Custodial Bank Account Management App

Multifamily Forms 2050, 2051, 2052

This is the user guide for the Custodial Bank Account Management Application.

Refer to the table below for easy navigation to your respective section(s).

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Access

Technology Manager

The Corporate or Technology Manager Administrator of an approved Fannie Mae servicer must add the application from the Available Applications list in Technology Manager and then set up the application and users as outlined in the Technology Manager for Administrators Guide. For additional information, please contact us at 1-800-2FANNIE and press 1, then 1 again.

Data Access Authorization Form 101

A new completed and signed Data Access Authorization Form 101 is necessary for any Servicer that has an active subservicing relationship This Form authorizes the subservicer to access the Servicer's 9-digit Servicer Numbers within the Custodial Bank Account Management application.

Launch the Application

Navigate to the Custodial Bank Account Management Application page in the Apps & Technology section of fanniemae.com and click the Launch button and login with your Fannie Mae credentials.

Important information about the Custodial Bank Account Management Application

General Notes

- To view the existing Form information, click on the Form number
- If you do not see Form 2050, 2051 and 2052 listed for one of your active 9-digit Servicer Numbers, click the **Create New Form** button.
- A Servicer can view Forms for 9-digit Servicer Numbers that are subserviced, create new Forms and update/replace existing Forms for 9-digit Servicer Numbers that are not subserviced.
- A Subservicer can view, create new Forms and change/replace existing Forms for any of the displayed 9-digit Servicer Numbers.

Restrictions

In accordance with Fannie Mae policy, the system will enforce the following restrictions:

- All the 9-digit Servicer Numbers reflected on a Form must belong to a single 5-digit Seller/Servicer ID.
- The custodial funds cannot be commingled, so Form 2050, 2051 and 2052 must have different custodial bank account numbers.

Information needed to submit Form 2050, 2051 and 2052:

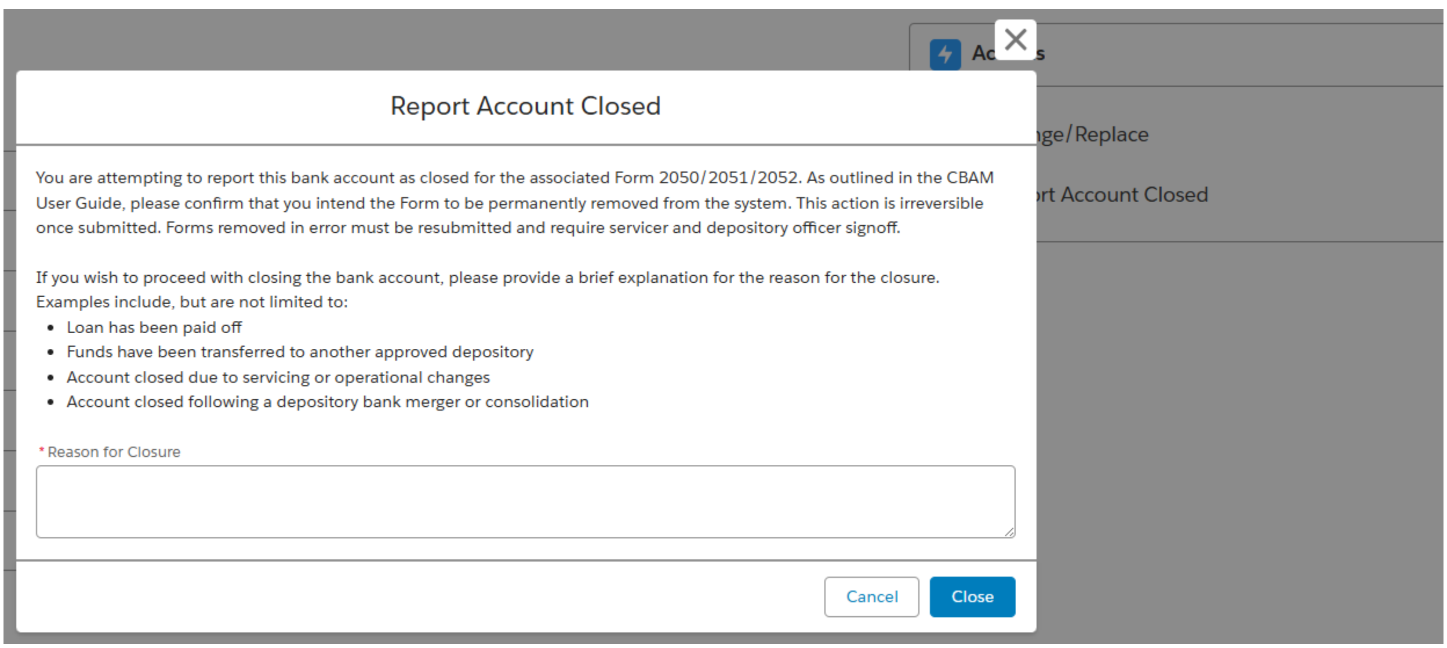
All required fields must be populated to submit the Form. If you do not have the following information available, you can save the partially completed Form and complete it later.

Depository Information

- **ABA #:** The American Bankers Association (ABA) issues a unique identifier, known as an ABA #, to each depository institution. Contact your depository institution to obtain their ABA #.
- **Bank Account Number:** Account details include whether it is an **Interest Bearing** and/**or Consolidated Drafting Account**
- **Branch Name** (if applicable) where the custodial account has been established
- **Branch Physical Address** where the custodial account has been established. **Post Office Box # or general addresses are not allowed.**
- **Form Signatories:** The individuals at the Servicer (for non-subserviced loans) or the Subservicer, and the Depository who will electronically sign the Form via Docusign. They do not need access to the Custodial Bank Account Management Application.
- **Name**
- **Job Title**
- **Email Address**
- **Telephone Number**

Report a Closed Custodial Bank Account

If the Custodial Bank Account listed on a Form with a status **of In Effect** has been closed, click on the **Form #** and click the **Report Account Closed** button. A model will display prompting to you provide an explanation and warning you that the action cannot be reversed if you continue.



Using the Custodial Bank Account Management Application

After logging into the application, the Active 9-digit Servicer Numbers the user was granted access to in Technology Manager are displayed and grouped by the 5-digit Seller/Servicer ID for any existing Form with a status of:

- In Draft

- Pending Signatures
- Signatures Declined
- Fully Signed
- In Effect
- Pending Replacement

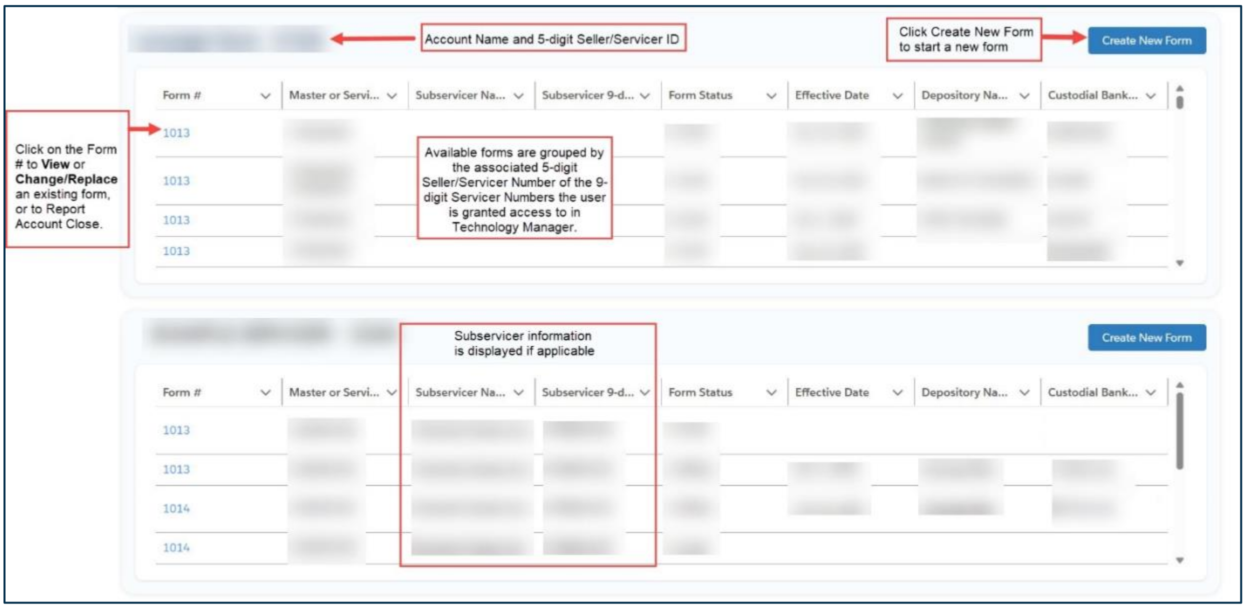


Figure 1: Landing screen with annotations

New Form Requirements

A new custodial bank account should be established and a new Form created in the following situations:

- A new or existing 9 digit Servicer Number is approved for servicing.
- The Servicer, Subservicer, or Depository has undergone a Name Change or Merger.

Additionally, a new Form is required in these scenarios:

- An established 9-digit Servicer Number will begin making deliveries under a new execution type.
- A Servicer established a new Subservicing relationship. ***Note***: A new DAA Form 101 must also be submitted in these situations.

Create a New Form

On the application landing page locate the 5-digit Business Unit table for the 9-digit Servicer Number(s) that requires a Form and click **Create New Form** in the top right corner.

On the **Create a New Custodial Account Form** modal, select Form 2050, Form 2051 or Form 2052, then select at least one 9-digit Servicer Number to be associated with the Form. Click **Next**.

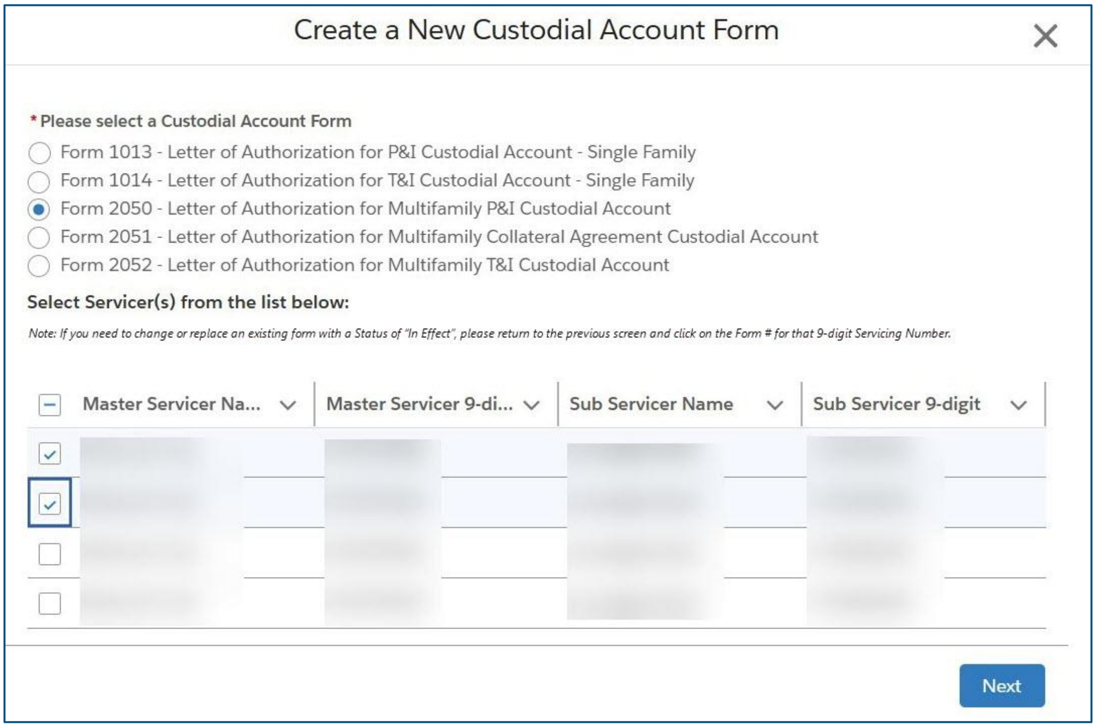


Figure 2: Select Form and 9-digit Servicer Numbers

On the next screen, enter the ABA # of the Depository and the Remittance Type. **Click Next.**

Note:

- Form 2050 allows selection of only one Execution, while Form 2051 and Form 2052 allow the selection of multiple Execution Types.

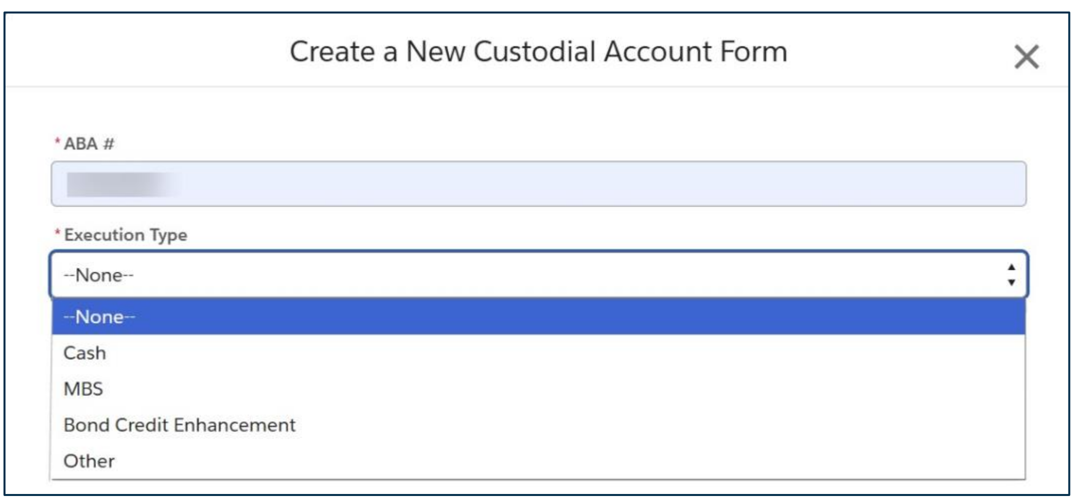


Figure 3: Form 2025 Execution Type Picklist

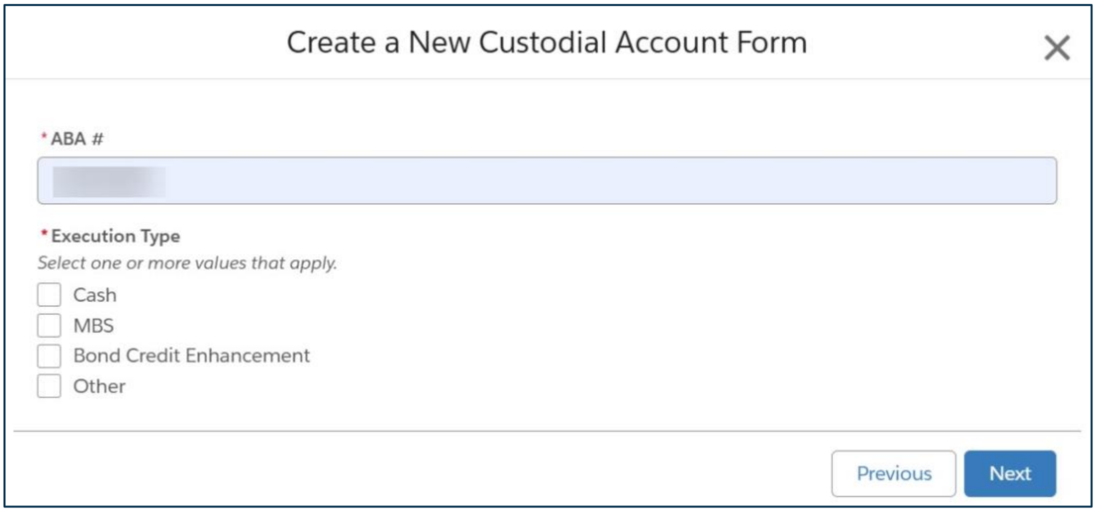


Figure 4: Form 2051 & Form 2052 Execution Type selection

Depository Eligibility

The system will automatically identify the Depository Institution based on the entered ABA #, and evaluate the if the depository meets the criteria to act as the custodian for the selected execution type as outlined in Multifamily Guide Chapter 3 Custodial Accounts .

If the Depository Institution passes the evaluation the next screen will be displayed.

If the depository is inactive, not found, or doesn't meet eligibility criteria, a message will be displayed. You can correct the ABA# if necessary and then search again, or you contact multifamily_lender_oversight_grp@fanniemae.com for assistance and additional information.

Note: The servicer must still follow the procedures in 301.03 Eligible Depositories and Ratings for requirements for establishing, implementing, and monitoring custodial accounts and bank instructions for drafting.

Entering the Custodial Account Information

Enter the required information including the Effective Date that the account will be used. Please note that the Branch Address information must be the physical address of the bank branch where the custodial account has been established. Post Office Box number or general addresses are not allowed.

Scroll down to view pre-populated fields. If you need to make any corrections, click **Previous**, otherwise click **Next**.

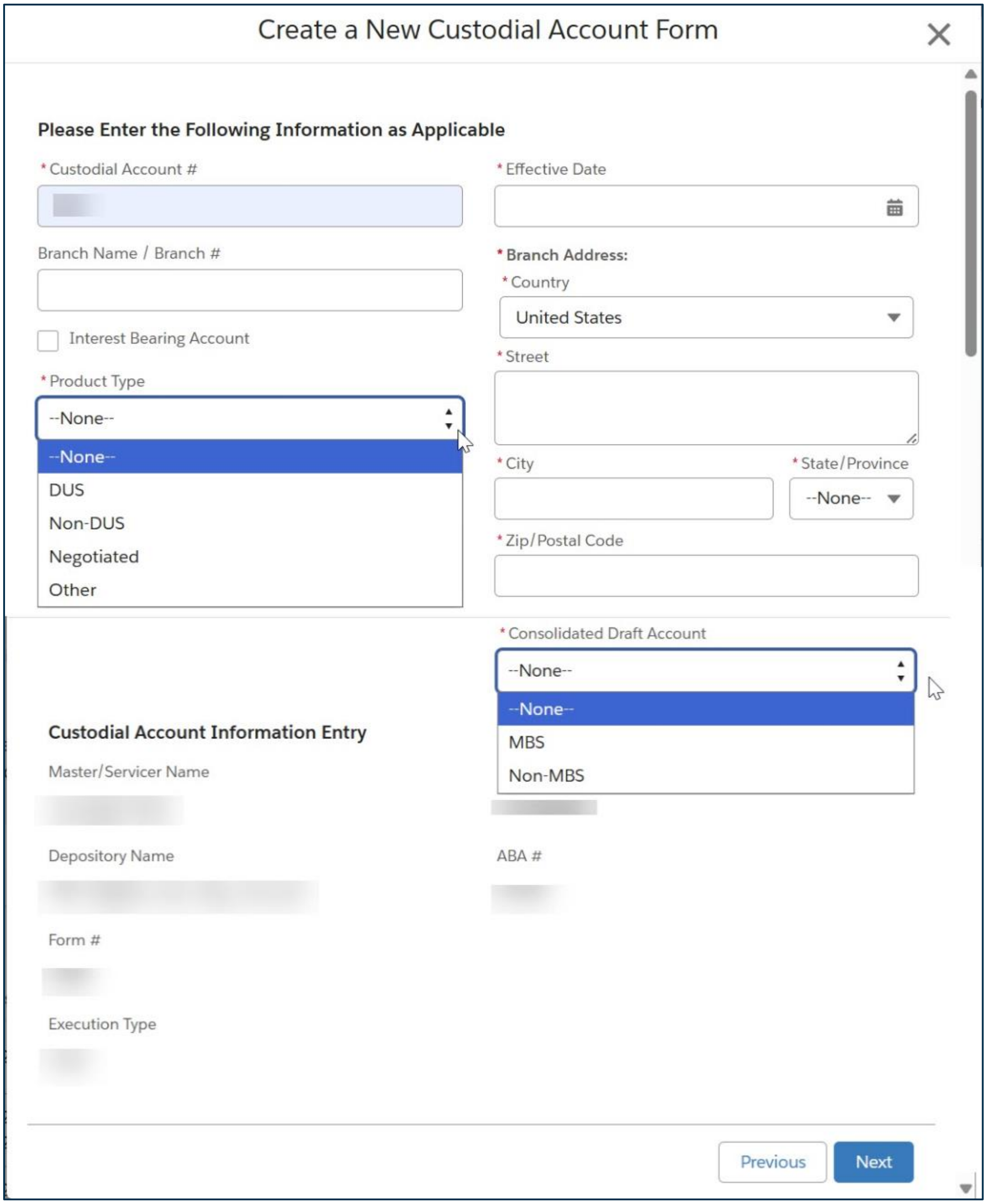


Figure 5: Enter Depository and Custodial Bank Account information

Provide Signer Information

Search for the **Servicer Representative's Name** and for the **Depository Representative's Name** in the respective fields. This enables the Form to be routed to the appropriate contact for electronic signatures.

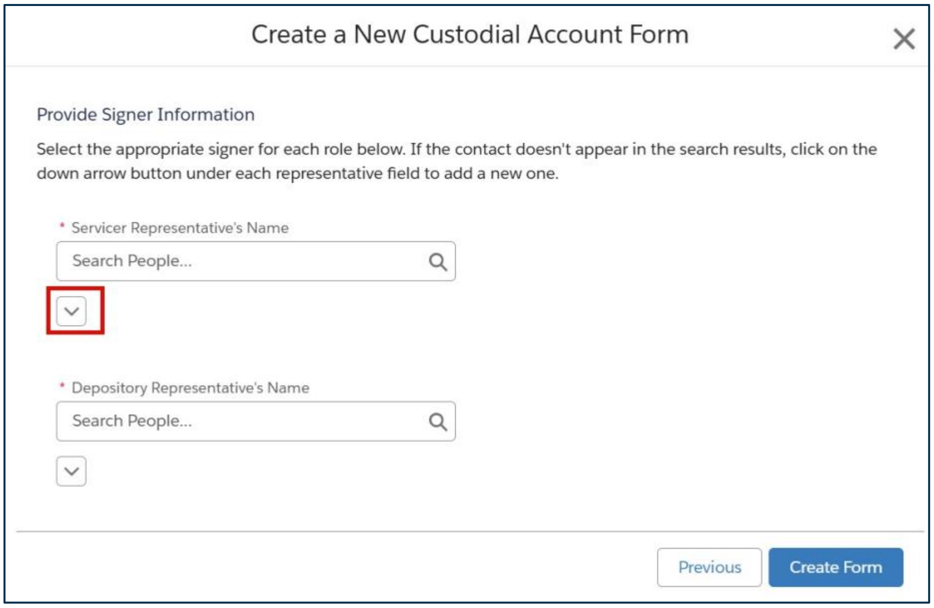
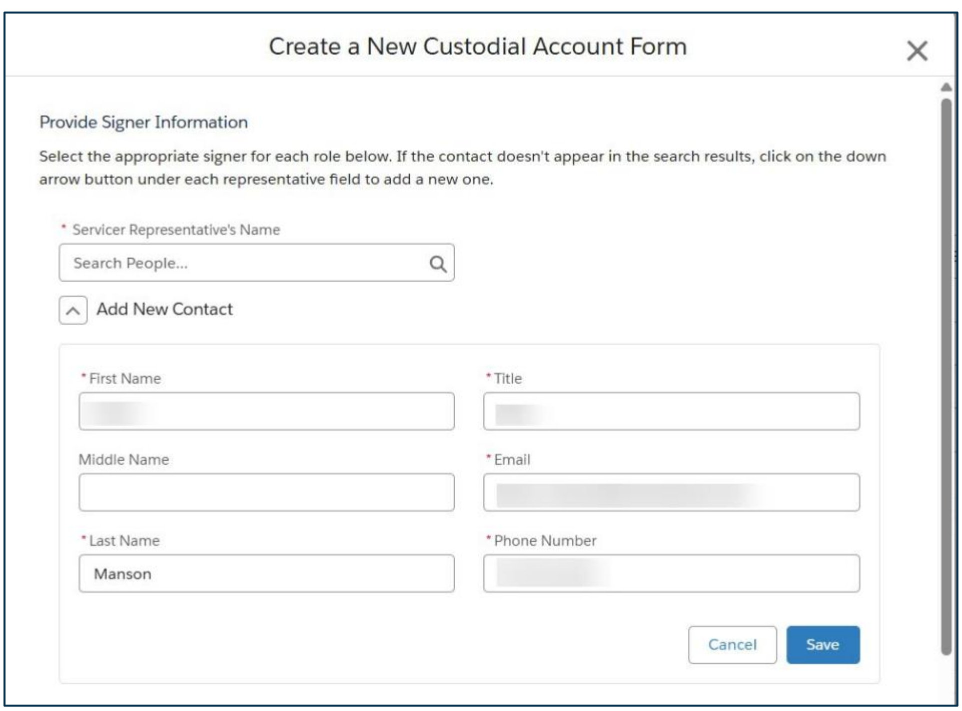


Figure 6: Search for Servicer and Depository Signer

If a contact match was found, you will be prompted to select that contact.

If the Phone Number and/or Title fields are not populated, you will be navigated to a different screen to update those fields. **Click Save.**

If the contact doesn't appear in the search results, click on the down arrow button under each Representative's field to add a new contact. **Click Save.**



Once the Contact information is complete click **Create Form** to view the completed Custodial Account Form

Review Form Information

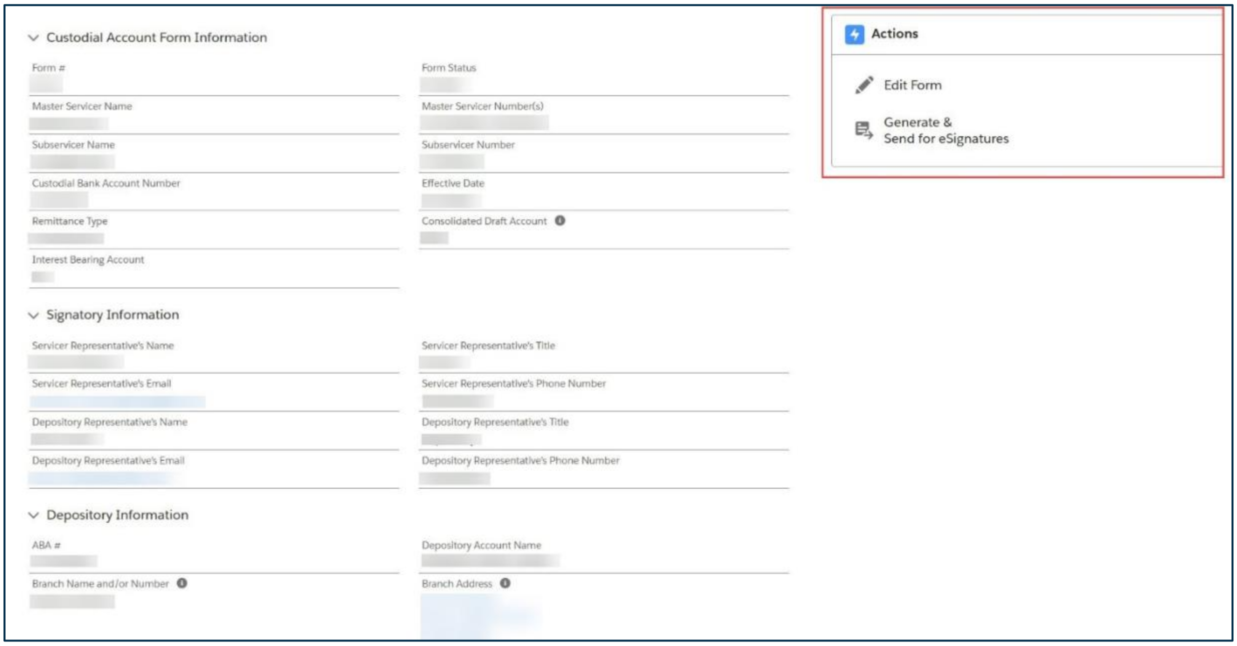


Figure 7: Form information displayed for review

You may click **Cancel Form** if the form needs to be cancelled before it was sent out for eSignatures.

After reviewing the Form, you can **Click Edit Form** under the Actions section.

Each section of the Form will appear in its own modal window with the information previously entered to facilitate review and modification, as well as to enable execution of backend automation processes utilizing the updated data. If a particular screen does not require any modifications, proceed by selecting **Next.**

Generate & Send for eSignatures

When the Form information is accurate and complete, click the **Generate & Send for eSignatures** button under the **Actions** section.

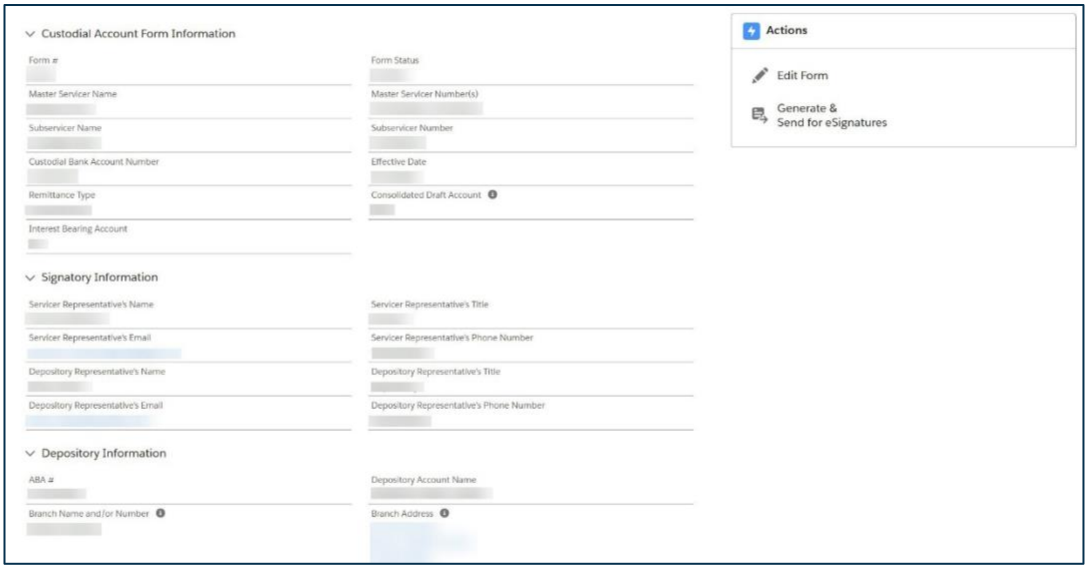


Figure 8: Generate & Send for Signatures

The **Docusign Recipients** are displayed for the **Servicer or Subservicer Representative** and the **Depository Representative.** The **Routing Order** indicates that after the Servicer or Subservicer Representative signs the document, Docusign will automatically send the form to the Depository Representative for their signature. **Click Next**.

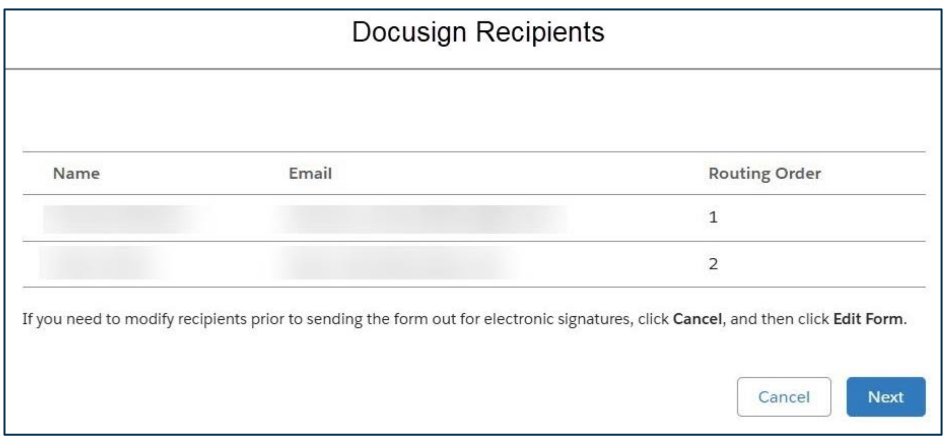


Figure 9: Docusign Recipients

Click **Next** to preview the actual Form template that will be signed.

Editing a Form

Editing a Form and then re-sending for signatures is limited to the following situations

Making Changes Prior to sending for signatures

If you need to make any changes to the Form or update the signers' information, select **Edit Form** to make and save your updates. When you're ready, click **Send for eSignatures**.

Click **Next** to preview the PDF Form that will be signed.

Making Changes After sending for signatures

If the Form status is *Pending Signatures* click **Recall Signatures** and confirm the recall. The recipients will be notified that it has been recalled. Click **Edit Form** to update and save the necessary information, then select **Generate & Send for eSignatures** to continue the process.

Request for Signature declined by Signer

If the Form has been sent out for eSignatures, and either the Servicer or Depository Representatives has declined to sign, the Form Status will be updated to **Signatures Declined**. If needed, you may proceed to click **Edit Form** to update and save the necessary information, then select **Generate & Send for eSignatures** again.
You may click **Cancel Form** if the form needs to be cancelled.

Fully Signed Form

Once both parties have signed via Docusign, the Form status will change to **Fully Signed**. The executed document will be stored under the new **Files** section located on the right side of the Form's page.

When the Form reaches its specified **Effective Date,** the system will automatically update the status to **In Effect**.

Change/Replace a Form with In Effect Status

The Change/Replace function is restricted to changing certain fields on an existing Form with a status of In Effect.

Allowable Changes

- **Adding 9-Digit Servicer Numbers belonging to the same 5-digit Seller/Servicer ID:** You can add a newly established or existing 9-digit Servicer Number to an existing Form, if the new Servicer Number uses the same remittance type as listed on the original Form.
- **Removing a Servicer Number belonging to the same 5-digit Seller/Servicer ID:** It is permissible to remove a 9-digit Servicer Number from an existing Form, provided that at least one of the original 9-digit Servicer Numbers listed remains in use. **Note:** If the removed 9-digit Servicer Number is still active for servicing, you must either open a new account and create a new Form or add it to an existing Form.
- **Correction of typographical errors:** Corrections of the data entered or selected on the Forms are allowed on most fields including the Custodial Bank Account Number and the selected Form Signers contact information.

Restricted Fields

When using the Change/Replace function, changes to the following fields are not allowed:

- Form Number
- ABA #

How to Change/Replace

On the landing screen click on the **Form #** hyperlink for the desired Form.

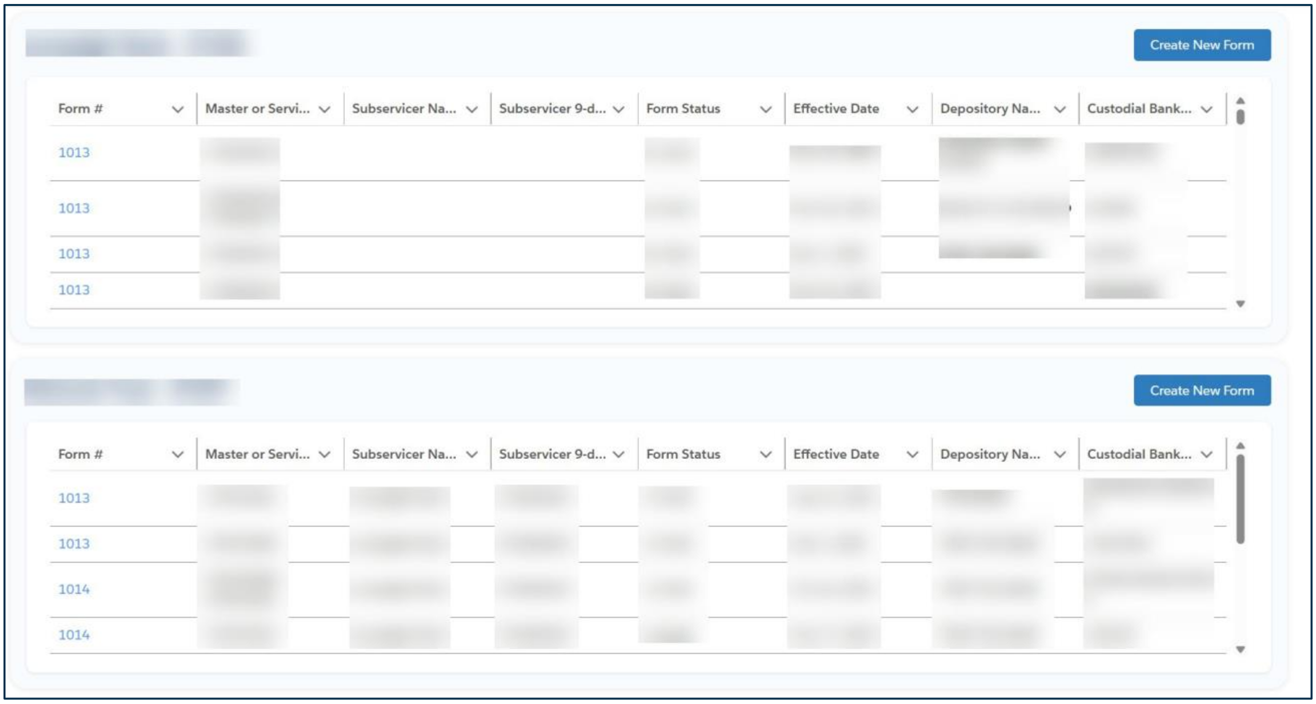


Figure 10: Click on Form # to view the In Effect Form

On the Form record, click the **Change/Replace** button located under the **Actions** section.

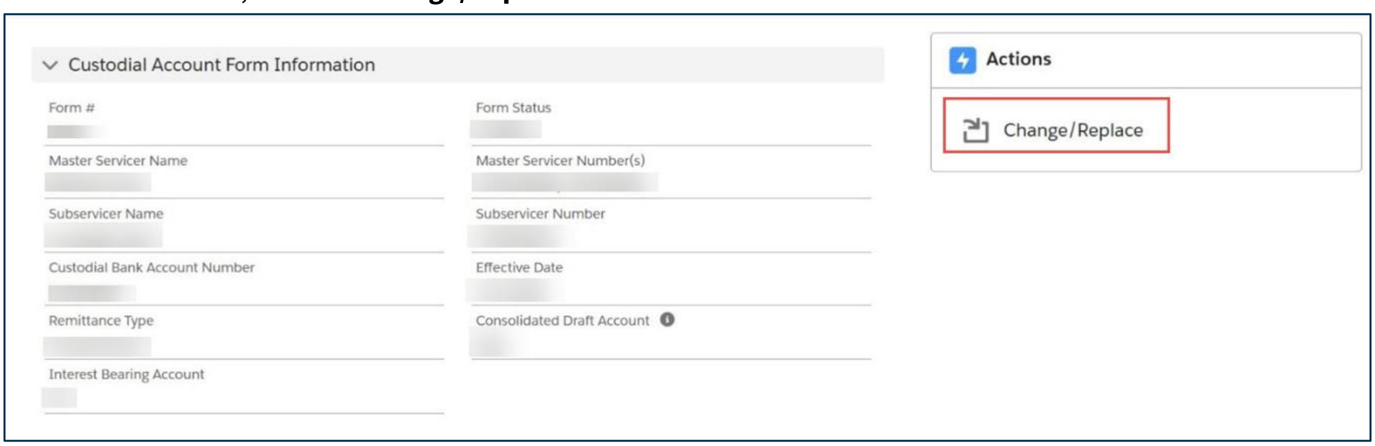


Figure 11: Change/Replace

When the Change/Replace process is started, the system will take you the same process as described in the creating a new Form. Each section of the Form will appear in its own modal window to facilitate review and modification of the information from the original Form, as well as to enable execution of backend automation processes utilizing the updated data. If a particular screen does not require any modifications, proceed by selecting **Next.**

Glossary

ABA #: The American Bankers Association (ABA) issues a unique identifier, known as an ABA #, to each depository institution. Additional information including a looking tool can be found on the American Bankers Association site.

Custodial Bank Account: A bank account that a seller/servicer must establish to hold the funds of others—the borrower and Fannie Mae—as opposed to any account established to hold the seller/servicer's corporate funds.

Depository Institution: financial entities that accept monetary deposits from consumers and businesses

Execution or Remittance Type: A way of determining the composition of the servicer's required remittance to Fannie Mae. For portfolio mortgage loans, there are three types (actual/actual, scheduled/actual, and scheduled/scheduled).

Form Status:

- **In Draft:** The Form has been partially completed.
- **Pending Signatures**: The Form has been sent via Docusign for electronic signatures
- **Signatures Declined:** Either the Servicer, Subservicer or Depository have declined to sign the Form.
- **Fully Signed**: The Form has been signed by all parties however the current date is prior to the Effective Date on the Form.
- **In Effect**: The Form has been signed by all parties, and the current date is on or after the Effective Date on the Form.
- **Pending Replacement:** The custodial information on the existing Form is still valid however the Form is in the Change/Replace Process. Once the Change/Replacement process is completed, the Form status will be updated to **Fully Signed** or **In Effect**.