Member Collateral Verification (MCV) Frequently Asked Questions

1. The Required Information list in the MCV Information Packet requests that electronic lists of loans be provided for the review. Does this just pertain to the portfolios that are currently being pledged by the member?

   o Yes. The electronic loan list should balance to the Net Eligible amount for each Borrowing Base Certificate portfolio pledged as collateral. The list should be provided in a CSV Comma Delimited format or an Excel format. The required data fields for the MCV process are outlined in the MCV Information Packet.

   o Electronic loan lists for Listed Collateral that are submitted through e-Advantage on a monthly basis can be retrieved by the FHLB Collateral Specialist. The member does not need to provide the electronic loan lists for Listed Collateral.

   o
   The lists of assets classified as Substandard, Doubtful or Loss; Loans Not Fully Disbursed; List of loans to employees, officers, directors, attorneys or agents of your institution or the Federal Home Loan Bank of Des Moines; or List of loans more than 90 days delinquent (or 30 days for Secured Business Lines of Credit, Agri-Business Lines of Credit, and One-to-four family - Construction) are internal reports and apply to all loan types and not just the loans being pledged as collateral. If these reports are being used to identify deductions on the Borrowing Base Certificate, they will have to be identified further by loan #, name, current unpaid principal balance and class code.

2. Clarify the meaning of "Loans Not Fully Disbursed."

   o Loans Not Fully Disbursed are loans with funds available to disburse. This does not apply to One-to-Four Family Construction loans, HELOC's, Secured Business Lines of Credit, and Secured Agri-business Lines of Credit. The current Unpaid Principal Balance should be used when deducting these loans, and not the funds still available to be disbursed.

3. Does the P & I payment required for the loan list include escrow?

   o No, Principal and Interest Only.

4. What is needed for the Interest Rate Code column?

   o The FHLB Des Moines Collateral Risk Specialist/Analyst needs to know if the Interest Rate Code is Fixed or Variable.

5. In regards to loans to attorneys or agents: are these any attorneys or agents utilized by any of the bank branches or just the main one(s) used by Corporate?

   o This infers to those attorneys who are on staff or on retainer to represent the bank for corporate issues. It does not mean any attorney who may render a title opinion; but if you use one attorney for all opinions, they may be considered your Agent/Attorney.

6. Is Internet Connection required for the FHLB MCV review and who is the contact for Internet Connectivity questions?

   o Yes, the following Internet Connection information is needed:

      1. Type of Connection: Wired or Wireless
      2. Security Information you require
      3. Access to the following ports: 433 HTTPS, 500 UDP, 4172 TCP/UDP, 4500 UDP, 10000 TCP

   o MCV_Collateral@fhlbdm.com can be contacted with Internet Connection questions, but may in turn refer the questions to a member of the Desktop Support staff.

7. What is needed to be set up for FHLB Secure Transfer (ST) Site?

   o Your institution will have an eAdvantage administrator who must set up new Secure Transfer users with a User ID and Password. Once the user has been assigned a User ID and Password, the FHLB Des Moines Collateral Specialist will request that a folder be created for the user. When the folder setup is complete, the FHLB Des Moines Collateral Risk Specialist will e-mail the Secure Transfer Guide and Instructions to the user.

   o If the administrator needs further assistance, the FHLB Des Moines Help Desk can be contacted at 1-800-544-3452 ext. 1029.

8. If a person is a shareholder, do they have to be deducted as an employee, director, or officer?

   o Being a shareholder does not disqualify a borrower's loan. But if the shareholder also happens to be an employee, director or officer; his/her loan would not be eligible.