approved Mortgage Purchase Program (MPP) sellers and servicers, including: MPP Guide revisions and changes; operational guidance or clarifications; and notices/reminders of industry issues that may affect sellers and servicers. The Bulletins are coded so that users can easily identify the issue and year of bulletin publication. For example, "Bulletin 02-24" indicates the second Bulletin issued in 2024.*

*Please retain these bulletins with your MPP Guide for easy reference. Bulletins can also be found posted on the **MPP Guide and Other Resources** page on [www.fhlbi.com](http://www.fhlbi.com).*