



SERVING COLORADO | KANSAS | NEBRASKA | OKLAHOMA

Turnkey Member Registration Agreement ("Registration Agreement")

Federal Home Loan Bank of Topeka (FHLBank) strives to be a strategic business partner with its members. Turnkey is designed to support FHLBank members in meeting the needs of low- and moderate-income households by offering downpayment, closing cost, and repair assistance to eligible households, as set forth in the Affordable Housing Program (AHP) Implementation Plan (IP) and Community Support Program and Targeted Community Lending Plan (TCLP).

Turnkey includes the following programs:

Homeownership Set-aside Program (HSP): Provides down payment, closing cost, and repair assistance to first-time homebuyers earning at or below 80% of the Area Median Income (AMI);

Homeownership Set-aside Program Plus (HSP+): An enhancement of our traditional HSP, HSP+ provides additional funding to for first-time homebuyers in High-Cost or Difficult Development Areas, as defined in the AHP IP; and

Homeownership Possibilities Expanded (HOPE): Provides down payment, closing cost, and repair assistance to households with income less than 150% of the AMI access to homeownership to the "missing middle" by supporting homebuyers that traditionally do not receive assistance but need subsidy to make homeownership accessible and affordable.

Any member wishing to participate in Turnkey must review and sign this Registration Agreement.

The undersigned member ("Member") hereby requests to participate in Turnkey and further agrees as follows:

1.0 General.

- 1.1 Member has been notified of and agrees that any Subsidies provided under this Registration Agreement shall be subject to and used in accordance with the terms of this Registration Agreement and FHLBank policies, procedures, rules and regulations, which govern Turnkey, including FHLBank's AHP IP and TCLP, available on FHLBank's website, whether now existing or

hereafter amended or implemented, all of which are incorporated by reference.

1.2 HSP and HSP+:

1.2.1 Subsidies provided under HSP and HSP+ shall be subject to and used in accordance with the Federal Home Loan Bank Act at 12 U.S.C. 1430(j) and the AHP regulations at 12 C.F.R. Part 1291 of the Federal Housing Finance Agency (FHFA) as may be in effect from time to time, or the regulations in effect from time to time of any successor in interest to FHFA (AHP Regulations), all of which are incorporated in this Registration Agreement;

1.2.2 To the extent the applicable AHP Regulations or the provisions of the AHP IP are inconsistent with any term or provision of this Agreement, the terms of the AHP Regulations and the AHP IP shall govern.

1.2.3 To the extent the Federal Home Loan Bank Act or AHP Regulations are amended from time to time, this Agreement is deemed to incorporate and conform to any new requirements in the Federal Home Loan Bank Act or AHP Regulations. No amendment to the Federal Home Loan Bank Act or AHP Regulations identified in this paragraph shall affect the legality of actions taken prior to the effective date of such amendment.

1.3 Any terms not defined herein shall have the meaning ascribed to them in the AHP Regulations, AHP IP, or the TCLP.

2.0 Term.

2.1 Upon execution of this Registration Agreement by Member, Member may begin reserving Turnkey funds for eligible households in accordance with the AHP IP and TCLP during each Turnkey funding period in which FHLBank makes Subsidies available.

2.2 FHLBank may request Member reaffirm its obligations under this Registration Agreement and may terminate this Registration Agreement immediately upon written notice to Member.

2.3 In the future, FHLBank may create additional programs or modify current programs under the Turnkey umbrella. Unless Member is requested to reaffirm its obligations under a separate agreement, this Registration Agreement will allow Member to participate in future or modified Turnkey programs and the terms of this Agreement will govern.

3.0 Turnkey Administration.

3.1 Member acknowledges that Turnkey funds are available on a first-come, first-served basis as described in the AHP IP and TCLP. Member is neither allocated nor guaranteed availability of Turnkey funds and Member may not reserve funds in excess of any member limit set forth in the AHP IP and TCLP.

- 3.2 Member shall comply with Grant Amount Requirements, Eligibility Requirements, Funding Procedures, Monitoring requirements, and Feasibility Guidelines set forth in the AHP IP and TCLP.
 - 3.3 Member will verify all certifications used to qualify homebuyers for participation in Turnkey, exercise due diligence in the process of performing such verifications, will retain the applicable documentation related to such verifications, and will provide such documentation to FHLBank promptly upon request.
 - 3.4 Member shall use its best efforts to transfer its obligations under this Registration Agreement to another member in the event of its loss of membership in FHLBank before a final disbursement of Turnkey Subsidy is processed.
 - 3.5 Member acknowledges that final determination on all issues relating to Turnkey shall be made by FHLBank in its sole discretion.
- 4.0 Subsidy Use and Repayment.**
- 4.1 Member shall pass on the full amount of the Subsidy to the household for which the Subsidy was approved. Member understands that the Subsidy is provided by Member at closing and then reimbursed by FHLBank, after approval of Member's proper disbursement request, as further described by the Turnkey User Guides, available on FHLBank's website.
 - 4.2 Any repayment of the Subsidy shall be made to FHLBank and as further described in Section 5.
 - 4.3 Member shall repay to FHLBank any portion of the Subsidy, including interest as determined in FHLBank's discretion, that, as a result of Member's actions or omissions, was not used in compliance with the terms of this Registration Agreement, applicable AHP Regulations, FHLBank's AHP IP, TCLP, or 12 C.F.R. § 1291.61, unless such non-compliance is cured by Member within a reasonable period of time as determined by FHLBank.
- 5.0 Retention Agreement.**
- 5.1 Member shall ensure that each owner-occupied unit financed with a Subsidy is subject to a recorded deed restriction or other legally-enforceable recorded retention agreement or mechanism requiring retention for 5 years (60 months) from the closing date for the purchase of the property and that it contains the following requirements:
 - 5.1.1 FHLBank is to be given notice of any sale, transfer, assignment of title or deed, or refinancing of the unit by the household occurring prior to the end of the retention period.
 - 5.1.2 Any repayment of the Subsidy shall be made to FHLBank.
 - 5.1.3 The obligation to repay the Subsidy to FHLBank shall terminate after any event of foreclosure, transfer by deed-in-lieu of foreclosure, an assignment of a Federal Housing Administration first mortgage to HUD, or death of the Turnkey-assisted homeowner.

5.2 Repayment of HSP and HSP+ Subsidy

5.2.1 In the case of a sale, transfer, assignment of title or deed, or refinancing of the unit by the household prior to the end of the retention period the amount of AHP subsidy calculated in accordance with the AHP IP shall be repaid to FHLBank unless one of the following exceptions applies:

5.2.1.1 the unit was assisted with a permanent mortgage loan funded by an AHP subsidized advance;

5.2.1.2 the subsequent purchaser, transferee, or assignee is a low- or moderate-income household, or Proxy for such household as defined by FHLBank in its AHP IP;

5.2.1.3 the amount of the AHP subsidy that would be required to be repaid is \$2,500 or less;

5.2.1.4 following a refinancing, the unit continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism as defined above.

5.2.2 In the case of a sale, transfer, assignment of title or deed, or refinancing of the Property before the end of the Retention Period, the amount of AHP subsidy the Borrower is required to repay shall be the lesser of:

5.2.2.1 The AHP subsidy, reduced on a pro rata basis per month until the unit is sold, transferred, or its title or deed transferred, or is refinanced, during the AHP five-year retention period; or

5.2.2.2 Any Net Proceeds, as defined in the AHP IP, from the sale, transfer, or assignment of title or deed of the unit, or the refinancing, as applicable, minus the AHP-assigned Household's Investment, as defined in the AHP IP.

5.3 Repayment of HOPE Subsidy

5.3.1 In the case of sale, transfer, assignment of title or deed, or refinancing of the unit by a household during the retention period, the household is required to repay the HOPE subsidy, reduced on a pro rata per month basis until the unit is sold, transferred, or its title or deed transferred, or is refinanced, during the HSP five-year retention period.

6.0 Notice. Member will provide to FHLBank notice of any sale, refinancing or foreclosure of the homeowner's property, or death of the homeowner occurring before the end of the retention period.

7.0 Fraud and Anti-Money Laundering Prevention. Member has established and maintains an adequate and effective internal control environment, including effective anti-money laundering controls, designed to prevent the use of FHLBank's products and services, including Turnkey funding, to facilitate money laundering, the funding of terrorists, fraud or other criminal activity. Member shall ensure that each intermediary (if any) and each recipient or beneficiary of AHP

funding is included within the scope of Member's know-your-customer processes. Member complies with all applicable Bank Secrecy Act and Office of Foreign Assets Controls ("OFAC") requirements as they relate to the Turnkey and certifies Member has conducted (or caused to be conducted) a screen to confirm each intermediary (if any) and each recipient or beneficiary of Turnkey funding is not a "specially designated national and blocked person" ("SDN") on the SDN list maintained by OFAC or on the Federal Housing Finance Agency's Suspended Counterparty list (available on FHFA.gov).

8.0 Equal Opportunity.

- 8.1 Member shall practice the principles of equal opportunity and non-discrimination in all business activities, to the maximum extent possible, and at a minimum regardless of race, color, creed, religion, sex, age, sexual orientation, national origin, ancestry, pregnancy, parental status, citizenship status, disability, genetic information, military status, gender identity and expression, or marital status. Business activities include operational, commercial and economic endeavors of any kind, whether for profit or not for profit and whether regularly or irregularly engaged in by Member, and include, but are not limited to, management of the Member, employment, procurement, and all types of contracts.
- 8.2 Member shall include the provisions of the immediately preceding paragraph to the maximum extent possible, in each subcontract entered for services or goods provided to FHLBank under this Registration Agreement.
- 8.3 In the event of Member's noncompliance with this Section 8, this Registration Agreement may be cancelled, terminated or suspended, in whole or in part, without penalty to FHLBank.

9.0 Miscellaneous.

- 9.1 This Registration Agreement supersedes any and all prior agreements and understandings, written or oral, and contains the entire agreement of the parties as to the matters covered.
- 9.2 Any modification to this Registration Agreement shall not be valid unless it is in writing and signed by both Member and FHLBank.
- 9.3 Wherever possible, each provision of this Registration Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Registration Agreement shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation, but shall not invalidate the remainder of such provision of the remaining provisions of this Registration Agreement.
- 9.4 The descriptive headings in this Registration Agreement are for convenience only and are not intended to be part of, or affect the interpretation of, this Registration Agreement.
- 9.5 The signed agreement and Turnkey-related documents, except for the AHP/HSP Authorization Form, received via email are deemed originals.

The undersigned represents and warrants they are an authorized representative of the Member included on the FHLBank Credit Authorization, the FHLBank Credit Resolution, the FHLBank AHP/HSP Authorization Form, or equivalent role in Members Only at the time of signing. With the intent to be legally bound hereby, the undersigned hereby acknowledges, agrees and consents to the foregoing.

Member Institution Name: _____

Address: _____

Phone Number: _____

Signature: _____

Date: _____

Printed Name: _____

Title: _____