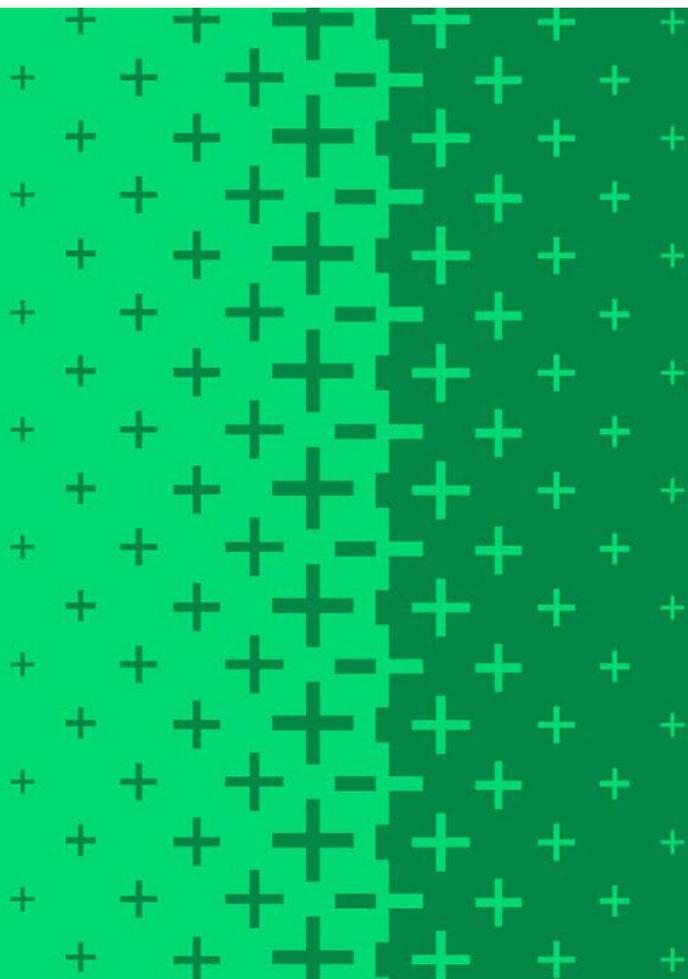


Default Management Servicing and Reporting Guide

February 07, 2022





ENACT MORTGAGE INSURANCE CORPORATION
DEFAULT MANAGEMENT SERVICING AND REPORTING GUIDE
FEBRUARY 7, 2022

This *Default Management Servicing and Reporting Guide* (the “Guide”) replaces all previous Default Management Servicing and Reporting Guides for servicing activities occurring on or after the effective date of this Guide. Enact’s Peak Portfolio Policy (Policy Form MP 1920) has its own Default Management Servicing and Reporting Guide.

Table of Contents

1) Summary of Changes	3
2) Overview and Introduction	3
2a) Non-Compliance	4
2b) General Servicing Requirements.....	4
2c) Default Servicing Requirements	5
3) Resources and Contact Information.....	5
3a) Contact Information	5
3b) Resources	5
3c) Secure Submission Process	5
4) Foreclosure	6
4a) Commencement.....	6
4b) Postponement.....	6
5) Bankruptcy	6
6) Disaster	7
7) Workouts	7
7a) Servicer Delegated Workout Program Parameters.....	7
7b) Imminent Default.....	8
7c) Strategic Default	8
7d) Reporting	9
8) Workout Types	9
8a) Repayment Plan	9
8b) Forbearance Plan.....	9
8c) Modification.....	10
8d) Payment Deferral	11
8e) Assumptions	12
8f) Pre-Claim Advance Program	14
8g) Short Sale.....	14
8h) Deed-in-Lieu of Foreclosure	15
8i) Other Workout Types	17
9) Enact Servicer Assistance Program.....	17
10) Servicer Reporting	17
10a) Default Reporting.....	18
10b) MILAR.....	20
10c) Obligation to Self Report.....	21
10d) Bulk/Pool Insurance Reporting.....	21

1) SUMMARY OF CHANGES

Topic	Section(s)	New Guidelines
Disaster	6	Incorporated Enact's Disaster Policy
Payment Deferral	8d	Incorporated guidelines for payment deferral workout type
Servicer Reporting	10	Updated verbiage to provide clarity

2) OVERVIEW AND INTRODUCTION

To support our customers and provide additional information on our new Master Policy MP 1980, Enact has established a Master Policy Resource Center on our website at <https://enactmi.com/masterpolicy-info> that contains implementation resources, including a high-level change summary and FAQ documents.

The Master Policy applicable to your loan (“the Policy”) sets forth the terms and conditions that govern mortgage insurance issued by Enact. Please refer to the applicable Policy for complete details. This Guide is intended to provide clarification, illustrative examples, and supplemental information on the requirements of the Policy. In the event the requirements of the Policy or this Guide are not followed it may, in certain circumstances, result in cancellation of coverage, rescission, reduction in the Insurance Benefit, or Claim denial. If there is a conflict between this Guide and the Policy, the terms and conditions of the applicable Policy will control. For ease of reference, capitalized terms used and not defined in this Guide have the meanings set forth in Policy MP 1980.

Enact is committed to paying all legitimate Claims under the terms of the Policy. Effective Default servicing and loss mitigation is required of Servicers under the Policy. Effective servicing may avoid foreclosure, reducing losses to all interested parties and allow Borrowers to retain their home. Servicers must actively cooperate with and assist Enact in preventing and mitigating losses.

The goal of Enact is to provide mortgage insurance (“MI”) coverage and exceptional customer service. We have provided the information in this Guide to help you better understand the process for:

- Mitigating Loss
- Default Servicing Requirements
- Appropriate Proceedings
- Servicer Workout Delegation
- Workouts
- Reporting Requirements

We are pleased to provide additional assistance should you have any questions or comments regarding this Guide or the Policy. Please contact the ActionCenter® at 800-444-5664 or via email at Action.Center@EnactMI.com. The ActionCenter is staffed to provide assistance and answer questions from 8 A.M. to 8 P.M. Eastern Time to provide you with any support you may need.

MITIGATING LOSSES

Servicers must prevent and mitigate loss in a reasonable and prudent manner consistent with generally accepted standards of servicing in the first-lien residential mortgage industry. This includes efforts to obtain a cure of the Default, inspection and appraisal of the Property, offering a Borrower who has the willingness and ability to cure the Default a Workout, and diligently pursuing and completing Appropriate Proceedings. Servicers must consider all available Workout opportunities and minimize foreclosure and bankruptcy timelines and associated claimable expenses.

SERVICER REQUIREMENTS

Enact's loss mitigation requirements align with the Consumer Financial Protection Bureau's Mortgage Servicing Rule ("CFPB Rule") and GSE Default servicing requirements ("GSE Guidelines"). Servicers must adhere to the CFPB Rule and GSE Guidelines for Default servicing and Workout activities. Servicers who follow the requirements of the CFPB Rule and GSE Guidelines will also be in compliance with Enact servicing requirements and this Guide. In cases where the CFPB Rule and GSE requirements are not identical, Servicers should adhere to the more stringent requirement, consistent with CFPB guidance.

If you have a separate agreement with Enact with regards to default servicing, please refer to your agreement for requirements.

2A) NON-COMPLIANCE

All servicing and loss mitigation activities and efforts must be fully documented in the Servicing File and will be required in the event of future Claim submission.

Failure to maintain and provide the complete Servicing File, or failure to comply with the CFPB Rule, GSE Guidelines, the Policy or this Guide (collectively, "Enact Guidelines") may cause a delay in processing a Claim and may also result in cancellation of coverage, a denial of a Claim, or a reduction of the Insurance Benefit.

2B) GENERAL SERVICING REQUIREMENTS

Enact requires Servicers to have adequate management and staff who are properly trained to carry out their assigned Default servicing and loss mitigation duties. Servicers must maintain adequate servicing systems that are capable of maximizing Servicer performance and have the ability to provide adequate reporting on status and results of Default servicing and loss mitigation activities.

Servicers must also maintain policies and procedures reasonably designed to ensure the Servicer can achieve the following objectives: (1) contact and provide timely and accurate information to Borrowers, (2) properly evaluate loss mitigation options, (3) facilitate oversight and compliance of service providers, (4) facilitate transfer of information during servicing transfers, and (5) inform Borrowers of error resolution and information request procedures.

Enact reserves the right to audit and review the Servicer's staffing, training and hiring plans, systems-readiness, and all internal servicing related policies and procedures. Further, Enact reserves the right to audit individual loans to determine prioritization and compliance to all applicable servicing requirements for each loan.

2C) DEFAULT SERVICING REQUIREMENTS

EARLY AND ONGOING DELINQUENCY CONTACT (INCLUDING COLLECTION, WORKOUT, AND LOSS MITIGATION)

Servicers must comply with the early intervention, continuity of contact, and loss mitigation requirements set forth in the CFPB Rule and GSE Guidelines.

The primary objective is to make contact with the Borrower, assess the Borrower's situation, and collect any past due payment(s), if possible, to the extent permitted by applicable law. If collection or reinstatement is not possible, the Borrower must be considered for all available Workout options.

In accordance with Enact Guidelines, loss mitigation efforts are required beyond basic collection and foreclosure efforts, and we audit Claims to determine if reasonable loss mitigation efforts have been applied. This includes making good faith efforts to cure the Default, including prompt and ongoing Borrower contact, offering Borrowers who have the willingness and ability to cure the Default a Workout and, if such attempts are unsuccessful, to effectuate the early disposition of the Property.

Enact audits Claims for consistent effort and compliance to this Guide and the Policy throughout the delinquency period. The documentation in the Servicing File should contain evidence of good faith efforts to establish live contact with delinquent Borrowers, written notices to delinquent Borrowers of available loss mitigation options, and notes detailing conversations with the Borrower regarding Workout options (including repayment plans, modifications, forbearance, short sale, and deed-in-lieu of foreclosure).

3) RESOURCES AND CONTACT INFORMATION

3A) CONTACT INFORMATION

- Enact ActionCenter – Action.Center@EnactMI.com or 800-444-5664
- Homeowner Assistance Department – HOA@EnactMI.com or 800-455-0871
- Workout Delegation – HOA@EnactMI.com or 800-455-0871

3B) RESOURCES

- Workout Reporting Template – <https://miservicing.genworth.com/HOA/HowToSubmitWorkouts/Default.aspx?p=1>
- Enact's State Foreclosure Timeline – Log on to [MIservicing.genworth.com](https://miservicing.genworth.com) and select "Publications"

3C) SECURE SUBMISSION PROCESS

When you transmit consumer data, it is essential to keep the information secure. Our Secure Submission process lets you transmit data to us through our website quickly and securely. Through use of this tool on our MI Servicing Website, your document will be encrypted during the upload process and during transmission to Enact. Contact the ActionCenter for assistance at 800-444-5664.

4) FORECLOSURE

4A) COMMENCEMENT

If the Servicer is unable to resolve a default through reasonable attempts to contact the Borrower and offer a Workout consistent with Enact Guidelines, Enact requires the Servicer to initiate foreclosure by the later of the following:

- 30 days after the date the loan remains in Default for six (6) consecutive months, or
- 60 days after the earliest date allowed by applicable law.

If the Property has been abandoned, the Borrower refuses to cooperate, or if no Workout is possible, the Servicer must document the Servicing File accordingly and is instructed to expedite the foreclosure process to the extent permitted under applicable law. No further written instruction is required from Enact.

Once foreclosure is commenced, the Servicer must diligently pursue completion of the foreclosure in accordance with applicable law.

See the [Claim and Foreclosure Bidding Servicing Guide](#) for foreclosure bidding instructions.

4B) POSTPONEMENT

- Foreclosure Initiation Postponement: If a Workout is in process, initiation of foreclosure may be delayed up to 30 days from receipt of the Workout package.
- Foreclosure Sale Postponement: Servicer is delegated to postpone a foreclosure sale within 30 calendar days of the foreclosure sale to pursue reasonable loss mitigation or Workout opportunities.

5) BANKRUPTCY

Enact requires Servicers to (1) follow Enact Guidelines and (2) minimize the time a loan is affected by bankruptcy by expeditiously preparing required documentation.

While discharge of a non-reaffirmed debt in a bankruptcy does prohibit any further attempts to collect the debt, it does not prohibit the creditor from enforcing its lien rights against the Property by pursuing liquidation options such as a short sale or deed-in-lieu of foreclosure with the Borrower or the Borrower's attorney.

Servicers must pursue and document loss mitigation activity in the Servicing File within 60 calendar days after obtaining a lift-of-stay, discharge or dismissal from bankruptcy as permitted by applicable law. Also, once an automatic stay is lifted, the case is dismissed, or the Borrower has received a discharge along with a trustee abandonment of the Property, the Servicer must immediately send any required breach letter to the Borrower (if it was not previously sent) and refer the loan to an attorney to initiate (or resume) Appropriate Proceedings. If the Borrower intends to retain possession of the Property, the bankruptcy attorney must work with the court, the Borrower's counsel, and the Servicer to pursue Workout alternatives and document such efforts.

6) DISASTER

For all Enact insured loans, servicers are required to remain in compliance with the applicable GSE disaster policy. For non-GSE loans, servicers must remain in compliance with a GSE disaster policy. Servicers who adhere to the GSE disaster policy will be in compliance with Enact's servicing requirements.

7) WORKOUTS

All Workouts must be approved by Enact, and Enact's approval must precede any notification of approval to the Borrower.

There are two (2) approval options:

- Participation in Enact's Servicer delegated Workout program, or
- Submitting the request to Enact for individual case-by-case review.

Loans that do not fit the parameters of the Enact Workout delegation must be submitted to Enact for case-by-case review.

WORKOUT ORDER

Unless otherwise permitted under the CFPB Rule and GSE Guidelines, Enact requires that Borrowers be considered for Workouts in the following order:

- First: Retention Workouts (repayment plan, payment deferrals, modifications, etc.)
- Second: Liquidation Workouts (short sale, deed-in-lieu of foreclosure, etc.) – The Servicer should consider a liquidation Workout only if a retention Workout fails or a retention Workout is considered, but the Borrower does not qualify for or refuses to cooperate in any retention Workout. Liquidation Workout documentation in the Servicing File should include discussions with the Borrower regarding the listing of their Property, short sale, and deed-in-lieu of foreclosure options.

These requirements do not restrict the Servicer or GSE Beneficiary from electing to foreclose on a Property, but note that the Insurance Benefit may be reduced if such foreclosure results in non-compliance with the servicing requirements of the Policy.

For further information, please refer to the Workout Delegation and the Submission Options sections for each workout type in this Guide.

7A) SERVICER DELEGATED WORKOUT PROGRAM PARAMETERS

Under the Servicer Delegated Workout Program, Enact authorizes Servicers to decision most retention and liquidation Workouts for loans that are serviced by them and insured by Enact.

REQUIREMENTS

This delegation is subject to the following requirements:

- Standard Workout packages and documentation are required for all borrowers liable for the mortgage.
- Borrower must be experiencing a legitimate hardship. (See the Acceptable Hardships section below)

- Servicers are required to report to Enact all Workouts decided as *approved*, *failed* or *closed* as specified in Section 10B) MILAR Reporting.
- Servicers must meet investor guidelines for all Workout approvals.
- All other guidelines as outlined in Enact’s Master Policy, Lender Servicing and Delinquency Reporting Guide, and the applicable Default Management Servicing Guide must be followed.
- Periodic reviews will be conducted to determine Workout program compliance. (See the Program Compliance Review section below)

ACCEPTABLE HARDSHIPS

Acceptable “hardships” include, but are not limited to, the following

- Death of a borrower or primary wage-earner
- Disability or illness
- Disaster
- Divorce
- Excessive credit obligations
- Forced relocation
- Reduced income
- Unemployment

PROGRAM COMPLIANCE REVIEW

Enact reserves the right to review the Servicer’s performance periodically and to request Workout documentation for evaluating the Servicer’s adherence to Enact’s delegated guidelines. This Delegated Workout Program Review will assess delegated program compliance and determine any servicer training needs. This delegation is conditioned upon the guidelines outlined in this document. Enact reserves the right to alter or discontinue this delegation at any time.

DELEGATION FOR OTHER SERVICER PROGRAM

Enact will review servicer Workout programs with terms exceeding our delegated parameters to determine acceptability and/or delegated eligibility. Submit the written program guidelines to Enact for consideration via email to HOA@EnactMI.com.

7B) IMMEDIATE DEFAULT

Unless otherwise permitted under GSE Guidelines, if a Borrower has communicated a valid hardship to the Servicer but is not currently in Default, Enact requires Servicers to pursue all available Workout opportunities.

7C) STRATEGIC DEFAULT

Servicers must ensure that reasonable diligence is applied to identify “strategic Default” by Borrowers who have the means to continue making payments. If a Borrower has the means to continue payments, but no longer desires the Property or to continue making mortgage payments, Servicers should counsel the Borrower on the importance of continuing payments and the consequences of foreclosure. If the Borrower still does not wish to continue making payments, Servicer must consider a liquidation Workout to mitigate losses, with appropriate Borrower contribution based on the Borrower’s financial situation.

7D) REPORTING

Servicers must report Workout status (approved, completed and failed) as described in Section 10B) MILAR Reporting.

MP 1480 AND 1980

Failure to report Workout status within 30 calendar days of a status change may result in a reduction of the Claim Amount, and if such non-compliance continues for a period of 12 months, cancellation of coverage or denial of a Claim.

8) WORKOUT TYPES

8A) REPAYMENT PLAN

WORKOUT DELEGATION

The repayment plan term may not exceed 12 months. Any repayment plan extending beyond 12 months must be submitted to Enact for approval via encrypted email at HOA@EnactMI.com.

NON-DELEGATED REQUIREMENTS

Repayment plans that do not meet delegated parameters require Enact's prior approval.

REQUIRED INFORMATION

- Terms of repayment plan
- Borrower Workout Package
 - Financial statement
 - Explanation of hardship
 - Proof of all income (paychecks, tax returns, rental income, etc.)

SUBMISSION OPTIONS

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

8B) FORBEARANCE PLAN

WORKOUT DELEGATION

The forbearance plan term may not exceed 12 months. Any forbearance plan extending beyond the initial 12 months (including re-approvals) must be submitted to Enact for approval via encrypted email at HOA@EnactMI.com.

NON-DELEGATED REQUIREMENTS

Forbearance plans that do not meet delegated parameters require Enact’s prior approval.

REQUIRED INFORMATION

- Terms of forbearance plan
- Borrower Workout Package
 - Financial statement
 - Explanation of hardship
 - Proof of all income (paychecks, tax returns, rental income, etc.)

SUBMISSION OPTIONS

Email	HOA@EnactMI.com
Secure Submission	MIservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8C) MODIFICATION

WORKOUT DELEGATION

Workout delegation applies to delinquent loans or imminent Default loans, as defined by the GSEs. The modification terms may include any of the following:

- Capitalized amounts (will be insured but limited to interest in arrears, legal fees and costs and claimable Advances)
- Change of rate
- Change of term - up to 480 months
- Principal forbearance
- Principal forgiveness

The number of times a loan is modified does not affect the delegation.

Refer to Enact’s Delegated Workout webpage at <http://MIservicing.genworth.com/DelegatedWorkout/Default.aspx> for the most recent list of Industry/Investor approved modification programs.

NON-DELEGATED REQUIREMENTS

Modifications that are not on the list of Industry/Investor approved modification programs require Enact’s prior approval.

REQUIRED INFORMATION

- Enact’s [Loan Modification Application](#) form

SUBMISSION OPTIONS

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8D) PAYMENT DEFERRAL

WORKOUT DELEGATION

Workout delegation is authorized within the following parameters:

FANNIE MAE AND FREDDIE MAC INVESTOR

If the terms of the payment deferral comply with GSE Guidelines, the Servicer may proceed as delegated.

BANK-OWNED AND PRIVATE BANK INVESTOR

For non-GSE loans, there are two options that are delegated:

1. If the terms of the payment deferral comply with GSE Guidelines, the Servicer may proceed as delegated.
2. If the terms of the payment deferral comply with the parameters below, the Servicer may proceed as delegated.
 - Payment deferral of up to 12 months of P&I payments
 - May be recouped as a balloon payment or by extending the term up to 12 months
 - Any deferred P&I must remain as part of the original mortgage
 - In the event of a valid claim, the deferred P&I will be covered with no additional interest
 - Borrower is/was current prior to the COVID-19 hardship
 - Servicer documents the borrower’s attestation that the hardship is due to COVID-19

- At the time of payment deferral, the borrower may be current or up to 12 months in default

NON-DELEGATED REQUIREMENTS

Payment deferrals that do not meet delegated parameters require Enact’s prior approval. Required Information

- Proposed Payment Deferral Terms

SUBMISSION OPTIONS

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8E) ASSUMPTIONS

In some circumstances, an assumption of the loan by a third party may be an alternative to foreclosure. All loan assumptions, with or without the release of liability of the original Borrower, must be reviewed and approved by Enact prior to you processing the assumption. Failure to obtain our prior approval may result in the cancellation of coverage effective on the date of the assumption, or if a Claim has been submitted, we may deny the Claim. The assumption will be underwritten in accordance with Enact Underwriting Guidelines and, if approved by Enact, an amended Commitment/Certificate of Insurance will be issued.

REQUIRED INFORMATION

The following documentation is required:

- Enact’s [Assumption Request](#) form
- Current Enact MI Certificate
- 1008 and 1003
- Credit Report and any/all supporting documents
- Paystub(s) and W-2s for each borrower
- Verification of Employment (VOE)
- Two (2) months bank statements verifying sufficient funds to close or Verification of Deposit (VOD)

- Any other supporting documentation that may be needed to make an underwriting decision.
- Most recent two (2) years 1040s, if self-employed*
- Gift letter and proof of receipt*
- Assumption Purchase Agreement*
- Divorce Papers*
- Separation Agreement*
- Child Support Agreement*
- Lease Agreement*

**This documentation is only required if applicable.*

Note the following:

- A new appraisal is not required.
- Enact reserves the right to request additional documentation.

SUBMISSION OPTIONS: DELINQUENT ASSUMPTIONS

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

SUBMISSION OPTIONS: NON-DELINQUENT ASSUMPTIONS

Email	mionly.uw@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-285-4322
Mail	Enact Central Imaging-MI Only 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8F) PRE-CLAIM ADVANCE PROGRAM

In some circumstances, funds may be advanced to the Servicer in the form of a pre-claim advance to assist in curing the Default. Payment of a pre-claim advance to the Servicer will only be permitted if approved in advance and in writing by the investor. Contact a Homeowner Assistance Representative for more information at 800-455-0871 or HOA@EnactMI.com.

SUBMISSION OPTIONS

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8G) SHORT SALE

FANNIE MAE AND FREDDIE MAC INVESTOR

Enact has delegated approval authority to Fannie Mae and Freddie Mac for short sale Workouts. Please follow GSE guidelines. Reporting requirements still apply.

BANK-OWNED AND PRIVATE BANK INVESTOR

WORKOUT DELEGATION

Enact requirements for short sale activities have aligned with GSE Guidelines implemented 09/01/2019. Therefore, if the terms of the short sale comply with GSE Guidelines, the Servicer may proceed as delegated.

Other Requirements:

- If there is no investor loss, the minimum net-to-value requirement is 85%.
- Interior Property valuation must be obtained within 180 days of the short sale approval.
- Any applicable second liens should be listed as a separate line item on the Closing Disclosure.
- Short sale cash contributions are to be paid at closing and listed as a separate line item on the Closing Disclosure.
- Any cash contribution listed on the Closing Disclosure will be deducted from the verified claim for loss.
- No funds are to be paid directly to Enact.

If a Servicer approves a short sale utilizing Enact delegation, we waive deficiency rights. In all other cases, we may at our discretion pursue a deficiency where allowed by law.

NON-DELEGATED REQUIREMENTS

Short sales that do not meet delegated parameters require Enact’s prior approval.

If Enact approves a non-delegated short sale, we will waive deficiency rights.

Required Information

Submit a full Workout package to Enact including the following:

- Hardship letter
- Financial statement
- Current proof of income
- Bank statements
- Tax returns
- Credit report
- Interior valuation – broker price opinion (BPO) or appraisal
- Payoff statement (good through closing date)
- Sales contract
- Net sheet or Closing Disclosure

Submission Options

Email	HOA@EnactMI.com
Secure Submission	Mlservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8H) DEED-IN-LIEU OF FORECLOSURE

FANNIE MAE AND FREDDIE MAC INVESTOR

Enact has delegated approval authority to Fannie Mae and Freddie Mac for deed-in-lieu Workouts. Please follow GSE guidelines. Reporting requirements still apply.

BANK-OWNED AND PRIVATE BANK INVESTOR

WORKOUT DELEGATION

Enact requirements for deed-in-lieu activities have aligned with GSE Guidelines implemented 09/01/2019. Therefore, if the terms of the deed-in-lieu comply with GSE Guidelines, the servicer may proceed as delegated.

Other Requirements:

- Any cash contribution will be deducted from the verified Claim.
- No funds are to be paid directly to Enact.
- Interior Property valuation must be obtained within 180 days of deed-in-lieu approval.

If a Servicer approves a deed-in-lieu utilizing Enact delegation, we waive deficiency rights. In all other cases, we may at our discretion pursue a deficiency where allowed by law.

NON-DELEGATED REQUIREMENTS

Deeds-in-lieu that do not meet delegated parameters require Enact’s prior approval.

If Enact approves a non-delegated deed-in-lieu, we will waive deficiency rights.

Required Information

Submit a full Workout package to Enact including the following:

- Hardship letter
- Financial statement
- Current proof of income
- Bank statements
- Tax returns
- Credit report
- Interior valuation – broker price opinion (BPO) or appraisal
- Payoff statement (good through closing date)
- Copy of listing agreement

Submission Options

Email	HOA@EnactMI.com
Secure Submission	MIservicing.genworth.com
Fax	800-944-3642
Mail	Enact Homeowner Assistance 8325 Six Forks Road Raleigh, NC 27615

We will review and respond to your request within 10 business days with either an approval or denial. If we do not respond within this timeframe, the request is deemed to be approved.

If a Workout request is submitted because it falls outside of delegated parameters, failure to respond within 10 business days will not be deemed to be an approval.

8I) OTHER WORKOUT TYPES

If there are any other Workout types that are not covered by this Guide, please submit the Workout package and Workout recommendation to Enact Homeowner Assistance for review.

9) ENACT SERVICER ASSISTANCE PROGRAM

Enact has a range of offerings to assist the Servicer in achieving Workout results and meeting Enact's Servicer requirements and expectations. These offerings include:

- Borrower outreach campaigns
 - Warm Transfers – Enact calls a list of Borrowers supplied by the Servicer and transfers the Borrower to the Servicer
 - In addition to the warm transfer campaigns above, Enact offers specialized warm transfer campaigns including:
 - “No Contact” – Enact attempts to locate and call a list of Borrowers, supplied by the Servicer, with whom the Servicer has not made contact
 - “No Resolution” – Enact calls a list of Borrowers, supplied by the Servicer, with whom the Servicer has not been able to complete a Workout
- Door knocking service reimbursement
- Pre-claim advances to facilitate additional Workouts
- Participation in most available government, GSE and investor programs

We will evaluate all requests for support on a case-by-case basis. Please contact Enact Homeowner Assistance at HOA@EnactMI.com.

10) SERVICER REPORTING

REQUIRED REPORTING

- A. Default Reporting
- B. MILAR (including workout data)
- C. Obligation to Self-Report
- D. Bulk/Pool Reporting

Failure to provide reporting as required by the Policy and this Guide may result in revocation of delegated workout authority, delay in processing the Claim, and may also result in cancellation of coverage, a denial of a Claim, or a reduction of the Insurance Benefit.

10A) DEFAULT REPORTING

Default Reporting provides the current status of all delinquent loans and any efforts made to remedy the default or complete appropriate proceedings.

REPORTING REQUIREMENTS FOR PRE-MASTER POLICY 1480 (LOANS WITH AN APPLICATION RECEIVED DATE BEFORE 10/1/2014)

1. Initial Notice of Default: Monthly Default Report (preferred) or the [NOD Form](#).

A Notice of Default (NOD) must be provided to Enact within 10 days after the earlier of a) or b) to occur:

- a) date the Borrower is 3 months in Default
- b) date when any proceeding that affects the loan, the Property, or the Insured's interest in the loan or the Property has been commenced

For a first payment Default, the NOD must be provided within 45 days after the Default.

2. Ongoing, Monthly Reporting: Monthly Default Report (preferred) or the [MDSR Form](#) (Monthly Delinquency Status Report)

Monthly reporting of delinquent status information should continue until the Borrower is no longer in Default, the loan is paid in full, or a Claim has been filed with Enact.

3. Final Status: The Servicer shall submit a final report on the resolution of the Default in the month following such resolution.

REPORTING REQUIREMENTS FOR MASTER POLICY 1480, 1980, AND 1920 (LOANS WITH AN APPLICATION RECEIVED DATE ON OR AFTER 10/1/2014. SEE SECTIONS 6.1 & 6.2 OF MP 1480, SECTION 52 OF MP 1980.)

1. Initial Notice of Default: Monthly Default Report (preferred) or the [NOD Form](#)

If the Borrower fails to make 2 consecutive loan Payments, a Notice of Default must be provided to Enact prior to the due date of the next loan Payment.

Ex: A loan with a September 1st due date should be reported between the 1st and the 25th of October.

2. **Ongoing, Monthly Reporting:** A servicer shall submit (on or before the 25th day of each month) as applicable:

Requirements	Accepted Documentation
Status of the loan <i>(Ex. current or Delinquent by a specified number of days)</i>	Monthly Default Report (preferred) or MDSR Form
Servicer’s efforts to remedy the Default, including all Workouts proposed to the Borrower and the status of Borrower contact efforts (if any)	Copy of Servicer notes illustrating the required info attached to the MDSR or MILAR (see Section 10B)
The initiation date and status of any Appropriate Proceedings that have been commenced, together with copies of all notices and pleadings filed or required in connection with such proceedings	Status of Appropriate Proceedings info on the MDSR or Monthly Default Report. <i>(Copies of all notices and pleadings filed or required in connection with such Appropriate Proceedings are not required to be submitted but must be made available upon Enact’s request.)</i>
The initiation date and status of any Borrower Proceedings	Borrower Proceedings are required to be reported on MILAR (see Section 10B), but not required to be submitted with the MDSR or Monthly Default Report
If applicable, indication that the loan has been classified as uncollectable and charged-off	Loans that have been classified as uncollectable and charged-off are required to be reported on MILAR (see Section 10B), but not required to be submitted with the MDSR or Monthly Default Report

3. **Final Status:** The Servicer shall submit a final report on the resolution of the Default in the month following such resolution.

SUBMISSION OPTIONS

There are two ways to submit Default Reporting to Enact:

1. **ADR (Automated Delinquency Reporting):** To begin submitting by data file (internally or through an outside supplier), contact the ActionCenter at 800-444-5664.

ADR options include:

- Secure File Transfer Protocol (SFTP)
- Network Data Mover (NDM) transmission from Service Bureaus
- Secure submission via our MI Servicing Website

2. **DOW (Delinquencies on the Web):** You can report Defaults and update lender loan number (LLN) information online. Information can be transmitted to Enact using the tool as many times during the month as necessary, with a limit of once per day.

To begin submitting through the online reporting tool, obtain a username and password for the MI Servicing Site by contacting the ActionCenter at 800-444-5664.

DOW submission instructions:

- Log on to MIservicing.genworth.com
- Enter your username and password
- Select Delinquency Reporting and Claims
- Select Delinquency Reporting
- Refer to the Reporting Delinquencies documents (PDF) for online reporting instructions

For more information about Default Reporting, our Delinquency FAQs can be found [here](#).

10B) MILAR

The monthly MILAR (Mortgage Insurance Loan Activity Report) should include all active Enact certificates, performing and non-performing, for all investors.

The MILAR with the previous month's data must be received by the 25th of the month (preferably by the 7th business day of the month, if possible).

ENACT'S ACCEPTABLE MILAR FORMATS

- Full MILAR Data Set (169 fields) Template
- Minimum MILAR Data Set (32 fields) Template, as well as one of the three options that include workout data:
 1. Delegated [Online](#) Workout Reporting (Useful for low monthly workout volume. Visit for more info)
 2. Enact Workout Reporting Templates (Liquidation and Retention)
 3. Individual loans for decision

MILAR Templates, Enact Workout Reporting Templates, and MILAR FAQs can be found [here](#).

SUBMISSION OPTIONS

1. SFTP
2. [Secure Submission](#) (choose document type, "MILAR")

10C) OBLIGATION TO SELF REPORT

Insureds and Servicers are required to notify Enact within 30 days after becoming aware of a Significant Defect, Single Loan Fraud, or Pattern Activity, or if a loan repurchase is required by a GSE or any other investor.

This notification should be sent via email to investigations@EnactMI.com and include all pertinent information on that loan.

RECISSION RELIEF

If we have not yet granted rescission relief, we may conduct an Independent Validation on any self-reported loan. If our Independent Validation identifies a Defect, Significant Defect, Single Loan Fraud, or Pattern Activity we may pursue the remedies specified in the Policy.

If we have previously granted rescission relief, we may conduct a second Independent Validation to determine if a life-of-loan exclusion exists. If our second Independent Validation identifies a life of loan exclusion, we may rescind coverage on the loan.

10D) BULK/POOL INSURANCE REPORTING

For structured transactions (bulk) or pool insured loans, consult your specific policy for reporting requirements to ensure compliance. **Note: Earlier reporting of the initial Notice of Default may be required under bulk/pool policies of insurance.**

Loans insured under both a Enact primary and bulk/pool Certificate should only be reported under the primary Certificate. Both Certificates will be updated concurrently.