
APPENDIX III-2

FORM HUD 11709 - MASTER AGREEMENT FOR SERVICER'S PRINCIPAL AND INTEREST CUSTODIAL ACCOUNT

- Applicability:** Ginnie Mae I MBS Program and Ginnie Mae II MBS Program.
- Purpose:** To evidence the establishment or existence of a master principal and interest custodial account for the deposit of sums payable under mortgages pooled for, and guaranteed by, Ginnie Mae in connection with MBS, that all deposits made therein by issuers are subject either to draft by Ginnie Mae or by wire transfer to Ginnie Mae (in the event of a funds shortfall), and that all such amounts shall be payable to Ginnie Mae on demand and without notice.
- This agreement covers each pool or loan package that is (a) covered by a Schedule of Subscribers and Ginnie Mae Guaranty Agreement (or Schedule of Subscribers and Ginnie Mae Guaranty/Contractual Agreement), form HUD 11705 (Appendix III-6) or Schedule of Subscribers and Ginnie Mae Guaranty Agreement, form HUD 11705H (Appendix III-28), that identifies the bank account covered by this agreement as the P&I Custodial Account that will be used for such pool or loan package or (b) included on a list attached to this agreement pursuant to Instruction 5, below.
- Prepared by:** Issuer and custodial bank.
- Prepared in:** Original. Issuer and custodial institution shall maintain copies as desired.
- Distribution:** Original forwarded by issuer to qualified bank, savings and loan association, or credit union, which will certify to the existence of the custodial account by inserting the account number and signing and returning the original to the issuer. The issuer must then forward the original to the PPA.
- Completion Instructions:** The circled numbers on the illustrated form correspond with the numbers listed below.
1. Check the appropriate box.
 2. ABA/Federal Routing Number of the financial institution that maintains the issuer's principal and interest custodial account(s) for the corresponding pools or loan packages.
 3. Date form is prepared by issuer.
 4. Full legal name and street address of bank or credit union. If funds are held in branch, give that address.
 5. A list of pools and loan packages must be attached to this agreement whenever the array of pools and loan packages that the applicable P&I Custodial Account is used for is to be changed other than as a result of the submission of a new pool.

6. Check the appropriate box. If the issuer uses a separate “disbursement account” for receipt and payment of funds, such account must be covered by a separate form HUD 11709. The disbursement account must be used exclusively for funds related to Ginnie Mae securities.
7. Full legal name of issuer.
8. Issuer ID number that has been assigned by Ginnie Mae (if not yet assigned, leave blank).
9. Signature and title of authorized officer whose name appears on Resolution of Board of Directors and Certificate of Authorized Signatures, form HUD 11702 (Appendix I-2).
10. Number assigned by bank or credit union for this account.
11. Signature of an authorized officer of the bank or credit union.
12. Title of authorized officer signing (11) above.
13. Date account is established.

Note: The financial institution that maintains the principal and interest custodial account established in accordance with this Master Agreement must meet the requirements mandated in this Guide. (See Section 16-8 of the Ginnie Mae MBS Guide and Section 5.01 of the applicable Guaranty Agreement (Appendices III-15 through III-20 and III-23 through III-26 of the Ginnie Mae MBS Guide)).