

This document provides general information about Freddie Mac’s Daily Automated Clearing House (ACH) Process for mortgages sold under the Guarantor and MultiLender Swap Programs; this information can assist you in tailoring your settlement and reconciliation process for the Freddie Mac Daily ACH Process. Under this process, Freddie Mac automatically drafts or credits a designated Seller ACH account five (5) business days after each settlement the net amount owed either to the Seller or Freddie Mac after assessment of Credit Fees, buy-up proceeds, and buy-down amounts. Freddie Mac notifies the Seller when the Daily ACH applies to mortgages sold under the Guarantor and MultiLender Swap programs.

**Note:** Sellers are still assessed the net amount of other monthly billed fees associated with the sale of mortgages to Freddie Mac, in accordance with the *Single-Family Seller/Servicer Guide* (Guide), Section 6303. Refer to the table that follows for more information on fees and credits included in the Daily and Monthly ACH.

<b>Daily ACH</b> (Draft or Credit occurs five (5) business days after settlement)	<b>Monthly ACH</b> (Draft or credit occurs the end of the month following the month of settlement)
<ul style="list-style-type: none"> <li>• Credit Fees</li> <li>• Buy-up Proceeds</li> <li>• Buy-down Amounts</li> <li>• Buy Up/Buy Down Adjustments</li> <li>• Gold Rush Fees</li> <li>• Gold Rush Fee Adjustments</li> <li>• Guarantor Settlement Interest</li> </ul>	<ul style="list-style-type: none"> <li>• Credit Fee Adjustments</li> <li>• Pair Off Fees</li> <li>• Training Fees</li> <li>• Super Conforming Over Delivery Fees</li> <li>• Yield Maintenance Fees</li> </ul>

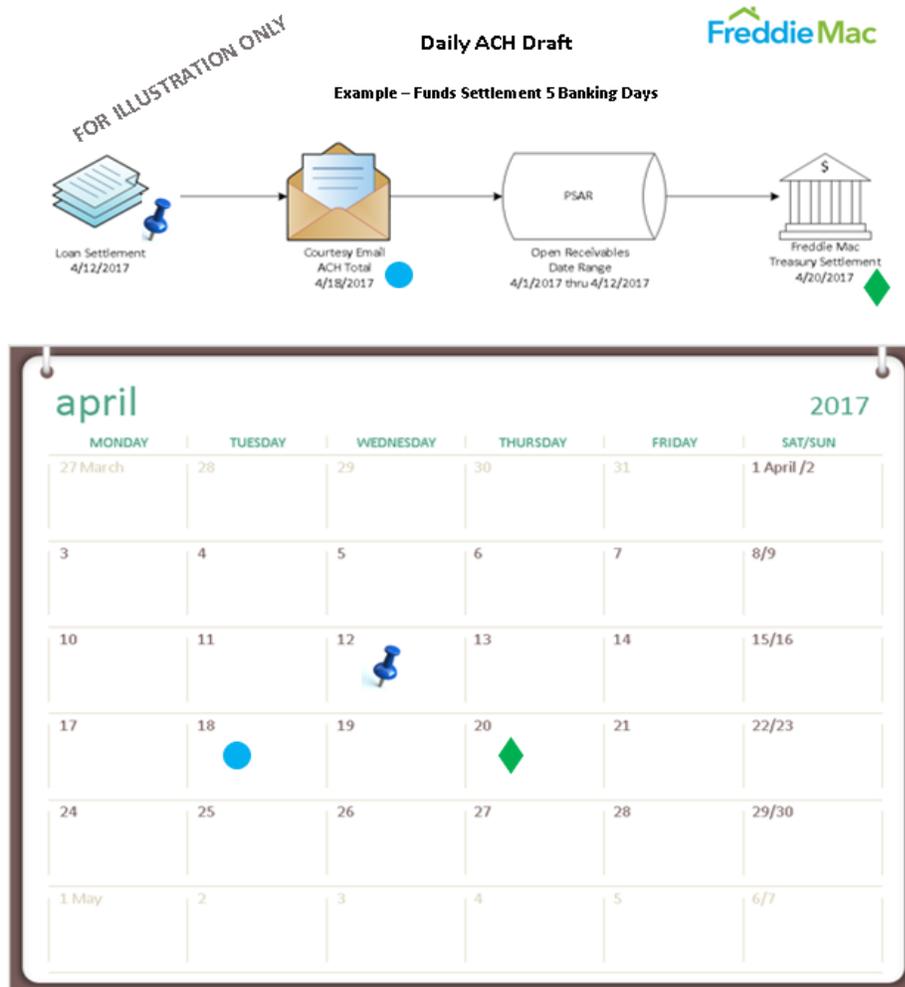
Under the Daily ACH Process, the following occurs:

- The Seller receives a courtesy email from Freddie Mac three (3) business days after settlement and two (2) business days before the ACH Draft, informing them of the amount their ACH account will be drafted (also known as the *Freddie Mac Treasury Settlement*). It is the Seller’s responsibility to ensure that the ACH account maintains sufficient funds to cover drafts by Freddie Mac.
- The Seller’s ACH account is drafted five (5) business days after the related settlement for the amount reflected in the email notification.
- The Seller is drafted for all loans settled on a particular settlement date.
- The Seller ACH account is drafted on business days only.
- The Seller can export the Loan Selling Advisor® Credit Fee Detail report to assist with their ACH reconciliation.

The Seller receives a Seller Statement and Invoice by the 10th of each month. The Statement and Invoice includes activity for the previous calendar month and reflects Payments/Adjustments for Daily ACH drafts/credits.



The following image illustrates the Freddie Mac Daily ACH timeline.



- ✓ Daily ACH = Guarantor Settlement Fees and Buy Ups/ Buy Downs
- ✓ Daily ACH Logic = Banking Holidays and Weekends excluded
- ✓ Monthly ACH = Fees not included in Daily ACH are drafted at the end of the month.

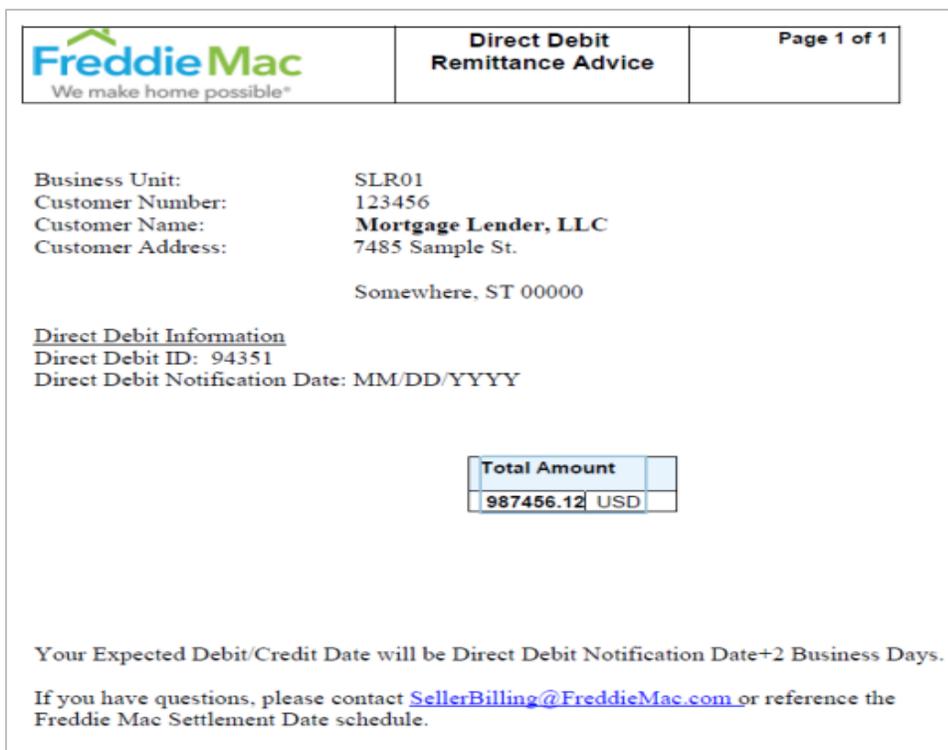
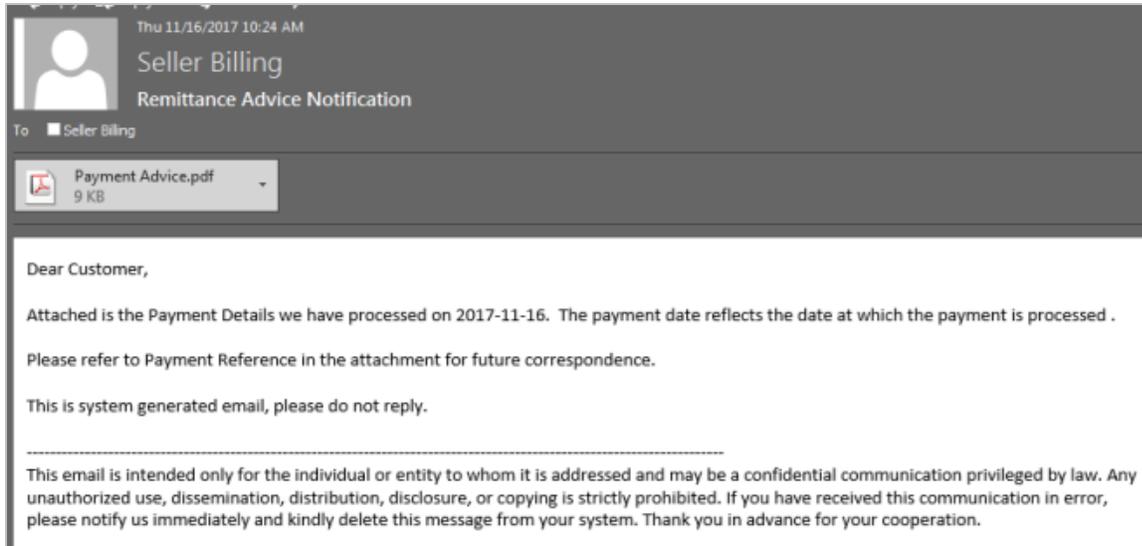
## Courtesy Email Notification

A courtesy email notification is sent by Freddie Mac to the designated individuals in a Seller’s organization three (3) business days after the Freddie Mac settlement date. The Seller must ensure the appropriate representatives and designated business areas in their organization are signed up to receive the notification. Refer to *Request Courtesy Email Notification* on page 4 for instructions on how to sign up. The courtesy email notification contains the following:

- A subject title of “Remittance Advice Notification.”
- An attachment titled “Direct Debit Remittance Advice” that contains the ACH draft information.



A sample email notification and an attachment are shown in the images that follow.





## Request Courtesy Email Notification

Freddie Mac recommends that a Seller designate more than one member of their organization as a courtesy email recipient. To designate or add a recipient, send a written request to [sellerbilling@freddiemac.com](mailto:sellerbilling@freddiemac.com). The request must include the Seller/Service identification number, Seller contact information (name, email, and phone number), team/department email address (if one is available) and the reason for the request. To delete or modify an existing recipient, follow the above instructions and state the reason for the revision. There is no limit to the number of courtesy email recipients that there can be within an organization. An example email request follows. Please refer to [Frequently Asked Questions](#) for tips and more information.

The screenshot shows an email composition window. The 'To' field contains 'sellerbilling@freddiemac.com'. The 'Subject' field contains 'Daily ACH Email Distribution'. The body of the email reads: 'Seller Billing, Seller # 123456. Please add John Doe ([john\\_doe@ABCmtg.com](mailto:john_doe@ABCmtg.com), 555-555-5555) to the Daily ACH Remittance Advice Notification Emails. Let me know if you need any other information. Thank you. Morty Gage, SVP, Secondary Marketing, ABC Mortgage, LLC'.

## Seller Statement/Invoice

Sellers receive a Seller Statement/Invoice, referred to in Guide Section 6303, by the 10th of each month. In general, the content of the statement and invoice is the same each month, but as a result of the Daily ACH process, the Daily ACH draft amounts appear as an Applied Payment in the Transaction column. If successfully drafted, these amounts are deducted from the total amount due/payable to Freddie Mac. Therefore, when Freddie Mac drafts a Seller ACH account (on the last business day of the month), the amount of the draft is reduced by any previously successful drafted Daily ACH amounts. A sample Seller Statement, reflecting successful Daily ACH drafts, is shown below.



		<b>SLRW (Seller Billing)</b> 8250 Jones Branch Drive, McLean, Virginia 22102	
<b>Bill To:</b> ABC Mortgage John Doe 8200 Jones Branch Drive McLean, VA 22102		Customer No: 999999 Payment Terms: EOM-NEXT Due Date: 03/31/2017 Amount Due: (\$242,757.45)	
Attn: John Doe		Statement ID: SLR0102282017397 As Of Date: 02/28/2017 Page: 1 of 19 No Payment due, your account will be credited (\$242,757.45) on 03/31/2017	

STATEMENT								
Line #	Date	Transaction	Payment Type	Check/ Wire#	Charges/ Credits	Payments/ Adjustments	Dispute Amount	Outstanding Balance
1	01/31/2017	Invoice: SLR0117145070			(\$275,231.62)	\$0.00	0.00	
Sub Total:								(\$275,231.62)
2	02/02/2017	Applied Payment	ACH		\$0.00	(\$324,597.83)	0.00	
3	02/17/2017	Applied Payment	ACH		\$0.00	(\$888,937.51)	0.00	
4	02/21/2017	Applied Payment	ACH		\$0.00	(\$69,112,826.69)	0.00	
5	02/24/2017	Applied Payment	ACH		\$0.00	(\$2,173,864.93)	0.00	
6	02/28/2017	Invoice: SLR0217145070			\$71,038,096.44	\$0.00	0.00	
7	02/28/2017	Applied Payment	ACH		\$0.00	\$1,292,604.39	0.00	
Sub Total:								\$32,474.17
Current Charges:								\$71,038,096.44
Previous Month's Charges:								(\$275,231.62)
Late Payment Fees:								\$0.00
Payments/ Adjustments:								(\$71,005,622.27)
Less Items in Dispute:								\$0.00
<b>TOTAL DUE / PAYABLE:</b>								<b>(\$242,757.45)</b>

<b>Remit Wire to:</b> ABA: _____ FAO: Freddie Mac # _____ Seller/Service # _____ Ref Monthly Stmt ID: _____	<b>Overnight Remit to:</b> (Overnight) ABA: _____ Address: _____
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**Reminder:**  
 All Sellers must remit payment via Automated Clearing House (ACH) draft. Please complete form 1132 from www.freddie.com and submit to the mailing address listed.

If you have any questions, please call 1-800-FREDDIE. Please have your Customer No. and Statement ID ready.

## View and Export Loan-Level Fees

Loan Selling Advisor discloses Seller Credit Fees, buy-up proceeds, and buy-down amounts as soon as the Seller allocates loans to a Guarantor or MultiLender Swap contract, at which point they can either view or export this information, based on their needs. Use the Credit Fee Detail export to perform the Daily ACH reconciliation. Freddie Mac strongly encourages Sellers to export their fee detail reports on the Freddie Mac settlement date. If a Seller exports the fee detail report after settlement, adjustments may have been processed, which can impair a smooth reconciliation of fees and credits.

The Loan Selling Advisor export functionality allows a Seller to create a fee detail report based on selected criteria; for reconciliation purposes, select the Credit Fee Detail Data Set, and then enter the Requested Settlement Date, Execution Type of Guarantor and/or MultiLender, and a loan status of "Funded." Sellers who do not have access to Loan Selling Advisor should contact their Freddie Mac Customer Operations and Technology (COTS) Manager, or Customer Support (800-FREDDIE, Press #1 and #4).



# Calculate the Expected Daily ACH Draft Amount

To calculate the expected daily ACH Draft Amount, do the following

1. Export the Credit Fee Detail report, save it as a .csv file, and open it.
2. Find the BUBD Proceeds (\$), column B, and create a sum total of the amounts in the column.
3. Find the Credit Fee in Price in the Total Loan Level Credit Fees in Price (bps), column AJ, and create a sum total of the column.

**Note:** The report identifies the values of BUBD in the opposite way they are normally presented. In other words, a negative amount on the report represents a debit, while a positive amount represents a credit.

4. Calculate the sum of the total Credit Fees in Price and opposite value of the BUBD proceeds.

B	AJ	AS
BUBD Proceeds (\$)	Total Loan Level Credit Fees in Price (\$)	Loan Level Credit Fee Name 1
-956.16		0 IS/LTV for Non-Relief Refi
672.93		0.01 Cash-Out Refinance
263.67		2312.9 HP/HPA Fees and Cap
972.18		0 Alt FICO
652.79		0 Investment Property for Relief Refi
1872.72	=AJ69+(-1B69)	0 IS/LTV for Non-Relief Refi
1898.64		0
<b>16783.58</b>		<b>67,439.40</b>
		<b>50,655.82</b>

## Frequently Asked Questions

### 1. Does the Daily ACH process include credits, too?

Yes, the Daily ACH process includes both funds due to Freddie Mac and credits Freddie Mac owes you.

### 2. Why is the amount listed in the Daily ACH courtesy email attachment for loans we settled on [month/date/year] higher than expected?

The amount listed in the courtesy email attachment may be higher than expected because it may also reflect the following:

- Fees from a previous failed Daily ACH draft.
- Previously disputed fees.

### 3. Why is the amount listed in the Daily ACH courtesy email attachment for loans we settled on [month/date/year] lower than expected?

The amount listed in the courtesy email attachment may be lower than expected because it may also reflect:

- Application of a previously failed credit.
- A portion of a fee amount that may have been placed in dispute, and as a result, is not reflected in the current amount.



#### **4. What steps should I take if I have a question about the credit fee amount that I see in Loan Selling Advisor?**

If the loan has already settled, verify you delivered accurate loan data. If you discover an error in the loan data, follow the standard post-fund data correction process to resolve any fee discrepancies. As part of the standard post-fund data correction process, any fee adjustments appear on your next monthly Seller billing statement. If the loan has not settled and you are trying to validate fees, refer to [Guide Exhibit 19](#), and contact your Freddie Mac Client and Partner Delivery Representative or Customer Support Contact Center (call 800-FREDDIE, select Option “4”).

#### **5. How can I view and export my credit fees in real time?**

Use the Loan Selling Advisor Export Data function to view and export your Credit Fees in real time. To get an accurate view of the fees you will be assessed at loan settlement, Freddie Mac encourages you to export the Credit Fee Detail report on the Freddie Mac settlement date. If you export the report after settlement, adjustments may have been processed and can impair a smooth reconciliation of fees/credits.

#### **6. Who can I contact if I have additional questions about or need to dispute the fee amount reflected in the Daily ACH email?**

If you have questions or believe you need to dispute the fee amount you see in the Daily ACH courtesy email, contact your Freddie Mac Client and Partner Delivery Representative or Customer Support Contact Center (call 800-FREDDIE, select Option “4”).

#### **7. I requested a post-funding data correction for a loan. Based on the changes made, the fees we are being charged are higher than what we expected. Why don't we see the fee adjustment for the loan in the Daily ACH draft?**

Initial fees are assessed based on the loan data provided at loan settlement and are collected through the Daily ACH process. Any fee adjustments are processed and managed through the Freddie Mac Monthly ACH billing process and will be reflected on your next monthly Seller billing statement. You also have an opportunity to review your fees in Loan Selling Advisor prior to loan settlement in order to validate expectations or correct data to avoid data corrections after settlement.

#### **8. Can I have separate accounts for our Daily ACH and Monthly ACH transactions?**

No. Having separate accounts is not an option. The bank account your organization designates for ACH drafts must be used for all funds Freddie Mac collects for your Seller billing through both the Daily ACH and Monthly ACH processes.

#### **9. Why do I have two different ACH drafts that occurred on the last business day of the month?**

You may have two different ACH drafts occurring because the Monthly ACH draft regularly takes place on the last business day of the month, and there will be instances when a Daily ACH draft falls on that same last business day of the month. This is why it is important to make sure the account that you've established for ACH drafts is adequately funded to cover both the Daily and Monthly ACH drafts.

#### **10. How do you define a business day?**

We define a business day as any day other than the following:

- It is Saturday or Sunday.
- The Federal Reserve Bank of New York (or another agent acting as a Freddie Mac fiscal agent) is closed.
- Freddie Mac offices are closed.



**11. Why didn't I receive an email notifying me about the Monthly ACH draft amount?**

Freddie Mac does not provide email notifications for Monthly ACH drafts. Freddie Mac only issues a courtesy email as part of the Daily ACH process. For information on your Monthly ACH fees, refer to the monthly Seller bill, which includes the Seller Statement/Invoice Freddie Mac mails to you the first week of every month.

**12. What if we didn't fund our account in time for a scheduled Daily ACH draft? Will you send the Daily ACH draft request again?**

If a Daily ACH draft fails for any reason, once Freddie Mac receives notification that the draft failed, the fees that could not be collected will be added to the balance for the next available Daily ACH draft. Several business days may pass before Freddie Mac attempts the next Daily ACH draft, depending on how soon we are notified that the previous draft failed. The Daily ACH process does not support sending back or repeating the same Daily ACH draft transaction.

**13. Why is the amount of my Monthly ACH Draft different than what is indicated on my monthly Seller billing statement?**

The difference could be a result of loans that settled during the last week of the Seller billing statement period and funds for these fees that were collected during the first week of the new billing statement period. Also, the difference could be a result of monthly fees placed into or removed from dispute status.

**14. Where can we get the loan-level fee details that correspond to the Daily ACH amount in the courtesy email?**

Access the Loan Selling Advisor Export Data function to view and export your loan level Credit Fees. For instructions on how to view and export your fees, review the [Export Data](#) job aid. If you do not have access to Loan Selling Advisor, please contact your Freddie Mac Client and Partner Delivery Representative or Customer Support Contact Center (800-FREDDIE, Press #1 and #4).

**15. Our organization needs to update our ACH banking instructions. What do we need to do to make changes?**

To make changes or update your ACH banking instructions, download [Form 1132, Authorization for Automatic Transfer of Funds Through the Automated Clearing House \(ACH\) for Seller/Serviceers](#), and follow the form instructions, including notarization and meeting Certificate of Incumbency requirements. Submission must be filed electronically via [eBill](#) or emailed to [cashcollections@freddiemac.com](mailto:cashcollections@freddiemac.com).

This document is not a replacement or substitute for the information found in the *Freddie Mac Single-Family Seller/Serviceer Guide* or terms of your Master Agreement or other Pricing Identifier Terms.

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