

Cash Simplification Customer Integration Test Plan

Updated March 10, 2020

The purpose of the Customer Integration Test Plan is to prepare customers for Fannie Mae’s Cash Simplification changes announced in [Lender Letter Announcement LL-2019-07](#), published on August 14, 2019 and [Servicing Announcement SVC-2019-08](#), published on December 11, 2019.

	Impact by Remittance Type			
	Actual/Actual (A/A)	S/S MRS	S/A	S/S Swap MBS
Fannie Mae-Initiated Principal and Interest (P&I) Drafts for Scheduled/Scheduled (S/S) and Scheduled/Actual (S/A) Portfolio Mortgage Loans	No Change (Servicer-Initiated)	✓	✓	No Change (Fannie Mae-Initiated)
Additional Investor Reporting Operational Enhancements				
<ul style="list-style-type: none"> modify the cash reconciliation cycle to reduce lag time between reporting and cash cycle close 	✓	✓	✓	No Change (Currently BD-2)
<ul style="list-style-type: none"> draft borrower contribution (unapplied funds) on mortgage loan modifications on the scheduled P&I draft date 	No Change (Servicer-Initiated)	✓	✓	No change
<ul style="list-style-type: none"> draft/reimburse the net of SCRA adjustments 	A/A PFP Loans Only	S/S PFP Loans Only	No change	No change

This plan will consist of the following:

- Fannie Mae Integration Test Overview
- Fannie Mae Integration Test Environment
- Integration Test Approach
- Test Scenarios
- Test Setup
- Proposed Test Calendar Schedule
- Test Support



Fannie Mae Integration Test Overview

Customer Integration Testing with Fannie Mae will occur in a production-like test environment, **not** in production:

- Fannie Mae will set up an integration test environment and work with customers to prepare test data
- Customers must use the Fannie Mae integration test environment and the prepped test data to conduct integration testing

The focus of the integration test are the changes that support Fannie Mae's Cash Simplification Enhancements proposed to be effective August 2020 including:

- Changes to the Remittance Detail P&I report
- Addition of the Remittance Detail - Cash Adjustments Report – for B2B customers only
- Addition of the new the S/S and S/A Cash Position summary and details in Loan Servicing Data Utility (LSDU)

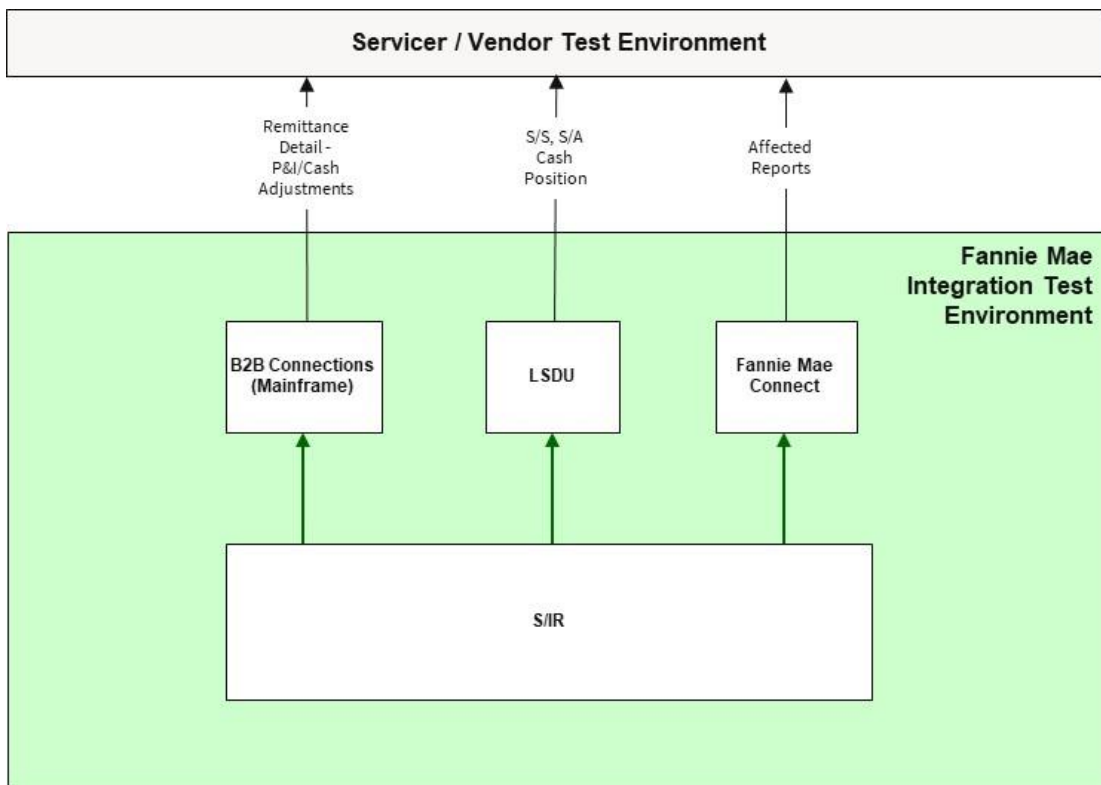
Fannie Mae Integration Test Environment

Fannie Mae integration test environment will be available for integration testing prior to implementation.

- Three phases of customer integration testing:
 - April: B2B Connectivity Testing – for B2B customers only
 - April: Test Data Setup
 - April – June: Testing Cycles

Fannie Mae will not be processing inbound transactions (e.g. LAR Submission) or running daily processing activities within the test environment. Fannie Mae will provide all data (both B2B and UI) necessary to customers within the test environment.

The following diagram shows the applications that will be available to customers in the test environment:





Integration Test Approach

The integration test environment will contain the affected applications with the Cash Simplification changes. Fannie Mae will source data from the production environment, execute the affected applications in the integration test environment, and produce the appropriate data to support the changes.

- Fannie Mae will make the updated Remittance Detail P&I Report available via B2B and Fannie Mae Connect at the beginning of each integration test execution cycle (April 27th, May 26th and June 22nd)
- Customers can consume and validate the report against production reconciliations from the March, April and May cycle closes
- Fannie Mae will provide the S/S and S/A Cash Position functionality within LSDU. The data in LSDU will be static as of the beginning of each integration test execution cycle. LSDU LAR submission capability will be disabled in the integration test environment
- Customers can view the new functionality in LSDU and validate the data against the data from production reconciliations from the March, April and May cycle closes

Test Scenarios

This section provides customers with recommended test scenarios for the Cash Simplification changes. Customers are not limited to, or required to test, the provided test scenarios, this is simply a guide on Fannie Mae's recommended test scenarios. Fannie Mae encourages customers to tailor their testing based off individual needs.

Fannie Mae-Initiated Monthly P&I Drafts for S/A & S/S Portfolio Loans Test Scenarios

Remittance Detail - P&I Report

Description

Verify the Fannie Mae pre-draft amounts for S/S MRS and S/A payment transactions for a given reporting period

Scenario Sequence

- Fannie Mae aggregates loan level remittances and rolls them up to the servicer level
- Fannie Mae provides the amounts to customers on the report at the loan level via Fannie Mae Connect or B2B

Expected Outcome

- Fannie Mae includes S/S MRS and S/A loans in addition to S/S SWAP loans that are currently existing on the report
- Customers have the opportunity to reconcile the updated report amounts against production reconciliations (including, but not limited to the Current Cycle Shortage Surplus and Accepted Transactions reports) from the given testing period

Remittance Detail - Cash Adjustment Report (B2B only)

Description

Verify the Fannie Mae cash adjustment amounts for S/S MRS and S/A payment transactions for a given reporting period

Scenario Sequence

- Fannie Mae provides the cash adjustment amounts to customers on the report at the loan level via B2B



Expected Outcome

- Customers have the opportunity to reconcile the updated report amounts against production reconciliations (including, but not limited to the Current Cycle Shortage Surplus report) from the given testing period

LSDU S/S and S/A Cash Position

Description

Verify the Fannie Mae pre-draft amounts for S/S MRS and S/A payment transactions at both the summary and detailed levels in LSDU

Scenario Sequence

- Fannie Mae aggregates loan level remittances and rolls them up to the servicer level
- Fannie Mae provides the amounts to customers on the LSDU UI at both the summary and detailed levels

Expected Outcome

- Fannie Mae provides S/S MRS and S/A loans on the LSDU Cash Position screens
- LSDU provides summary level remittance information for a given 9-digit Seller/Servicer number
- LSDU provides loan level detailed remittance information, including the changes to adjustments via download for a given 9-digit Seller/Servicer number
- Customers have the opportunity to reconcile the updated report amounts against production reconciliations (including, but not limited to the Current Cycle Shortage Surplus and Accepted Transactions reports) from the given testing period

Test Setup

Customers will be required to inform Fannie Mae if they intend to participate in testing by the March 31st deadline by submitting an email to the future_of_servicing@fanniemae.com mailbox. Requests submitted after the deadline will be reviewed on a case by case basis.

Fannie Mae will work with B2B customers, who have indicated they will be participating in testing, to prepare for B2B connectivity testing.

Fannie Mae will work with customers, who have indicated they will be participating in testing, to provide access to the Fannie Mae Connect and LSDU UI's in the test environment.

Customers will be required to provide test username, email address and phone number. In addition, the test user production user ID and 9-digit seller/servicer numbers to be tested are also required. Once access is provisioned, test users will receive an email from Fannie Mae Technology Registration to setup the password for the test account.

Test Data Setup

Fannie Mae will source data on all existing loans from the production investor reporting system after the March (April 2nd), April (May 4th) and May (June 2nd) cycle closes.

Fannie Mae will scrub the data in accordance with corporate policies and procedures, prepare the test environment with the scrubbed data, and validate the test data.

Test data will first be available in the Fannie Mae test environment on April 27th, simulating an end of March reporting cycle.

Test data will then be available on May 26th, simulating an end of April reporting cycle AND on June 22nd, simulating an end of May reporting cycle.



Test Data Masking

Fannie Mae will scrub the data in accordance with corporate policies and procedures, prepare the integration test environment with the scrubbed data, and validate the test data:

Attribute	Masked Value
Borrower First Name	FIRSTNAME
Borrower Middle Name	Mname
Borrower Last Name	LASTNAME
Borrower Social Security Number	999000999
Property Street Address	000 Not Valid St
Servicer ABA Number	999000999
Servicer Bank Account Number	999-000-999

Fannie Mae Loan Identifier, Lender Loan Number, and Seller Servicer Number will not be masked.

Proposed Test Calendar Schedule

April 2020						
S	M	T	W	T	F	S
		31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2020						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2020						
S	M	T	W	T	F	S
						6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

FANNIE MAE OBSERVED HOLIDAY
WEEKENDS and NON-TESTING DAYS
CUSTOMERS DUE DATE FOR TESTING
CONNECTIVITY TESTING & USER SETUP
<ul style="list-style-type: none"> • Test connectivity for B2B customers • User access to Fannie Mae Connect and LSDU will be setup
TEST DATA SETUP
<ul style="list-style-type: none"> • Test data loaded into test environment based
MARCH DATA TESTING
<ul style="list-style-type: none"> • Remittance Detail P&I Report for March End of Cycle data is generated • The Fannie Mae Connect and LSDU UI will be available during the this test execution cycle
APRIL DATA TESTING
<ul style="list-style-type: none"> • Remittance Detail P&I Report for April End of Cycle data is generated • The Fannie Mae Connect and LSDU UI will be available during the this test execution cycle
MAY DATA TESTING
<ul style="list-style-type: none"> • Remittance Detail P&I Report for May End of Cycle data is generated • The Fannie Mae Connect and LSDU UI will be available during the this test execution cycle

Test Support

Test support will be available via the future_of_servicing@fanniemae.com mailbox from 8AM to 5PM ET on test execution days identified above.

If customers encounter questions or issues during testing, customers should complete a Cash Simplification Test Finding Form, in the appendix of this document, and provide the form in the body of the email to the support mailbox.



The subject of the email should state “Cash Simplification Test Form” and attach any relevant information such as screen shots or test data file(s).

Prior to submitting a form, customers should conduct analysis to ensure the issue is attributed to the behavior of a Fannie Mae application and not a customer related issue.



Appendix

Cash Simplification Test Finding Form

Organization name			
Customer contact name, phone number and email (primary)	Name:	Phone Number:	Email:
Customer contact name, phone number and email (secondary)	Name:	Phone Number:	Email:
Fannie Mae-Initiated Monthly P&I Drafts for S/A & S/S Portfolio Loans Questions or Issues			
Additional Investor Reporting Operating Enhancements Questions or Issues			