



MPF Fidelity and Errors & Omissions Insurance

Worksheet (Form OG2) – PFI Applicant

SECTION 1

The completion of the MPF® Fidelity and Errors & Omissions (E&O) Insurance Worksheet (Form OG2) is required as part of the Participating Financial Institution (PFI) Application.

Member Name: _____

Member #: _____

The MPF Program’s fidelity and E&O insurance requirements can be found in the MPF Guides. The MPF Guides can be found at www.fhlbmpf.com (click on 'Online Guides' link on the top right hand corner) or through the member’s AllRegs subscription at www.AllRegs.com.

SECTION 2

1. Base Determination - Compute using definition below:

The Base is defined as the total portfolio of all first-lien 1-4 family and multi-family residential Mortgages serviced by the member for itself and others. This includes mortgages serviced on the member’s behalf by a Subservicer or a designated Affiliate Servicer.

(BASE) Servicing Portfolio \$ _____ As of (MM/DD/YY) _____

A) Does the Base consist of residential 1-4 family properties only? Yes No
If Yes, the minimum limit of E&O Insurance coverage may be capped at \$10 million.

2. Fidelity Insurance Coverage

A) Minimum Required Fidelity Insurance \$ _____ B) Actual Fidelity Insurance \$ _____

3. E&O Insurance Coverage

The E&O insurance policy provides for coverage per: Aggregate Loss Mortgage

If coverage per mortgage, what is the highest unpaid principal balance for residential mortgage that the member or Servicer has in its portfolio? \$ _____

A) Minimum Required E&O Insurance \$ _____ B) Actual E&O Insurance \$ _____

4. Fidelity Deductible

A) Maximum Fidelity Deductible \$ _____ B) Actual Fidelity Deductible \$ _____

5. E&O Deductible

A) Maximum E&O Deductible \$ _____ B) Actual E&O Deductible \$ _____

SECTION 2 (CONTINUED)

6. Reconciliation

All reconciliation answers should be "Yes." If the answer to any of the reconciliation questions is "No," please explain on an attachment the reason the coverage does not comply with the requirements of the MPF Guides.

If the Actual Fidelity Insurance or the Actual E&O Insurance is insufficient, the Maximum Fidelity Deductible and/or Maximum E&O Deductible must be re-calculated using the new Actual Fidelity Insurance or Actual E&O Insurance amount obtained by the member to bring it into compliance with the MPF Program's fidelity and E&O Insurance requirements.

- Is the Fidelity Insurance Sufficient? Yes No
- Is the E&O Insurance Sufficient? Yes No
- Is the Fidelity Deductible Acceptable? Yes No
- Is the E&O Deductible Acceptable? Yes No

SECTION 3

For Questions 1a, 2a, 3a, 3b and 4, if the answer is "No" please explain on an attachment the reason the coverage is not in compliance with the requirements of the MPF Guides.

- | | | |
|---|------------------------------|-----------------------------|
| 1. Is the member covered under its parent's fidelity insurance or E&O Insurance policy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a. If, Yes, I certify that the coverage provided by the parent's policy meets the requirements of the MPF Guides. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. I certify that no officer or director (including its principal owner) of the member has been removed from the fidelity bond coverage. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a. If No, I certify that a direct surety bond has been obtained for such officer or director. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Does the member's E&O Insurance policy place sublimits on the insurer's liability for the different types of losses? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a. If Yes, I certify that the policy provides for full liability on property insurance losses. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. If Yes, I certify that the sublimits of liability equal at least fifteen percent (15%) of the liability that applies for property insurance. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. I certify that our fidelity insurance and E&O insurance policies comply with all requirements of the MPF Guides not specifically addressed in this Form OG2. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

(Optional) It is helpful if the member provides the MPF Bank with the insurance agency's name and contact information in order to obtain clarification and information regarding the member's fidelity and E&O Insurance coverage. Providing this insurance agent information does not relieve the member of its obligation to provide the requested information and documentation to its MPF Bank.

Name _____

Address _____

City _____ State _____

Contact Name _____

Telephone Number _____

I hereby represent and warrant that all information contained in this Form OG2 and all supporting documents is complete and accurate.

I understand that the MPF Bank will be relying upon the information contained in this Form OG2 and all supporting documents and that any misrepresentation or omission may constitute a civil or criminal violation and may be cause for suspension or termination as an Originator or Servicer by the MPF Bank.

A copy of the member's current Fidelity Bond and E&O Insurance certificates or declarations pages stating coverages and deductibles as required under the MPF Guides must accompany this form.

This Form OG2 must be submitted and executed on behalf of the member by an individual authorized to do so pursuant to the requirements of the MPF Guides.

Authorized Officer Signature

Phone

Printed Name and Title

Title

Member Name

Member Number

Date

Authorized Officer E-mail Address

Please direct any questions regarding this worksheet to your MPF Bank representative.