



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

May 11, 2004

04-02

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: George S. Anderson, Executive Vice President

SUBJECT: Procedural Changes Applicable to Ginnie Mae I MBS Program

In an effort to better align business processes, issuers will no longer be required to calculate their own guaranty fee obligations. Pursuant to existing guaranty fee collection procedures currently in place for the Ginnie Mae II MBS program, the Central Paying and Transfer Agent (CPTA) will calculate all guaranty fees due Ginnie Mae. This process will become effective with guaranty fee payments due Ginnie Mae on pool balances reported for June 2004, and thereafter. Therefore, the first collection of Ginnie Mae I MBS guarantee fees under this new procedure will take place in July 2004. The CPTA will send monthly advices to each issuer notifying them of the ACH draft. It is the issuer's obligation to ensure that sufficient funds are available in the central P&I custodial account for these ACH debits.

It is Ginnie Mae's intent to remove reconciling adjustments through these changes.

If you have any questions regarding this memorandum, please contact your Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.