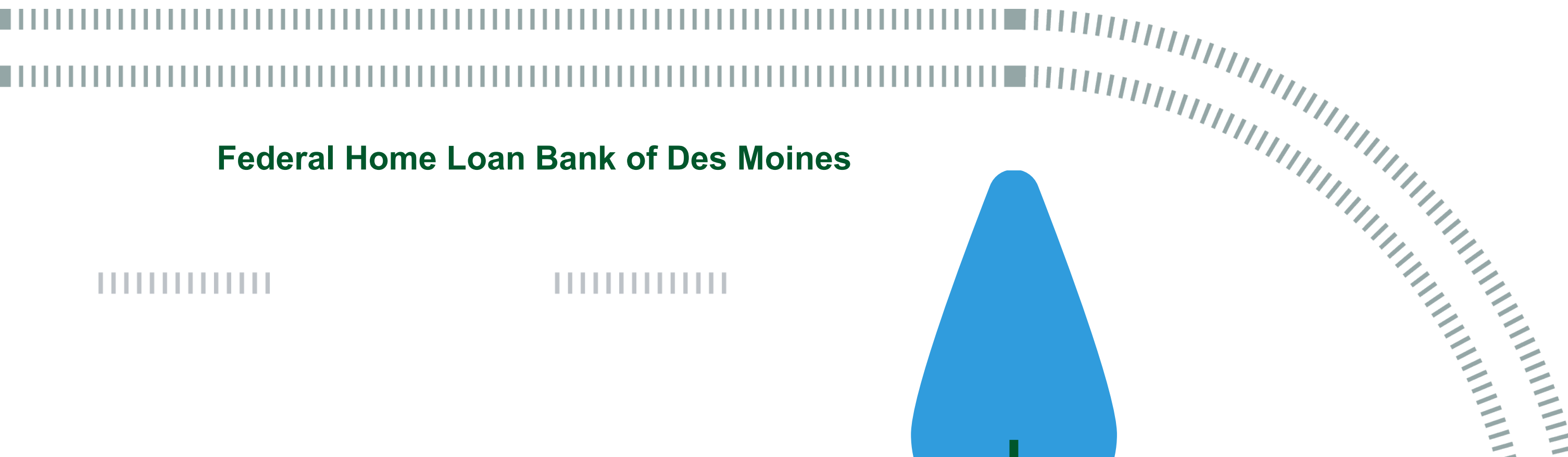
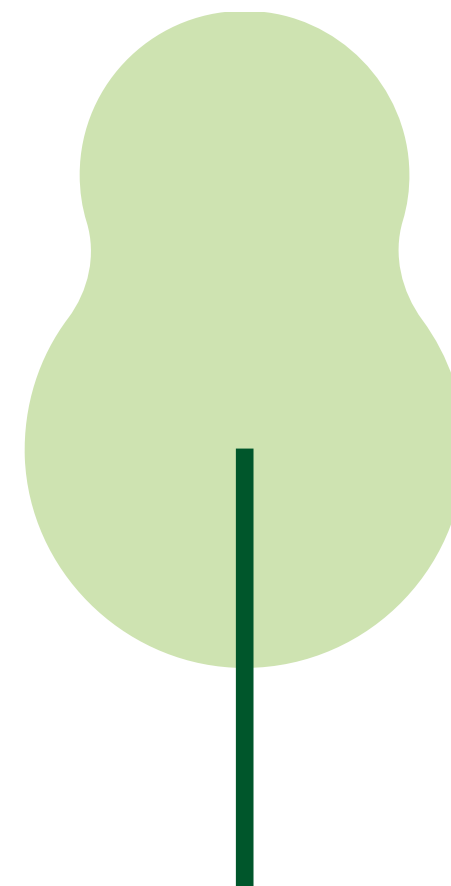
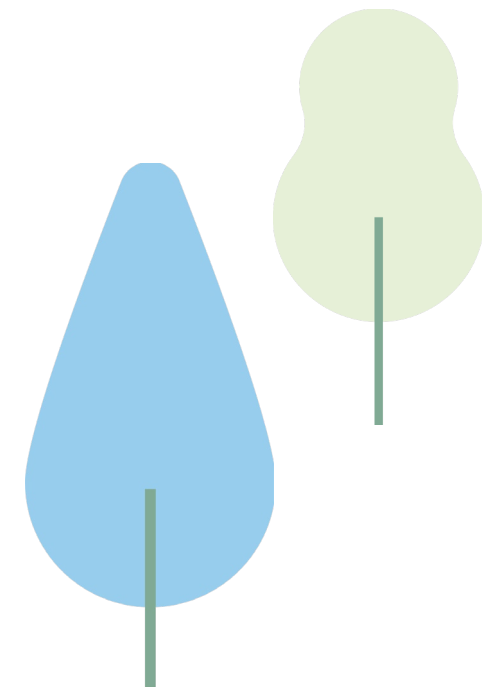


The Road to eNotes

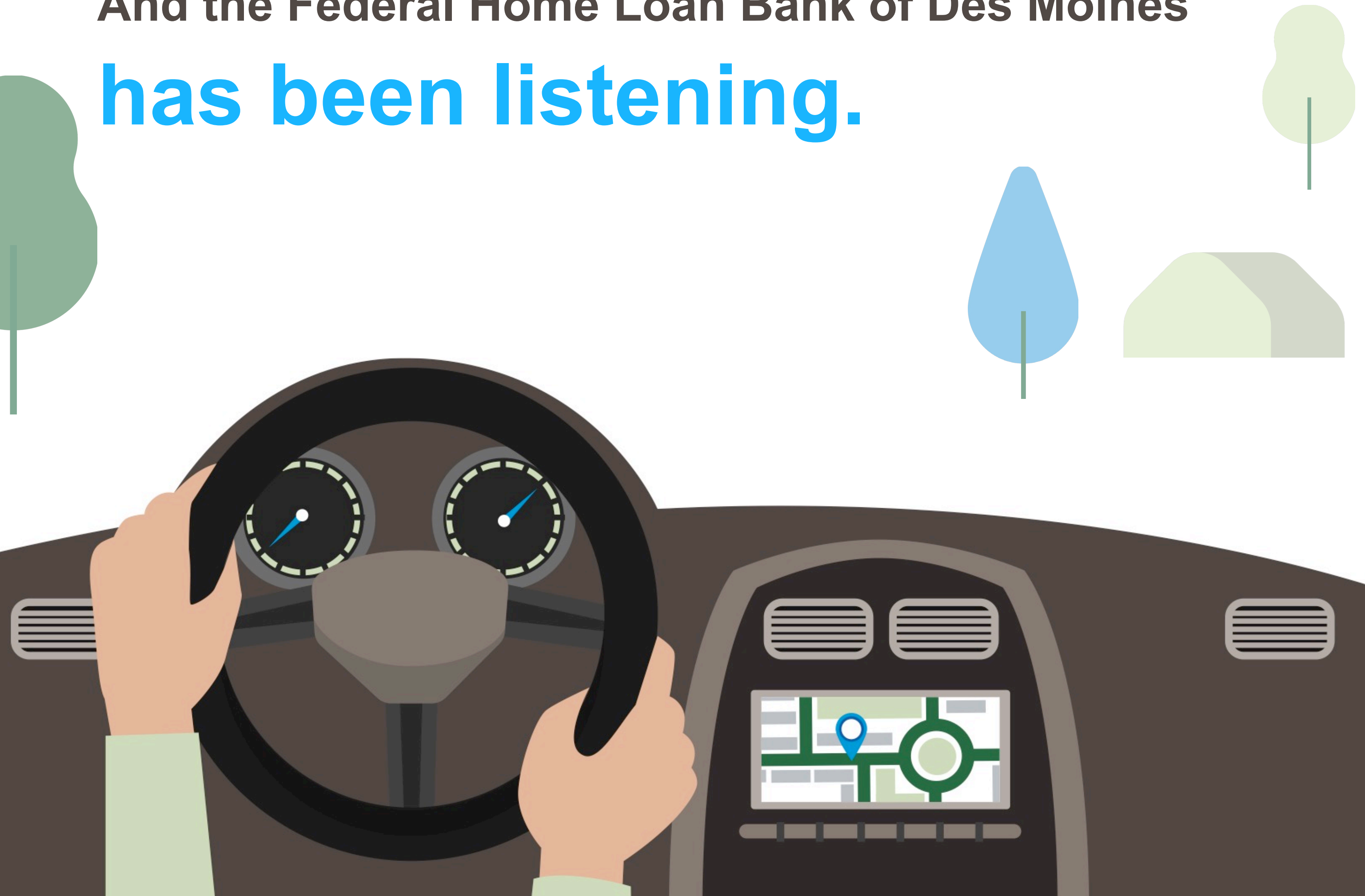


Federal Home Loan Bank of Des Moines

We know Members have been talking about the convenience of using eNotes for a long time.



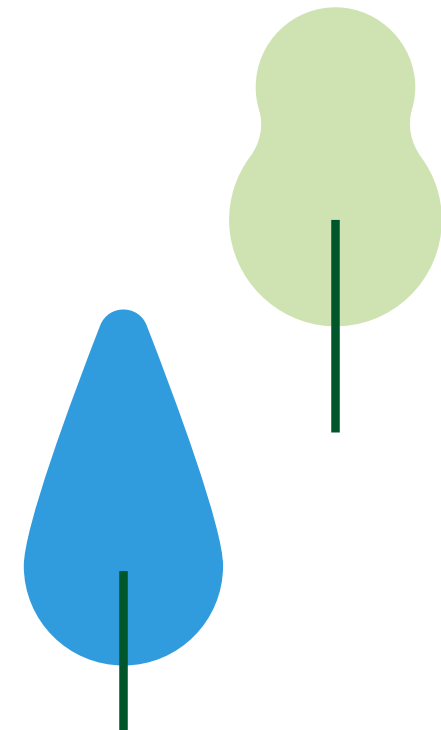
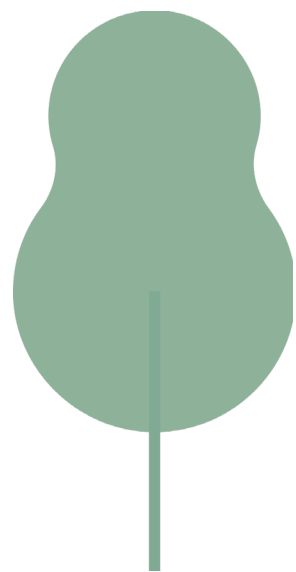
And the Federal Home Loan Bank of Des Moines
has been listening.



Although the road to eNotes acceptance is a winding one, we're navigating all of the curves.



**And our destination—
accepting residential
mortgage eNotes
as collateral—
is in sight!**



**We know
eNotes offer
many benefits to
both Members
and borrowers:**

Reduced shipping &
storage fees

Faster funding

Less paper waste

Fewer errors

Elimination of
lost notes

Improved audit trail

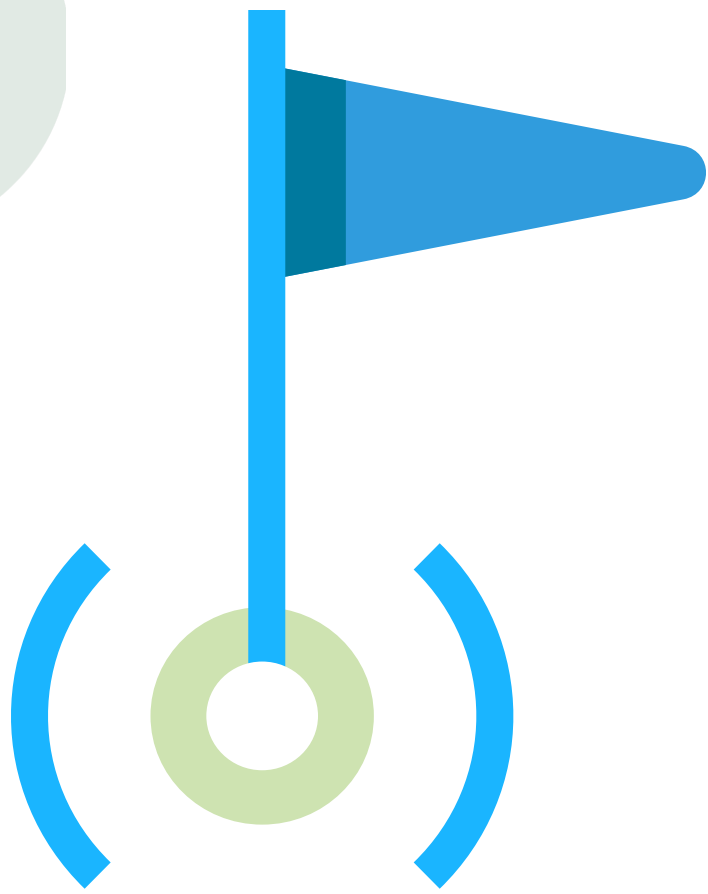
**Increased
collateral control**

Borrowers can review loan
documents prior to closing at
their convenience

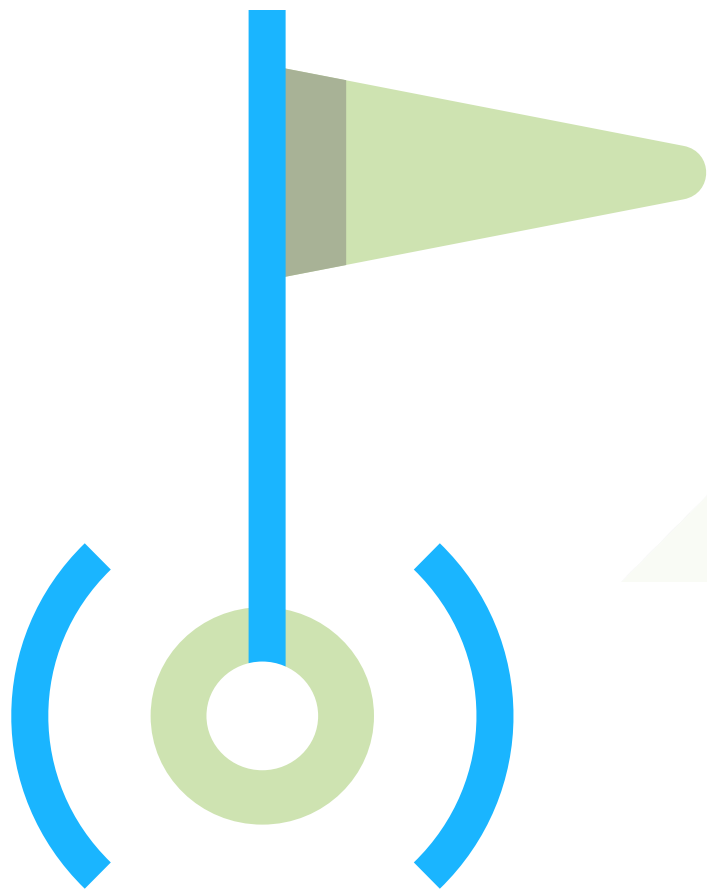
**Faster & easier
signing process**

**Flexible location
for closing**

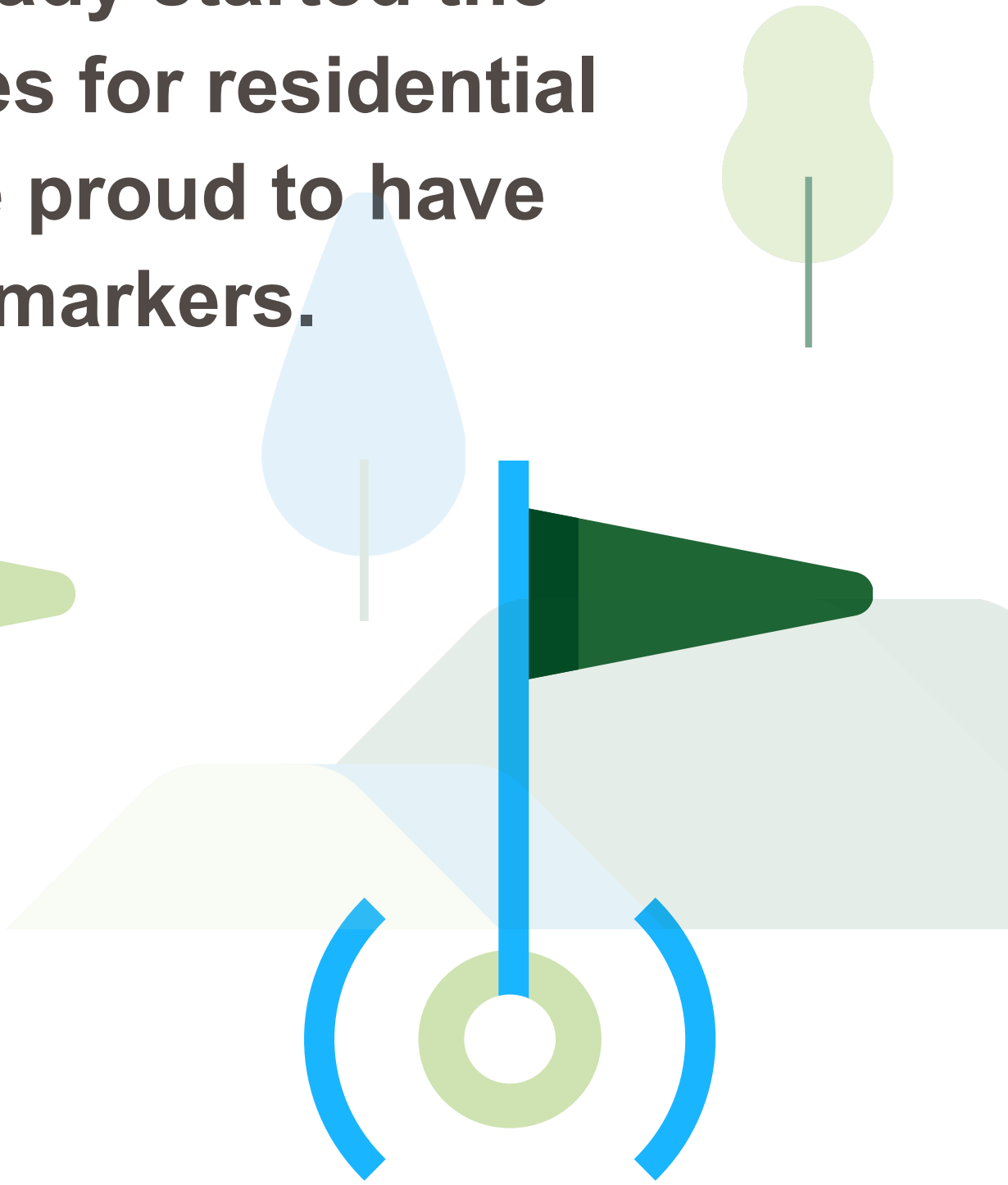
The FHLBank System has already started the journey toward accepting eNotes for residential mortgage collateral, and we're proud to have already hit several mile markers.



Researched Thoroughly



Engaged with Subject Matter Experts



Completed Key Action Steps

Researched Thoroughly



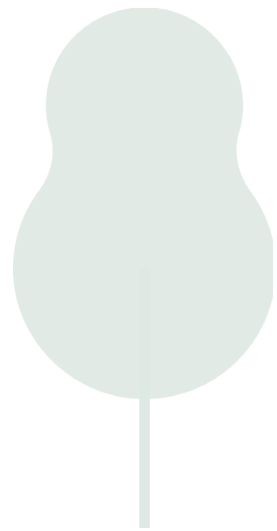
Attended demonstrations of
eNotes and eVaults

Attended MISMO® events and
worked with industry
professionals to better understand
best practices and standards



MISMO is the standards development body for the mortgage industry. MISMO stands for Mortgage Industry Standards Maintenance Organization.

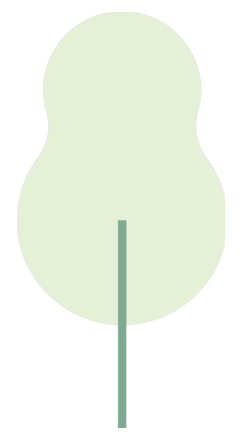
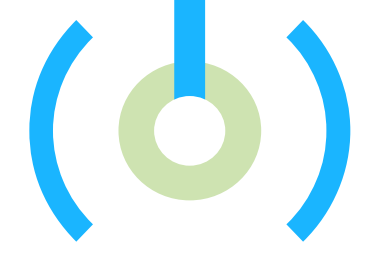
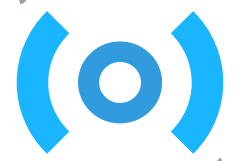
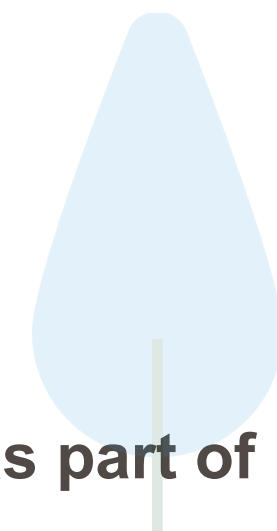
Engaged with Subject Matter Experts



Met with industry participants who are originating, selling and buying eNotes

Provided stakeholder feedback to MERS® as part of its development of the Secured Party field to ensure the FHLBs' interest in eNotes is reflected on the MERS eRegistry

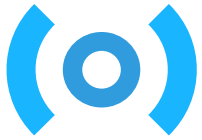
Engaged the services of a professional to help Banks bridge the requirements with regulations



Completed Key Action Steps



Formed working groups consisting of all 11 FHLBanks (the System) to evaluate eNotes as eligible collateral

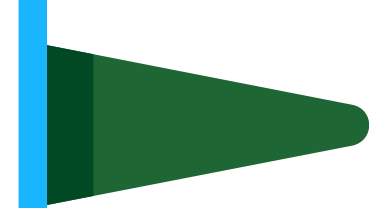
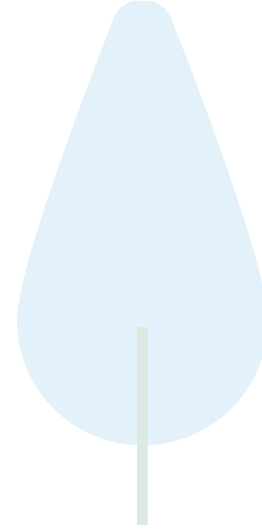
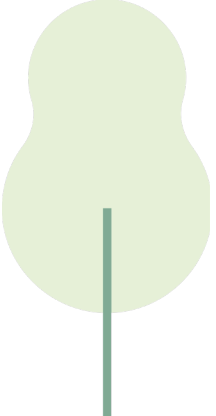
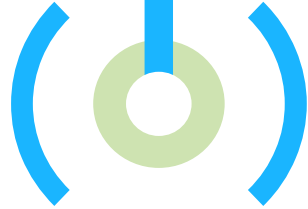
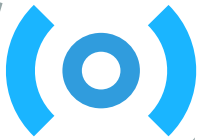


Formed a System legal group to review agreements and requirements



Developed a governance committee and charter

Developed a strategic roadmap and implementation plan



5

We're proud of how far we've come — and we're refueling for what lies ahead:



Planned Destinations on Our eNote Journey:



**Implement a
strategic roadmap**



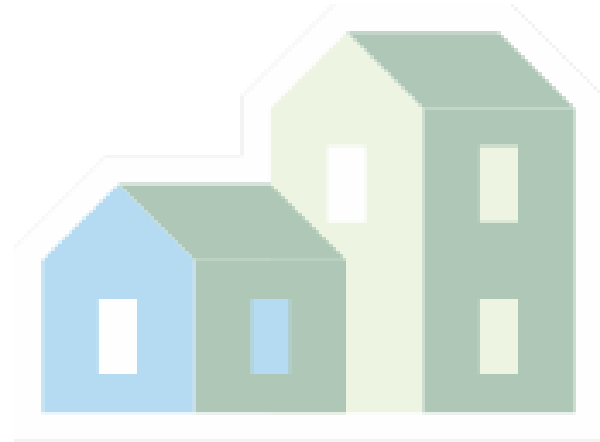
**Create RFP to send
to eVault vendors**



**Review and update
agreements with vendors,
Members & shareholders**



Planned Destinations on Our eNote Journey:

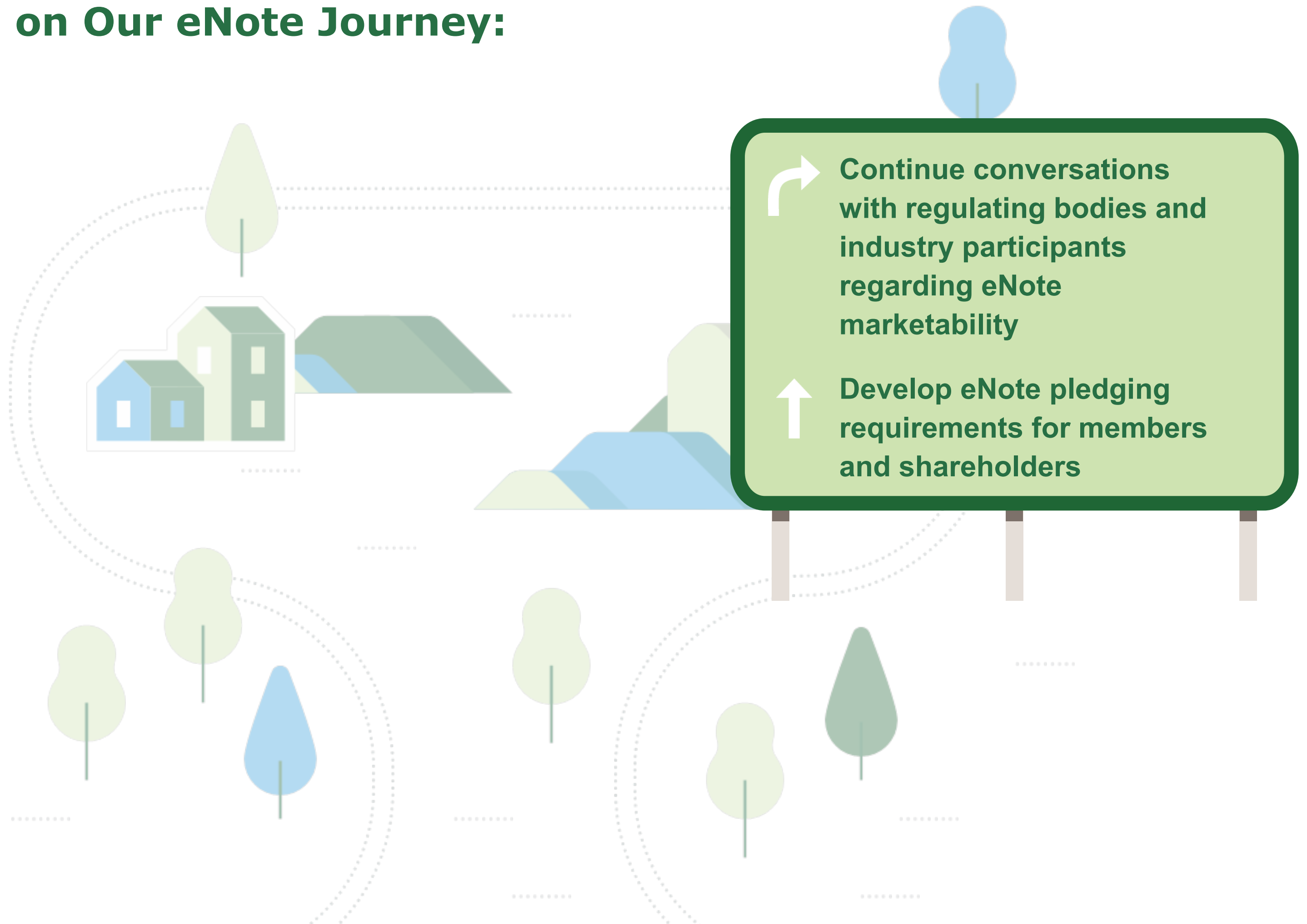


**Testing eVault capabilities and
MERS reporting system
integration into Bank
operational systems**

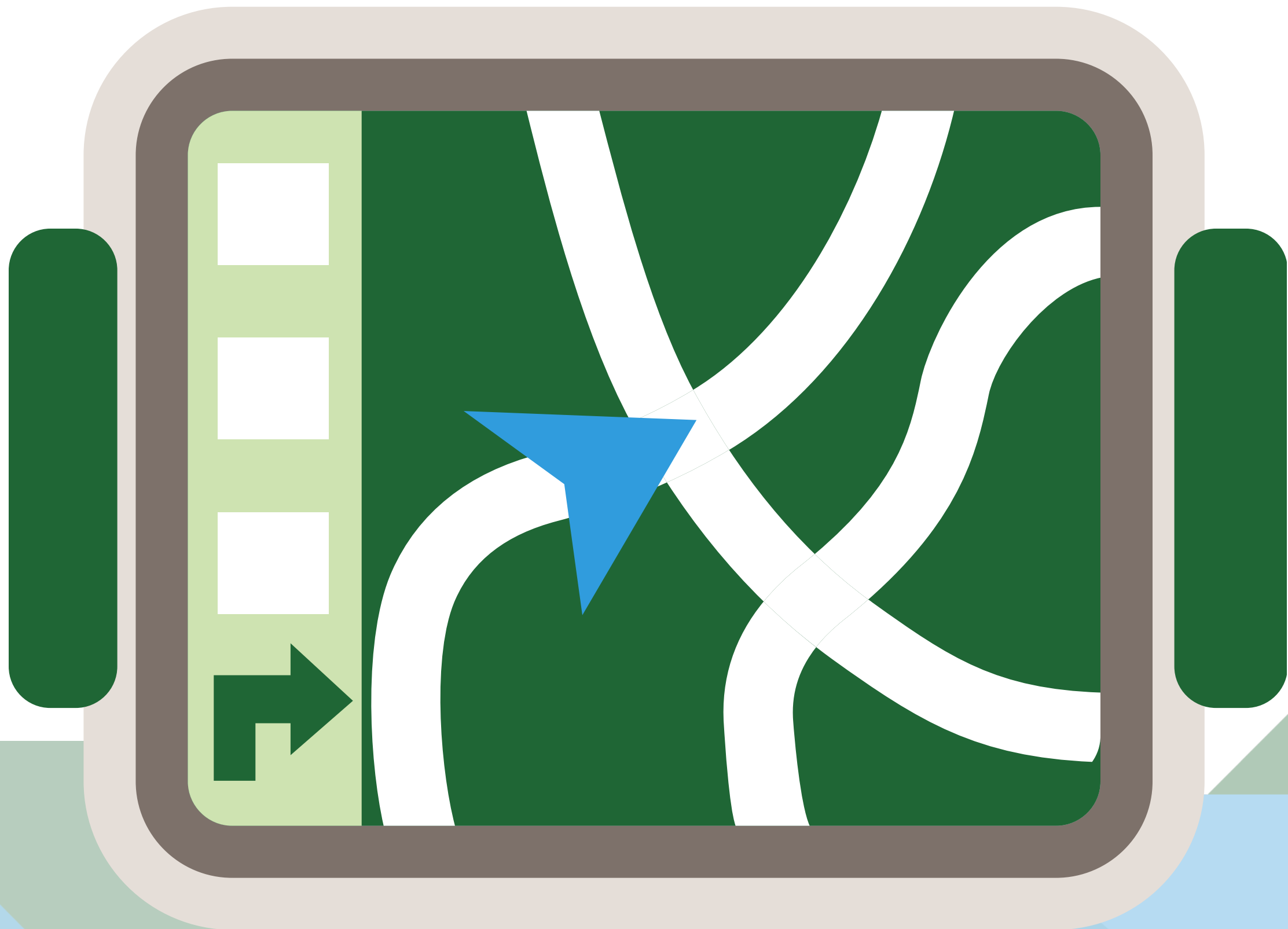


**Continue to attend MISMO and
other industry events to keep
up with the latest
developments**

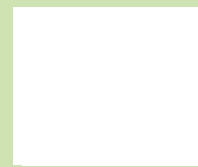
Planned Destinations on Our eNote Journey:



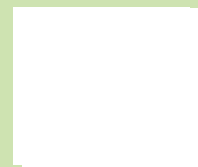
Until we reach our final destination, you can help ensure your eNotes are on the right path.



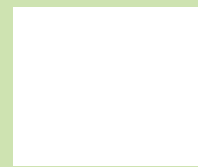
Follow these directions for eNote eligibility:



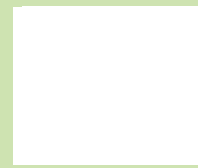
Comply with ESIGN and UETA laws



Loan Origination Software must create a MISMO SMART Doc 1.02



Tamper-evident signature required

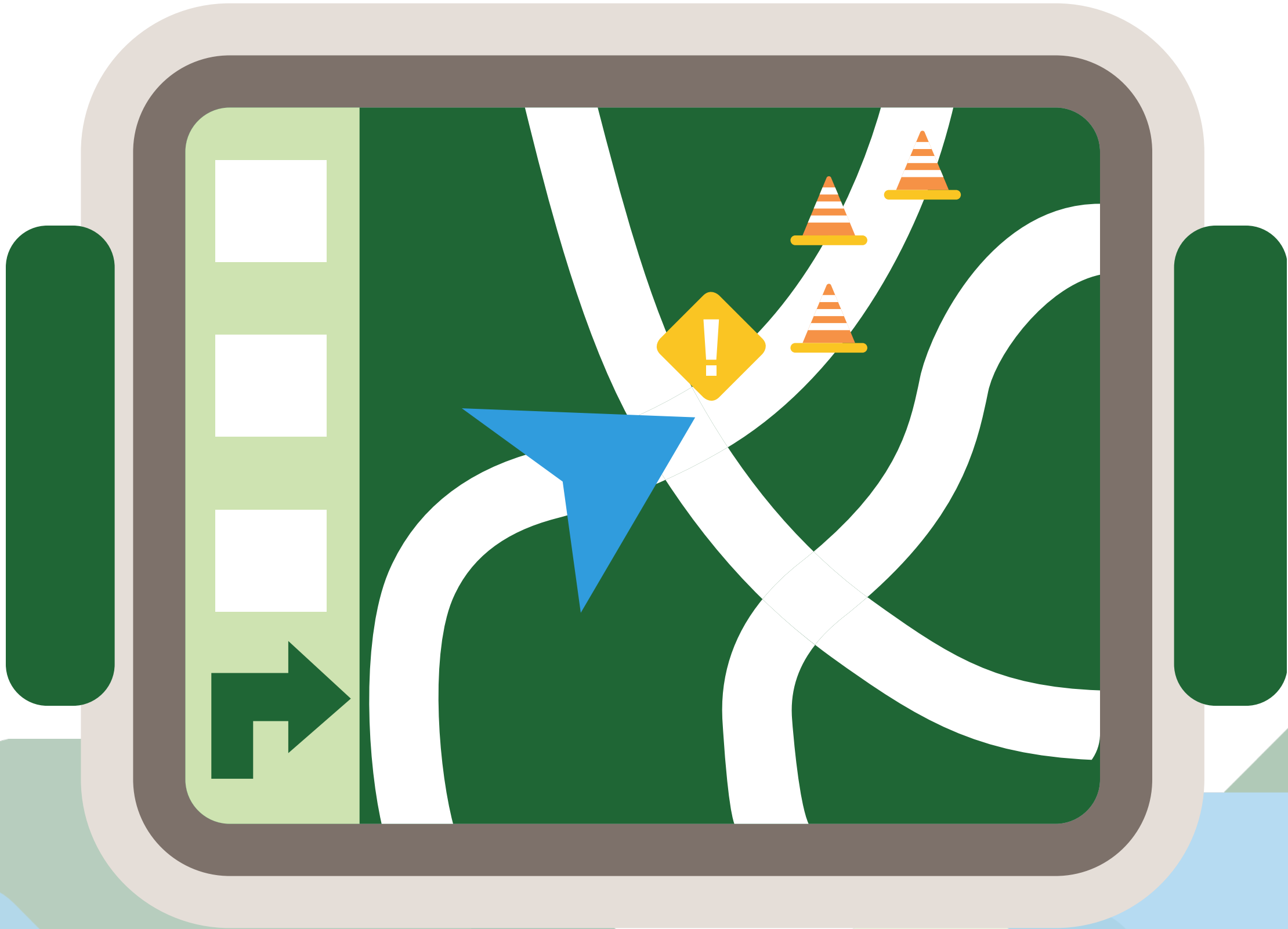


Retained in an eVault



Registered with MERS eRegistry

The System and FHLB Des Moines are still constructing full eligibility guidelines



Are we there yet?

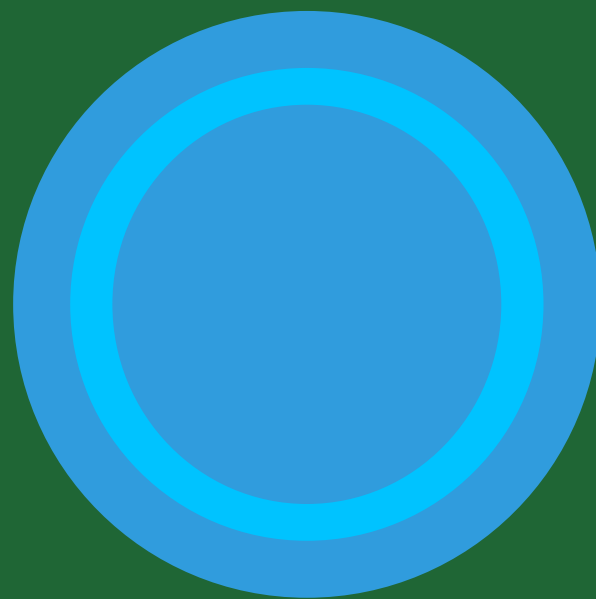


**eNote acceptance
is on the horizon!**



Stay tuned!

Look for more updates, including a target launch date, as we keep moving toward the next mile markers. Until then—join us for the ride! Contact us for any questions you have about eNotes.



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VRenfrow@fhlbdm.com

