SUBJECTS

With this Single-Family Seller/Servicer Guide (“Guide”) Bulletin, we are announcing a new system for submitting expense reimbursement requests, the Reimbursement System.

We are also announcing the following changes to Servicing requirements:

- Reduced costs for Broker’s Price Opinions (BPOs) ordered via BPOdirect®
- A new expense code in Exhibit 74, Expense and Income Codes for Form 104SF, for bankruptcy multi-filer defense

Finally, we are notifying Servicers that we have updated Form 1128, Loss Mitigation Transmittal Worksheet, so that Servicers can accurately enter interest rates out to three decimal places.

SERVICING REQUIREMENTS

New system for submitting expense reimbursement requests

Based on feedback from Servicers, Freddie Mac has developed a new web-based system for expense reimbursement. The new Reimbursement System will replace the existing Online Reimbursement System, and was developed to create operational efficiencies for both Servicers and Freddie Mac. We expect that all Servicers will be transitioned to the Reimbursement System by the fourth quarter of 2010.

The new Reimbursement System will offer Servicers a number of benefits, including the following:

- Real time decisions on submitted claims
- The elimination of paper claims
- Improved access to the status of a submitted claim. All claim status information will reside in the new system. This is an improvement on the existing system which requires Servicers to access our Expense Manager tool in order to determine the status of their submitted claims.
- The ability to attach any required expense documentation electronically to the claim

Freddie Mac will contact existing Online Reimbursement System users over the next several months to provide additional information on the process for transitioning to the new system. All other Servicers must complete and submit the Reimbursement System Sign-up Form, which will be available at a later date on our web site at http://www.freddiemac.com/singlefamily/service/tools.html to request access to the new system.

Once a Servicer begins submitting claims in the new Reimbursement System, the Servicer must:

- Use the new Reimbursement System for all expense reimbursement requests. The Servicer’s access to the existing Online Reimbursement System will be deactivated.
- Submit the following claims electronically that were previously submitted on paper:
Items for reimbursement of expenses for FHA Mortgages, VA Mortgages and RHS
guaranteed Mortgages

- Requests for reimbursement of expenses
- Resubmissions of expenses adjusted or denied in a previous claim
- Claims for Mortgages secured by properties sold to a third party for less than the total debt

- Use the Reimbursement System to request pre-approval to exceed our expense limits (rather than
submitting such requests to the overallowables@freddiemac.com mailbox)

- Attach any required expense documentation directly into the claim submitted through the new
Reimbursement System (eliminating the need to fax or e-mail expense documentation to
Freddie Mac)

- Handle its own system administration

In a future Guide Bulletin, we will update the Guide with additional requirements for using the new
Reimbursement System.

**Reduced costs for Broker’s Price Opinions ordered via BPOdirect**

Guide Section 65.40, *Valuation Costs*, is being updated to reflect a reduction in cost for BPO requests.
The cost of a BPO will continue to vary, depending on the reason it is ordered.

For any BPO ordered on or after April 6, 2010 for the purpose of Borrower-paid mortgage insurance
cancellation, the invoice from HomeSteps® will reflect the new lower BPO cost.

**Providing a new expense code in Exhibit 74**

We are updating Exhibit 74 to include a new expense code to make it easier for Servicers to request
reimbursement for bankruptcy fees related to Borrowers who file multiple bankruptcies.

New expense code 011012, Trustee/Attorney Fees Bankruptcy – Multi-filer Defense, has been added to
facilitate reimbursement requests for legal fees associated with an attorney filing an objection to an
extension of the automatic stay and attending the related court hearings. The existing $350 limit for multi-
filer defense remains unchanged. This new bankruptcy expense code is effective immediately.

**Updates to Form 1128**

We have revised Form 1128, *Loss Mitigation Transmittal Worksheet*, to expand the form’s interest rate
fields out to three decimal places. Effective immediately, Servicers must use this revised Form 1128.

**CONCLUSION**

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac
representative or call (800) FREDDIE.

Sincerely,

[Signature]

Patricia J. McClung
Vice President
Offerings Management