

The following best practices have proved successful in helping Servicers comply with Freddie Mac's remittance requirements. These best practices have been developed using input from Servicers, data from account reviews, and feedback from participants in our investor accounting classes. Use these best practices, along with Freddie Mac's investor reporting educational materials and workshops, to help you meet the requirements detailed in Chapter 78 of the *Single-Family Seller/Servicer Guide* (the Guide).

Please contact us at (800) FREDDIE if you would like to obtain educational materials, sign up for a class, or ask questions about the remittance process. For questions about specific remittances, contact your Freddie Mac Investor Accounting Specialist. You can also visit us on the Learning Center at [www.FreddieMac.com/learn/](http://www.FreddieMac.com/learn/).

### **Prior to Initiating a Remittance**

- Verify the accuracy of your planned remittance amount.
- Calculate the two-digit verification code using the total amount of all remittances being made at the time. If the verification code given by Global Payments Inc. (GPI) does not match your verification code calculation, your remittance will not be accepted and you will be automatically transferred to a GPI operator for assistance.

### **Initiate Remittances through Global Payments Inc.**

- Remit funds to us by using our service bureau, Global Payments Inc. (GPI).
- There are two methods to remit funds to Freddie Mac via GPI:
  - You may call GPI from a touch-tone phone and follow the voice prompts or,
  - You may transmit the remittance online via Investor Accounting Manager<sup>SM</sup>.
- Enter your GPI identification number (not your Seller/Servicer number) when initiating remittances.
- Create and maintain a log of the remittances you make. Include the following:
  - Date, time, and amount of each remittance
  - Type (payoff or non-payoff)
  - Four-digit verification code
- Refer to Freddie Mac's User's Guide for Cash Remittances for detailed instructions on how to use the touch-tone phone system to remit funds. The publication is available on the Learning Center at [www.freddiemac.com/learn/](http://www.freddiemac.com/learn/) under the quick reference selection.
- When remitting funds using the touch-tone phone system, enter \*\* after you enter your remittance amount. The remittance amount you just entered will be repeated so that you can verify its accuracy.

## Know When Remittances are Due

- Refer to Freddie Mac's Due-Date Calendar for Monthly Reporting and Remitting to determine when monthly remittances are due.
- Funds must be available for Freddie Mac's use on or before the remittance due date.
- If the remittance due date falls on a non-business day, the funds are due to Freddie Mac the preceding business day.
- You must complete your remittance no later than 9:00 p.m. Eastern Time, the business day prior to the remittance due date.
- Verify a remittance due date by checking the purchase contract or the Funding Detail report for the remittance option that was chosen at the time the mortgage was sold to Freddie Mac:
  - Remittances that are due for mortgages sold with a Gold or ARC remittance option are typically due three business days after the accounting cutoff unless the Funding Detail or Purchase Contract states otherwise.
  - Remittances that are due on mortgages sold with a First Tuesday or Original remittance option are due the first Tuesday of the month following the accounting cutoff.
  - Remittance due dates for mortgages sold with other remittance options (such as Super ARC) are specified in the purchase contract.
  - Remittances for payoff proceeds are due five business days after the payoff date.
- If you have difficulty identifying remittance due dates for your mortgage activity, you can request a Trial Balance or Remittance Detail report detailing this information from your Freddie Mac Investor Accounting Specialist or online via Investor Accounting Manager on Goldworks®.

## Analyze Edit Reports

- Use the daily and monthly edit reports to help you determine if you need to adjust your remittance because of a reporting error. The edit reports are available via MIDANET® for the PC and our Investor Accounting Manager application on GoldWorks.
- If a remittance amount was understated and additional funds are due, determine if the amount should be remitted immediately (typically, payoffs and funds under the ARC/Gold remittance option), or on a future date (typically, funds under the First Tuesday remittance option).
- Analyze all revisions that you make to your loan-level reporting transmissions. If you revise a loan-level reporting transmission, determine if the original remittance amount needs to be adjusted as well.