



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

THE GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

January 8, 2003

MPM 03-01

MEMORANDUM FOR: All Participants in the Ginnie Mae Multiclass Securities Program

FROM: George S. Anderson, Executive Vice President

SUBJECT: Streamlining Ginnie Mae Platinum Issuance Process

The purpose of this Multiclass Participants Memorandum (“MPM”) is to inform participants that as part of our ongoing effort to improve the issuance of our securities, Ginnie Mae is streamlining the issuance process for Ginnie Mae Platinum pools from four days to two days. Effective February 1, 2003, participants in the Ginnie Mae Platinum program (“Depositors”) will gain greater flexibility for arranging settlement with their clients by having additional time to identify and locate the underlying Ginnie Mae pools for the issuance of Ginnie Mae Platinum securities.

The current issuance process requires four days from initiation to settlement for the creation of a Platinum security. Under our new streamlined procedures, settlement will occur the day after JPMorgan Chase Bank, in its capacity as Administrator, receives issuance documents from a Depositor. In order to accommodate this accelerated process, the following restrictions will apply:

1. The Administrator must receive all issuance documents no later than 1:00 p.m. on the day prior to settlement;
2. Depositors are required to deposit all Ginnie Mae MBS collateral in the related Limited Purpose Accounts (“LPAs”) at the Federal Reserve (“Fed”) on the day prior to settlement; and
3. Ginnie Mae Platinum securities will be issued in the amount of the deposited Ginnie Mae collateral. No accommodations will be made for collateral substitutions. (If a Depositor wants to make changes, settlement will be delayed by one day.)

Ginnie Mae’s Multiclass Securities Guide, which is available on our Website at www.ginniemae.gov, will be updated to reflect these changes (see Attachment for more detail with respect to this new process).

If you have any questions regarding this MPM, please contact the Office of Capital Markets at (202) 401-8970.

Attachment

Attachment

Comparison of Current Ginnie Mae Platinum Issuance Process with New Process

	Current Process	New Process
Day 1	<ul style="list-style-type: none"> • Ginnie Mae Platinum Depositors send issuance documents to the Administrator and wire Ginnie Mae Platinum issuance fees to the Administrator • The Administrator sends term sheets to Fed • Fed adds new CUSIP to system 	<ul style="list-style-type: none"> • Ginnie Mae Platinum Depositors send issuance documents to the Administrator and wire Ginnie Mae Platinum issuance fees to the Administrator <i>by 1:00 p.m.</i> • The Administrator sends term sheets to Fed • Fed adds new CUSIP to system • Fed sends broadcast message regarding CUSIP to Clearing Banks • Clearing Banks add CUSIP to systems • Platinum Depositors deposit Ginnie Mae MBS collateral in LPAs via Fed wire • Fed faxes LPA balances to the Administrator to prepare Trust Receipts for Depositors
Day 2	<ul style="list-style-type: none"> • Fed sends broadcast message regarding CUSIP to Clearing Banks • Clearing Banks add CUSIP to systems • Ginnie Mae Platinum Depositors deposit Ginnie Mae MBS collateral in LPAs via Fed wire • Fed faxes LPA balances to the Administrator to prepare Trust Receipts for Depositors 	<ul style="list-style-type: none"> • MBS pools in LPAs reconciled to collateral file received from Depositors • No collateral changes allowed • Ginnie Mae Platinum position delivered via Fed wire
Day 3	<ul style="list-style-type: none"> • MBS pools in LPAs reconciled to collateral file received from Depositors 	
Day 4	<ul style="list-style-type: none"> • Ginnie Mae Platinum position delivered via Fed wire 	