



Quality Assurance Procedures Manual

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MERS[®] System Quality Assurance Policy

Purpose

Membership in the MERS[®] System provides value to your company by eliminating the need to prepare and record assignments when your company sells or buys the beneficial (investor) interest and/or servicing rights to/from another Member. The primary value to the seller is eliminating the cost of preparing and recording assignments. The primary value to the buyer of the beneficial interest is eliminating the cost of tracking and storing assignments, and in providing best execution for the seller. The primary value to the buyer of the servicing rights is reducing post closing, foreclosure and lien release costs due to the grounding of title in the name of Mortgage Electronic Registration Systems ("MERS").

If the servicer sells the servicing rights in the future to another MERS[®] System Member, it eliminates the cost of preparing and recording assignments. In the case of Ginnie Mae pools, it also eliminates the cost of endorsing the notes to the buyer.

So that buyer and seller realize the full value of the MERS[®] System, the Processing Standards are designed to ensure that:

- A valid MIN is assigned to the loan and affixed in the proper location on the Note, MOM security instrument, or assignment to MERS
- MERS is accurately recorded in the county land records as mortgagee after loan origination or assignment to MERS
- The loan information is accurately registered on the MERS[®] System after origination, assignment to MERS, or acquisition of servicing
- When beneficial or servicing rights are sold to another Member, the seller and buyer update the MERS[®] System to reflect the new ownership interests
- When a loan is foreclosed, paid off, or servicing is sold to a non-MERS Member, MERS is released in the county land records as the mortgagee of record and the MIN assigned to the loan is affixed in the proper location on the lien release document or assignment from MERS.

Strategy

Your company committed to abide by the MERS[®] System Processing Standards by signing the Member Application. The current servicer of a loan for which MERS has been named mortgagee inherits from the seller the responsibility for meeting the Processing Standards.

MERSCORP will provide the knowledge, training, and tools (or assistance in creating tools) that ensure the quality of generating MINs, preparing and recording documents, and the information on the MERS[®] System.

MERSCORP expects your company to integrate the MERS® System Processing Standards into your everyday business practices. We expect you to self-audit your performance against the Processing Standards by developing a quality assurance plan that is designed to meet or exceed the standards (you may use a sample MERS® System Quality Assurance Plan as a model in creating the plan for your organization). We require that you keep your most recent MERS® System Quality Assurance Plan on file with MERSCORP. We expect your company to conduct reconciliations to monitor your performance, and to review your plan at least annually for accuracy and effectiveness. We require an annual report of the control structure of your organization's system to system reconciliation process, reject/warning report process, and adherence to your organization's internal MERS® System Quality Assurance Plan.

Monitoring

To monitor the effectiveness of our Members' training, tools, and procedures, the MERSCORP Product Performance Department conducts Member data and document reviews. Member compliance reviews may be conducted on-site at MERSCORP's discretion. Please see [Appendix A](#) for a sample of the type of information that we typically request during a Quality Assurance Review.

Annual Report

The Annual Report of MERS® System Quality Assurance Standards Compliance ensures that each Member Servicer or Subservicer is compliant with MERS® System Quality Assurance Standards. This report is signed by your Executive Sponsor, and is required from each Member Servicer or Subservicer each calendar year. It confirms:

- Member has in place procedures designed to provide reasonable assurance that it has submitted to MERSCORP data for all MERS® System required and conditional reporting fields.
- Member has conducted system-to-system reconciliations for all MERS® System required and conditional reporting fields at the required frequency.
- Required and conditional fields entered on the MERS® System on behalf of Member match those values in Member's internal system, and discrepancies and remediation activities necessary to align the two systems are tracked and monitored on aging reports until cleared.
- Member has in place procedures designed to provide reasonable assurance that it has conducted daily capture of all reject/warning reports associated with registrations, transfers, and status updates on open-item aging reports.
- Member has in place procedures that are designed to provide reasonable assurance of compliance with the MERSCORP rules and procedures applicable to the MERS Signing Officers.
- Member has monitored its performance against Member's Quality Assurance Plan and has reviewed the plan at least annually for effectiveness and has revised the plan as necessary.

Note: All Annual Reports after 2011 must be completed by an External Review Organization.

MERS® System Processing Standards

Overview

As the MERS® System was being developed, industry participants agreed there were no industry-wide standards for the processing of assignments and lien releases. Without standards, many assignments and lien releases were not recorded in a timely manner, were improperly recorded, or were never recorded at all. This created a number of problems and costs for buyers and sellers of servicing rights. The majority of mortgage industry participants that helped MERSCORP define standards for processing recording documents believed the entire industry would benefit.

Creating recording and lien release processing standards is important because:

1. The ability of MERS® System Members to sell mortgage loans to each other without recording assignments is contingent on Mortgage Electronic Registration Systems ("MERS") being properly recorded as the mortgagee in the county land records.
2. The accuracy of the information entered into the MERS® System affects the ability of MERSCORP to immediately and correctly identify the party to whom service of process should be directed.
3. To benefit consumers, and to avoid the possibility of MERS and MERS® System Members being assessed penalties for not having liens released in a timely manner, liens must be released as soon as possible after a loan is paid off.

Following are the MERS® System standards established for Member processing of MOM security instruments, assignments for non-MOM security instruments, lien releases and data integrity.

MERS as Original Mortgagee (MOM)

Security Instrument Processing Standards

- You must name Mortgage Electronic Registration Systems (“MERS”) as mortgagee in accordance with investor guidelines and include the Servicer Identification System telephone number (888-679-6377) in the “MERS as Mortgagee” language. Sample MOM language is included in [Appendix B](#).
- Place the Mortgage Identification Number (MIN) in a visible location on the first page of the security instrument, 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 ten 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 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 in escrow states).

Non-MOM Processing Standards

Prepare the assignment document naming Mortgage Electronic Registration Systems (“MERS”) as mortgagee. Place the MIN and Servicer Identification System telephone number (888-679-6377) in a visible location on the first page of the assignment, 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. A sample of an assignment is included in [Appendix B](#).

- 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 ten 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.

iRegistration Processing Standards

- Ensure MERS is not the current mortgagee or assignee.
- If MERS is the original mortgagee on the security instrument, ensure an assignment out of MERS has been recorded.

Additional Recordable Documents Processing Standards

Place the MIN and Servicer Identification System telephone number (888-679-6377) in an area that is under or close to your company's loan number on the document, unless that placement is not in compliance with county recorder requirements. In all cases, county recorder requirements take precedence over the MERS® System requirements. See [Appendix B](#) for sample changes to documents and links to sample documents.

- Enter the additional loan information (e.g. Assumption, Modification information for CEMA or construction loan, etc.) on the MERS® System within seven calendar days of its effective date, or of the Registration Date if later.

Loan Information Processing Standards

Note: The current Servicer and Subservicer are responsible for ensuring that all loan information is entered.

- For MOM loans, you must enter on the MERS® System all loan information at the time of Registration.
- For loans assigned to Mortgage Electronic Registration Systems ("MERS"), you must enter on the MERS® System all loan information except Originating Organization at the time of Registration. You must enter Originating Organization on the MERS® System within ninety 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-MERS Member
- For MERS® iRegistration loans, you must enter on the MERS® System all loan information except Originating Organization at the time of Registration. You must enter Originating Organization on the MERS® System within ninety calendar days of the Registration date:
 - Originating Org ID if originated by MERS® System Member
 - Original Note Holder if originated by non-MERS Member

Lien Release Processing Standards

- For MOM and Non-MOM loans:
 - Prepare the lien release document with MERS as mortgagee. Place the MIN and Servicer Identification System telephone number (888-679-6377) in an area that is under or close to your company's loan number on the document, unless that placement is not in compliance with county recorder requirements. In all cases, county recorder requirements take precedence over MERS® System requirements. An example of a lien release is included in [Appendix B](#).
 - Execute and record the lien release document in accordance with state and investor guidelines. In accordance with the Rules of Membership, if the jurisdiction doesn't require recording, the lien release must still be recorded in the county land records.
 - You must change the MIN status to "paid in full" and enter the Effective Payoff Date on the MERS® System within five calendar days of payoff of the loan on your company's servicing system.

Foreclosure Processing Standards

- Prepare and execute assignment to Servicer or other foreclosing entity before foreclosure is initiated and promptly send it for recording.
- Change MIN status to "Deactivated - Assigned from MERS for Default or Bankruptcy," or "Foreclosure Pending Option 3" for iRegistration, within five calendar days of when the foreclosure is initiated.
- For iRegistrations, and MOM and Non-MOM loans in Pending status, change MIN status to "Foreclosure Complete" or "Foreclosure Reinstated" within five calendar days of this action taking place. Each Servicer must include in its Quality Assurance Procedures a definition of when it deems a foreclosure complete or reinstated, and hold to it consistently.

Deactivation Processing Standards

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

Member Information Update Standards

- On a monthly basis, ensure that all Member Information on MERS® System is kept current and accurate. This includes:
 - Member name (contact MERSCORP to change)
 - Member address(es)
 - Member phone and fax numbers
 - Member URL
 - Member contact information (names, addresses, phone numbers, and email addresses), including at a minimum:
 - Primary Customer Service contact
 - Primary System Administrator contact
 - Operational contact
 - Accounts Billing contact
 - Executive Sponsor
 - Legal
 - Quality Assurance Officer
 - Technical (required if using system-to-system interface to MERS® System)

Corporate Resolution Management System (CRMS) Update Standards

- At least monthly, ensure that all Information on the CRMS and in your Corporate Resolution 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 Signing Officers listed for your Org ID are currently officers of your organization
 - All Signing Officers listed on your current Corporate Resolution have a current certification (are in Test Passed or ReCertify status)
 - The email address for each Signing Officer is the unique business email address of that officer
 - All information entered for each Signing Officer is current
 - All Signing Officers listed for your Vendor ID(s) are currently officers of the vendor organization or members in good standing of a state bar association
 - All Signing Officers listed on your current Signing Authority Agreement(s) have a current certification (are in Test Passed or ReCertify status)

Data Integrity Standards

These Standards apply to the data on the internal system of the Subservicer if one is named on the MERS® System, otherwise to the data on the internal system of the Servicer.

Upon registering a loan on the MERS® System, ensure a three-way validation occurs between the information on the loan documents (recorded security instrument, and note for borrower information), the MERS® System, and your LOS or servicing system.

- Loan status on the Member's system must match the MERS® System.
- The current borrower name(s) or Corporate name(s) on the MERS® System must match exactly the borrower name(s) or Corporate name(s) on the Member's system (including middle name or initial).

- For assumed loans, the current borrower name(s) on the MERS® System must match the borrower name(s) on your company's servicing system.
- All borrower social security numbers or tax identification numbers on the MERS® System must match the corresponding number on your company's servicing system.
- Subject property address must match exactly the property address in the Member's system.
- Property County or FIPS code must match the county listed on the Member's system.
- Note Date and Note Amount must match the date and amount on the Member's system.
- MOM Indicator is MOM for loans with MERS as Original Mortgagee (MOM) which have never been assigned out of MERS, Non-MOM for loans assigned into MERS, and iRegistration for loans on which MERS is not the mortgagee.
- Lien Type on MERS® System must match the Member's system.
- Owner Occupied flag on MERS® System must match the Member's system.
- Investor identified as the current Investor on the MERS® System must be the investor designated on your company's servicing system, if the investor is either an Option 1 or an Option 2 Member Investor. You may identify a non-Member investor by using Org ID 1000002 (Undisclosed Investor).
- Servicer identified as current Servicer on the MERS® System must be the servicer designated on your company's servicing system.
- Subservicer identified as current Subservicer on the MERS® System must be the subservicer designated on your Subservicer's servicing system.
- Originating Org ID for MERS® System Member, or Original Note Holder for Non-MERS Member, correctly reflects loan originator.
- Investor Loan Number and Agency ID, if required by the investor, must match those values on your company's servicing system.
- If applicable, FHA/VA Case numbers, if required by the Investor, must match those on your company's servicing system.

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

- Investor Pool Number in Pool Number field on MERS® System must match the Member's system.
- Securitization field on MERS® System must match the Member's system.
 - Example: ABC Trustee 2010-10 or ABC as Indenture Trustee of the 2008HE3-25trust.

Note: When the Investor field contains a securitization trustee, Members are required to populate the Pool field for Agency securitizations only and populate the Securitization field for non-Agency securitizations.

- 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.

Note: Both buyer and seller are responsible for ensuring that transfers are completed in a timely manner.

Data Reconciliation Standards

The following fields must be reconciled between your internal system and the MERS® System. If you update additional fields on the MERS® System, you must reconcile them with your internal system as well.

MERS® System Field Name	Field Description	Required or Conditional
MIN_NBR	MIN 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
SERV_ORG_ID	Servicer ORG ID	Required
SUB_SERV_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	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

MERS® System Field Name	Field Description	Required or Conditional
BORR_SSN	Co-borrower Social Security number	Conditional
PROP_NBR	Property Street Number	Required
PROP_STRT	Property Street Name	Required
PROP_UNIT_TYPE	Property Unit type	Conditional
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	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
ASGNE_NAME	Assignee Name	Conditional
ASGNE_ADDR_1	Assignee Address	Conditional
ASGNE_CITY	Assignee City	Conditional
ASGNE_ST	Assignee State	Conditional
ASGNE_ZIP	Assignee Zip	Conditional
ASGNR_NAME	Assignor Name	Conditional

MERS® System Quality Assurance Review

To ensure compliance with MERS® System Quality Assurance standards, MERSCORP performs Member Data Reconciliation quality assurance reviews which may include, but are not limited to, reviewing mortgage documents for MERS® System registered loans serviced/originated by the Member and/or data from the Member's servicing or loan origination system. MERSCORP may also conduct an on-site review of your MERS® System processes, departments, workflow, and procedures, and speak with the staff performing your MERS® System functions, to help us understand and improve your MERS® System processing.

MERSCORP may request a random sampling of documents (for MOMs, non-MOMs and iRegistrations), and/or servicing or loan origination system data to compare the information to the MERS® System. This helps ensure that the data on the MERS® System is correct, and that the Member is following the MERS® System documentation and quality assurance standards. MERSCORP will also request a copy of your most recent MERS® System Quality Assurance Plan.

The following list identifies the types of documents the Quality Assurance Team reviews and the key data elements that are compared to the MERS® System.

Checklist Items

MOM Security Instrument Document Review

- ☐ Approved MOM language used
- ☐ Correct MIN and SIS Number placed on documents
- ☐ MIN positioned in correct location on required documentation
- ☐ Security Instrument recorded in accordance with state and investor guidelines; however, even if the jurisdiction does not require recordation, MERS® System rules state Mortgage Electronic Registration Systems ("MERS") must be named in the county land records
- ☐ MOM indicator is set to "MOM" in MERS® System
- ☐ Security Instrument registered on MERS® System within seven calendar days of Note Date (or Funding Date as applicable for refinance loans or in escrow states).

Assignment Document Review

- ❑ Approved Mortgage Electronic Registration Systems (“MERS”) as Mortgagee language used
- ❑ Correct MIN placed on Assignment
- ❑ MIN positioned in correct location on Assignment
- ❑ Correct SIS Number placed on Assignment
- ❑ SIS Number positioned in correct location on Assignment
- ❑ Assignee (when assigning to MERS) or Assignor (when assigning from MERS) name and address indicated on the MERS® System match the executed assignment
- ❑ MOM indicator is set to “Non-MOM” in MERS® System
- ❑ MERS Signing Officer signature is valid
 - Signing Officer is present on approved Signing Officer list for that Org ID and date
 - Signing Officer is proven to be an officer of the company with that Org ID on that date
- ❑ Loan registered or converted from iRegistration to Non-MOM within seven calendar days of Transfer Date or Assignment Date
- ❑ Assignment executed within seven calendar days of Registration Date and recorded

MERS® iRegistrations Document Review

- ❑ No MERS language used, or assignment out of MERS recorded before registration as iRegistration loan
- ❑ MOM indicator is set to “iRegistration” in MERS® System

Lien Release Document Review

- ❑ Approved MERS as Mortgagee language used
- ❑ Correct MIN and SIS number placed on documents
- ❑ MIN positioned in correct location on required documentation
- ❑ Lien Release recorded
- ❑ MERS Signing Officer signature is valid:
 - Signing Officer is present on approved Signing Officer list for that Org ID and date
 - Signing Officer is proven to be an officer of the company with that Org ID on that date
- ❑ MIN status on MERS® System is updated to reflect Paid in Full within five calendar days of payoff

Foreclosure Document Review

- ❑ Foreclosure documentation matches foreclosure status transacted on MERS® System
- ❑ Member supplies proof that assignment was executed before foreclosure was initiated, and that MERS was removed from the applicable public land records
- ❑ Member supplies proof that foreclosure was initiated
- ❑ Pending option in MERS® System matches documentation
- ❑ Assignment from Mortgage Electronic Registration Systems (“MERS”) contains:
 - Correct MIN placed on Assignment
 - MIN positioned in correct location on Assignment
 - Correct SIS Number placed on Assignment
 - SIS Number positioned in correct location on Assignment
 - Valid MERS Signing Officer signature:
 - Signing Officer is present on approved Signing Officer list for that Org ID and date
 - Signing Officer is proven to be an officer of the company with that Org ID on that date

For foreclosures initiated in MERS’s name, when this was allowed before July 22, 2011:

- ❑ If property went to sale, MERS was not left in title on sale documentation (unless in a state where this was temporarily allowed previously under Rule 8 of the MERS® System Rule of Membership)
- ❑ If title was deeded to MERS temporarily, provide subsequent deed immediately removing MERS from title

Data Integrity Standards

- ❑ MOM Indicator correctly reflects MERS as Mortgagee status
- ❑ Original Borrower Name(s) on MERS® System match Member's system and the original note.
- ❑ Current Borrower Name(s) on MERS® System match current borrower(s) on Member's servicing system
- ❑ All Borrower Social Security or Tax ID numbers on MERS® System match Member's servicing system
- ❑ Property address matches the address on the Member's system
- ❑ Property County or FIPS code matches the legal description on the Member's system
- ❑ Note Date matches Member's system
- ❑ Note Amount on MERS® System matches Member's system
- ❑ Lien Type on MERS® System matches Member's system
- ❑ Investor on MERS® System matches Member's servicing system
- ❑ Servicer on MERS® System matches Member's servicing system
- ❑ Subservicer on MERS® System matches Member's servicing system
- ❑ Originating Org ID for MERS® System Member, or Original Note Holder for Non-MERS Member, correctly reflects loan originator.
- ❑ Investor Loan # and Agency ID (if required) match Member's servicing system
- ❑ If applicable, FHA/VA case numbers match Member's servicing system
- ❑ Pool Number field on MERS® System for MINs in rated securities contains pool number if securitization trustee is an Agency, and matches Member's system
- ❑ Securitization field on MERS® System for MINs in rated securities contains trust name if securitization trustee is not an Agency, and matches Member's system
- ❑ Owner Occupied flag on MERS® System matches Member's system

Member Information Standards

- All Member Information (including Contact Information) on MERS® System is current and accurate.
 - Member name reflects legal name
 - For name change, complete Company Information Change Request form and submit to MERSCORP
 - Member addresses are current and complete
 - Member phone and fax numbers are current
 - Member URL is current
 - Contact information is present and accurate for all the following contact types:
 - Accounts Billing
 - Primary System Administrator
 - Primary Customer Service
 - Legal
 - Operational
 - Quality Assurance Officer
 - Executive Sponsor
 - Technical (if using system-to-system interface to MERS® System)
 - Contact information for required contacts includes at a minimum:
 - Name
 - Address
 - Telephone number
 - Email address
- GAL email address is current and accurate, and is monitored daily.
 - To change this address, contact the Help Desk

Sample Documents for MOM Loans and Loans Assigned to Mortgage Electronic Registration Systems (“MERS”)

MERSCORP does not mandate specific language changes to mortgage loan documents. However, the following three requirements must be satisfied for MOM loans and loans assigned to MERS:

- 1) Legal title to the mortgage lien or the lien of other security agreements must be vested in Mortgage Electronic Registration Systems, Inc., a Delaware stock corporation with an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
- 2) The 18-digit mortgage identification number (“MIN”) required for each loan registered on the MERS® System, as well as the SIS telephone number, must be placed on the cover page (or first page if there is no cover page) of each of the following documents: (a) mortgage or deed of trust, (b) other security instruments, (c) assignment of security instruments to or from MERS, (d) lien releases or reconveyances and (e) any other instruments recorded in the public land records in which MERS has a legal interest. Placement of the MIN on other loan documentation is optional for the Lender.
- 3) Notices provisions in the mortgage, deed of trust and other security instruments should be modified to add Mortgage Electronic Registration Systems, Inc.

MERSCORP is not rendering legal advice to Lenders. The following materials are provided to give Lenders guidance on the changes that may be appropriate to achieve our requirements. Specific state or local recording laws, and agency or investor requirements, may require other changes to the documents. Lenders and their counsel are free to make other changes that they believe are necessary or appropriate to conform their documents to the requirements of the MERS® System.

Following are sample changes to these documents:

- [MOM Deed of Trust or Mortgage](#)
- [Corrective Affidavit for Assignment](#)
- [Corrective Affidavit for Security Instrument](#)
- [Loan Security Agreement](#)
- For Co-ops:
 - [UCC-1 Naming MERS as the Original Secured Party](#)
 - [UCC-3 Assigning Security Interests to MERS](#)
 - [UCC-3 Assigning Security Interests from MERS](#)
 - [UCC-3 Termination Agreement](#)

Sample documents are available on the corporate website at www.mersinc.org:

- [Sample MOM Deed of Trust](#)
- [Sample MOM Mortgage](#)
- [Sample Assignment of Mortgage **to** MERS](#)
- [Sample Assignment of Mortgage **from** MERS](#)
- [Sample Lien Release](#)
- [Sample Loan Modification Agreement](#)
- [Sample Consolidation, Extension and Modification Agreement](#)
- [Sample California Assignment MERS to MERS](#)
- [Sample Subordination Agreement](#)
- [Sample Subordination of Lien](#)
- [Sample Security Deed](#)

Sample Changes to Deed of Trust or Mortgage naming MERS as the Original Mortgagee (MOM Document)

The 18-digit MIN must be visible on the Security Instrument. Place the MIN to the right of the form title, but not within the top recording margin or on the right margin.

The specific language and placement may vary from state to state. Below is just a generic sample of what changes may need to be made. Please check with your documentation preparation vendor for state specific forms.

In the Definitions section:

MERS as Grantee/Mortgagee language; e.g.

“MERS” is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender’s successors and assigns. MERS is the [grantee/beneficiary/mortgagee] under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

In the granting clause:

MERS noted as grantee solely as nominee for lender; e.g.

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower’s covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby [mortgage,] grant and convey to MERS (solely as nominee for Lender and Lender’s successors and assigns) and the successors and assigns of MERS, with power of sale, the following described property located in

or

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in

Add Borrower consent sentence; e.g.

Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender’s successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

Sample Corrective Affidavit for Assignment

SAMPLE

MORTGAGEE'S AFFIDAVIT

Beneficiary if
using a Deed of
Trust

The undersigned, _____, does hereby depose and say as follows:

1. That I am an authorized officer of the mortgagee (or assignee), Mortgage Electronic Registration Systems, Inc.
2. That this Affidavit refers to the Assignment from (insert name of Assignor) to Mortgage Electronic Registration Systems, Inc., in relation to property located at (insert property address, city and state), dated _____ and recorded at the (insert name of recording office) at Book _____, Page _____.
3. That the Mortgage Identification Number (MIN) was either omitted or incorrect on said Mortgage (or assignment).
4. That the correct MIN for the mortgage (or assignment) is MIN _____, and that the MERS telephone number to call for information when using this MIN is (888) 679-6377.

Signed this _____ day of _____, 200_

(signature line _____)

APPLICABLE STATE NOTARY CLAUSE

Sample Corrective Affidavit for Security Instrument

SAMPLE

Beneficiary if using
a Deed of Trust

MORTGAGEE'S AFFIDAVIT

The undersigned, _____, does hereby depose and say as follows:

5. That I am an authorized officer of the mortgagee (or assignee), Mortgage Electronic Registration Systems, Inc.
6. That this Affidavit refers to the Mortgage from (insert name of borrower) to Mortgage Electronic Registration Systems, Inc. as nominee for (insert name of lender, its successors and assigns), in relation to property located at (insert property address, city and state), dated _____ and recorded at the (insert name of recording office) at Book _____, Page _____.
7. That the Mortgage Identification Number (MIN) was either omitted or incorrect on said Mortgage (or assignment).
8. That the correct MIN for the mortgage (or assignment) is MIN _____, and that the MERS telephone number to call for information when using this MIN is (888) 679-6377.

Signed this _____ day of _____, 200_

(signature line _____)

APPLICABLE STATE NOTARY CLAUS

Sample Loan Security Agreement

Lender's Loan Number: XXXXXXXX

MIN: 1000XXX-XXXXXXXXXX-X
MERS Phone: 1-888-679-6377

Loan Security Agreement

THIS AGREEMENT, made DATE XXXXX, between ABC LENDER CORPORATION, incorporated under the laws of the State of _____, and having any office at LENDERS ADDRESS, (the BANK) and BORROWER AND CO-BORROWER, (Debtor) residing at: BORROWER'S ADDRESS

I. Representations of Debtor:

1. Debtor owns XXX shares of capital stock of XYZ VILLAGE OWNERS, INC. (the Corporation) as evidenced by Certificate Number XXXXXX of the Corporation (the "Stock") allocated to Apartment (the "Apartment") XXXXXXX in the building known as XXXXXXX, CityXXXX, ST, ZIP. And is the tenant under the occupying proprietary lease (the "Lease") of the Apartment.
2. As evidenced by a note (the "Note") dated simultaneously with this Agreement, Debtor is obligated to pay to the Bank the principal amount with interest as provided in the Note (which Principal amount and interest and any sums advanced the Bank pursuant to the terms of this Agreement are called the "debt").

Debtor hereby covenants and agrees as follows:

II. Security:

Language, as indicated on the UCC-1 or UCC-3

Debtor has simultaneously with this Agreement deposited with the Bank, the Stock, and the Lease and as security for the payment of the debt, Debtor hereby grants to Mortgage Electronic Registration Systems, Inc., solely as nominee For the Bank, its successors and assigns, a security interest in, and a general lien upon, said Stock and Lease and all personal property and fixtures (other than household, furniture and furnishings) of debtor, now or hereinafter attached to, or used in connection with, the apartment (collectively called the "Security").

III. Defaults:

The whole of the principal sum and interest shall become due at the option of the Bank upon the occurrence of any of the following events of default:

1. Failure to Pay. Debtor fails to make any payment required under the Note within thirty (30) days after the date the payment become due; or
2. Default Under Lease. Debtor does not cure any default under the Lease within the time periods, if any specified within a reasonable time; or
3. Cancellation, Surrender or Assignment of Lease. Debtor attempts to cancel, surrender or assign the Lease prior to maturity of the Note, or notice is given by the Corporation that the Lease is to be cancelled or terminated; or
4. Failure to Deliver Security Instruments. Debtor fails to execute and deliver any instrument required by the Bank to perfect or protect its security interest in the Security or to pay any filing or recording fees owing in connection with the perfection of the security interest; or . .

Sample UCC-1 Naming MERS as the Original Secured Party

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

(Use Filer Address, not MERS)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

1d. TAX ID # SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any ☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. TAX ID # SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any ☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

P.O. Box 2026 Flint MI 48501-2026 USA

4. This FINANCING STATEMENT covers the following collateral:

Name MERS as Secured Party

18-digit MIN and
Security Identification System Phone Number

5. ALTERNATIVE DESIGNATION (if applicable) ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

MERS MIN 100xxxx-xxxxxxxxxxx-x MERS Phone 888-679-6377

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

Current Secured Party of Record

18-digit MIN and Servicer Identification System Phone Number

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME
Name of Company Assigning Loan to MERS

OR

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER/REFERENCE DATA
MERS MIN 100xxxx-xxxxxxxxxx-x MERS Phone 888-679-6377

Sample UCC-3 Assigning Security Interests from MERS when transferred to a non-MERS entity

UCC FINANCING STATEMENT AMENDMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

{Use Filer Address, not MERS}

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #

1b. This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☒ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.
Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. ☐ DELETE name: Give record name to be deleted in item 6a or 6b. ☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME

OR

6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME
Name of Non-MERS Company to which Loan is Assigned

OR

7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

7d. TAX ID # SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 7e. TYPE OF ORGANIZATION 7f. JURISDICTION OF ORGANIZATION 7g. ORGANIZATIONAL ID #, if any ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME
Mortgage Electronic Registration Systems, Inc.

OR

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER REFERENCE DATA
MERS MIN 100xxxx-xxxxxxxxxx-x MERS Phone 888-679-6377

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/29/98)

Name and address of new Secured Party

18-digit MIN and Servicer Identification System Phone Number

Sample of UCC-3 Termination, When Debt is Paid in Full

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] B. SEND ACKNOWLEDGMENT TO: (Name and Address) { Use Filer Address, not MERS } <div style="text-align: right;">THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY</div>			
1a. INITIAL FINANCING STATEMENT FILE #		1b. This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. <input type="checkbox"/>	
2. <input checked="" type="checkbox"/> TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.			
3. <input type="checkbox"/> CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.			
4. <input type="checkbox"/> ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c, and also give name of assignor in item 9.			
5. AMENDMENT (PARTY INFORMATION): This Amendment affects <input type="checkbox"/> Debtor or <input type="checkbox"/> Secured Party of record. Check only <u>one</u> of these two boxes. Also check <u>one</u> of the following three boxes and provide appropriate information in items 6 and/or 7. <input type="checkbox"/> CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. <input type="checkbox"/> DELETE name: Give record name to be deleted in item 6a or 6b. <input type="checkbox"/> ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).			
6. CURRENT RECORD INFORMATION:			
6a. ORGANIZATION'S NAME			
OR			
6b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
			SUFFIX
7. CHANGED (NEW) OR ADDED INFORMATION:			
7a. ORGANIZATION'S NAME			
OR			
7b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
			SUFFIX
7c. MAILING ADDRESS		CITY	STATE
			POSTAL CODE
		COUNTRY	
7d. TAX ID #: SSN OR EIN		7e. TYPE OF ORGANIZATION	
ADD'L INFO RE ORGANIZATION DEBTOR		7f. JURISDICTION OF ORGANIZATION	
		7g. ORGANIZATIONAL ID #, if any	
		<input type="checkbox"/> NONE	
8. AMENDMENT (COLLATERAL CHANGE): check only <u>one</u> box. Describe collateral <input type="checkbox"/> deleted or <input type="checkbox"/> added, or give entire <input type="checkbox"/> restated collateral description, or describe collateral <input type="checkbox"/> assigned.			

18-digit MIN and
Servicer Identification System Phone Number

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here <input type="checkbox"/> and enter name of DEBTOR authorizing this Amendment.			
9a. ORGANIZATION'S NAME			
Mortgage Electronic Registration Systems, Inc.			
OR			
9b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
			SUFFIX
10. OPTIONAL FILER REFERENCE DATA			
MERS MIN 100xxxx-xxxxxxxxxx-x		MERS Phone 888-679-6377	

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/29/98)

Glossary

Acquisition Date	The date of acquisition recognized in the books and records of the Purchaser.
Agency ID	A number assigned by a government agency to uniquely identify a mortgage company.
Assignment	A transfer to another of any property, real or personal, or of any rights or estates in said property.
Associated Member	A MERS® System Member that has been granted inquiry only access to loan information by the Servicer/Subservicer of a mortgage registered on MERS.
Assumption	Taking over by one party of an obligation that was originally incurred by another. In MERS® System, this results in replacement of the Primary Borrower and all Co-Borrowers.
Batch	A group of one or more MINs identified to be included in a Transfer of Beneficial or Servicing Rights transaction.
Batch File	A system-to system transaction used to update the MERS® System .
Batch Inquiry	Transaction used to look up information on loans matching search criteria entered using a flat file format.
Beneficial Rights Transfer	A transfer of the security interest under the mortgage or deed of trust. These transfers are tracked for MERS® System Members on the MERS® System.
BIR	Business Integration Resource. The MERS employee who assists you in incorporating the MERS® System into your business processes.
Bulk Transfer	The process of transferring the servicing rights of multiple loans on the MERS® System in a one-time transaction.
CEMA	Consolidation, Extension, and Modification Agreement. Also known as MECA
Check digit	The final digit of the 18-digit Mortgage Identification Number (MIN), which is calculated using the MOD 10 Weight 2 algorithm.
Co-Borrower	The first borrower listed on the Security Instrument is the Primary Borrower for that loan on the MERS® System. Each additional borrower listed on the Security Instrument is a Co-Borrower for that loan on the MERS® System. Names listed on the Note but not the Security Instrument should be entered as Co-Borrowers on the MERS® System. Names listed on the Security Instrument but not the Note should not be entered on the MERS® System.
Confirmation	The transaction used by an Investor, Servicer, or Subservicer to indicate if a pending transfer transaction should be accepted or rejected.

Contact Types	<ul style="list-style-type: none"> • Accounts Billing (mandatory) Person from the Member's organization designated to receive MERSCORP monthly invoices. IMPORTANT: There can only be one individual designated for this contact type. Any discrepancies should be directed to the MERSCORP Accounting Department at billing@mersinc.org. • Compliance Officer An Officer, who is responsible for regulatory internal requirements for MERS® System Member. • Customer Service Primary (mandatory) Contact from the Member's organization for handling public requests for MERS® System Members • Customer Service Secondary Back-up for Customer Service Primary contact. • eRegistry (mandatory for eRegistry Members) Person who is a contact for MERS® eRegistry questions. • Executive Sponsor (mandatory) The senior executive within the Member's organization under whose management the MERS® System operation falls. • Legal (mandatory) Designated individual at Member's organization responsible for coordinating communication between the MERSCORP Law Department and the Member's internal law department regarding litigation and other legal issues. • Mail Room Contact responsible for handling MERS® System mail for Member. • Operational (mandatory) Person(s) from the Member's organization responsible for overseeing or conducting the day-to-day MERS® System functions. This contact-type appears on Member Search on the corporate website at www.mersinc.org, and in the Member Summary on MERS® OnLine, and MERS® Link. • Property Preservation Contact for handling property preservation for MERS® System Members. This contact-type appears on Member Summary in MERS® OnLine and MERS® Link. • Quality Assurance Officer (mandatory) Officer from the Member's organization responsible for MERS® System Quality Assurance. • System Administrator Primary (mandatory) Person from the Member's organization responsible for setting up unique User ID(s) for each person at your company needing access to MERS® OnLine. This person maintains your organization's User IDs and Roles, including password resets, and keeps your Member Information current. • System Administrator Secondary Back-up for System Administrator Primary. • Technical (mandatory for Members using System to System connectivity) Person from the Member's organization responsible for providing technical support to ensure system compatibility with the MERS® System.
Conversion	The process by which an iRegistration loan is converted to a Non-MOM loan if it is assigned to MERS. Uses the Registration transaction.

<i>Deactivation</i>	When a loan becomes inactive on the MERS® System for one of the following reasons: <ul style="list-style-type: none"> • Paid in Full (includes payoff, deed in lieu, short sale, etc.) • Transfer to non-MERS Status • Involuntary transfer/default by Servicer • Involuntary transfer/default by Subservicer • Foreclosure Complete • Deactivated - Assigned from MERS for Default or Bankruptcy
<i>Deactivation Reversal</i>	The process for reactivating a MIN that was deactivated in error.
<i>DTD</i>	Document Type Definition. A file that defines the “markup language” that will be used to describe the data. It defines and names the elements that can be used in the document, the order in which the elements can appear, the element attributes that can be used, and other document features.
<i>EDI</i>	Electronic Data Interchange. The system-to-system exchange of business transactions between one or more business partners in a standard format.
<i>eNote</i>	A Transferable Record as defined by ESIGN or UETA, whichever is applicable.
<i>ESIGN</i>	Electronic Signatures in Global and National Commerce Act. A federal statute that establishes the legal validity and enforceability of electronic signatures, contracts, and other records in interstate and foreign commerce transactions, if not superseded by certain state laws otherwise authorizing such activities.
<i>ETA</i>	Electronic Tracking Agreement. An agreement that is used when a mortgage originator pledges mortgages to a warehouse lender as collateral through a line of credit or other financing arrangement.
<i>FIPS Code</i>	The code assigned by the Federal Information Processing Standards (FIPS) Publications issued by the National Institute of Standards and Technology (NIST) to represent a county or other entity treated as an equivalent legal and/or statistical subdivision of the 50 states, District of Columbia, and the possessions and freely associated areas of the United States.
<i>Flat File Format</i>	This is the optional proprietary format for system-to-system input to the MERS® System . Members that are not X12 capable can use this format.
<i>Flow Loan Registration</i>	A loan registered on the MERS® System 270 days or less after the note date.
<i>Flow Transfer</i>	MERS defines flow as a Transfer Date 270 days or less after the Note Date . There is no fee for this transaction nor limitations to the number of times a MIN can be included in Flow Transactions.

Foreclosure Status	<p>The field reflecting the current status of a MIN in foreclosure on the MERS[®] System. “Foreclosure Complete,” “Reinstated or modified (option 1), not assigned back to MERS-deactivate,” and “Assigned from MERS for Default or Bankruptcy” statuses deactivate the MIN. The following is a list of MERS foreclosure statuses:</p> <ul style="list-style-type: none"> • Foreclosure pending (option 2), retained on the MERS[®] System* • Foreclosure pending (option 3), iRegistration • Reinstated or modified (option 1), assigned back to MERS* • Reinstated or modified (option 1), not assigned back to MERS-deactivation* • Reinstated or modified (option 1), not assigned back to MERS- iRegistration* • Reinstated or modified (option 2)** • Reinstated or modified (option 3) • Foreclosure complete • Foreclosure status reset • Assigned from MERS for Default or Bankruptcy <p>* This option is no longer available. **This option is only available as an update to a loan in pending (option 2) status.</p>
FTP	File Transfer Protocol
Funding Date	<i>Funding Date</i> is defined as the date the borrower becomes obligated for the debt and interest starts to accrue. In some states, this may be different from the date the borrower signs the note, or the date the note is drawn.
GAL Contact	The email address provided by the Member for Service of Process and other MERS [®] System communications. To change this email address, the Member must contact the Help Desk.
General Public	Refers to any non-MERS Member who requests information. Only selected information will be accessible through an automated servicer identification system and the customer must provide required information to activate and release requested information.
Help Desk	Provides support of MERS [®] systems and procedures, via telephone and email, to MERS [®] System Members.
Integration	The process by which a Member completes procedural changes, training, and system testing of transactions prior to being live in the MERS [®] System.
Interim Funder	Organization with an interim financial interest on a loan prior to the sale of the loan to the permanent Investor , who has chosen to have their secured interest in each loan represented in a way that only they can release on the MERS [®] System .
Interim Funder Interest	The financial interest on a loan that an organization has prior to the sale of the loan to the permanent Investor . Examples of organizations are warehouse lenders, Wall Street firms, and other parties that extend interim funding to originators.
Intracompany Transfer	Transactions reflecting seasoned servicing transfers between the Org IDs named in a Parent/Child agreement are billed Intracompany Transfer fees rather than Seasoned Servicing Transfer fees.
Investor	The owner of the beneficial interest in a loan.
iRegistration	Loan registered on the MERS [®] System for information only, where MERS is not the mortgagee. iRegistration loans may be included in transactions (e.g. TOS, TOB, deactivation, foreclosure), but assignment information is optional.
Lender	The payee on the note.
Lien Release	An instrument releasing the security interest recorded in the county land records (also discharge, satisfaction, reconveyance).
Line of Business (LOB)	The types of business in which a Member is active on the MERS[®] System . These are listed in the Member’s Member Profile .

Member	An organization who has signed a Membership Application, received a unique Org ID, and been approved for Integration, but has not completed Resignation.
Member Profile	MERS-specific information about a MERS® System Member that is required at the time of initial setup. The member profile indicates the Member's MERS business process preferences, billing, and other information.
MERS	Mortgage Electronic Registration Systems, Inc., a wholly owned subsidiary of MERSCORP, Inc. MERS acts as the mortgagee of record in the public land records and as nominee for the lender and its successors and assigns.
MERS® 1-2-3	A complete online solution to achieve MERS® Ready status for Lenders that sell loans servicing-released. Through interfaces with approved document preparation companies, it generates a MIN to be presented on a MOM security instrument or assignment. It also warehouses data to pre-populate the fields on the MERS Registration page, thereby eliminating approximately 80% of the required data entry.
MERS® eDelivery	A secure method for distributing eMortgage packages from one MERS® eRegistry Member to another, using the existing MERS® eRegistry infrastructure and transaction security requirements.
MERS® eRegistry	An system of record that identifies the current owner (Controller) and custodian (Location) of the authoritative copy of registered eNotes.
MERS® InvestorID	An initiative to provide more transparency regarding residential mortgage loans.
MERS® Link	Browser-based access to the MERS® System to retrieve information about the current Servicer of a mortgage registered on the MERS® System. If supported by the Servicer, it may have a "hot link" to the Servicer's website for Customer Service information. MERS® Link also can be accessed via the American Land Title Association web site or through a subscription to the service
MERS® Lite Member	A lender that has signed a MERS® System Member Agreement solely so that it can sell loans with MERS as the nominee for the lender on the security instrument to other MERS® System Members. This type of Member sells servicing-released within 30 days of loan closing.
MERS® OnLine	Browser-based access to the MERS® System , found at www.mersonline.org .
MERS® Project Manager	Person responsible for managing the implementation and integration of the MERS® System process into the Member's operations. Receives Integration Surveys, and administrative access to the Corporate Resolution Management System (CRMS).
MERS® Servicer ID	Browser-based access to servicer contact information for loans registered on the MERS® System. Available to the public at www.mers-servicerid.org .
MERS® System	An electronic registry that tracks changes in loans servicing and beneficial ownership rights. Member companies update the registry via MERS® OnLine (the browser-based interface) or through batch file or XML interfaces.
MERS® System Administrator	Person from the Member's organization responsible for setting up unique User ID(s) for each person at your company needing access to MERS® OnLine. This person maintains your organization's User IDs and Roles, including password resets, and keeps your Member Information current.
MERSCORP	MERSCORP, Inc., owns and operates the MERS® System, the MERS® eRegistry, MERS® eDelivery, and MERS® Commercial. MERSCORP is the service provider for Mortgage Electronic Registration Systems, Inc.
MIN	Mortgage Identification Number. The MIN is an 18-digit number composed of the 7-digit Organization ID , the 10-digit sequence number, and the check digit.

MIN Archival	The process that removes MINs that have been deactivated on the MERS® System. Limited information is still available on the MIN.
MIN Status	The field reflecting the reason for current status of a loan on the MERS® System .
MOM	MERS as the Original Mortgagee. Language written into security instruments that establishes MERS as the Original Mortgagee and nominee for the Lender, its successors and assigns.
My MERS	The MERS® OnLine functionality that allows Members to create a list of frequently used Org IDs .
Non-MOM	A loan for which MERS is the mortgagee through an assignment.
Note Date	<i>Note Date</i> is the date on the Note. In some states, the date the borrower signs the note, or the date the note is drawn, may or may not be the actual date on which interest begins to accrue (see Funding Date).
Option 1 (beneficial rights)	The lender/seller of the beneficial interest initiates the transfer of beneficial rights outside of MERS (e.g., using MIDANET or MORNET). The Investor sends confirmation of the transfer to MERS through an X12 transaction. Once the X12 file is submitted, it cannot be canceled. Interim funding interests are released automatically when the X12 transaction is processed by the MERS® System .
Option 1 MIN Cycling	The automated transaction that reprocesses MINs that have been rejected due to reason of non-registration, when delivery has been attempted to an Option 1 Investor . The cycle and reprocess occurs for 10 calendar days from the effective Transfer Date .
Option 1TOS (Default by Servicer)	An Option 1 Investor may use this transaction to reflect a transfer of servicing on that Investor's loans to another MERS® System Member Servicer due to default by the previous MERS Servicer. This transaction is billed to the Investor, and leaves the loan active on the MERS® System.
Option 2 (beneficial rights)	In the Option 2 process, the current Investor , Servicer , or Subservicer creates a beneficial rights transfer transaction. Then the new Investor confirms the transfer. Interim funding interests must be released separately.
Optional EDI Format	See Flat File format .
Organization Identification Number (Org ID)	A MERS assigned seven-digit number uniquely identifying a Member of MERS. The seven digits of the Org ID comprise the first seven digits of the 18-digit MIN .
Original Borrower	The entity listed as the borrower on the original note. May be different from the current borrower on a loan if the loan has been assumed.
Original Note Holder	The loan originator, if not a MERS® System Member. Displayed as Originating Organization.
Originating Org ID	The Org ID of the loan originator. This organization's Org ID and Name are displayed as Originating Organization.
Originating Organization	The originator of the loan. If the originator is a MERS® System Member, that Member's Org ID is entered in the Originating Org ID field, and its Org ID and Name are displayed for Originating Organization. If the originator is not a MERS® System Member, the originator's name is entered in the Original Note Holder field and displayed for Originating Organization.
Parent/Child Relationship	Relationship established by MERS on the MERS® System for Members who execute a Parent/Child Agreement. Only the parent Org ID is billed Membership fees.
Passive Investor	An Option 2 Investor that is a MERS® System Member but does not actively confirm transfers to or from it on the MERS® System .

Physical Transfer Date	The date of the loans are transferred in the MERS® System database. This date will be the same as the Transfer Date unless the buyer does not confirm the transfer on time.
Pool Number	The number assigned to a grouping of loans by the Investor ; required for securitization.
Pre-Closing	Loan registered on the MERS® System before the note date with a status of Pre-Closing (not active). May be registered as an active iRegistration, MOM, or Non-MOM when the loan closes, but a Pre-Closing may not be updated or included in any other transaction except Registration Reversal.
Post-Closing	Transaction used to activate a loan previously registered as a Pre-Closing on the MERS® System when the loan closes.
Primary Borrower	The first borrower listed on the Note is the Primary Borrower for that loan on the MERS® System. Each additional borrower listed on the Note is a Co-Borrower for that loan on the MERS® System.
Property Preservation Company	MERS® System Member with which a Servicer or Subservicer contracts to maintain a property.
Property Preservation Contact	Contact for inquiries about maintenance of properties.
Reactivation	The process of activating a previously deactivated MIN for the same borrower, property, and lien type. MINs deactivated by Paid in Full or Foreclosure Complete cannot be reactivated.
Recordation	The act of recording the loan assignment and/or security instrument in the public land records.
Registrar	A company to whom a Member has contracted business activities such that the Registrar would be the initiator of the business activity that triggers a transaction to the MERS® System.
Registration	The process of entering required information into the MERS® System to report to MERS that a loan exists with MERS as the Mortgagee, or to reflect an iRegistration.
Registration Reversal	The process of reversing a loan that was registered in error.
Sale Date (servicing rights)	In a servicing transfer , the date the contractual servicing rights are transferred from seller to buyer. This date is stipulated in the Purchase and Sale Agreement.
Seasoned Loan Registration	A loan registered on the MERS® System more than 270 days after the note date .
Seasoned Transfer	MERS defines “seasoned” as Transfer Date more than 270 days after the note date . A seasoned loan transfer fee is charged to the seller for seasoned servicing transfers.
Security Instrument (SI)	A formal legal document securing repayment of a debt (e.g. mortgage or deed of trust).
Sequence Number	The 10-digit number assigned by the MERS® System Member to uniquely identify a loan. The 10 digits of the sequence number comprise the 8 th through 17 th digits of the 18-digit MIN .
Servicer	The entity that has the contractual right to service a loan and responsibility for the servicing of the loan for the Investor . In some cases the Servicer contracts with a Subservicer . If so, both the Servicer and the Subservicer must be MERS® System Members to register the loans on the MERS® System .

<i>Servicer Identification System (SIS)</i>	Telephone-based access to the MERS® System . It allows anyone to query the system to obtain information on the current servicer on a MERS-registered loan. This system was previously named the Voice Response Unit (VRU).
<i>Servicing Rights</i>	The ownership rights of the current Servicer for servicing loans.
<i>Servicing Rights Transfer</i>	The sale of servicing rights from the current Servicer to a new Servicer. These transfers are tracked for MERS® System Members on the MERS® System.
<i>SIS Number</i>	Servicer Identification System number: 888-679-MERS(6377)
<i>Standard EDI Format</i>	Accredited Standards Committee X12 standard.
<i>Subservicer</i>	The entity with whom the Servicer has contracted to service its loans. The Subservicer is not the legal owner of servicing rights .
<i>System to System</i>	An alternative to using MERS® OnLine , it's a method of transmitting information directly from a Member or vendor system to the MERS® System . This includes flat files and EDI X12 transmissions.
<i>TOB</i>	Transaction used to reflect a Transfer of Beneficial rights on the MERS® System. See Beneficial Rights Transfer .
<i>TOS</i>	Transaction used to reflect a Transfer of Servicing rights on the MERS® System. See Servicing Rights Transfer .
<i>TOS Option 1 (default by servicer)</i>	Transaction used by an Option 1 Investor to reflect a Transfer of Servicing Rights on the MERS® System due to default by servicer.
<i>TOS/TOB Combo</i>	Transaction used to reflect a simultaneous transfer of beneficial rights and servicing rights to an Option 2 Investor. Both flow and seasoned loans may be included in this transfer.
<i>TPO</i>	Third Party Originator. This membership category is available for an organization that will close loans in their name with Mortgage Electronic Registration Systems, Inc. (MERS) as original mortgagee, but will not perform transactions or review reports on the MERS® System
<i>Transfer Cancellation Date</i>	The date the transfer transaction is canceled on the MERS® System if all MIN confirmations and rejections are not received.
<i>Transfer Creation Date</i>	The date that the transfer transaction is initiated on the MERS® System .
<i>Transfer Date (beneficial rights)</i>	The date beneficial ownership of a loan is transferred from one Investor to another. In most cases this will be concurrent with the funding date by the new Investor.
<i>Transfer Date (servicing rights)</i>	According to the Purchase and Sale Agreement between the buyer and the seller, the date the responsibility for servicing the loans passes from seller to buyer.
<i>Transfer to Non-MERS Status</i>	Transaction used to deactivate a loan on the MERS® System when it is assigned out of MERS, transferred to a Non-MERS Member, and/or the Member no longer wishes to track it as an iRegistration on the MERS® System.
<i>UETA</i>	Uniform Electronic Transaction Act. A uniform form of statute that various states have enacted to establish the legal validity and enforceability of electronic signatures, contracts, and other records within the enforcing state; when enacted by a state, it may take the place of the provisions of ESIGN.
<i>Update</i>	A change to information outside of a previously defined business process (corrections, updates to previously null fields, etc.)
<i>Vendor</i>	A MERS® System Member who performs various transactions on the MERS® System on behalf of another Member under a contractual agreement.

<i>Warehouse/Gestation Lender</i>	Associated Member with an interim financial interest on a loan prior to the sale of the loan to the permanent Investor . Their interest in each loan is released automatically when servicing is transferred. The Warehouse/Gestation Lender has view only access to the loan on the MERS® System.
<i>X12 Format</i>	A predefined non-proprietary layout at a transaction set level. This is the recommended format for system-to-system transmissions to the MERS® System.
<i>XML</i>	Extensible Markup Language. XML is a markup language designed specifically for delivering information over the World Wide Web. In creating an XML document, the user creates and assigns the element names.
<i>XML Inquiry</i>	Transaction used to look up information on loans matching search criteria entered using an XML request.
<i>XML Registration</i>	Transaction used to register loans on the MERS® System using an XML request.

Revision History:

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