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## APPENDIX III-11

### FORM HUD 11738 - DEPOSIT AGREEMENT

**Applicability:** Ginnie Mae I MBS Program and Ginnie Mae II MBS Program.

**Purpose:** Evidence of the establishment of an escrow deposit account (Certificate of Deposit).

**Prepared by:** Issuer and bank.

**Prepared in:** Triplicate.

**Distribution:** Original counterpart to be forwarded to Ginnie Mae with copies for each of the two parties executing the agreement.

**Completion Instructions:** The circled numbers on the illustrated form correspond with the numbers listed below.

1. Enter the issuer ID number.
2. Enter the Ginnie Mae pool or loan package number.
3. Enter the date of the Deposit Agreement.
4. Enter the name of the issuing bank.
5. Enter the name of the affected mortgagee.
6. Enter the amount of the original Certificate of Deposit. For VA Vendee Account Mortgages, see Section 24-2(A)(3) of the Ginnie Mae MBS Guide.
7. Enter the date of the original Certificate of Deposit.
8. Enter the maturity date of the original Certificate of Deposit.
9. Enter the signature and title of an authorized officer of the bank.
10. Enter the signature and title of an authorized officer of the affected mortgagee.

**Note:** A Certificate of Deposit (CD) must include (1) an original of this form HUD 11738; (2) a copy of the CD (front and back); and (3) a safekeeping receipt with an original signature. For CDs issued in book entry form: (1) a letter on the issuing bank's letterhead stating that the bank has issued a CD payable to Ginnie Mae; (2) the date the CD was issued; (3) the amount of the CD; (4) the pool no.; (5) the maturity date of the CD; and (6) an original signature of an officer of the bank.

# Deposit Agreement

**U.S. Department of Housing  
and Urban Development**  
Government National Mortgage Association

Issuer ID Number  ①	Ginnie Mae Pool or Loan Package Number  ②
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**This Deposit Agreement**, made in triplicate originals this ③ day of \_\_\_\_\_, 20\_\_\_\_, by and between ④ (hereinafter called the "Bank") and ⑤ (hereinafter called "Mortgagee");

### Witnesseth

**Whereas**, Bank has issued its Certificate of Deposit in the amount of ⑥ Dollars (\$ \_\_\_\_\_), dated as of the ⑦ (issue date of securities) and with a maturity date of ⑧ and payable to **Government National Mortgage Association** (hereinafter called "Ginnie Mae"), a reproduced copy of which is affixed hereto for identification (said Certificate of Deposit being hereinafter called the "Original CD"); and

**Whereas**, Bank will issue additional Certificates of Deposit representing reinvestments of the principal amount of the proceeds of said Original CD in accordance with the provisions hereof (each such additional Certificate of Deposit being hereinafter called a "Renewal CD"), if the maturity date of the Original CD is less than three (3) years from the date hereof.

Now, Therefore,

**In Consideration** of the premises and other good and valuable consideration, the parties hereto agree as follows:

1. That all right, title and interest in and to said Original CD and each Renewal CD is owned by Ginnie Mae, and that the principal amount of the proceeds thereof shall be payable solely to Ginnie Mae or its endorsee;
2. That Bank shall hold said Original CD and each Renewal CD in safekeeping for the account of Ginnie Mae; shall furnish to Ginnie Mae appropriate receipt therefor; and shall surrender and relinquish said Original CD or any Renewal CD unto Ginnie Mae upon written request therefor;
3. That Bank shall issue successive Renewal CD's payable to Ginnie Mae, each in the amount of the Original CD, the first such Renewal CD to be issued and dated as of the date following the maturity date of the Original CD and each succeeding Renewal CD to be issued and dated as of the date following the maturity date of the latest maturing Renewal CD previously issued, and each Renewal CD to bear the identical terms provided by the Original CD except that each such Renewal CD shall provide interest at the Bank's posted rate for such certificates of deposit, at the date thereof;
4. That Bank shall furnish reproduced copies of each Renewal CD to Ginnie Mae and Mortgagee, and upon the issuance of a Renewal CD shall cancel the Original CD or the latest maturing Renewal CD previously issued, as the case may be, and shall furnish reproduced copies thereof to Ginnie Mae and Mortgagee, showing such cancellation;
5. That upon surrender and relinquishment of the Original CD or any Renewal CD unto Ginnie Mae, as hereinabove provided, the Deposit Agreement shall cease and terminate, and shall be of no further force or effect whatever; and
6. Notwithstanding paragraph 1 hereof, interest on the Original and any Renewal CD will accrue to and be paid to the Mortgagee.

**In Witness Whereof**, The parties hereto have caused this Deposit Agreement to be executed and delivered in triplicate originals as of the date above written.

Bank  ④	By (Title)  ⑨
Mortgagee  ⑤	By (Title)  ⑩