



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

November 13, 2008

MPM 08-07

MEMORANDUM FOR: All Participants in Ginnie Mae Multiclass Securities Programs

FROM: Michael J. Frenz, Executive Vice President

SUBJECT: Changes in Policy Regarding Physical Certificates

On August 27, 2007, Ginnie Mae published a final rule in the Federal Register (Docket No. FR-5063-F-02) notifying the public of its intent to eliminate the use of physical certificates with respect to Ginnie Mae securities. Therefore, effective immediately, Ginnie Mae will no longer allow securities held in book-entry form to be converted to physical securities. Ginnie Mae will only consider exceptions where the requester can demonstrate that issuance of a physical security is in the best interest of the government. An exception must be sought prior to the issuance of the security. This change in policy is consistent with industry practice to eliminate physical documents as they are subject to misplacement, theft and fraud.

For those investors currently holding physical certificates, they may continue to hold and transfer their security positions in physical form.

Please call Ginnie Mae's Office of Capital Markets at (202) 401-8970 with any questions or comments regarding this announcement.