FHLBank Atlanta Natural Disaster Relief Policy for Loan Collateral

Under FHLBank Atlanta's Natural Disaster Relief policy for collateral, loans under forbearance and loans that have been granted payment deferrals due to applicable hurricanes and wildfires that have occurred in 2020 are eligible as collateral.

Loans must meet specific requirements for forbearance and/or payment deferral agreements established by the Bank, as well as all other loan eligibility requirements set forth in the Bank's Credit and Collateral Policy to be eligible.

Loan forbearance and/or payment deferral agreement requirements for the Natural Disaster Relief policy are generally the same requirements as those stated in the Bank's **COVID-19 Collateral Relief Program**.

Please contact your collateral relationship specialist at 1.800.536.9650 with any questions.

Eligible Natural Disaster Areas

Hurricanes		
	Initial Designation	**Location**
Laura	August 28	Louisiana
Sally	September 20	Southwest Alabama
Delta	October 16	Southwest Louisiana
Wildfires		
California	August 22	Mid and Northern California
Oregon	September 15	Western Oregon

Only loans on property within those counties designated by the Federal Emergency Management Agency (FEMA) as qualifying for both individual and public assistance are eligible under the Natural Disaster Relief policy.

In addition, the Natural Disaster Relief policy will apply to any further qualifying natural disasters that occur and are initially designated by FEMA as a qualifying natural disaster no later than December 31, 2020. View current FEMA disaster responses.

Eligible Time Period

Forbearance agreements due to the natural disasters stated above must be dated between the initial FEMA designation date and six months from the initial date to be eligible.

Collateral Reporting

Loan listing reports and Qualifying Collateral Reports (QCRs) will continue to be due on the regular schedules.

The Bank will contact shareholders that provide loan listing data regarding any changes to reporting for natural disaster-impacted loans.

Shareholders reporting via QCRs should continue to report natural disaster-impacted loans in their regular categories. There will be no changes to QCR fields at this time; however, the Bank may ask for additional data on natural disaster-impacted loans on QCRs in future reporting cycles.

Requirements for Loan Forbearance Agreements and Modifications

The following requirements apply to loans with forbearance agreements and loan modifications under the Natural Disaster Relief policy. These requirements are generally the same as those stated in the Bank's COVID-19 Collateral Relief Program.

Loans with Forbearance Agreements

Loan collateral under a forbearance agreement will be eligible, assuming the following requirements are met:

- Shareholders must request approval to report loans under a forbearance agreement in conjunction with an eligible natural disaster.
- The original, wet ink paper note is in the shareholder's possession or the shareholder maintains control via a document custody or servicing agreement and can deliver the original note for review.
- In order to be eligible for reporting, shareholders must have provided, at a minimum, written notification to the borrower of the forbearance status of the loan at the time forbearance was granted. A forbearance agreement executed by the borrower must exist prior to the end of the forbearance period, with the following exceptions:
    - The borrower resolves the deferred payments in a lump sum at the conclusion of the forbearance period.
    - The initial forbearance notification or a subsequent notification delivered to the borrower, prior to the end of the forbearance period, details the approved repayment option requested by the borrower, including the terms of the repayment (e.g., three or 6-month repayment plan, or extension of maturity [when automatically permitted by the note or loan agreement], etc.)
    - If a loan modification follows the forbearance period, the loan modification agreement executed by the borrower resolves the requirement for a forbearance agreement executed by the borrower.

- The loan forbearance agreement may be executed via electronic or imaged signature but cannot replace the original note.
- Loan forbearance agreements executed by electronic signature, or wet signed and then scanned or imaged, would be subject to the same requirements detailed below for loan modifications that are electronically signed.
- Loans exceeding 30 days past due at the time forbearance was granted due to an eligible natural disaster are acceptable, provided that the loans cannot have exceeded 30 days past due as of the initial designation date of the applicable natural disaster.
- Payments deferred during the loan forbearance period must be resolved at the end of the forbearance period through payment, extension of the loan, or capitalization.
- Loan forbearance agreements may provide forbearance from repayment terms for up to 6 months.
- Loan payment deferral agreements offered in lieu of loan forbearance are eligible, subject to the same conditions and provided, at a minimum, written notification has been made to the borrower of the specific payment deferral conditions of the loan, including the deferred payment period and repayment requirements.
    - For example, a three-month deferment of principal and interest beginning on a specified date with the three deferred payments to be repaid at the end of the loan term with an accompanying three-month extension of the loan maturity.
- Loan payment deferral agreements that modify other terms or conditions of the loan will be considered loan modifications and will be subject to the eligibility requirements noted below for loan modifications.
- All other loan collateral eligibility requirements remain in effect, including, but not limited to, the Guidelines to Promote Responsible Lending.

Shareholders required to deliver loan files due to credit score must have a forbearance agreement executed by the borrower, and loan payment deferral agreements offered in lieu of loan forbearance must also be executed by the borrower in order for the loans to be eligible.

Loan Modifications
The Bank will accept loans that have modifications executed via electronic signatures and have loan modification documents that are wet signed and then scanned or imaged. The following requirements apply:

- Shareholders must request approval to report loans with modifications executed via electronic or imaged signatures in conjunction with an eligible natural disaster.
- The original, wet ink paper note is in the shareholder's possession or the shareholder maintains control via a document custody or servicing agreement and can deliver the original note for review.
- The loan modification is an amendment to the paper note and is not a restatement of the note that purports to replace the paper note (i.e., it is not being converted into an eNote or being replaced by a scanned or imaged note modification).
- If the modification requires an amendment to the mortgage as well as the note, the shareholder must comply with all recording requirements for the jurisdiction in which the property is located and the original mortgage is recorded. The Bank will accept E-

Notarization or remote online notarization if the subject state has enacted laws or regulations allowing for the same, and the applicable county recording office accepts them. The Bank does not maintain a list of county recording offices that accept E-Notarization or remote online notarization. Shareholders are asked to consult their legal and operations subject matter experts.

- All other loan collateral eligibility requirements remain in effect, including, but not limited to, the Guidelines to Promote Responsible Lending.