



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

THE GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

November 14, 2001

01-27

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: George S. Anderson, Executive Vice President

SUBJECT: Settlement of Ginnie Mae Securities Through the Federal Reserve Update

The purpose of this memorandum is to announce a new timetable for the conversion of Ginnie Mae securities from the Depository Trust & Clearing Corporation to the Federal Reserve Banks.

As noted in Ginnie Mae's All Participants Memorandum ("APM") 01-24, dated September 28, 2001, the conversion to the Federal Reserve for the settlement of Ginnie Mae securities had to be rescheduled due to the World Trade Center tragedy. **The conversion of Ginnie Mae securities to the Federal Reserve will now begin the weekend of January 19 and 20, 2002, and conclude the weekend of March 23 and 24, 2002. If additional time is needed to complete the conversion, the weekends of April 6 and 7, 2002 and April 20 and 21, 2002, have been set aside as conversion weekends. See the attachment for additional information on the conversion timetable.**

In APM 01-20, dated August 22, 2001, program participants were updated on the status of several conversion related items. These included: enhancements to GinnieNET; revisions to forms HUD 11705 and 11709-A; and modifications to the monthly electronic transfer advice file, to include the unit number and unit maturity date, for serial note pools. All of these changes have been implemented. Prior to the conversion, GinnieNET will be updated to re-activate the HUD 11705 screen for pooling loans through the Federal Reserve. This screen was disabled when GinnieNET Version 5.4 was updated with the GinnieNET Fed Conversion Disabler Disk.

If you have any questions or concerns regarding this important initiative, please contact Tom Weakland, Vice President, Office of Program Administration at (202) 708-2884, extension 4915, or an Account Executive in the Office of Customer Service at (202) 708-1535 or the Office of Multifamily Programs at (202) 708-2043. For your convenience, Ginnie Mae has posted a list of frequently asked questions on the conversion to the Federal Reserve on our website at www.ginniemae.gov.

These questions and answers are from the Ginnie Mae issuer perspective and can be viewed by clicking on the “Federal Reserve Conversion” banner at the bottom of the Ginnie Mae homepage. Furthermore, during the conversion process, Ginnie Mae and The Bond Market Association will be posting status reports on the conversion at their respective websites. The Bond Market Association’s website is www.bondmarkets.com.

Attachment

Attachment

Conversion of Ginnie Mae Securities to the Federal Reserve

Conversion Timetable

Date (2002)	Product	Coupon Range
1/19-1/20	Ginnie Mae II MBS, Ginnie Mae II REMICS with payable dates of the 20 th or 21 st , Ginnie Mae II Platinums	All
2/9-2/10	Ginnie Mae I MBS and Ginnie Mae I Platinums Ginnie Mae I REMICS and all remaining Ginnie Mae II REMICS	8.01%-9.499% (inclusive) All
2/23-2/24	Ginnie Mae I MBS and Ginnie Mae I Platinums	7.50%-8.00% (inclusive)
3/2-3/3	Ginnie Mae I MBS and Ginnie Mae I Platinums	Up to and including 7.499%
3/23-3/24	Ginnie Mae I MBS and Ginnie Mae I Platinums Serial Notes	9.50% and above All

Alternative Conversion Dates:

April 6-7; April 20-21