Products & Services Update

September 20, 2018

TO: All Members

SUBJECT: Reminder – Electronic Notes and FHLBank Loan Collateral Requirements

Ensuring that members have readily available access to liquidity is important to FHLBank Pittsburgh. As a reminder and follow-up to our prior communication, please note that for loan collateral to be eligible, FHLBank requires that members:

1. Obtain paper notes with “wet ink” signatures, and
2. Retain the paper notes in original form

Loans that do not meet both requirements are not eligible collateral and must be excluded when submitting your Qualifying Collateral Report (QCR) or loan listings. Your borrowing capacity would also be reduced should such loans be identified during the on-site collateral review process.

Working Toward eNote Collateral Eligibility

FHLBank Pittsburgh has partnered with the other FHLBanks to explore the acceptance of eNotes (mortgages that are electronically created, signed, secured, registered and maintained in an electronic vault). To learn more about eNotes and how they differ from other electronic documents, view this brief video.

We know that electronic signatures and notes are increasingly important considerations for our members. Please contact your Business Development Manager if you have questions about your loan collateral or its eligibility.