QA Plan Instructions

All Members that perform transactions on the MERS® System are required to have a current MERS® System Quality Assurance ("QA") Plan for each active Org ID using this QA Plan template from MERSCORP Holdings, Inc. ("MERSCORP Holdings"). If your organization has developed its own QA Plan, complete this QA Plan template and include your QA Plan as an addendum. We require that your organization keep its most recent MERS® System QA Plan on file with MERSCORP Holdings. We expect your organization to monitor its performance against its current QA Plan, and to review its QA Plan at least annually for accuracy and effectiveness. You must submit an updated QA Plan to MERSCORP Holdings by the due date applicable to your Membership type.

Steps to complete your QA Plan:

- Type in your Member Name, MERS® System Org ID, and check the box next to your MERS® System Membership Type.
- Select checkboxes, as applicable.
- Complete all pages up to where your membership type is instructed to stop:
  - Investor Patron – stop at page 6
  - Lite – stop at page 12
  - General – all pages
  - Servicing Patron – all pages
  - Subservicer – all pages
- Submit your completed QA Plan to MERSCORP Holdings via the email address *compliance@mersinc.org*.
- Submit one QA Plan for each active Org ID.

If we have questions or concerns regarding your QA Plan, we will contact the Quality Assurance Officer and/or Executive Sponsor that your organization has identified on the MERS® System.

If you have additional questions about the 2013 Quality Assurance program, please contact *compliance@mersinc.org* or your *Regional Director*.

MEMBER NAME:	
MERS® System Org ID:	
MEMBERSHIP TYPE: **(Check only one box)**	☐ **Investor Patron: (Complete pages 1 to 6)** ☐ **Lite: (Complete pages 1 to 12)** ☐ **General/Subservicer/Servicing Patron: (Complete pages 1 to 23)**

MERS® SYSTEM PROCESS

QUALITY ASSURANCE PLAN

May 15, 2013

V3.0

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Service of Process QA Standards

Your organization must adhere to the following Service of Process standards:

- Maintain a valid Global Address List (GAL) email address for official MERS® communications, including the receipt of Service of Process to be monitored daily.
- Review and respond to Service of Process documents forwarded by the MERSCORP Holdings Help Desk (Help Desk).
- Notify MERSCORP Holdings within 28 days of receipt of a Rule 14 Service of Process document to acknowledge receipt of the document and either (1) provide contact information for your internal contact and outside counsel if retained or (2) inform MERS of your determination not to contest the foreclosure or answer the lawsuit.

Member Information QA Standard

Your organization must ensure that its Member information on the MERS® System (i.e., Member Profile) is accurate, current and reconciled monthly:

- You may change the information in your Member Profile (*Main Menu > Administration > Member Information*) at any time. MERSCORP Holdings recommends that you designate one person as a contact for these changes, generally your Operational Contact.
- You are responsible for notifying MERSCORP Holdings when there is a change to your corporate name, address, telephone or fax number using the *Company Information Change Request* form.
- You are also responsible for notifying the Help Desk if your email address for document images and official notices needs to be changed (i.e., your **GAL** email address).

Member Information Validations

At a minimum, confirm that the following information in your Member Profile is accurate, current and reconciled monthly:

- Member name (must be legal organization name)

  Note: MERSCORP Holdings is responsible for making corporate name changes on the MERS® System. To submit a name change request to MERSCORP Holdings, complete the *Company Information Change Request* form.
- Member address(es)
- Member phone and fax numbers

- Member URL
- GAL email address

  Note: The GAL email address is not currently displayed in the MERS® System. Contact the *MERSCORP Holdings Help Desk* to change.
- Member contact information (names, addresses, phone numbers, and email addresses), including the following mandatory contacts:
  - Accounts Billing
  - Executive Sponsor
  - Legal
  - Operational
  - Primary Customer Service
  - Primary System Administrator
  - Quality Assurance Officer
  - Technical (required if using a system-to-system interface to the MERS® System)

MERS® System Reports QA Standards

Your organization must check the Reports menu of the MERS® System on a daily basis for any new reports.

Additionally, your organization must have procedures in place that are designed to provide reasonable assurance that all reject and warning reports are researched and cleared and any new or remaining items are tracked.

Reports may include, but are not limited to:

- Registration Verification
- Registration Rejects and Warnings
- Overdue Transfer of Servicing Rights
- Overdue Transfer of Beneficial Rights
- Physical Transfer of Beneficial Rights
- Expired Transfer of Beneficial Rights
- Physical Transfer of Servicing Rights
- Expired Transfer of Servicing Rights
- Transfer of Servicing Rights Rejects
- Transfer of Beneficial Rights Rejects
- Monthly Billing Statement (summary and MIN level)

- MINs for the Same Primary Borrower SSN, Property, and First Lien Daily (RH)
- MINs for the Same Primary Borrower SSN, Property, and First Lien Monthly (RI)
- County Unknown Warning
- MINs without Originating Organization
- Lite Member Aged MIN

Tools such as the Portfolio Analysis Report or Member Reconciliation Extract Reports are available to reconcile registrations, transfers, paid in full MINs, foreclosures and transfers to non-MERS status deactivations, and to validate data integrity.

For a full listing of MERS® System Reports, refer to the *Reports Handbook*.

Reconciling MINs on the RH and RI Reports

The RH (daily) and RI (monthly) reports are mandatory reports that list active and pre-closing MINs with the same current primary borrower SSN, property, and first lien information. Servicers and Subservicers that receive these reports are responsible for reconciling them in accordance with this procedure. The full report names are listed below:

- RH: Registered MINs for the Same Primary Borrower SSN, Property and First Lien – Daily
  This report is generated daily, reports activity from the previous cycle, and is non-cumulative.
- RI: Registered MINs for the Same Primary Borrower, Property, and First Lien – Monthly
  This report is generated on the last Saturday of each month and is cumulative; MINs continue to appear on the RI report until the duplicative information is updated on the appropriate MIN, or the duplicate MIN is deactivated or reversed.

Note: Duplicate MINs do not appear on the reports until five calendar days after a MIN is first identified as a duplicate to provide Members an opportunity to deactivate the previous MIN when a refinance occurs.

The following steps detail the process of reconciling the RI report:

At the end of each month, an email is sent to those Members for which an RI report was generated to alert the Member to review the report.

1. The Servicer or Subservicer of the associated MIN should ensure that two first liens were not originated for the same borrower and property combination.
2. If a loan on the report was refinanced, or there was a duplicate MIN registration, the Servicer or Subservicer deactivates or reverses the appropriate MIN.
3. If a loan on the report incorrectly lists your Org ID as the Servicer or Subservicer, create the appropriate transaction to reflect the transfer of servicing to the correct Member.
4. To obtain contact information for an active Member, refer to the *Member Summary* in the MERS® System (*Main Menu > Administration > Member Information > Member Summary*). Send an email to the *Product Performance Department* to obtain additional contact information for a Member.

5. If a Member is resigned or is out of business, send an email to *RI@mersinc.org* identifying the MIN(s) at issue. Provide the necessary documentation to substantiate your request (typically a copy of the recorded mortgage and/or release).
6. If the Member servicing the associated MIN is unresponsive or if you have additional questions, contact *RI@mersinc.org*.

Servicers and Subservicers should also perform a daily reconciliation of the MINs listed on the RH report. Both the RH and RI reports report all matching MINs.

ATTENTION!

Investor Patron Member Plan Validation

☐ **Investor Patron Member:** By entering your Organization Name and Org ID below, you indicate that you comply with the above sections of the QA Plan and your Plan is now complete.

Enter Organization Name:	
Enter Org ID:	

Validation of Exceptions

- Report exceptions, if applicable, to the responsible party within your organization.
- You must ensure all corrections are complete within 30 calendar days.

Follow-up with responsible party for explanation, root cause and corrective action, if needed.

General/Subservicers/Servicing Patrons and Lite Members: Please continue. You must complete the sections below.

MERS as Original Mortgagee (MOM) Security Instrument QA Standards

If your organization does not originate MOM loans, select this checkbox: ☐

The following QA standards apply to MOM loans:

- You must name Mortgage Electronic Registration Systems, Inc. ("MERS") as mortgagee in accordance with investor guidelines and include the Servicer Identification System (SIS) telephone number (888-679-6377) in the "MERS as Mortgagee" language.
- Place the Mortgage Identification Number (MIN) in a visible location on the first page of the security instrument (e.g. to the right of the form title, but not in the top or right margins), but not in any space reserved for the jurisdiction's recorder per jurisdictional requirements. In all cases, county recorder requirements take precedence over the MERS® System requirements.
- Execute and record the security instrument within state requirements and investor guidelines. In accordance with the Rules of Membership, if the jurisdiction doesn't require recording, the security instrument must still be recorded in the county land records.
- If a loan is registered but does not close, and the Security Instrument is not recorded in the county land records, reverse the registration on the MERS® System within 10 calendar days of discovering the error.
- For originations, the originator must register the loan with a MOM security instrument on the MERS® System within seven calendar days of the Note Date (or Funding Date as applicable for refinance loans or in escrow states).
- If purchased before registration, the buyer must ensure that the loan is registered on the MERS® System within 14 calendar days of the Note Date (or Funding Date for refinance loans or loans in escrow states).

MOM Loan QA Validations

Your organization must self-audit its performance for MOM loans and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- MOM Security Instrument Document Review
- MOM Loan Data Validations for MERS® System

MOM Security Instrument Document Review Validations

- Approved MOM language used.
- Correct MIN and SIS Number placed on documents.
- MIN and SIS Number positioned correctly on required documentation.
- Security Instrument recorded in accordance with state and investor guidelines; however, if the jurisdiction doesn't require recording, the MERS® System Rules of Membership state MERS must be named in the county land records.

If the loan is a co-op, these validations are performed on the UCC-1 instead of the Security Instrument.

MOM Loan Data Validations for MERS® System

- MOM indicator is set to "MOM" in the MERS® System.
- Originating Org ID correctly reflects loan originator.
- The loan is registered on the MERS® System within seven calendar days of Note Date (or Funding Date for refinance loans or loans in escrow states).

Non-MOM QA Standards

If your organization does not originate Non-MOM loans, select this checkbox: ☐

The following QA standards apply to Non-MOM loans:

- Prepare the assignment document naming Mortgage Electronic Registration Systems, Inc. ("MERS") as mortgagee. Ensure the correct placement of the MIN and SIS Number on the assignment, unless that placement does not comply with county recorder requirements. In all cases, county recorder requirements take precedence over the MERS® System requirements.
- For all loans assigned to MERS, ensure MERS is named as Assignee in the county land records in accordance with the MERS® System document standards.
- If a loan is registered but does not close, or is never assigned to MERS, and no document reflecting MERS has ever been recorded in the land records, reverse the registration on the MERS® System within 10 calendar days of discovering the error.
- Register (or convert from iRegistration to Non-MOM) the loan being assigned to MERS on the MERS® System within seven calendar days of the effective transfer date. The effective transfer date is the date defined in the Purchase and Sale Agreement on which the buyer begins servicing the loans on its servicing system or, for loans assigned into MERS by the originator or Purchaser, the assignment date.

Non-MOM Loan Validations

Your organization must self-audit its performance for Non-MOM loans and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- Non-MOM Document Review Validations
- Non-MOM Data Validations

Non-MOM Document Review Validations

- Approved MERS as Mortgagee language used on Assignment to MERS.

- Correct MIN and SIS Number placed on Assignment to MERS.
- MIN and SIS Number positioned correctly on Assignment to MERS.
- For documents signed by MERS, verify that the MERS Signing Officer signature is valid:
  - MERS Signing Officer was authorized to act (at the time of execution) in the name of MERS pursuant to appointment by a MERS Corporate Resolution issued to that Org ID or Vendor ID.
  - MERS Signing Officer is proven to be an officer (at the time of execution) of the Member company to which the MERS Corporate Resolution was issued or, if MERS Signing Officer was with a third-party vendor or law firm, is proven to be an officer (at the time of execution) of the vendor or a licensed attorney in good standing with a state bar.
- Assignment to MERS executed within seven calendar days of Registration Date and recorded.

If the loan is a co-op, these validations are performed on the UCC-3 instead of the Assignment to MERS.

Non-MOM Data Validations for MERS® System

- MOM indicator is set to "Non-MOM" in the MERS® System.
- Loan registered or converted from iRegistration to Non-MOM within seven calendar days of Transfer Date or Assignment Date.

Additional Recordable Documents QA Standards

- For MOM and Non-MOM loans, ensure the correct placement of the MIN and Servicer Identification System (SIS) telephone number (888-679-6377) on the document, unless that placement does not comply with county recorder requirements. In all cases, county recorder requirements take precedence over the MERS® System requirements.
- For iRegistration loans, do not include the MIN, SIS telephone number, MERS address, or other reference to MERS on documents.
- Enter the additional loan information (i.e. Assumption, Modification information for Consolidation, Extension, and Modification Agreement (CEMA) or construction loan, etc.) on the MERS® System within seven calendar days of its effective date, or of the Registration Date if later.

MERS® System Loan Information QA Standards

Note: The current Servicer and Subservicer are responsible for ensuring that all loan information is entered on the MERS® System.

- For MOM loans, you must enter all required loan information on the MERS® System at the time of Registration.
- For non-MOM loans assigned to Mortgage Electronic Registration Systems, Inc. ("MERS"), you must enter all required loan information except Originating Organization on the MERS® System during Registration; you must enter the Originating Organization within 90 calendar days of the effective transfer date or Assignment date:
  - Originating Org ID if originated by MERS® System Member
  - Original Note Holder if originated by non-Member
- For iRegistration loans, you must provide all system-required fields at the time of Registration. Originating Organization is optional for iRegistration loans. Additionally members are not required to report foreclosure activity for iRegistration loans on the MERS® System.

Deactivation QA Standards

The following QA standards apply to Deactivations:

- If a deactivation was performed in error, reverse the deactivation on the MERS® System within 10 calendar days of discovering the error.
- Change MIN status to the deactivation reason on the MERS® System within five calendar days of the event that caused the deactivation.
- For MOM and Non-MOM loans deactivated for any of the following reasons, execute assignments within seven calendar days of the deactivation date and ensure they are recorded: "Transfer to Non-MERS Status," "Default by Servicer," and "Default by Subservicer."

Transfer of Servicing and/or Beneficial Rights QA Standards

The following QA standards apply to Transfer of Servicing rights (TOS), Transfer of Beneficial rights (TOB) and TOS/TOB Combination transactions:

- Verify all loans bought or sold were/are set up in beneficial, servicing or combined transfer batches within five calendar days of the effective transfer date (the date defined in the Purchase and Sale Agreement, on which the buyer begins servicing the loans on its servicing system).

- Verify that the batches for all loans sold during the previous month were accepted by the investor/buyer, or confirmed by Member if the MINs are being purchased, prior to the expiration date of the batch (within 30 days of the sale date or batch creation date, whichever is later).
- Verify with the purchaser of any loans sold, the status of any rejected MINs or batches, and if necessary, make any corrections to the batch or MIN level detail to allow acceptance of the transfer by the investor/buyer (or delete batch and create corrected batch, if applicable).
- If Member is the purchaser, validate that the MINs in the transfer batch(es) are correct and accept the MINs or batches prior to the batch expiration date or report any discrepancies to the seller and reject those MINs or batches.

Corporate Resolution Management System (CRMS) QA Standards:

The following QA standards apply to the CRMS application:

- At least monthly, review all information on the CRMS and in your MERS Corporate Resolution and ensure that is current and accurate. This is an internal check and is separate and apart from the Quarterly Attestation that you will be required to perform within the CRMS. Check for the following:
    - All MERS Signing Officers (SOs) listed for your Org ID are currently officers of your organization.
    - All SOs listed on your current MERS Corporate Resolution have a current certification (are in Test Passed or ReCertify status).
    - The email address for each MERS Signing Officer is a work email address assigned to the SO by his or her organization.
    - All information entered for each SO is current.
    - All SO listed for your Vendor ID(s) are currently officers of the vendor or, if the Vendor is a law firm, licensed attorneys in good standing of a state bar.
    - All SOs listed for your vendor ID(s) have a current certification (are in Test Passed or ReCertify status).
- Each quarter, complete the Quarterly Attestation for each active Org ID and Vendor ID in the CRMS.

ATTENTION!

Lite Member Plan Validation

☐ **Lite Member:** By entering your Organization Name and Org ID below, you indicate that you comply with the above sections of the QA Plan and your Plan is now complete.

Enter Organization Name:	
Enter Org ID:	

Validation of Exceptions

- Report exceptions, if applicable, to the responsible party within your organization.
- You must ensure all corrections are complete within 30 calendar days.

Follow-up with responsible party for explanation, root cause and corrective action, if needed.

General and Servicer Patron Members: Please continue. You must complete the sections below.

iRegistration QA Standards

If your organization does not register iRegistration loans, select this checkbox: ☐

The following QA standards apply to iRegistration loans:

- Ensure MERS is not the current mortgagee or assignee.
- If MERS is the original mortgagee on the security instrument, ensure that (i) an assignment out of MERS was prepared and executed, and (ii) the executed assignment was promptly sent (in recordable form) for recording in the applicable public land records.
- Ensure no MIN, SIS telephone number, MERS address, or other reference to MERS is included on security instrument or assignments, unless MERS was once the mortgagee.

iRegistration Loans Validation

Your organization must self-audit its performance for iRegistration Loans and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- iRegistration Document Review Validations

- iRegistration Data Validations for MERS® System

iRegistration Document Review Validations

- No MERS-related language used, or assignment out of MERS recorded before registration as iRegistration loan.
- No MIN, SIS telephone number, or other reference to MERS on security instrument or assignments.

iRegistration Data Validations for MERS® System

- MOM indicator is set to "iRegistration" in the MERS® System.

Lien Release QA Standards

The following QA standards apply to Lien Releases:

- For MOM and Non-MOM loans:
  - If the lien release is being signed by MERS, prepare the lien release document with MERS as mortgagee for signature by a MERS Signing Officer.
  - Ensure the correct placement of the MIN and SIS telephone number (888-679-6377) on the document, unless that placement does not comply with county recorder requirements. In all cases, county recorder requirements take precedence over MERS® System requirements.
  - Execute and record the lien release document in accordance with state and investor guidelines. In accordance with the MERS® System Rules of Membership, if the jurisdiction doesn't require recording, the lien release must still be recorded in the county land records.
- For iRegistration loans:
  - Do not include the MIN, SIS telephone number, MERS address or other reference to MERS on documents.
- For all loans, change the MIN status to "paid in full" and enter the Servicer Liquidation Date on the MERS® System within five calendar days of payoff of the loan on the Member's system of record (e.g. servicing system).

Lien Release Loan Validations

Your organization must self-audit its performance for Lien Releases and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- Lien Release Document Review Validations

- Lien Release Data Validations for MERS® System

Lien Release Document Review Validations

- For MOM and non-MOM loans:
  - Approved MERS as Mortgagee language used.
  - Correct MIN and SIS number placed on documents.
  - MIN and SIS Number positioned correctly on required documentation.
  - Lien Release recorded.
  - If signed by MERS, MERS Signing Officer signature is valid:
    - MERS Signing Officer was authorized to act (at the time of execution) in the name of MERS pursuant to appointment by a MERS Corporate Resolution issued to that Org ID or Vendor ID.
    - MERS Signing Officer is proven to be an officer (at the time of execution) of the Member company to which the MERS Corporate Resolution was issued or, if MERS Signing Officer was with a third-party vendor or law firm, is proven to be an officer (at the time of execution) of the vendor or a licensed attorney in good standing with a state bar.
- For iRegistration loans:
  - No MIN, SIS telephone number, or other reference to MERS placed on documents.

If the loan is a co-op, these validations are performed on the UCC-3 instead of the Lien Release.

Lien Release Data Validations for MERS® System

- MIN status on the MERS® System is updated to reflect "Paid in Full" within five calendar days of payoff date.

Foreclosure QA Standards

The following QA standards apply to Foreclosures:

- For MOM and Non-MOM loans, ensure that (i) an assignment from MERS is prepared and executed, and (ii) the executed assignment is promptly sent for recording in the applicable public land records before foreclosure is initiated.
- Assignment from MERS satisfies all MIN, SIS and Signing Officer requirements.

- Change MIN status to “Deactivate - Assigned from MERS for Default or Bankruptcy,” for MOM or Non-MOM loans, within five calendar days of the date on which the executed assignment from MERS was sent for recording in the applicable public land records.
- Members may, but are not required to, report foreclosure activity for iRegistration loans on the MERS® System.
- For loans in Pending status, change MIN status to “Foreclosure Complete” or “Foreclosure Reinstated” within five calendar days of this action taking place.

Foreclosure Loans Validation

Your organization must self-audit its performance for Foreclosure loans and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- Foreclosure Document Review Validations
- Foreclosure Data Validations for MERS® System

Foreclosure Document Review Validations

For MOM and Non-MOM loans:

- Assignment from MERS was executed before foreclose was initiated, and MERS was removed from the applicable public land records.
- Assignment from MERS contains:
  - Correct MIN and SIS Number placed on Assignment.
  - MIN and SIS Number positioned correctly on Assignment.
  - Valid MERS Signing Officer signature:
    - MERS Signing Officer was authorized to act (at the time of execution) in the name of MERS pursuant to appointment by a MERS Corporate Resolution issued to that Org ID or Vendor ID.
    - MERS Signing Officer is proven to be an officer (at the time of execution) of the Member company to which the MERS Corporate Resolution was issued or, if MERS Signing Officer was with a third-party vendor or law firm, is proven to be an officer (at the time of execution) of the vendor or a licensed attorney in good standing with a state bar.
- For foreclosures initiated in the name of MERS, (allowed prior to July 22, 2011):
  - If property went to sale, MERS was not left in title on sale documentation (unless in a state where this is temporarily allowed).
  - If title was deeded to MERS temporarily, provide subsequent deed immediately, removing MERS from title.

- For iRegistration loans, ensure no MIN, SIS number, or other reference to MERS placed on documents.

Foreclosure Data Validations for MERS® System

- MIN status updated to “Deactivate - Assigned from MERS for Default or Bankruptcy,” for MOM or Non-MOM loans, within five calendar days of the date on which the executed assignment from MERS was sent for recording in the applicable public land records.
- Foreclosure status transacted on the MERS® System matches foreclosure documentation.
- Pending option in the MERS® System matches documentation.
- For loans in a Pending status, change MIN status to “Foreclosure Complete” or “Foreclosure Reinstated” within five calendar days of this action taking place.

Bankruptcy QA Standards

The following QA standards apply to Bankruptcies:

- If a borrower files bankruptcy and the servicer chooses **not** to file a Proof of Claim or Motion for Relief from Stay, MIN may stay in an active status.
- If a borrower files bankruptcy and servicer chooses to file a Proof of Claim or Motion for Relief from Stay, then:
    - The servicer must ensure that, prior to filing the Proof of Claim or Motion for Relief from Stay: (i) an assignment from MERS is prepared and executed, and (ii) the executed assignment is promptly sent (in recordable form) for recording in the applicable public land records.
    - The "Deactivate-Assigned from MERS for Default or Bankruptcy" transaction needs to be completed within five calendar days of the date on which the executed assignment from MERS was sent for recording in the applicable public land records.

Bankruptcy Loans Validation

Your organization must self-audit its performance for Bankruptcy loans and conduct tests on a random sample of registered or acquired loans for accuracy in the following areas:

- Bankruptcy Document Review Validations
- Bankruptcy Data Validations for MERS® System

Bankruptcy Document Review Validations

- If **no** Proof of Claim or Motion for Relief from Stay was filed, the MIN may stay in an active status.
- If a Proof of Claim or Motion for Relief from Stay was filed, then the Servicer must ensure that, prior to the filing, an assignment from MERS is prepared and executed, and the executed assignment is promptly sent (in recordable form) for recording in the applicable public land records.
- Assignment out of MERS contains:
  - Correct MIN and SIS Number placed on Assignment
  - MIN and SIS Number positioned correctly on Assignment.
  - Valid MERS Signing Officer signature:
    - MERS Signing Officer was authorized to act (at the time of execution) in the name of MERS pursuant to appointment by a MERS Corporate Resolution issued to that Org ID or Vendor ID.
    - MERS Signing Officer is proven to be an officer (at the time of execution) of the Member company to which the MERS Corporate Resolution was issued or, if MERS Signing Officer was with a third-party vendor or law firm, is proven to be an officer (at the time of execution) of the vendor or a licensed attorney in good standing with a state bar.

Bankruptcy Data Validations for MERS® System

- Bankruptcy status transacted on MERS® System matches bankruptcy documentation.
- Pending option in the MERS® system matches documentation.
- The "Deactivate-Assigned from MERS for Default or Bankruptcy" transaction was completed within five calendar days of the date on which the executed assignment from MERS was sent for recording in the applicable public land records.

Data Integrity QA Standards

These Standards apply to the data on the Subservicer's system of record if one is named on the MERS® System; otherwise they apply to the data on the Servicer's system of record.

Upon registering a loan on the MERS® System, ensure a two-way validation occurs between the information on the MERS® System, and your system of record (e.g., loan origination or servicing system). For certain validations (e.g., SSN Numbers, name changes for marriage/divorce), it may be necessary to examine the documents in the overall loan file to verify that the information is accurate.

Note: If a specific Investor's requirements are more stringent than the MERS® System requirements, the Investor's requirements supersede MERS® System requirements.

Data Integrity Validation

Your organization must self-audit its performance for General Data Integrity and conduct tests on a random sample of registered or acquired loans for accuracy.

- Loan status on the MERS® System matches Member's system of record (e.g. loan origination or servicing system) except for iRegistration loans in foreclosure (Members are not required to report iRegistration foreclosures activity on the MERS® System).
- Original Borrower Name(s) on the MERS® System exactly match the name(s) on Member's system ("Member's system").
- Current Borrower Name(s) or Corporate Name(s) on the MERS® System exactly match the name(s) on Member's system, including middle name or initial. For REO iRegistration loans, the Corporate Name on the MERS® System should state "Real Estate Owned".
- All Primary Borrower Social Security or Tax ID numbers on the MERS® System match Member's system and reflect valid SSNs or TINs (except 111111111 used for foreign national with no SSN).
- Property address exactly matches the address on the Member's system.
- Property County, FIPS code, or ANSI code matches the legal description on the Member's system (County where property is located).
- Note Date on the MERS® System matches Member's system. This requirement does not apply to REO iRegistration loans because the Note Date is the date that the loan was registered on the MERS® System.
- Note Amount on the MERS® System matches Member's system. This requirement does not apply to REO iRegistration loans because the Note Amount on the MERS® System is set to $1.00.
- MOM Indicator correctly reflects MERS as Mortgagee status:

Mom Indicator	Condition
MOM	Loan originated with MERS as the Original Mortgagee.
Non –MOM	MERS is the mortgagee through assignment. Non-MOM loans include iRegistration loans subsequently converted to a Non-MOM.
iRegistration	Loan registered on the MERS® System for informational purposes only (MERS is not the mortgagee of record).

- Lien Type on the MERS® System matches Member's system.
- Owner Occupied flag on the MERS® System matches Member's system.
- Investor on the MERS® System matches Member's system if the Investor is an Option 1 or Option 2 Member Investor. You may identify a non-Member investor with an alias by using Org ID 1000002 (Undisclosed Investor).
- Servicer on the MERS® System matches Member's servicing system.
- Subservicer on the MERS® System matches Member's servicing system.
- For REO iRegistration loans, the Property Preservation Company identified on the MERS® System matches the company on the Member's system.
- For MOM and Non-MOM loans only:
    - Originating Org ID for the MERS® System Member, or Original Note Holder for Non-Member, correctly reflects loan originator, and MOM loan registered after March 31, 2012 contains Originating Org ID.
    - All Co-Borrower social security numbers or tax identification numbers on the MERS® System match the corresponding number on the Member's system.
    - Investor Loan Number and Agency ID on the MERS® System match Member's system if required by Investor.
    - If applicable, FHA/VA Case numbers on the MERS® System match Member's system if required by Investor.
    - For MINs in securities where the Investor is an Agency that requires a pool number, the Pool Number field on the MERS® System contains the pool number and matches Member's system.
    - For MINs in rated securities, the Securitization field on the MERS® System contains the Trust name and matches Member's system.

      Example: ABC Trustee 2010-10 or ABC as Indenture Trustee of the 2008HE3-25trust.
- The seller must initiate all Transfer of Beneficial Rights transactions within five calendar days of the effective transfer date.
- The seller must initiate all Transfer of Servicing Rights transactions within five calendar days of the effective transfer date. The effective transfer date is the date defined in the Purchase and Sale Agreement on which the buyer begins servicing the loans on its servicing system.
- Both buyer and seller are responsible to MERS for ensuring that transfers are completed within 30 days of the sale date or batch creation date, whichever is later.

Note: For certain validations (e.g., SSN Numbers, deceased borrowers, name changes for marriage/divorce), it may be necessary to examine the documents in the overall loan file to verify that the information is accurate.

Data Reconciliation QA Standards

Your organization must reconcile certain fields in the MERS® System to your system of record for all active loans at the required frequency. Select the appropriate box:

- Monthly, if you service 1,000 or more active registered loans as of March 31, 2013.

  ☐ **Our organization reconciles monthly.**

- Quarterly, if you service under 1,000 active registered loans as of March 31, 2013.

  ☐ **Our organization reconciles quarterly.**

There are two different field reconciliation lists below, one for *MOM and Non-MOM loans*, and another for *iRegistration loans.*

Any other fields that contain data on the MERS® System must be reconciled with your internal system as well. Any fields populated on your internal system but not on the MERS® System do not need to be reconciled.

MOM and Non MOM Data Reconciliation

The fields in the table below must be reconciled for MOM and Non –MOM loans. The following values are used in the **Required or Conditional** column:

- Required = Must be present for all loans.
- Conditional = Required if field applies to that loan, borrower, or property (e.g.co-borrower information if present on note, Originating Org ID if MOM loan).

MERS® System Field Name	Field Description	Required or Conditional
MIN_NBR	MIN (Mortgage Identification Number)	Required
MIN_STAT	MIN Status Indicator	Required
LIEN_TYPE	Lien Type	Required
NOTE_AMT	Note Amount	Required
NOTE_DT	Note Date	Required
ORGNL_MRGTE_ID	Originating Org ID	Conditional
NOTE_HLDR_NM	Original Note Holder	Conditional
SERVR_ORG_ID	Servicer Org ID	Required
SUB_SERVR_ORG_ ID	Subservicer Org ID	Conditional
INVST_ORG_ID	Investor Org ID	Required
OWNR_OCC_FLG	Owner Occupied Flag	Required

MERS® System Field Name	Field Description	Required or Conditional
PPC1_ID	Property Preservation Co1 Org ID	Conditional
BORR_CORP_NM	Borrower Corporate Name	Conditional
BORR_FST_NM	Borrower First Name	Conditional
BORR_MID_NM	Borrower Middle Name	Conditional
BORR_LST_NM	Borrower Last Name	Conditional
BORR_SSN	Social Security Number	Required
BORR_CORP_NM	Co-Borrower Corporate Name	Conditional
BORR_FST_NM	Co-Borrower First Name	Conditional
BORR_MID_NM	Co-Borrower Middle Name	Conditional
BORR_LST_NM	Co-Borrower Last Name	Conditional
BORR_SSN	Co-Borrower Social Security Number	Conditional
PROP_NBR	Property Street Number	Conditional
PROP_STRT	Property Street Name	Required
PROP_UNIT_NBR	Property Unit Number	Conditional
PROP_CITY	Property City	Required
PROP_ST	Property State	Required
PROP_ZIP	Property Zip	Required
PROP_DESCR_VAL	Property County/FIPS Code/ANSI Code	Required
SI_IN_MERS	MOM Indicator	Required
INVST_LOAN_NBR	Investor Loan Number	Conditional
FHA_VA_MI_NBR	FHA/VA/MI Loan Number	Conditional
POOL_NBR	Pool	Conditional
SECURITIZATION	Securitization	Conditional
AGENCY_NBR	Agency ID	Conditional

iRegistration Data Reconciliation

The fields in the table below must be reconciled for iRegistration loans. The following values are used in the **Required or Conditional** column:

- Required = Must be present for all loans.
- Conditional = Required if field applies to that loan, borrower, or property.

MERS® System Field Name	Field Description	Required or Conditional
MIN_NBR	MIN (Mortgage Identification Number)	Required
MIN_STAT	MIN Status Indicator	Required
LIEN_TYPE	Lien Type	Required
NOTE_AMT	Note Amount	Required
NOTE_DT	Note Date	Required
SERVR_ORG_ID	Servicer Org ID	Required
SUB_SERVR_ORG_ID	Subservicer Org ID	Conditional
INVST_ORG_ID	Investor Org ID	Required
OWNR_OCC_FLG	Owner Occupied Flag	Required
PPC1_ID	Property Preservation Co 1 Org ID	Conditional
BORR_CORP_NM	Borrower Corporate Name	Conditional
BORR_FST_NM	Borrower First Name	Conditional
BORR_MID_NM	Borrower Middle Name	Conditional
BORR_LST_NM	Borrower Last Name	Conditional
BORR_SSN	Social Security Number	Required
PROP_NBR	Property Street Number	Conditional
PROP_STRT	Property Street Name	Required
PROP_UNIT_NBR	Property Unit Number	Conditional
PROP_CITY	Property City	Required
PROP_ST	Property State	Required
PROP_ZIP	Property Zip	Required
PROP_DESCR_VAL	Property County/FIPS Code/ANSI Code	Required
SI_IN_MERS	MOM Indicator	Required

ATTENTION!

General, Servicing Patron, and Subservicer Member Plan Validation

☐ **General and Servicing Patron Member:** By entering your Organization Name and Org ID below, you indicate that you comply with the above sections of the QA Plan and your Plan is now complete.

Enter Organization Name:	
Enter Org ID:	

Validation of Exceptions

- Report exceptions, if applicable, to the responsible party within your organization.
- You must ensure all corrections are complete within 30 calendar days.

Follow-up with responsible party for explanation, root cause and corrective action, if needed.