**Document Custodial Operations Changes Q&A**
*Last updated September 2009*
Information regarding Freddie Mac's Document Custodial Operations (DCO) changes can be found in our June 30 *Single-Family Seller/Servicer Guide* (Guide) Bulletin 2009-16. Below are answers to the most frequently asked questions about information provided in the e-mail package you received, which included the Designated Custodian Registration Forms, that was sent out the week of July 20, 2009.

Please remember that the Freddie Mac Document Custodial Operations Forms must be complete and submitted by **October 1, 2009**.

| **Document Custodial Operations Transition Q&A** | | |
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| **1.** | **Q:** | **When do we start delivery of loans to The Bank of New York Mellon Trust Company, N.A. (BNYM)?** |
| | **A:** | October 1, 2009 |
| **2.** | **Q:** | **We already completed the BNYM Designated Custodian Registration Forms for Fannie Mae. Do we need to complete the forms again for Freddie Mac?** |
| | **A:** | Yes. Most of these documents are specific to Freddie Mac, in particular the Fee Schedule, and Form 1035DC, *Designated Custodial Agreement*, which is an agreement among you, BNYM, and Freddie Mac. Questions regarding the forms should be directed to BNYM at FreddieMacCustodian@bnymellon.com or the BNYM document custody support line at (800) 211-2677. |
| **3.** | **Q:** | **Do we need to complete the BNYM Designated Custodian Registration Forms if, as a self-custodian, we perform note certification and custody services for Freddie Mac?** |
| | **A:** | If you currently service any mortgages with notes that are in the Freddie Mac DCO vault, those notes will be moved to BNYM. If you are also a Freddie Mac-approved document custodian, you have the option of requesting that the notes be transferred from BNYM to your custodial vault, in accordance with the transfer of custody provisions in Guide Chapter 56. If you wish to have BNYM retain the notes, you must complete the Designated Custodian Registration Forms and Form 1035DC. |
| **4.** | **Q:** | **Can the Designated Custodian Registration Forms be returned electronically or must they be mailed?** |
| | **A:** | The forms may be returned electronically to start the process, however, the original, executed forms must be returned to:<br>New Agreement Execution<br>2220 Chemsearch Blvd., Suite 150<br>Irving, TX 75062 |
| **5.** | **Q:** | **We received the e-mail package but the files were not attached. What should we do?** |
| | **A:** | Send an e-mail to Freddie Mac at Institutional_Eligibility@FreddieMac.com and indicate “Need BNYM Documents” in the subject line along with your six-digit Seller/Servicer number(s) and we can resend the documents. Indicate in the body of the email whether you need all documents or only certain documents to be resent. |
| **6.** | **Q:** | **We received the e-mail package but we are unable to open the attached files. What should we do?** |
| | **A:** | Send an e-mail to Freddie Mac at Institutional_Eligibility@FreddieMac.com and indicate “Unable to Open Documents” in the subject line along with your six-digit Seller/Servicer number(s) and we can resend the documents. |
| **7.** | **Q:** | **If I have multiple Freddie Mac Seller/Servicer numbers, do I complete a** |

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| | | **packet for each number?** |
| | **A:** | No. You may list your additional Seller/Servicer numbers for that legal entity on Form1035DC. A footnote at the bottom of the first page directs you to the information on the 'Supplemental' page, which is located before Exhibit A (Service Levels). If you have more than one legal entity, there will be a separate Form 1035DC for each legal entity and the appropriate Seller/Servicer numbers will be listed on the 'Supplemental' page for each Form 1035DC. |
| **8.** | **Q:** | **If we are currently using a third-party document custodian for our custodial services, can we continue using them?** |
| | **A:** | Yes. However, if you received the e-mail package from us, Freddie Mac's DCO also holds notes for mortgages you service. You will need to complete the forms to establish a relationship with BNYM, if you wish the notes to remain at BNYM. If you wish to transfer custody of the notes to another third-party document custodian, follow the transfer of custody requirements outlined in Guide Chapter 56. |
| **9.** | **Q:** | **Do we need to complete the BNYM Designated Custodian Registration Forms if we no longer sell loans to, or service loans for, Freddie Mac?** |
| | **A:** | No. If you no longer sell or service loans for Freddie Mac, you do not need to establish a relationship with BNYM or another third-party document custodian. |
| **10.** | **Q:** | **Are we permitted to use our own Trust Department? If so, are there any guidelines we need to follow?** |
| | **A:** | Freddie Mac's document custodian eligibility requirements can be found in Guide Section 18.2. |
| **11.** | **Q:** | **Can you tell us which notes Freddie Mac currently holds for us?** |
| | **A:** | If you need to obtain a list of notes that you service that are currently held by Freddie Mac, please send an e-mail to FMMDM@FreddieMac.com with a subject line containing "Loan List Request". In the body of the email include the six-digit Freddie Mac Seller/Servicer number(s), the name, e-mail address and phone number of the person we can contact if we need additional information. Depending on the volume of requests, it may take up to 30 days to provide this information. |
| **12.** | **Q:** | **Where do I send my executed documents?** |
| | **A:** | The Bank of New York Mellon Trust Company, N.A.<br>New Agreement Execution<br>2220 Chemsearch Blvd., Suite 150<br>Irving, TX 75062 |
| **13.** | **Q:** | **Will I receive notification when my Designated Custodian Registration Forms are received and my registration is approved?** |
| | **A:** | No. You will not receive a notification when your forms are received, however, you may contact BNYM to confirm receipt at FreddieMacCustodian@bnymellon.com or the BNYM document custody support line at (800) 211-2677. |
| **14.** | **Q:** | **How will the Automated Clearing House (ACH) process work? Will I know what will be debited before it happens?** |
| | **A:** | You must complete and submit the Electronic Funds Transfer Authorization document provided with your Designated Custodian Registration Forms. Transactions will be billed in arrears. BNYM will mail you a statement of transactions around the third week of the following month. The ACH debit will be executed on the $15^{th}$ of the next month. For example: If you have transactions in September, you will receive a statement of charges during the third week of October, and the ACH debit will be executed on November 15 (or the next business day). This will allow approximately three weeks to |

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| | | review the charges before your account is debited. |
| **15.** | **Q:** | **Do I need to complete the entire Customer Verification form?** |
| | **A:** | Yes. Under the USA Patriot Act, BNYM is required to ascertain certain information before accepting an entity as a client (Know Your Customer due diligence). You will be asked to provide your W-9, name and address, nature of the business, information concerning the formation of the company (Articles of Incorporation, etc.), majority ownership, and recent financial statements. |
| **16.** | **Q:** | **Must I sign the Fee Schedule?** |
| | **A:** | Yes. This is part of the contract between you and BNYM. Fees through September 1, 2010, will not exceed your current schedule of fees. |
| **17.** | **Q:** | **Am I required to complete the Fee Schedule if I'm a Freddie Mac Seller only?** |
| | **A:** | A Seller electing to sell mortgages to Freddie Mac through the selling system Servicing Released Sales Process must complete the Designated Custodian Registration Forms to establish a relationship with BNYM. You should work with your Servicer to determine who will pay for the certification fees. Please provide that information to the Designated Custodian for their records. |
| **18.** | **Q:** | **Why is BNYM asking for my courier number and ZIP code?** |
| | **A:** | When you request a release of files, BNYM will use your preferred courier. Generally when using a third-party number, the courier requests the ZIP code for the billing address. |
| **19.** | **Q:** | **Who should I contact if I have issues with my Freddie Mac loans?** |
| | **A:** | You will receive a "Welcome Package" close to the "go live" date. In this packet you will receive contact information and an escalation path to resolve any issues that may arise. BNYM has a dedicated staff of client liaisons to help you through the process from certification to release. |
| **20.** | **Q:** | **Who should we contact to discuss changes or modifications to Form 1035DC?** |
| | **A:** | Form 1035DC and Form 1035 are standard contract forms and the terms are not negotiable for individual Seller/Servicer preferences. If you have questions about these forms, please contact Andrea Bridgeman, Esq. at (703) 903-2496 or Andrea_Bridgeman@FreddieMac.com. |
| **21.** | **Q:** | **What if my question is not answered in this Q&A document?** |
| | **A:** | If your question is not answered in the June 30 Guide Bulletin or in this document, please send a detailed e-mail to Cust_Support@FreddieMac.com describing your situation. Please provide the six-digit Freddie Mac Seller/Servicer number(s) and the name, e-mail address, and phone number of the person to contact for additional information. |