



Products & Services Update

August 7, 2019

TO: All Members

SUBJECT: eVault Standards Update and Collateral Reminder

As part of FHLBank Pittsburgh's efforts to expand eligible collateral types to include eNotes (loans with notes that are electronically created, signed and maintained in an electronic vault), we are leveraging the Mortgage Industry Standards Maintenance Organization (MISMO) and working with the FHLBank System and Mortgage Electronic Registration Systems, Inc. (MERS) to set minimum eVault vendor standards.

If your institution is currently researching potential eVault vendors, we recommend that you watch this five-minute [eNotes video](#) to understand our basic expectations regarding eNote management. Once our eNote acceptance standards are established, members and their vendors will be required to meet these standards in order for us to accept your institution's eNotes as collateral.

As a reminder, FHLBank Pittsburgh requires that you do the following for your loan collateral to be eligible:

1. Obtain paper notes with "wet ink" signatures
2. Retain the paper notes in original form
3. Be able to provide the original note to FHLBank Pittsburgh upon request

Loans that do not meet all of these requirements must be excluded when submitting your Qualifying Collateral Report (QCR) or loan listings. Your institution's borrowing capacity will be reduced should such loans be identified during the on-site collateral verification review process.

Electronic signatures and notes are increasingly important considerations for our members, and we will continue to share regular updates with you on our eNotes initiative. Please contact your Business Development Manager if you have questions about your loan collateral, or if your institution would like to work with FHLBank Pittsburgh on the development of eNote acceptance.