

Lender Letter LL-2016-03

June 8, 2016

To: All Fannie Mae Single-Family Servicers

Lender-Placed Insurance Effective Date Extension For Servicers Using American Modern Insurance Group

On February 22, 2016, American Modern Insurance Group (AMIG) announced that it is exiting the lender-placed insurance business. As a result, a servicer who uses AMIG as its lender-placed insurance carrier may not be able to comply with the new lender-placed insurance deductible requirements introduced in Announcement SVC-2015-13 (see *Servicing Guide* B-6-01, Lender-Placed Insurance Requirements) by the mandatory effective date of July 1, 2016.

Fannie Mae is extending the effective date to July 1, 2017 for the required deductible amounts introduced in *Servicing Guide* B-6-01, Lender-Placed Insurance Requirements, for any servicer using AMIG as its lender-placed insurance carrier. The servicer must implement the new deductible amounts for lender-placed insurance policies renewed or obtained with an effective date on or after July 1, 2017.

The servicer should contact its Servicing Consultant, Portfolio Manager, or Fannie Mae's Single-Family Servicing Servicer Support Center at 1-800-2FANNIE (1-800-232-6643) with any questions regarding this Lender Letter.

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