



# Advantage Mortgage Purchase Program

## GUIDE UPDATE BULLETIN

### **MPP Bulletin 03-26 (effective 05/29/2026)**

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

This Guide Update Bulletin is issued to update Section 1 of the MPP Guide, enhancing transparency associated with MPP practices related to the review of prepayments, fraud detection practices and possible escalation if fraud is identified.

Section 1. is adjusted in part as follows:

#### Section 1.3.4 FHLBank Indianapolis MPP Fraud Detection and Mitigation Program

FHLBank Indianapolis adheres to processes to minimize exposure to fraud and escalate potential instances of fraud appropriately. In addition to the above, FHLBank Indianapolis requires representations and warranties by the PFIs that ensure loans sold to MPP are not fraudulent. As stated later in the Guide, FHLBank Indianapolis also performs reviews of loans near the time of origination or at the time of an event, such as delinquency. **MPP also conducts reviews of servicer prepayments to ensure they are indeed payoffs in an effort to identify and prevent fraudulent mortgage repurchases.** To the extent any loan reviews, inquiries, or general items are deemed suspicious, MPP escalates the issue to FHLBank Indianapolis' Compliance team for further evaluation. **Any person or entity (including any Seller) found to have engaged in fraud or deceptive practices against FHLBank Indianapolis may be subject to civil or criminal legal action and referral to appropriate law enforcement and/or regulatory authorities, which may result in liability for damages incurred by FHLBank Indianapolis and/or criminal liability. Further, fraud against FHLBank Indianapolis may result in the termination of access to the MPP and membership in FHLBank Indianapolis.**

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*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 and servicers. The Informational Bulletins are coded so that users can easily identify the issue and year of bulletin publication. For example, "Bulletin 02-26" indicates the second Informational Bulletin issued in 2026.*

*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).*