

**GINNIE MAE MULTICLASS SECURITIES PROGRAM**

**Government National Mortgage Association**



**MULTICLASS SECURITIES GUIDE**

**Part II: Ginnie Mae Multiclass Securities Transactions:  
Additional Selected Transaction Documents**

**January 1, 2014**

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
MULTICLASS SECURITIES GUIDE  
(January 1, 2014 Edition)**

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## **GINNIE MAE MULTICLASS SECURITIES GUIDE**

### *Introduction to Part II*

Part I of this Ginnie Mae Multiclass Securities Guide contains under Heading C., entitled GINNIE MAE REMIC AND MX TRANSACTION DOCUMENTS, a selection of the forms of documents specifically for use in Ginnie Mae REMIC and MX transactions. The forms for the remainder of the documents required to complete single family Ginnie Mae REMIC and MX transactions are included in this Part II of the Guide. For additional forms of documents specific to Ginnie Mae Multifamily REMIC and MX transactions, see Part IV of the Guide.

**CLOSING CHECKLIST**

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED [MULTIFAMILY] [HECM MBS] REMIC PASS-THROUGH SECURITIES  
[AND MX SECURITIES]

**GINNIE MAE REMIC TRUST 20\_\_**

**[AND GINNIE MAE MX TRUST 20\_\_]**

**\$\_\_\_\_\_ Aggregate Principal Amount**

**\_\_\_\_\_, 20\_\_**

**PARTIES TO THE TRANSACTION**

“Ginnie Mae”	Government National Mortgage Association
“Financial Advisor” or “FA” PriceW	aterhouseCoopers LLP
“Legal Advisor” or “LA”	[Hunton & Williams LLP] [Sidley Austin LLP]
“Sponsor” or “S”	_____
“Co-Sponsor” _____	_____
“Trust Counsel” or TC”	_____
“Co-Trust Counsel”	_____
“Accountant” or “A”	_____
“Trustee” or “T”	_____
“Trustee’s Counsel” or “TeeC”	_____
“Information Agent”	BNY Mellon
“Book-Entry Depository”	The Federal Reserve Bank of New York
“Trust Asset Depository” (if any)	_____
“Printer” _____	_____



**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED [MULTIFAMILY] REMIC PASS-THROUGH SECURITIES [AND MX SECURITIES]**

**GINNIE MAE REMIC TRUST 20\_\_**

**[AND GINNIE MAE MX TRUST 20\_\_]**

**\$\_\_\_\_\_ Aggregate Principal Amount**

**\_\_\_\_\_, 20\_\_**

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[, as amended through \_\_\_\_\_, 20 ])

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<u>Document</u>	<u>Responsible Party</u>	<u>Signatures</u>	<u>Tab</u>
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[[H.] [J.] Waiver Agreement[s] .....	TC	S	[11] [12]]
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\*Available in the Ginnie Mae Multiclass Securities Guide (January 1, 2014 Edition, as amended).

**FORM OF TRUST AGREEMENT FOR REMIC TRANSACTIONS**

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**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**  
**GUARANTEED [MULTIFAMILY] [HECM MBS] REMIC PASS-THROUGH SECURITIES**

**GINNIE MAE REMIC TRUST 20\_\_ -**

\_\_\_\_\_

**TRUST AGREEMENT**

**between**

\_\_\_\_\_,  
**as Sponsor,**

**and**

\_\_\_\_\_,  
**as Trustee**

\_\_\_\_\_

**DATED AS OF**

\_\_\_\_\_, 20\_\_

## TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of \_\_\_\_\_, 20\_\_, is entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the “Sponsor”), and \_\_\_\_\_, a \_\_\_\_\_, as trustee (the “Trustee”).

**Section 1. Standard Trust Provisions.** The Standard Trust Provisions for Guaranteed REMIC Pass-Through Securities, as set forth in the Ginnie Mae Multiclass Securities Guide, January 1, 2014 Edition (the “Standard Trust Provisions”) [, as amended through \_\_\_\_\_, 20\_\_], are herein incorporated by reference and shall be considered a part of this Trust Agreement as if set forth herein in full.

**Section 2. Defined Terms.** Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Glossary contained in the Ginnie Mae Multiclass Securities Guide, January 1, 2014 Edition, [as amended through \_\_\_\_\_, 20\_\_], as supplemented by both the Terms Sheet in the 20\_\_ - \_\_ Offering Circular Supplement attached hereto as Schedule C and the definitions set forth below. [NOTE: Other definitions, additional provisions or modifications to suggested provisions noted herein may need to be added for Transactions with HECM MBS as Trust Assets (“HREMIC Deals”).]

[“Accrual Amount”]: The Accrual Amount, on any given Distribution Date, for Class [Z].]

[“Accrual Class[es]”]:]

[“Additional Interest Amount”]: As to each CC Class, and the Final Distribution Date therefor, if by reason of an Underlying Redemption, interest at the related Interest Rate from the first day of the month of such Distribution Date to such Distribution Date, calculated on a reduced Class Principal Balance based on “Class Factors” that would have been calculated for such final Distribution Date had no Underlying Redemption occurred.]

[“Available Distribution Amount”]: With respect to each Distribution Date, the excess, if any, of (a) the sum of (i) the product of (A) the original principal amount of the HECM MBS and (B) the Certificate Factor or Calculated Certificate Factor, as applicable, for the preceding Distribution Date and (ii) the interest accrued with respect to such HECM MBS for the related Accrual Period over (b) the product of (i) the original principal amount of such HECM MBS and (ii) the Certificate Factor or Calculated Certificate Factor, as applicable, for the current Distribution Date.]

[“Book-Entry Securities”]: The Securities identified as REMIC Classes in the Issuance Statement attached hereto as Exhibit 1.]

[“CC Class”]: Each Class of Securities [in Security Group 4].]

[“Callable Trust REMIC”: The assets described in Section 1.03 of the Standard Trust Provisions, as modified by Section 4 hereof, for which a REMIC election will be made.]

“Closing Date”: \_\_\_\_\_, 20\_\_.

[“Component Class[es]”: Class[es] \_\_\_\_\_ and \_\_\_\_\_.]

[“Contracted Security Purchaser”: With respect to any Ginnie Mae Construction Loan Certificate, the entity bound under contract with the related Ginnie Mae Issuer to purchase all of the Ginnie Mae Construction Loan Certificates related to the particular multifamily project.]

“Corporate Trust Office”: \_\_\_\_\_.

“Co-Trust Counsel”: \_\_\_\_\_.

[“Deposited Ginnie Mae Construction Loan Certificate”: Each Ginnie Mae Construction Loan Certificate delivered by the Sponsor to the Trust on the Closing Date.]

“Distribution Date”: [[For the Group 1 [and Group 4] Securities, the] [The] 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in \_\_\_\_\_ 20\_\_.] [[For the Group 2 [and Group 4] Securities [and the Class R Securities], the] [The] 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in \_\_\_\_\_ 20\_\_.] [[For the Group 3 Securities, the] [The] [\_\_ day of each month, or, if the \_\_ day is not a Business Day, the first Business Day following such \_\_ date, commencing in \_\_\_\_\_ 20\_\_.]

“Final Data Statement”: [NOTE: FOR SINGLE FAMILY DEALS: The statement attached to the Accountants’ Agreed-Upon Procedures Report as of the Closing Date as Schedule A, a copy of which is attached hereto.] [NOTE: FOR MULTIFAMILY AND HREMIC DEALS: The statement provided by the Sponsor and posted to e-Access on or about the Closing Date as the Final Data Statement.] [The Final Data Statement separately identifies the Trust Assets in each Trust Asset Group [and Subgroup].]

[NOTE: FOR ARM MBS BACKED FLT REMIC CLASSES: “Floating Rate Adjustment Date”: With respect to the Class [ ] Securities, as to any Accrual Period [(after the first [35] Accrual Periods)], the second business day before that Accrual Period begins.]

[“Group [1] Issuing REMIC”: The assets described as such in Section 1.03 of the Standard Trust Provisions, for which a REMIC election will be made. For purposes of the Standard Trust Provisions [(as modified by Section 8 hereof)], the Group [1] Pooling REMIC is related to the Group [1] Issuing REMIC.

“Group [1] Pooling REMIC”: The assets with respect to the Group [1] Trust Assets described as such in Section 1.03 of the Standard Trust Provisions (as modified by Section 8 hereof), for which a REMIC election will be made.]

[“Group 1 Principal Distribution Amount”]: The portion of the Principal Distribution Amount attributable to the Group 1 Trust Assets.

“Group 2 Principal Distribution Amount”: The portion of the Principal Distribution Amount attributable to the Group 2 Trust Assets.

“Group 3 Principal Distribution Amount”: The portion of the Principal Distribution Amount attributable to the Group 3 Trust Assets.

“Group 4 Principal Distribution Amount”: The portion of the Principal Distribution Amount attributable to the Group 4 Trust Assets.]

[“Group [2] REMIC”]: The Group [2] Trust Assets and related assets described as a Trust REMIC in Section 1.03 of the Standard Trust Provisions [(as modified by Section 8 hereof)], for which a REMIC election will be made.]

[“Group 1 Trust Assets”]: The Trust Assets underlying Security Group 1.

[“Group 2 Trust Assets”]: The Trust Assets underlying Security Group 2.]

[“Group 3 Trust Assets”]: The Trust Assets underlying Security Group 3[, which include the Subgroup [3]A Trust Assets[,][and] the Subgroup [3]B Trust Assets].

[“Group 4 Trust Assets”]: The Trust Assets underlying Security Group 4.]

[“Group 1 WACR”]: The Weighted Average Certificate Rate of the Group 1 Trust Assets.]

[“Group T Trust Assets”]: The Trust Assets underlying Group T, as identified on Schedule A.]

[“Increased Minimum Denomination Class[es]”]: As set forth under “Increased Minimum Denomination Class[es]” in Schedule C.]

[“Issuing REMIC”]: The assets described as such in Section 1.03 of the Standard Trust Provisions, for which a REMIC election will be made.]

[“Non-Callable Trust REMIC”]: The assets described in Section 1.03 of the Standard Trust Provisions, as modified by Section 4 hereof, for which a REMIC election will be made.]

“Offering Circular Supplement”: The Offering Circular Supplement for Ginnie Mae Guaranteed [Multifamily] [HECM MBS] REMIC Pass-Through Securities [and MX Securities] dated \_\_\_\_\_, 20\_\_, relating to Ginnie Mae REMIC Trust 20\_\_-\_\_.

[“Pooling REMIC”]: [The assets described as such in Section 1.03 of the Standard Trust Provisions, for which a REMIC election will be made.] [The Group [1] Pooling REMIC.]

[“Pooling REMIC Subaccount”]: Each of the following subaccounts, established for purposes of the REMIC Provisions by the Trustee, which have the following interest rates and initial principal [or notional] balances and which correspond to the indicated Classes of Securities:

**Pooling REMIC Subaccounts**

<u>Subaccount</u> <sup>1</sup>	<u>Interest Rate</u>	<u>Initial Principal [or Notional] Balance</u>	<u>Corresponding Classes [and Components]</u>
--------------------------------	----------------------	--	---

[“Principal Distribution Amount”]: The Class [ ] Principal Distribution Amount.]

“Registrar”: The Trustee.

“Regular Securities”: Each of the Securities other than the Class [R] [RR] [RI and Class RP] [R[2]] Securities.

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<sup>1</sup> **NOTE TO TRUST COUNSEL:** No Pooling REMIC Subaccount is created for the Pooling REMIC Residual Interest.

To the extent possible, a separate Pooling REMIC Subaccount should be created for each Class of Regular Securities. In that case, the initial principal balance and interest rate of the Pooling REMIC Subaccount will equal the Original Class Principal Balance and Interest Rate of the corresponding Class.

Do not create, however, a separate Subaccount for a Class that receives a strip from certain other Classes (as opposed to a strip from the entire pool of collateral). Instead, list the stripped Class as a second “corresponding Class” to the Subaccount for each of those other Classes. For example, assume that Class J, a Notional Class, receives interest otherwise allocable to Classes A and B. You will need to create a Pooling REMIC Subaccount to correspond to Classes A and J, and a second Pooling REMIC Subaccount to correspond to Classes B and J.

There is no need to lump together an Accrual Class and the related Accretion Directed Classes into one Pooling REMIC Subaccount. Create a separate Pooling REMIC Subaccount for each Accrual Class and each Accretion Directed Class. The Subaccount corresponding to the Accrual Class will accrue interest without receiving current interest distributions, as provided in section 7(b).

There may be structures that require you to deviate from these rules. If so, please consult the Legal Advisor to discuss the matter.



“Residual Securities”: The Class [R] [RR] [RI and Class RP] [and R[2]] Securities issued by the Trust. [The Class RI Securities represent the Issuing REMIC Residual Interest, and the Class RP Securities represent the Pooling REMIC Residual Interest.] [The Class R[2] Securities represent the beneficial ownership of the Residual Interest in the Group [2] REMIC.] [The Class RR Securities, which represent the beneficial ownership in the [Non-Callable Trust REMIC Residual Interest and the beneficial ownership in the Callable Trust REMIC Residual Interest,] [[Group [1]] Pooling REMIC Residual Interest and the beneficial ownership in the [Group [1]] Issuing REMIC Residual Interest,] may [each] be separated into their component parts by the registered Holders thereof as described in Section 2.05 of the Standard Trust Provisions.]

“Security Group 1”: Classes , , and .

“Security Group 2”: Classes , , and .

“Security Group 3”: Classes , , and .]

“Security Group 4”: Classes , , and .]

“Sponsor”: The entity identified as such on the cover page hereof.

“Sponsor Agreement”: The Sponsor Agreement relating to Ginnie Mae REMIC Trust 20\_\_ - \_\_ [and Ginnie Mae MX Trust 20\_\_ - \_\_], by and between the Sponsor and Ginnie Mae, dated \_\_\_\_\_, 20\_\_.

“Subgroup [3]A Trust Assets”: The Underlying Certificates with the designation “[3]A” under the heading “Trust Asset Subgroup” on Exhibit B to the Offering Circular Supplement, a copy of which is attached hereto as Schedule A-2.]

“Subgroup [3]A WACR”: The weighted average of the interest rates of the Underlying Certificates for Subgroup [3]A weighted based on the outstanding principal balance of each Underlying Certificate for Subgroup [3]A for the related Distribution Date (before giving effect to any payments on such Distribution Date).]

“Subgroup [3]A Principal Distribution Amount”: The portion of the Group [3] Principal Distribution Amount attributable to the Subgroup [3]A Trust Assets.]

“Subgroup [3]B Principal Distribution Amount”: The portion of the Group [3] Principal Distribution Amount attributable to the Subgroup [3]B Trust Assets.]

“Tax Administrator”: The Trustee.

“Trust Assets”: [NOTE: FOR SINGLE FAMILY DEALS: [Collectively, the] [The] certificates listed in the Final Data Statement.] [NOTE: FOR MULTIFAMILY DEALS: [With respect to Security Group [ ],][Collectively, the] [The] Ginnie Mae Multifamily Certificates listed on Exhibit A to the Offering Circular Supplement, a copy of which is attached hereto as Schedule A-2 [and each Ginnie Mae Project Loan Certificate issued upon the

conversion of any Deposited Ginnie Mae Construction Loan Certificate [and with respect to Security Group [ ]], the Underlying Certificate[s] listed on Exhibit [B] to the Offering Circular Supplement, a copy of which is attached hereto as Schedule [A-2]].] [**NOTE: FOR HREMIC DEALS:** [Collectively, the] [The] certificates listed in the Trustee’s Receipt Schedule A.]

[“Trust Asset Subgroups”: Each of the Subgroup [3]A and Subgroup [3]B Trust Assets, as identified on Schedule A.]

“Trust Counsel”: \_\_\_\_\_.

“Trust Fund”: The corpus of the trust established hereby, consisting of: (a) the Trust Assets and all distributions thereon on or after the first day of the month following the month in which the Closing Date occurs, (b) all of the Sponsor’s right, title and interest in, but none of the Sponsor’s obligations under, the Sponsor Agreement, (c) the Trust Accounts, and (d) any proceeds of the foregoing.

“Trust REMIC”: [Each of the Pooling REMIC and the Issuing REMIC.] [**NOTE TO TRUST COUNSEL:** In the event of a Double REMIC Series issued in conjunction with a Single REMIC Series, or in the event of a Double REMIC Series issued in respect of more than one Issuing REMIC, each Trust REMIC should be separately defined with reference, to the extent possible, to the Group of Trust Assets to which it relates (e.g., the Group 1 Pooling REMIC, the Group 1 Issuing REMIC, the Group 2 REMIC, etc.)]. [The assets described in Section 1.03 of the Standard Trust Provisions, for which a REMIC election will be made.]

“Trustee”: The entity identified as such on the cover page hereof, or its successor in interest, or any successor trustee appointed as herein provided.

“Trustee Fee”: [\_\_\_\_\_ of all principal and interest distributions received on the [Group [ ]] Trust Assets] [All principal and interest distributions received on the Group T Trust Assets].

[**NOTE: FOR MULTIFAMILY AND HREMIC DEALS:** “Trustee’s Receipt Schedule A”: The statement attached as Schedule A to the Accountants’ Agreed Upon Procedures Report as of the Closing Date, a copy of which is attached hereto as Schedule A[-1]. [The Trustee’s Receipt Schedule A separately identifies the Trust Assets in each Trust Asset Group.]

[“Underlying Callable Securities”: Ginnie Mae Guaranteed Pass-Through Securities, Ginnie Mae Callable Trust 20\_\_-C, Class [A1].]

[“Underlying Redemption”: Any redemption of the Underlying Callable Securities in accordance with their terms.]

[“WACR”: Weighted Average Certificate Rate of the Trust Assets [other than the Group T Trust Assets].]

["Waiver Agreement": The agreement executed by the [related] Contracted Security Purchaser, dated not later than [PRINT DATE], 20\_\_, that is substantially in the form attached hereto as Exhibit 2.]

["Weighted Average Coupon Class[es]": Class[es] [ ] [and [ ]].]

["Z[ ] Accrual Amount": The Accrual Amount, on any given Distribution Date, for Class Z[ ]. **NOTE TO TRUST COUNSEL:** Include similar definitions for each Class Accrual Amount in a transaction.]

**Section 3. Conveyance to the Trustee.** In consideration of all of the Securities issued hereunder, the receipt of which is hereby acknowledged by the Sponsor, the Sponsor does hereby sell, assign, transfer and convey to the Trustee, in trust for the benefit of the Holders, all of the Sponsor's right, title and interest in and to the Trust Fund.

**Section 4. REMIC Election.** This Series shall be [(a)] a [Single][Double] REMIC Series [as to the Group [1] Trust Assets and [(b)] a [Single][Double] REMIC Series as to the Group [2] Trust Assets] [with [two] side-by-side [Trust] [Pooling] REMICs]. [The Trustee shall designate the Group 1, Group 2 and Group 3 Trust Assets as assets of the Non-Callable Trust REMIC, and shall designate the Group 4 Trust Assets as assets of the Callable Trust REMIC. The Trustee shall designate the Residual Interest of the Non-Callable Trust REMIC as the sole class of residual interest in the Non-Callable Trust REMIC and shall designate the Residual Interest in the Callable Trust REMIC as the sole class of residual interest in the Callable Trust REMIC.] [The Trustee shall designate the [Group [1]] Pooling REMIC Residual Interest as the sole class of residual interest in the [Group [1]] Pooling REMIC and shall designate the [Group [1]] Residual Interest in the [Group [1]] Issuing REMIC as the sole class of residual interest in the [Group [1]] Issuing REMIC.] [The Trustee shall designate the Residual Interest of the Group [2] REMIC as the sole class of the residual interest in the Group [2] REMIC.]

**Section 5. Acceptance by the Trustee.** By its execution of this Trust Agreement, the Trustee acknowledges receipt of the Trust Fund and declares that it holds and will hold the Trust Fund in trust for the exclusive use and benefit of all present and future Holders pursuant to the terms of this Trust Agreement. The Trustee represents and warrants that (a) the Trustee holds the Trust Assets through the facilities of the applicable Depository, [each of] which has credited the Trust Assets to the related Depository Account, (b) the information relating to the Trust Assets set forth on [**NOTE: FOR SINGLE FAMILY DEALS:** the Final Data Statement] [**NOTE: FOR MULTIFAMILY AND HREMIC DEALS:** the Trustee's Receipt Schedule A] conforms to information provided to the Trustee by the applicable Depository, (c) the Trustee acquired the Trust Assets on behalf of the Trust from the Sponsor in good faith, for value, and without notice or knowledge of any adverse claim, lien, charge, encumbrance or security interest (including, without limitation, United States federal tax liens or liens arising under ERISA), (d) except as permitted in this Trust Agreement, the Trustee has not and will not, in any capacity, assert any claim or interest in the Trust Assets, [and] (e) the Trustee has not encumbered or transferred its right, title or interest in the Trust Assets[.], (f) with respect to each Deposited Ginnie Mae Construction Loan Certificate, the right of the Trustee and each future holder of any such Ginnie Mae Construction Loan Certificate to withhold its consent to one or

more extensions of the applicable Maturity Date for a period that, in the aggregate, may not exceed the term of the underlying Mortgage Loan insured by FHA, has been irrevocably waived by the Contracted Security Purchaser pursuant to the applicable Waiver Agreement and (g) with respect to each Deposited Ginnie Mae Construction Loan Certificate, the Trustee will not consent to any extension of the Maturity Date for a period in excess of the term of the underlying Mortgage Loan insured by FHA.]

**Section 6. The Securities.**

(a) The Securities will be designated generally as Ginnie Mae REMIC Trust 20\_\_ - \_\_. The aggregate principal amount of Securities that may be executed and delivered under this Trust Agreement is limited to \$ \_\_\_\_\_, except for Securities executed and delivered upon registration of, or transfer of, or in exchange for, or in lieu of, other Securities. The (i) designation, (ii) Original Class Principal Balance [(or original Class Notional Balance)], (iii) Interest Rate, (iv) Principal Type, (v) Interest Type, (vi) Final Distribution Date [and] (vii) CUSIP Number [**NOTE: FOR HREMIC DEALS:** ], (viii) Interest Accrual Amount, (ix) Deferred Interest Amount and (x) Principal Distribution Amount] for each Class are set forth in the table on the front cover of the Offering Circular Supplement, attached hereto as Schedule B [, or [under “Interest Rates”] in Schedule C]. [The Component Class[es] shall consist of the Components having the designations and characteristics set forth under “Component Class[es]” in Schedule C.] [The Securities comprise [ ] Security Groups; each Security Group will relate solely to the Trust Asset [Group] [or Subgroup] with the corresponding numerical designation.]

(b) [The Class [R][RR][R[2]][ ] Securities] [initially] shall be Certificated Securities and shall be substantially in the form of Exhibit [R][RR][R[2]][ ] attached hereto. [**NOTE TO TRUST COUNSEL:** Use the word “initially” only when referring to a Certificated Security that is not a residual class.]

[(c) The Increased Minimum Denomination Class[es] shall be offered in the minimum denominations set forth under “Description of the Securities — Form of Securities” in the Offering Circular Supplement.]

[(d) Each of Classes [ ], [ ] and [ ] shall be issued in uncertificated form directly to the Trustee for Ginnie Mae MX Trust 20\_\_ - \_\_ on behalf of the Sponsor. The Trustee hereby acknowledges delivery of such Securities.] [**NOTE TO TRUST COUNSEL:** REMIC Classes that correspond to MX Classes will be issued in uncertificated form to the MX Trust.]

(e) The Book-Entry Securities shall be issued in book-entry form in the denominations specified in the Issuance Statement attached hereto as Exhibit 1.

**Section 7. Distributions to Holders.** [On each Distribution Date] [With respect to each Security Group and Distribution Date], the Trustee (or the Paying Agent on behalf of the Trustee) shall withdraw the [**NOTE FOR HREMIC:** Available] Distribution Amount [and Prepayment Penalties, if any,] [for [that] [each] Security Group] from the Trust Accounts in accordance with Section 3.04 of the Standard Trust Provisions and shall distribute such [**NOTE**

**FOR HREMIC:** Available] Distribution Amount [and Prepayment Penalties, if any,] in the following manner:

**[THE FOLLOWING IS FOR ILLUSTRATIVE PURPOSES ONLY. TRUST COUNSEL WILL NEED TO MODIFY THIS LANGUAGE, PERHAPS SIGNIFICANTLY, DEPENDING ON THE SECURITIES STRUCTURE.]**

(a) The Interest Distribution Amount[s] [with respect to each Security Group related to the Pooling REMIC] shall be allocated to the payment of interest currently due on each Pooling REMIC Subaccount [for the Pooling REMIC] [and the Class RP Security] at the Interest Rate [in effect for the related Accrual Period determined as] set forth in the definition of “Pooling REMIC Subaccount” in Section 2 hereof [or, in the case of the Class RP Security, set forth in Schedule B].

(b) The Principal Distribution Amount[s] [(net of the portion thereof payable as part of the Trustee Fee)] [and the Accrual Amount [Amounts]] [with respect to each Security Group related to the Pooling REMIC] shall be allocated to the payment of principal on the Pooling REMIC Subaccounts [for the Pooling REMIC] [and on the Class RP Security as set forth under “Allocation of Principal” in [the Terms Sheet in the Offering Circular Supplement, attached hereto as] Schedule C] in a manner such that the principal amount of each Pooling REMIC Subaccount will at all times equal [the Class Principal Balance] [or] [the aggregate Class Principal Balances] [or Component Principal Balance[s]] of the corresponding Securities (other than Securities of [a] [the] Notional Class) [or Component, as the case may be] identified in the definition of “Pooling REMIC Subaccount” in Section 2 hereof [; provided, however, that the aggregate principal amount of Pooling REMIC Subaccount[s] PR-[ ] [and PR-[ ]] will at all times equal the Class Principal Balance of Class [ ]] [provided that the Subgroup [ ]A Principal Distribution Amount shall be allocated to the payment of principal on Pooling REMIC Subaccount PR-[ ] and the Subgroup [ ]B Principal Distribution Amount shall be allocated to the payment of principal on Pooling REMIC Subaccount PR-[ ]]. [In a case in which a Class of Securities (other than a Notional Class) corresponds to more than one Pooling REMIC Subaccount, the Class Principal Balance of that Class shall be allocated among the corresponding Pooling REMIC Subaccounts in proportion to their initial principal balances.] [To the extent of the Accrual Amount for the [corresponding] Accrual Class,] [I/i]nterest will accrue on, and distributions will be made to, the Pooling REMIC Subaccount[s] that correspond[s] to the [Class [Z]] [Class [ZA] and Class [ZB]] Securities in the same manner that interest accrues on, and distributions are made to, the [Class [Z]] [Class [ZA] and Class [ZB]] Securities[, respectively]].

[(c)] Any Prepayment Penalties [with respect to the Group [ ] Trust Assets] received and identified by the Trustee shall be allocated to [each] [the] Pooling REMIC Subaccount[[s] [ ] through [ ]] in proportion to the Principal Distribution Amount (net of any portions thereof payable as part of the Trustee Fee) allocated thereto. [Any Prepayment Penalties [with respect to the Group [ ] Trust Assets] received and identified by the Trustee shall be allocated to [each] [the] Pooling REMIC Subaccount[[s] [ ] through [ ]] in proportion to the Principal Distribution Amount (net of any portions thereof payable as part of the Trustee Fee) allocated thereto.]

[(c)][(d)] [From the aggregate amounts on deposit in the Pooling REMIC Subaccounts] [and from] [From] the Distribution Amount[s] for Security Group [2] [and Security Group [ ]] with respect to the Group [2] [and Group [ ] Securities, respectively]]:

(i) [The [Fixed Rate] Class[es] [(other than the [Partial] Accrual Class[es])] shall receive interest for the related Accrual Period at the [respective] Interest Rate[s] set forth in Schedule B.]

(ii) [The [Floating Rate] [,] [and] [Inverse Floating Rate] [,] [and] [Ascending Rate] [and] [Descending Rate] Class[es] shall receive interest for the related Accrual Period at the [respective] Interest Rate[s], in effect for such Accrual Period, determined as set forth under “Interest Rates” in Schedule C.]

(iii) [The Variable Rate Classes shall receive interest for the related Accrual Period at the respective Interest Rates, in effect for such Accrual Period, determined as set forth in Schedule C.]

(iv) [The Weighted Average Coupon Class[es] [(other than the Accrual Class [Class [ ] Security]<sup>2</sup>)] shall receive interest for the related Accrual Period at the [respective] Interest Rate[s] in effect for such Accrual Period, determined as set forth under “Interest Rates” in Schedule [ ].]

(v) [The Notional Class[es] shall receive interest for the related Accrual Period at the [respective] Interest Rate[s] [(a)] [set forth in Schedule B] [or] [(b)] [in effect for such Accrual Period, determined as set forth under “Interest Rates” in Schedule C] [, as applicable,] on [its] [their] Class Notional Balance[s][.].] [, which shall be reduced with reductions in [the [aggregate] Class Principal Balance[s] of [a] certain other Class[es]] [[or] the [outstanding [principal balance] [notional balance] of the related Trust Asset [Group][Subgroup]] as set forth under “Notional Class[es]” in Schedule C][, notwithstanding any references therein to the word[s] [“Approximate”] [or] [“Approximately”]].] **[NOTE: FOR MULTIFAMILY DEALS, IF NOTIONAL CLASS REDUCES WITH LESS THAN 100% OF THE TRUST ASSETS, INSTEAD OF THE IMMEDIATELY PRECEDING LANGUAGE BEGINNING WITH “, WHICH SHALL BE REDUCED WITH REDUCTIONS...”, INCLUDE THE FOLLOWING:** The Class Notional Balance of the Notional Class shall be (x) reduced with reductions in the [aggregate] Class Principal Balance of Class[es] [A and B], as set forth under “Notional Class” in Schedule C, up to, but not including, the Distribution Date on which the Class Principal Balance of Class [B] is reduced to zero **[NOTE: FOR MULTIFAMILY ALL NOTIONAL MX COMBO WHEN A RELATED REMIC CLASS IS ENTITLED TO PREPAYMENT PENALTIES AND THE MX CLASS COULD RETIRE BEFORE THE LAST FINAL DISTRIBUTION DATE FOR ALL THE SECURITIES:** and after the occurrence of any applicable forced exchange of any related MX Class,] and (y) equal to \$1.00

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<sup>2</sup> **NOTE TO TRUST COUNSEL:** Insert as necessary for HMBS-Backed Class.

for the period beginning on the Distribution Date on which the Class Principal Balance of Class B is reduced to zero and ending on the earlier of (i) the latest Prepayment Penalty End Date of the Ginnie Mae Multifamily Certificates that remain outstanding and (ii) the Distribution Date on which the Class Principal Balance of Class [Z] is reduced to zero, and following such period the Class Notional Balance of the Notional Class shall be reduced to zero. The Notional Class will bear interest only until Class [B] is retired and will not be entitled to receive any interest thereafter.][NOTE: FOR MULTIFAMILY DEAL WITH A REREMIC GROUP WHERE AN UNDERLYING CERTIFICATE IS ENTITLED TO RECEIVE PREPAYMENT PENALTIES AND A NEW CLASS IN THE NEW DEAL IS ENTITLED TO RECEIVE THOSE PREPAYMENT PENALTIES AND THAT NEW CLASS NEEDS TO BE ASSIGNED A \$1 BALANCE TO ENABLE IT TO CONTINUE TO RECEIVE PREPAYMENT PENALTIES AFTER ITS BALANCE WOULD OTHERWISE BE REDUCED TO ZERO: The Class Notional Balance of Class [ ] shall be (x) reduced with reductions in the outstanding principal balance of the Group [ ] Underlying Certificate[s], as set forth under “Notional Class[es]” in Schedule [C], up to, but not including, the Distribution Date on which the outstanding principal balance of the Group [ ] Underlying Certificate[s] is reduced to zero and (y) equal to \$1.00 for the period beginning on the Distribution Date on which the outstanding principal balance of the Group [ ] Underlying Certificate[s] is reduced to zero, and ending on the Distribution Date on which the Class Notional Balance of Underlying Certificate Class [ ] from Ginnie Mae 20[ ]-[ ] is reduced to zero in accordance with the related trust agreement. Class [ ] will bear interest only until the outstanding principal balance of the Group [ ] Underlying Certificate[s] is reduced to zero and will not be entitled to receive any interest thereafter.][NOTE: FOR MULTIFAMILY DEALS WITH A REREMIC GROUP WHERE AN UNDERLYING CERTIFICATE THAT IS A NOTIONAL CERTIFICATE IS ENTITLED TO RECEIVE PREPAYMENT PENALTIES AND A NEW NOTIONAL CLASS IN THE NEW DEAL IS ENTITLED TO RECEIVE THOSE PREPAYMENT PENALTIES AND ACCRUES NO FURTHER INTEREST WHEN THE UNDERLYING CERTIFICATE IS ASSIGNED A \$1 BALANCE TO ENABLE IT TO CONTINUE TO RECEIVE PREPAYMENT PENALTIES WHEN ITS BALANCE WOULD OTHERWISE BE REDUCED TO ZERO: The Class Notional Balance of Class [ ] shall be reduced with reductions in the outstanding notional balance of the Group [ ] Underlying Certificate, as set forth “Notional Class[es]” in Schedule [C], including that the Class Notional Balance of Class [ ] will be equal to \$1.00 while the Group [ ] Underlying Certificate notional balance is equal to \$1.00. Class [ ] will bear interest only while the Group [ ] Underlying Certificate bears interest.]

(vi) The allocation of principal distributions on the Classes of Securities on each Distribution Date shall be as set forth under “Allocation of Principal” in Schedule C. [The [Scheduled Principal Balances] [or][Aggregate Scheduled Principal Balances] for the [PAC][,] [PAC I][,] [PAC II][,] [Scheduled] [and] [TAC] Class[es] [or Component[s]] [or Segment[s]] are attached hereto as Schedule D.] [The [\_\_\_% PSA] [Jump] Balances are attached hereto as Schedule [ ].]

**[NOTE: FOR MULTIFAMILY DEALS:** (vii) Prepayment Penalties shall be allocated from [each] Pooling REMIC Subaccount[s] [[ ] and [ ]] as follows: 100% to Class [IO].]

[(d)] [Class [Z] is an] [Classes [ZA] and [ZB] are] [Partial] Accrual Class[es]. Interest will accrue on, and distributions will be made to [(or added to the principal amount of)], such Class[es] as set forth under “Accrual Class[es]” in Schedule C.

[(e)] On the Distribution Date coinciding with an Underlying Redemption of Underlying Callable Securities, the Additional Interest Amount shall be distributed to the related CC Class Securities [as provided in Schedule C], in addition to amounts otherwise distributable thereto.]

[(f)] Any amounts described in Sections 3.04(i) [and][,] [7.05(a)] [and] [7.05(b)] of the Standard Trust Provisions shall be allocated to the Residual Securities in accordance with those Sections.

[(g)] In the event that the Class RR Security is separated into a Class [RP] [R1] Security and a Class [RI] [R2] Security in accordance with Section 2.05 of the Standard Trust Provisions, the Class [RP] [R1] Security will receive all distributions with respect to the [Group [1]] [Pooling REMIC] [Non-Callable Trust REMIC] Residual Interest, and the Class RI [R2] Security will receive all distributions with respect to the [Group [1]] [Issuing REMIC] [Callable Trust REMIC] Residual Interest.]

[(h)] Notwithstanding the foregoing, distributions on any Certificated Securities will be made on the Business Day following the Distribution Date.

**[NOTE: FOR HREMIC DEALS:** To the extent that the Available Distribution Amount is insufficient to pay the amounts referred to in Section 7[ ] above, the Trustee shall make appropriate adjustments to the related Class Principal Balance and Deferred Interest Amount, as applicable.]

**Section 8. Modification of Standard Trust Provisions.** The following modifications of the Standard Trust Provisions shall apply to the Securities:

[NONE]

**[NOTE: FOR DEALS WITH RESIDUAL CLASSES RELATING TO A SPECIFIC GROUP TO ENABLE A COLLAPSE OF SUCH GROUP:** (a)(i) Notwithstanding anything to the contrary contained in the Standard Trust Provisions, a Holder of all of the outstanding Securities of [(1)] Security Group [2] and the Class R[2] Security shall have the right to purchase the Group [2] Trust Assets [and (2) Security Group [ ]] and the Class [R][RR][ ] Security shall have the right to purchase the Group [ ] Trust Assets], in each case,] upon three Business Days’ notice (the “Notice Period”) for cash in an amount equal to (A)(i) the aggregate remaining balance of the assets of such Security Group, but in no event less than the aggregate outstanding principal amounts of the Securities of such Security Group, plus (ii) accrued interest on the



Securities of such Security Group, less (B) amounts on deposit in the Group [2] REMIC[, in the case of Security Group [2], [or the [Group [ ] REMIC] [Group [ ] Issuing REMIC and the Group [ ] Pooling REMIC], in the case of Security Group [ ],] for distribution on the Securities of [each] such Security Group[, as applicable]. After the Notice Period, and upon such purchase, the Trustee shall effect a termination[, in the case of Security Group [2],] of the Group [2] REMIC [or, in the case of Security Group [ ], of the [Group [ ] REMIC] [Group [ ] Issuing REMIC and the Group [ ] Pooling REMIC]. In order to effect such termination [in the case of the Group [2] REMIC], the Trustee shall distribute the cash proceeds of the sale of the Group [2] Trust Assets to the Holder of the Group [2] Securities and the Class R[2] Security (which distribution may be offset against amounts due on the sale of such assets), shall cancel the Securities of Security Group [2] and cause the removal from the Book-Entry Depository Account of all Classes of Security Group [2], shall cancel the Class R[2] Security and shall credit the remaining Trust Assets in Security Group [2] to the account of the surrendering Holder. [In order to effect such termination in the case of the [Group [ ] REMIC] [the Group [ ] Issuing REMIC and the Group [ ] Pooling REMIC], the Trustee shall [first] distribute the cash proceeds of the sale of the Group [ ] Trust Assets [as payments on the Pooling REMIC Subaccounts and the Residual Interest in the Group [ ] Pooling REMIC and distribute the payments made on the Pooling REMIC Subaccounts] to the Holder of the [Group [ ] Issuing REMIC] (which distribution may be offset against amounts due on the sale of such assets), shall cancel the Securities [of Security Group [ ]] [issued by the Group [ ] Issuing REMIC] and cause the removal from the Book-Entry Depository Account of all Classes of Security Group [ ], shall cancel the Class [R][RR][ ] Security and shall credit the remaining Trust Assets in Security Group [ ] to the account of the surrendering Holder.

(ii) In addition, in the event of any such termination, the Trustee shall adopt a plan of complete liquidation with respect to, [in the case of a Trust REMIC of a Single REMIC Series,] [each] such Trust REMIC [or, in the case of the Issuing REMIC and Pooling REMIC of a Double REMIC Series, such Issuing REMIC and Pooling REMIC], satisfying the requirements of a qualified liquidation under the REMIC Provisions. Under the REMIC Provisions, (i) the Trustee may adopt the plan by attaching a statement to the final United States federal income tax return of [each] such Trust REMIC (specifying that the requirement under (ii) has been complied with) and (ii) the plan of complete liquidation must be completed within a 90-day liquidation period, which (A) begins on the date that the plan of complete liquidation with respect to [a] [the] Trust REMIC is adopted and (B) includes the date of sale of the Trust Assets related to [each] such Trust REMIC and the date on which the final payment is made on the Securities with respect to [[each] such Trust REMIC of a Single REMIC Series] [or] [[each] such Issuing REMIC of a Double REMIC Series and on the Pooling REMIC Subaccounts of [each] such Pooling REMIC of a Double REMIC Series]. Notwithstanding anything to the contrary contained herein, no such termination shall be allowed unless the Trustee and Ginnie Mae are provided, at no cost to either the Trustee or Ginnie Mae, an Opinion of Counsel, acceptable to the Trustee and Ginnie Mae, to the effect that such termination constitutes a “qualified liquidation” under the REMIC Provisions, including Section 860F(a)(4) of the Code, and such termination will not result in a disqualification of any Trust REMIC that is not terminated at such time or the imposition of any “prohibited transactions” or “contributions” tax under the REMIC Provisions on any Trust REMIC that is not terminated at such time.]

[NOTE TO TRUST COUNSEL: Insert other modifications, if necessary]

**Section 9. Schedules and Exhibits.** Each of the Schedules and Exhibits attached hereto or referenced herein is incorporated herein by reference.

**[Section 10. Double REMIC Series Administration.** The [Group [ ]] Pooling REMIC will pay all Trust REMIC expenses [relating to the Group [1] Pooling REMIC and the Group [1] Issuing REMIC,][of the related Trust REMICs] and will make distributions on the Regular Interests of [the] [such] [Group [1]] Pooling REMIC to the [Group [1]] [related] Issuing REMIC. The [Group [ ]] Issuing REMIC will make all distributions on the [Group [1]] [related] Regular Securities.] [The Group [2] REMIC [and Group [ ] REMIC] will pay all Trust REMIC expenses relating to the Group [2] REMIC [and Group [ ] REMIC, respectively], and will make all distributions on the Group [2] Securities [and Group [ ] Securities, respectively].]

IN WITNESS WHEREOF, the Sponsor and the Trustee have caused this Trust Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

**[SPONSOR]**, as Sponsor

By: \_\_\_\_\_

Its: \_\_\_\_\_

**[TRUSTEE]**, as Trustee

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF [NEW YORK]            )  
  )            ss.:  
COUNTY OF [NEW YORK]        )

The foregoing instrument was acknowledged before me in the County of [New York, New York], this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ [corporation] [limited liability company] [limited partnership], on behalf of the [corporation] [limited liability company] [limited partnership].

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_

STATE OF [NEW YORK]            )  
  ) ss.:  
COUNTY OF [NEW YORK]        )

The foregoing instrument was acknowledged before me in the County of [New York, New York], this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ banking corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_

## LIST OF SCHEDULES AND EXHIBITS

[Schedule A:	<b>[NOTE: FOR SINGLE FAMILY DEALS:</b> Copy of the Final Data Statement] <b>[NOTE TO TRUST COUNSEL:</b> This is a photocopy of <u>Schedule A</u> to the Accountants' Closing Letter.] <b>[NOTE: FOR HREMIC DEALS:</b> Copy of the Trustee's Receipt Schedule A]
<b>[NOTE: FOR MULTIFAMILY DEALS:</b>	
Schedule A-1:	Copy of the Trustee's Receipt Schedule A
Schedule A-2:	Exhibit[s] A [and B] to Offering Circular Supplement]
Schedule B:	Front Cover of Offering Circular Supplement
Schedule C:	Terms Sheet of Offering Circular Supplement
[Schedule D:	Final Scheduled Principal Balances]
[Schedule E:	Jump Balances]
[Exhibit 1:	Issuance Statement]
<b>[NOTE: FOR MULTIFAMILY DEALS WITH CLCs:</b>	
Exhibit 2:	Form of Waiver Agreement]
Exhibit [R] [RR] [RI][R[2]]:*	Form of Class [R] [RR] [RI][R[2]] Security
[Exhibit RP:	Form of Class RP Security]

\***[NOTE TO TRUST COUNSEL:** In a transaction in which Class RR Securities are issued at closing, exhibits for Class RI and Class RP Securities do not need to be attached as exhibits hereto.]

## **Exhibit 1**

### **Issuance Statement**

See Section D. 2. of this Part II of the Guide for the Form of Issuance Statement for REMIC Transactions.

## Exhibit 2

### FORM OF WAIVER AGREEMENT FOR MULTIFAMILY TRANSACTIONS WITH TRUST ASSETS THAT INCLUDE CONSTRUCTION LOAN CERTIFICATES

[Contracted Security Purchaser Letterhead]

[ ], 20[ ]

To the Ginnie Mae Issuer identified on  
Schedule I hereto (the “Ginnie Mae CLC Issuer”)

Chapter 32 of the Ginnie Mae Mortgage-Backed Securities Guide 5500.3, as amended (the “MBS Guide”) requires that the contracted security purchaser, the entity bound under contract with the related Ginnie Mae Issuer to purchase all of the Ginnie Mae Construction Loan Certificates related to a specific property, consent to any request of the related Ginnie Mae Issuer to extend the applicable Maturity Date (subject to certain restrictions as specified below). The consent requirement restricts the use of Ginnie Mae Construction Loan Certificates as Trust Assets in Government National Mortgage Association (“Ginnie Mae”) multiclass securities transactions. For the purpose of ensuring the efficient commencement and continued operation of the Ginnie Mae Multiclass Securities Program as it relates to Ginnie Mae Construction Loan Certificates and in consideration of Ginnie Mae’s guaranty of the Ginnie Mae REMIC Securities to be issued pursuant to the trust agreement relating to the Ginnie Mae REMIC Trust 20[ ]-[ ] dated as of [ ], 20[ ] (such trust, the “Trust” and such trust agreement, the “Trust Agreement”), [ ] (“[ ]”), in its capacity as contracted security purchaser of (x) the Ginnie Mae Construction Loan Certificates identified on Schedule I hereto and each related Ginnie Mae Construction Loan Certificate, if any, outstanding as of the date hereof (the "Outstanding CLCs") and (y) any Ginnie Mae Construction Loan Certificate related to any Outstanding CLC that may be issued in the future (the “Future CLCs,” together with the Outstanding CLCs, the “Ginnie Mae CLCs”), waives its right and the right of all future holders of each Ginnie Mae CLC, including [ ] as Trustee, (the “REMIC Trustee”) and the assignee of [ ]’s right in certain of the Outstanding CLCs, to withhold consent to any request that may be made by the Ginnie Mae CLC Issuer, in its capacity as the issuer of the related Ginnie Mae CLCs, to extend the applicable Maturity Date of any such Ginnie Mae CLCs (provided that the length of any such extension, together with all previously granted extensions in respect of the applicable Ginnie Mae CLCs, may not exceed the term of the underlying Mortgage Loan insured by the Federal Housing Administration). The waiver and the agreements contained herein shall bind and inure to the benefit of [ ] and its successors and assigns, and shall inure to the benefit of Ginnie Mae and the Trust.

[ ] hereby agrees to notify the REMIC Trustee of the foregoing waiver and to take any further action as may be reasonably requested by the Ginnie Mae CLC Issuer or Ginnie Mae to give effect to the foregoing waiver.



Nothing contained herein shall be deemed or construed to constrain or otherwise limit any rights Ginnie Mae may have to deny a request for the extension of the Maturity Date of any Ginnie Mae CLC for any reason (other than the failure of the Ginnie Mae CLC Issuer to obtain the consent of the contracted security purchaser of the applicable Ginnie Mae CLCs for any extension within the scope of this waiver).

Nothing contained herein shall be deemed or construed to relieve the Ginnie Mae CLC Issuer of its obligation to pay [ ] any extension fee that may become payable under the Trade Confirmation between the Ginnie Mae CLC Issuer and [ ] with respect to the related Outstanding CLCs (and any Future CLCs) set forth on Schedule I.

In the event the Ginnie Mae CLC Issuer requests an extension of the Maturity Date of any related Ginnie Mae CLCs, the Ginnie Mae CLC Issuer may submit this waiver to Ginnie Mae in lieu of any document evidencing the consent of the contracted security purchaser of the Ginnie Mae CLCs to any such extension request.

This agreement shall be governed by and construed in accordance with the laws of the United States of America. Insofar as there may be no applicable law of the United States, the internal laws of the State of New York (without giving regard to conflict of laws principles) shall be deemed reflective of the laws of the United States of America, insofar as to do so would not frustrate the purposes of any provision of the Trust Agreement or the transactions governed thereby.

Capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in Appendix II to the Ginnie Mae Multifamily Base Offering Circular dated as of [ ].

Please do not hesitate to contact [ ] at [ ] at [ ] if you have any questions regarding this matter.

Respectfully yours,

[ ]

By:

Its:

cc:

Government National Mortgage Association  
Potomac Center  
550 12<sup>th</sup> Street, S.W.  
3<sup>rd</sup> Floor  
Washington, D.C. 20024

[ ], as Trustee  
[Trustee Address]  
Attention: [ ]

Ginnie Mae REMIC Trust 20[ ]-[ ]  
c/o [ ], as Trustee  
[Trustee Address]  
Attention: [ ]

**Schedule I**

**OUTSTANDING CLCs**

Each Ginnie Mae Construction Loan Certificate having any of the following Pool Numbers, as described in greater detail on Exhibit A to the Ginnie Mae REMIC Trust 20[ ]- [ ] Offering Circular Supplement, a copy of which is attached hereto:

Ginnie Mae Issuer	Outstanding CLCs	Acknowledged
		By: _____ Its: _____

STANDARD TRUST PROVISIONS  
FOR REMIC TRUSTS

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GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED REMIC PASS-THROUGH SECURITIES

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January 1, 2014 Edition

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## STANDARD TRUST PROVISIONS FOR REMIC TRUSTS

THESE STANDARD TRUST PROVISIONS FOR REMIC TRUSTS are to be incorporated by reference in each Trust Agreement entered into by and between a Sponsor and a Trustee in connection with each Series of Ginnie Mae REMIC Securities and shall apply to each Series of Ginnie Mae REMIC Securities except as otherwise provided in such Trust Agreement. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the related Trust Agreement and the Glossary of the Ginnie Mae Multiclass Securities Guide in effect as of the date of the Trust Agreement.

### ARTICLE I

#### ESTABLISHMENT OF TRUST

##### **Section 1.01. Establishment of Trust.**

As of the Closing Date, the Sponsor will establish the Trust by depositing the Trust Assets identified in the related Trust Agreement with the Trust, and the Trust will issue the Securities, representing the entire beneficial ownership interest in the Trust, to the Sponsor as consideration for the Trust Assets.

##### **Section 1.02. Sale of Trust Assets.**

The deposit of Trust Assets by a Sponsor to a Trust pursuant to the related Trust Agreement shall occur upon the Closing Date for such Series and shall constitute a sale, assignment, transfer and conveyance by the Sponsor to the Trust of all right, title and interest in such Trust Assets as of the first day of the month of the Closing Date, notwithstanding any provision of federal or state law to the contrary. Each of the Sponsor, the Trustee and, by accepting an interest in a Security, each Holder agrees that the terms of the Trust Assets shall remain subject to modification, waiver or partial release of collateral pursuant to the terms of the MBS Guide and related policies and regulations.

##### **Section 1.03. Designation of REMIC Assets.**

(a) Single REMIC Series. In the case of a Single REMIC Series (other than a Single REMIC Series issued in conjunction with a Double REMIC Series) in respect of a single Trust REMIC, the assets of the Trust REMIC will consist of the Trust Assets acquired from the Sponsor, the Segregated Portion of each Trust REMIC Account corresponding to the related Trust REMIC, and amounts held in such Segregated Portion of such Trust REMIC Accounts from time to time in accordance with Article 3 hereof. In the case of a Single REMIC Series consisting of two or more side-by-side Trust REMICs or a Single REMIC Series issued in conjunction with a Double REMIC Series, the assets of each Trust REMIC (having the numerical or other designation specified in the Trust Agreement) shall consist of a portion of the Trust Assets corresponding to the Trust Asset Groups specified in the Trust Agreement as assets of such Trust REMIC, the Segregated Portion of each of the Trust REMIC Accounts established in accordance with the Trust Agreement and corresponding to the related Trust REMIC, and

amounts held in such Segregated Portions of such Trust REMIC Accounts from time to time in accordance with Article 3 hereof.

(b) Double REMIC Series. In the case of a Double REMIC Series in respect of a single Pooling REMIC, the assets of the Pooling REMIC will consist of the Trust Assets acquired from the Sponsor (or, in the case of a Double REMIC Series in respect of a single Pooling REMIC issued in conjunction with a Single REMIC Series, a portion of the Trust Assets corresponding to the Trust Asset Groups specified in the Trust Agreement as assets of the Pooling REMIC), the Pooling Portion of each Trust REMIC Account relating to such Pooling REMIC (such Pooling Portions thereof, the “Pooling REMIC Trust Accounts”), and amounts held in such Pooling REMIC Trust Accounts from time to time in accordance with Article 3 hereof. In the case of a Double REMIC Series in respect of two or more Pooling REMICs (whether in respect of one or more Issuing REMICs, each such Pooling REMIC and Issuing REMIC having a numerical or other designation as specified in the Trust Agreement), the assets of each such Pooling REMIC (having a numerical or other designation as specified in the Trust Agreement) shall consist of a portion of the Trust Assets corresponding to the Trust Asset Groups specified in the Trust Agreement as assets of such Pooling REMIC, the Pooling REMIC Trust Accounts relating to such Pooling REMIC and amounts held in such Pooling REMIC Trust Accounts from time to time in accordance with Article 3 hereof. The assets of each Issuing REMIC (having a numerical or other designation as specified in the Trust Agreement) will consist of the Pooling REMIC Subaccounts that represent regular interests in each Pooling REMIC related to such Issuing REMIC, as specified in the Trust Agreement, the Issuing Portion of each Trust REMIC Account relating to such Issuing REMIC (such Issuing Portions thereof, the “Issuing REMIC Trust Accounts”), and amounts held in such Issuing REMIC Accounts and Pooling REMIC Subaccounts from time to time in accordance with Article 3 hereof.

#### **Section 1.04. Registration of Trust Assets.**

Each Trust Asset included in each Trust will be registered in the name of the Book-Entry Depository or the applicable Trust Asset Depository, as the case may be, or the applicable Depository’s nominee(s), for the benefit of the Trustee. The books and records of each Depository will reflect the Trustee as registered holder of the related Trust Assets, and the books and records of the Trustee will reflect that it holds the Trust Assets as Trustee of the related Trust for the benefit of the Holders of the Securities of that Trust.

#### **Section 1.05. Delivery of Securities.**

Simultaneously with the execution and delivery of the Trust Agreement, the Trustee shall deliver to the Sponsor the Securities.

#### **Section 1.06. Board Approval of Trust Agreement.**

Prior to the execution of the Trust Agreement and the establishment of the Trust, the Trustee’s board of directors, its duly appointed loan committee, duly authorized officers, or duly appointed trust committee, as the case may be, shall approve the Trust Agreement in accordance with the Trustee’s organizational documents and any applicable state or federal regulation, including, to the extent applicable, and without limitation 12 C.F.R. §§ 9.7 and 550.5, each as



amended from time to time, and such approval shall be reflected in the minutes of the Trustee's board or committee. The Trustee shall maintain the Trust Agreement as an official record of the Trustee from the time the Trust Agreement is executed.

## ARTICLE II

### THE SECURITIES

#### **Section 2.01. The Securities.**

(a) Securities. The Securities shall be designated in the Trust Agreement. The Securities, in the aggregate, represent the entire beneficial ownership in the Trust. The Certificated Securities shall be issued substantially in the forms of Exhibits 2 through 6 hereto and shall be executed and authenticated by the Trustee on behalf of the Trust. The terms of the Uncertificated Securities and the Book-Entry Securities are set forth herein and in the related Trust Agreement. The Book-Entry Securities to be issued as of the Closing Date are set forth on the Issuance Statement attached as Exhibit 1 to the Trust Agreement.

(b) Forms and Denominations of Securities.

(i) Unless otherwise specified in the Trust Agreement, all Regular Securities (other than Uncertificated Securities) shall be Book-Entry Securities, registered in the name of the Book-Entry Depository or its nominee. Regular Securities (except Uncertificated Securities and Securities that represent interests in Increased Minimum Denomination Classes) shall be issuable in minimum denominations representing initial principal balances or initial notional balances of \$1,000 and integral multiples of \$1 in excess of \$1,000. Increased Minimum Denomination Classes, if any, shall be issuable in minimum denominations as provided in the related Trust Agreement. Uncertificated Securities of any Class shall be issued as a single interest representing the entire Original Class Principal Balance (or original Class Notional Balance) of such Class. Notwithstanding the foregoing, for each Class of Book-Entry Securities, one Security may be issued in a different name and denomination, as the Sponsor shall instruct in writing, as necessary to represent the remainder of the Original Class Principal Balance of such Class.

(ii) After the initial issuance to the Book-Entry Depository or its nominee of a Book-Entry Security backed by Trust Assets, any Beneficial Owner may request a Certificated Security registered in its name for a fee of \$25,000 (which fee, less the Trustee's expenses in complying with the request, will be payable to Ginnie Mae) per physical certificate requested. Any such request for a Certificated Security shall be made through the standard procedures of the Book-Entry Depository and any other financial intermediary through which the Beneficial Owner holds its Book-Entry Security. Any such Certificated Security shall be issued substantially in the form attached hereto as Exhibit 2.

(iii) At any time and in accordance with the procedures of the Book-Entry Depository, the Holder of a Certificated Security (other than a Residual Security) may

surrender such Certificated Security to the Trustee and become the Beneficial Owner of a Book-Entry Security of like tenor and denomination.

(iv) Unless otherwise specified in the Trust Agreement, the Residual Securities shall be issuable in minimum Percentage Interests of ten percent and integral multiples thereof in accordance with the Sponsor's written instruction and upon the furnishing to the Trustee of completed Internal Revenue Service Forms W-8ECI or W-9 (or applicable successor forms) with respect thereto.

(c) Method of Distribution. Distributions on the Securities shall be made by the Trustee on each Distribution Date (or, with respect to Certificated Securities, the Business Day following each Distribution Date) to each Holder as of the related Record Date. Subject to Section 8.04, distributions on the Book-Entry Securities shall be made through the facilities of the Book-Entry Depository pursuant to instructions provided by the Trustee and/or the Information Agent. Distributions on any Certificated Security shall be made (i) by check mailed to the Holder thereof at its address reflected in the Register as of the related Record Date or (ii) upon receipt by the Trustee of a written request of a Holder accompanied by the appropriate wiring instructions at least five Business Days prior to a Record Date, by wire transfer of immediately available funds on the Business Day following the related and each subsequent Distribution Date, to the account of such Holder, if such Holder holds Regular Securities having aggregate initial principal balances of at least \$5,000,000. Notwithstanding the foregoing, the final distribution in retirement of any Certificated Security will be made only upon presentation and surrender of the certificate at the Corporate Trust Office. In the event of a principal or interest payment error, the Trustee shall, pursuant to Ginnie Mae's instructions, effect corrections by the adjustment of payments to be made on future Distribution Dates.

(d) Authorization, Execution, Authentication and Delivery of Securities. Certificated Securities shall be executed by manual or facsimile signature by an authorized officer of the Trustee, on behalf of the Trust, under the Trustee's seal imprinted thereon (which may be a facsimile). Securities bearing the manual or facsimile signatures of individuals who were at any time authorized officers of the Trustee shall bind the Trustee, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities. No Certificated Security shall represent entitlement to any benefit under the related Trust Agreement, or be valid for any purpose, unless there appears on such Security a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate of authentication upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. All Certificated Securities shall be dated the date of their authentication, except that Securities issued on the Closing Date shall be dated as of the Closing Date. Uncertificated Securities and Book-Entry Securities shall be dated as of the date of their issuance.

The manual execution of the Trust Agreement by an authorized officer of each of the Trustee and the Sponsor shall be conclusive evidence that the Book-Entry Securities and the Uncertificated Securities have been duly and validly authorized and validly issued by the Trustee and are entitled to the benefits of the Trust Agreement.

Delivery of Book-Entry Securities and Uncertificated Securities occurs when the Registrar registers the transferee as the registered owner of such Security. The Book-Entry Securities to be issued at closing shall be identified on an Issuance Statement attached as Exhibit 1 to the Trust Agreement prepared by the Sponsor and delivered to the Trustee. On the Closing Date, the Registrar shall register the Book-Entry Depository as the registered owner of the Book-Entry Securities.

Upon execution and delivery of the Guaranty Agreement with respect to each Trust, Ginnie Mae authorizes the issuance of the Securities, each of which is entitled to the benefits of the following Ginnie Mae Guaranty. Each Certificated Security shall bear language substantially to the following effect:

GUARANTY: THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, PURSUANT TO SECTION 306(g) OF THE NATIONAL HOUSING ACT, GUARANTEES THE TIMELY PAYMENT OF PRINCIPAL AND INTEREST ON THIS SECURITY IN ACCORDANCE WITH THE TERMS AND CONDITIONS SET FORTH HEREIN AND IN THE RELATED TRUST AGREEMENT. THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA IS PLEDGED TO THE PAYMENT OF ALL AMOUNTS THAT MAY BE REQUIRED TO BE PAID UNDER THIS GUARANTY.

If the Trust Assets related to a Security consist of Ginnie Mae Multifamily Certificates, then the following sentence shall be added to the foregoing legend on such Certificated Security immediately following the last sentence:

THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION DOES NOT GUARANTEE PAYMENTS OF PREPAYMENT PENALTIES ON THIS SECURITY.

**Section 2.02. Registration of Transfer and Exchange of Securities.**

The Trustee shall keep one or more offices or agencies at which, subject to such reasonable regulations as it may prescribe, the Trustee or another Person designated by the Trustee and approved by Ginnie Mae shall be the Registrar and shall maintain a Register and provide for the registration, transfer and exchange of Securities as herein provided.

Unless otherwise provided in the related Trust Agreement, the Trustee agrees that it shall hold any Pooling REMIC Regular Interests on behalf of the related Issuing REMIC, as provided in the Trust Agreement.

Upon surrender for registration of transfer of any Certificated Security at the office of the Trustee maintained for such purpose and upon satisfaction of the conditions set forth below in this Section 2.02 and, in the case of a Residual Security, Section 2.04, the Trustee shall promptly execute, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of a like Class, tenor and aggregate Percentage Interest.

At the option of the Holders, Certificated Securities may be exchanged for other Securities of authorized denominations or Percentage Interests of like tenor and of a like aggregate denomination or Percentage Interest, upon surrender of the Securities to be exchanged at the office maintained for such purpose. Whenever any Certificated Securities are surrendered for exchange the Trustee shall execute, authenticate and deliver the Securities that the Holder making the exchange is entitled to receive. Every Certificated Security presented or surrendered for transfer or exchange shall be duly endorsed (if so required by the Trustee) by, or be accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by, the holder thereof or his attorney duly authorized in writing.

The Trustee may assess an appropriate service charge for any exchange or transfer of any Certificated Security. No service charge shall be made for any transfer or exchange of any Residual Securities. The Trustee may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of any Certificated Security. The Trustee shall cancel and destroy all Certificated Securities surrendered for transfer and exchange according to its standard procedures.

**Section 2.03. Mutilated, Destroyed, Lost or Stolen Securities.**

If (a) any mutilated Certificated Security is surrendered to the Trustee, or the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Certificated Security, and (b) there is delivered to the Trustee such security or indemnity as may be required by it to save it harmless, then, in the absence of notice to the Trustee that such security has been acquired by a *bona fide* purchaser, the Trustee shall promptly execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificated Security, a new Certificated Security of like tenor, Class and Percentage Interest. Upon the issuance of any new Certificated Security under this Section, the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee and its counsel) connected therewith. Any duplicate Certificated Security issued pursuant to this Section shall constitute complete and indefeasible evidence of ownership in the Trust and the related Trust REMIC, as if originally issued, regardless of whether the lost, stolen or destroyed Certificated Security shall be found at any time.

**Section 2.04. Special Transfer Restrictions Relating to Residual Interests.**

(a) No Ownership Interest may be transferred without the express written consent of the Trustee. As a condition to that consent, any transferee (including the initial purchaser) of an Ownership Interest must provide the Trustee with a properly completed Transfer Affidavit, substantially in the form attached as Exhibit 1, in which the proposed transferee must represent and warrant, among other things, that (i) it agrees that the Trustee can execute all instruments of transfer and do all other things necessary in connection with any transfer of an Ownership Interest, (ii) it is a U.S. Person, (iii) it is not a Disqualified Organization, (iv) it is not acquiring the Ownership Interest as a nominee, trustee or agent for any Person that is not a U.S. Person or that is a Disqualified Organization, (v) it is not a Plan Investor, (vi) it agrees to immediately notify the Trustee if it becomes aware that any representation and warranty made by it in the Transfer Affidavit will or has become false, (vii) it agrees to be bound by, and that its rights as

owner of a Residual Interest are expressly subject to, the special transfer restrictions relating to Residual Interests in this Section 2.04, and (viii) it agrees to not transfer or cause the transfer of its Ownership Interest to any Person if such Person does not supply the Trustee with a properly completed Transfer Affidavit or if it has actual knowledge that the Transfer Affidavit supplied by such Person is false. In the case of a transfer of an Ownership Interest on the Closing Date, the Trustee's signature on the Trust Agreement shall constitute consent to such transfer.

(b) Notwithstanding the provision of a Transfer Affidavit by a proposed Transferee, the Trustee may withhold its consent to a transfer under the following circumstances: (i) to avoid a risk of disqualification of a Trust REMIC as a REMIC or the imposition of a tax upon a Trust REMIC, (ii) if less than all of the Transferor's Ownership Interest would be transferred and the transferred interest can not be expressed as a single constant percentage of the Transferor's Ownership Interest or (iii) if the Trustee knows or has reason to believe that a Transfer Affidavit is false.

(c) Any attempted or purported Transfer in violation of the provisions of this Section 2.04 shall be absolutely null and void, shall vest no rights in the Nonpermitted Transferee, and shall not be recognized by the Trustee. Upon receipt of written notice by a Responsible Officer of the Trustee of registration of Transfer of an Ownership Interest to a Nonpermitted Transferee, such Transfer shall be considered absolutely null and void, and the Trustee shall restore the last preceding Permitted Transferee of such Ownership Interest to all rights as owner thereof retroactive to the date of registration of the Transfer to the Nonpermitted Transferee.

(d) The Trustee shall be under no liability to any Person for (i) registration of a Transfer of an Ownership Interest to a Nonpermitted Transferee that the Trustee did not know was a Nonpermitted Transferee, (ii) making any distributions due on an Ownership Interest to such a Nonpermitted Transferee, or (iii) taking any other action with respect to a Nonpermitted Transferee under the provisions of the related Trust Agreement. The Trustee shall be entitled but not obligated to recover from a Nonpermitted Transferee of an Ownership Interest all distributions made on such Interest at or after the time of the Transfer of such Interest to such Nonpermitted Transferee. Any such payments so recovered by the Trustee shall be paid and delivered by the Trustee to the last preceding Permitted Transferee of such Ownership Interest, subject to the Trustee's right to withhold any amounts from such payments.

(e) If a tax or a reporting cost is borne by any Trust REMIC as a result of the transfer of an Ownership Interest to a Nonpermitted Transferee, the Trustee may pay such tax or reporting cost with amounts that otherwise would have been paid to such Nonpermitted Transferee. In that event, neither the Nonpermitted Transferee nor the transferor shall have any right to seek repayment of such amounts from the Trustee, Ginnie Mae, the Sponsor, the Tax Administrator, or the other Holders.

(f) The Trustee as Tax Administrator, or its designated agent, shall make available to the Internal Revenue Service and to the persons specified in Section 860E(e)(3) of the Code the information necessary for the application of Section 860E(e) of the Code. The Trustee as Tax Administrator, or its designated agent, may charge such persons a reasonable amount for doing so, but must do so whether or not actually paid.

## **Section 2.05. Residual Interest Securities.**

(a) Single REMIC Series. With respect to a Single REMIC Series in respect of a single Trust REMIC, the Trust will issue a single Class of Residual Securities that will represent the Residual Interest in such Trust REMIC (substantially in the form of Exhibit 3 hereto) or with respect to a Trust that establishes two or more single-tiered Trust REMICs, the Trust will issue either (i) a single Class of Residual Securities that will represent the Residual Interest in each such Trust REMIC, which will be issued substantially in the form of Exhibit 4 hereto or (ii) two or more Classes of Residual Securities (corresponding to the number of Trust REMICs), each representing the Residual Interest in a separate Trust REMIC, which will be issued substantially in the form of Exhibit 3 hereto.

(b) Double REMIC Series. With respect to a Double REMIC Series in respect of one or more Issuing REMICs, the Trust will issue either (i) a single Class of Residual Securities for each Issuing REMIC and its related Pooling REMICs, which Class of Residual Securities will represent the Residual Interest in such Issuing REMIC and its related Pooling REMICs, which will be issued substantially in the form of Exhibit 4 hereto, or (ii) two or more Classes of Residual Securities (corresponding to the number of Trust REMICs for such Trust), each representing the Residual Interest in a separate Trust REMIC, which will be issued, in the case of a Residual Interest in a Pooling REMIC, substantially in the form of Exhibit 5 hereto, and in the case of a Residual Interest in an Issuing REMIC, substantially in the form of Exhibit 6 hereto.

(c) Each Holder of a Class RR Security (whether or not having a numerical or other designation as specified in the Trust Agreement) will be entitled to separate such Security into its component parts. Upon receipt of a Class RR Security and a written request from the Holder thereof to separate such Security into its component parts, the Trustee shall (i) in the case of single-tiered side-by-side Trust REMICs, issue to such registered Holder in exchange for such Class RR Security, separately transferable, certificated and fully registered securities substantially in the form of Exhibit 3 hereto (each, a “Class R Security”) that will, from the date of issuance, represent the Holder’s Percentage Interest in the Residual Interest in each Trust REMIC, (ii) in the case of a Double REMIC Series, issue to such registered Holder in exchange for such Class RR Security (a) separately transferable, certificated and fully registered securities substantially in the form of Exhibit 5 hereto (each, a “Class RP Security”) that will, from the date of issuance, represent the Holder’s Percentage Interest in the Residual Interest in each related Pooling REMIC and (b) a separately transferable, certificated and fully registered security substantially in the form of Exhibit 6 hereto (a “Class RI Security”) that will, from the date of its issuance, represent the Holder’s Percentage Interest in the Residual Interest in the related Issuing REMIC, (iii) if requested by and at the expense of the Holder, obtain CUSIP Numbers for the Class R, Class RP and Class RI Securities and (iv) make any allocations and distributions with respect to such newly issued Securities as set forth in the related Trust Agreement.

## **Section 2.06. Voting Rights.**

With respect to each Series, unless otherwise provided in the related Trust Agreement, if any Class of Securities in the Series does not have a Class Principal Balance or has an Original Class Principal Balance that is less than or equal to 1% of the aggregate Original Class Principal Balance of all the Securities, then 1% of the Voting Rights for that Series shall be allocated to

such Class, and the balance of the Voting Rights shall be allocated among the remaining Classes of Securities in that Series in proportion to their respective Class Principal Balances following the most recent Distribution Date. Voting Rights allocated to each Class of Securities shall be allocated in proportion to the respective Percentage Interests of the Holders thereof.

### ARTICLE III

#### DISTRIBUTIONS ON THE SECURITIES

##### **Section 3.01. Establishment of Accounts.**

(a) Depository Accounts. The Trustee shall maintain a Book-Entry Depository Account with the Book-Entry Depository and, if any Underlying Certificates are held through book-entry facilities other than the Book-Entry Depository, a Trust Asset Depository Account at each applicable Trust Asset Depository. With respect to each Trust, the Trustee shall account for all funds in, all deposits to and all withdrawals from the Book-Entry Depository Account separately and on a Trust-by-Trust basis and, further, on a Trust REMIC-by-Trust REMIC basis, clearly identifying the Segregated Portions thereof. The Depository Accounts shall be credited with amounts as provided in Sections 3.03 and 3.04 hereof.

(b) Trustee ABA Account. The Trustee shall maintain a Trustee ABA Account, which account shall include subaccounts consisting of the Trustee Limited Purpose Account and the Trustee Issuer's Account. With respect to each Trust, the Trustee shall account for all funds in, all deposits to and all withdrawals from the Trustee ABA Account separately and on a Trust-by-Trust basis, and further, on a Trust REMIC-by-Trust REMIC basis, clearly identifying the Segregated Portions thereof. The Trustee ABA Account shall be credited with amounts as provided in Section 3.03 hereof.

(c) Variance Account. With respect to each Trust, the Trustee shall establish and maintain a separate Variance Account, which will be an Eligible Account. Amounts will be credited to the Variance Account and withdrawals will be made from the Variance Account as specified herein. The Variance Account shall be an Outside Reserve Fund, the owner of which solely for United States federal tax purposes (and not for any other purpose) will be Ginnie Mae. The depository records of the Trustee, or, as the case may be, the depository institution or trust company at which the Variance Account is to be established, shall reflect in respect of the Variance Account (i) that the Trustee, as depositor, is acting in a fiduciary capacity on behalf of the Holders of Securities in respect of the Trust, (ii) the names and respective interests of such Holders, and (iii) that such Holders may be acting in a fiduciary capacity for others. If the amounts on deposit in the Variance Account exceed \$100, the Trustee shall invest such amounts in Eligible Investments approved by Ginnie Mae; any investment earnings shall be for the account of and distributable to Ginnie Mae, unless otherwise allocated to make up for shortfalls as provided in Section 3.04(b) hereof.

(d) Collection Account. The Trustee will maintain an Eligible Account (the "Collection Account") for the purposes provided in Section 3.03(a). With respect to each Trust, the Trustee shall account for all funds in, all deposits to and all withdrawals from the Collection Account separately and on a Trust-by-Trust basis and, further, on a Trust REMIC-by-Trust

REMIC basis, clearly identifying the Segregated Portions thereof. Amounts on deposit from time to time in the Collection Account may be invested in Eligible Investments. Any investment earnings on the Collection Account shall be retained by, and be for the account of, the Trustee as part of the Trustee Fee. Regardless whether the amounts deposited in the Collection Account are invested, to the extent amounts required to be deposited into the Trustee ABA Account pursuant to Section 3.03(a) are so deposited on each Ginnie Mae Certificate Payment Date, the Trustee shall pay to Ginnie Mae from its own funds the Ginnie Mae Interest Amount as of each Distribution Date. The depository records of the Trustee, or, as the case may be, the depository institution or trust company at which the Collection Account is to be established, shall reflect in respect of the Collection Account (i) that the Trustee, as depositor, is acting in a fiduciary capacity on behalf of the Holders of Securities in respect of the Trust and Ginnie Mae, (ii) the names and respective interests of such Holders and Ginnie Mae, and (iii) that such Holders may be acting in a fiduciary capacity for others.

(e) Board Approval. Prior to the establishment of any Trust Account, the Trustee's board of directors, its duly appointed loan committee, duly appointed trust committee or duly authorized officers, as the case may be, or, as the case may be, the Trustee's board of directors, its duly appointed loan committee, duly authorized officers, or duly appointed trust committee, as the case may be, of the depository institution or trust company at which such Trust Account is to be established, shall approve the establishment of such Trust Account in accordance with the organizational documents of such institution and any applicable state or federal regulation, including, to the extent applicable, and without limitation 12 C.F.R. §§ 9.7 and 550.5, each as amended from time to time, and such approval shall be reflected in the minutes of such board or committee, as applicable. The Trustee, or, as the case may be, the depository institution or trust company at which any Trust Account is to be established, shall maintain the Trust Agreement as an official record from the time of its execution.

(f) Segregated Portions. Each Trust REMIC Account required to be maintained in accordance with this Section 3.01 shall include, and where applicable a reference to such Trust REMIC Account herein or in the related Trust Agreement shall be understood to be a reference to, a Segregated Portion of such Trust REMIC Account corresponding to each such Trust REMIC.

### **Section 3.02. Certificate and Class Factors.**

(a) Certificate Factors for Trust Assets other than Ginnie Mae Multifamily Certificates. The Trustee shall use its reasonable best efforts to obtain the Certificate Factors for Trust MBS (other than any Ginnie Mae Multifamily Certificates) and Underlying Callable Securities (and the Underlying Certificate Factors for Underlying Certificates and Underlying SMBS Securities) on or before 11:00 a.m. Eastern time on the second Business Day preceding a Distribution Date (or, in the case of Ginnie Mae II Certificates, the third preceding Business Day), or such other date set forth in the related Trust Agreement. In the event any Underlying Certificate Factors for Underlying Certificates or Underlying SMBS Securities or Certificate Factors for Underlying Callable Securities and Ginnie Mae Platinum Certificates are not published or otherwise available as specified in the preceding sentence, the Trustee shall immediately notify the Information Agent and Ginnie Mae and follow the procedures set forth in Section 3.02(d).



(b) Calculated Certificate Factors for Trust Assets other than Ginnie Mae Multifamily and Ginnie Mae Platinum Certificates. With respect to any Trust MBS (other than Ginnie Mae Multifamily Certificates and Ginnie Mae Platinum Certificates) for which a Certificate Factor is not available by 1:00 p.m. Eastern time on the Certificate Factor Date, the Trustee shall determine the Calculated Certificate Factor for such Trust MBS.

(c) Certificate Factors, Calculated Certificate Factors and Corrected Certificate Factors for Ginnie Mae Multifamily Certificates. With respect to each Ginnie Mae Multifamily Certificate:

(i) The Trustee, in accordance with operational guidelines established by Ginnie Mae, will use its reasonable best efforts to do the following on or before 12:00 noon on the second Business Day preceding a Distribution Date: determine the related Certificate Factor, determine whether the Certificate Factor is correct in the case where the Certificate Factor indicates a significant payoff, determine the Corrected Certificate Factor if the Certificate Factor is incorrect and advise the Book-Entry Depository if the Trustee plans to use the Corrected Certificate Factor in following the procedures set forth in Section 3.02(e). If the Certificate Factor is correct, it will use the Certificate Factor in following the procedures for determining Class Factors set forth in Section 3.02(e).

(ii) If the Trustee cannot determine by 12:00 noon Eastern time on the second Business Day preceding a Distribution Date whether the related Certificate Factor is correct, the Trustee shall determine the Calculated Certificate Factor for such Ginnie Mae Multifamily Certificate and use the Calculated Certificate Factor in following the procedures for determining Class Factors set forth in Section 3.02(e).

(d) Unavailability of Certificate Factors for Underlying Certificate Factors. In the event that the Underlying Certificate Factor for any Underlying Certificate or Underlying SMBS Security (or Certificate Factor for any Ginnie Mae Platinum Certificate or Underlying Callable Security) has not been made available to the Trustee by 11:00 a.m. Eastern time on the second Business Day preceding a Distribution Date (or in the case of Ginnie Mae Platinum Certificates backed by Ginnie Mae II MBS Certificates, the third preceding Business Day), the Trustee shall assume for purposes hereof that such factors have not changed from the preceding Underlying Certificate Payment Date or Underlying SMBS Security Payment Date (or Certificate Factor Date). As a result, the Principal Distribution Amount in respect of any Underlying Certificate or Underlying SMBS Security (or Trust Asset constituting a Ginnie Mae Platinum Certificate or Underlying Callable Security) described in the preceding sentence shall be calculated on the basis of such assumed (i.e., unchanged) factors, with the effect that no amounts in respect of principal attributable to such Underlying Certificate or Underlying SMBS Security (or Ginnie Mae Platinum Certificate or Underlying Callable Security) shall be distributable on the related Securities on the related Distribution Date.

(e) Class Factors. Unless otherwise provided in the related Trust Agreement, based on, as appropriate, Certificate Factors, Corrected Certificate Factors, if any, and Calculated Certificate Factors, if any, determined in accordance with Sections 3.02(a), (b), (c) and (d) above, the Trustee shall calculate the Class Factors, the Principal Distribution Amount, the Interest Distribution Amount and the Accrual Amount, in each case, as applicable, or any other

amounts distributable or accrued in respect of each Class, for the Distribution Date. In addition, based on the provisions of the Trust Agreement, the Trustee shall calculate the Interest Rate for each Class and the amount of principal and interest to be distributed to each Class on that Distribution Date. The Trustee shall report the Interest Rate and the Class Factor for each Class and any Calculated Certificate Factors and Corrected Certificate Factors (and other information as requested by Ginnie Mae from time to time) to the Information Agent no later than 6:00 p.m. Eastern time on the second Business Day preceding the Distribution Date; except that, in the case of Security Groups for which the related Trust Assets consist of Ginnie Mae II Certificates, the information described above shall be reported no later than 6:00 p.m. Eastern time on the third Business Day preceding the Distribution Date.

### **Section 3.03. Payments on the Trust Assets.**

(a) Application of Payments. On each Ginnie Mae Certificate Payment Date, Underlying Certificate Payment Date, Underlying Callable Security Payment Date and Underlying SMBS Security Payment Date, as applicable, (i) the Book-Entry Depository shall be entitled to all payments in respect of Trust Assets held through the facilities of the Book-Entry Depository and shall credit the Trustee ABA Account with all such amounts; and (ii) each Trust Asset Depository shall be entitled to all payments in respect of the remaining Trust Assets held through the facilities of such Trust Asset Depository and shall credit the related Trust Asset Depository Account with all such amounts. In each case, such amounts shall be held by the applicable depository in trust for the exclusive benefit of the Trustee as the holder of the Trust Assets. All amounts received in respect of Trust Assets and credited to the Trustee ABA Account and the Trust Asset Depository Account, if applicable, shall be withdrawn therefrom by the close of business on the date of receipt in such account and deposited into the Collection Account for retention until the next Distribution Date for the related Securities; provided, however, if the Ginnie Mae Certificate Payment Date, Underlying Callable Security Payment Date, Underlying Certificate Payment Date or Underlying SMBS Security Payment Date coincides with the Distribution Date for the related Securities (i.e., such amounts will be received and distributed on the same day), then such amounts shall be immediately deposited into the Collection Account from the Trustee ABA Account and the Trust Asset Depository Account, if applicable, upon the receipt of such funds by the Trustee ABA Account and the Trust Asset Depository Account, if applicable, and the Trustee shall immediately wire transfer such amounts to the Book-Entry Depository Account for distribution pursuant to Sections 3.04(d) and (f) hereof. Except as otherwise provided in the proviso to the immediately preceding sentence, by no later than 9:00 a.m. Eastern time (or such other time that may be approved by Ginnie Mae) on such next Distribution Date for the related Securities, all amounts on deposit in the Collection Account that are identified as (i) distributable as principal, interest and related Prepayment Penalties, if any, in respect of Book-Entry Securities in respect of such Distribution Date shall be withdrawn therefrom and deposited into the Book-Entry Depository Account for distribution pursuant to Section 3.04(d) and (f); and (ii) distributable as principal, interest and related Prepayment Penalties, if any, in respect of Uncertificated Securities that are registered to the Trustee of the related MX Trust, if any, shall be withdrawn therefrom and deposited into the Book-Entry Depository Account for distribution pursuant to Sections 3.04(c) and 3.04(d) hereof. All remaining amounts on deposit in the Collection Account distributable as (a) principal, interest and related Prepayment Penalties, if any, in respect of Certificated Securities in respect of such Distribution Date, (b) Structural Excess and (c) Trustee Fee amounts and investment

earnings, shall be withdrawn therefrom for application pursuant to Section 3.04(e), (f) and (i) and Section 3.06(c) hereof. In addition, no later than 10:00 a.m. Eastern time on such Distribution Date, amounts on deposit in the Collection Account in excess of the amounts set forth in the preceding sentence (“Collection Excess Amounts”) shall be withdrawn therefrom and shall be deposited in the Variance Account.

(b) [Reserved].

(c) Separate Application of Payments. The application of payments pursuant to Section 3.03(a) shall be made separately in respect of each Trust REMIC other than an Issuing REMIC. In the case of a Single REMIC Series in respect of a single Trust REMIC, each reference to a Trust REMIC Account shall be understood to refer to the Segregated Portion of such account corresponding to such Trust REMIC. In the case of a Series including side by side Trust REMICs or one or more Pooling REMICs or one or more Issuing REMICs, each reference to a Trust Account or Trust REMIC Account shall be understood to refer to the Segregated Portion of such account corresponding to each such Trust REMIC.

### **Section 3.04. Distributions on the Securities.**

(a) Distribution Date Statement. No later than 2:00 p.m. Eastern time on the first Business Day following each Distribution Date, the Trustee shall provide to the Information Agent a Distribution Date Statement in such form as is approved by the Trustee and Ginnie Mae. Each Distribution Date Statement will specify (i) the Trustee Fee paid to the Trustee and the amounts of investment earnings or amounts held in the Collection Account, (ii) amounts distributed on such Distribution Date as principal and interest on the Book-Entry Securities from amounts on deposit in the Book-Entry Depository Account, (iii) amounts distributed on such Distribution Date as Prepayment Penalties on the Book-Entry Securities from the Book-Entry Depository Account, such amounts to be determined pursuant to the receipt of a notice from the Ginnie Mae Issuer as to the Mortgagor’s payment of any Prepayment Penalties, (iv) amounts distributed on such Distribution Date as principal and interest on the Certificated Securities from amounts on deposit in the Collection Account, (v) amounts distributed on such Distribution Date as Prepayment Penalties on the Certificated Securities from the Collection Account, such amounts to be determined pursuant to the receipt of a notice from the Ginnie Mae Issuer as to the Mortgagor’s payment of any Prepayment Penalties, and (vi) the Ginnie Mae Interest Amount for the Distribution Date from the immediately preceding calendar month.

(b) Distribution Shortfall and Deposits from Ginnie Mae in respect of Guaranty. No later than 10:00 a.m. Eastern time on the Distribution Date, the Book-Entry Depository shall determine the amount, if any, by which (A) the amounts distributable as principal and interest on the Book-Entry Securities on such Distribution Date, exceed (B) the amounts on deposit in the Book-Entry Depository Account with respect to such Distribution Date (the “Depository Shortfall Amount”). The Book-Entry Depository immediately shall notify Ginnie Mae of the amount of such deficiency, and the account or accounts to which Ginnie Mae should transfer such amounts. In the event that there are sufficient amounts in the Variance Account to cover the Depository Shortfall Amount, the Trustee shall withdraw the Depository Shortfall Amount from the Variance Account and wire transfer such amount to the Book-Entry Depository Account no later than 10:01 a.m., and shall immediately inform Ginnie Mae of any such transfer.

Not later than 10:00 a.m. Eastern time on the Business Day preceding each Distribution Date the Trustee shall determine the amount, if any, by which (A) the sum of (1) the amounts distributable as principal and interest on the Certificated Securities on such Distribution Date and (2) the Trustee Fee payable on such Distribution Date exceeds (B) the positive amount, if any, by which (1) the amounts received on the Trust Assets on the related Ginnie Mae Certificate Payment Date, Underlying Certificate Payment Date and Underlying SMBS Security Payment Date and excluding Prepayment Penalties exceed (2) the amounts distributable as principal and interest on the Book-Entry Securities on such Distribution Date (the “Certificated Shortfall Amount” and, together with the Depository Shortfall Amount, the “Distribution Shortfall Amount”). If the Certificated Shortfall Amount is greater than the amounts remaining on deposit in the Variance Account as of such Distribution Date, the Trustee immediately shall notify Ginnie Mae of the amount of such deficiency, and the account or accounts to which Ginnie Mae should transfer such amounts. In the event that there are sufficient funds in the Variance Account to cover the Certificated Shortfall Amount, the Trustee shall withdraw the Certificated Shortfall Amount from the Variance Account and transfer such amount to the Collection Account and shall notify Ginnie Mae of any such transfer.

(c) Uncertificated Securities. On each Distribution Date the Trustee shall distribute all amounts held in the Book-Entry Depository Account to the extent distributable as principal and interest and related prepayment penalties, if any, on the Uncertificated Securities on each Distribution Date. The Book-Entry Depository will credit the accounts of its record owners of such Uncertificated Securities in accordance with the standard procedures.

(d) Book-Entry Securities. The Trustee hereby directs the Book-Entry Depository to withdraw from the Book-Entry Depository Account on each Distribution Date all amounts held in such account, to the extent distributable as principal and interest and related Prepayment Penalties, if any, on the Book-Entry Securities on that Distribution Date. On each Distribution Date, the Book-Entry Depository will credit the accounts of its record owners of such Book-Entry Securities in accordance with the standard procedures of the Book-Entry Depository.

(e) Certificated Securities. On the Business Day following each Distribution Date, the Trustee shall distribute from the Collection Account all amounts distributable on the Certificated Securities to the Holders thereof.

(f) Distributions. On each Distribution Date (or, with respect to Certificated Securities, on the Business Day following each Distribution Date), the Trustee (and/or the Book-Entry Depository on behalf of and pursuant to the instructions of the Trustee) shall make such distributions on (and in the case of any HECM MBS Pass-Through Class, HECM MBS Accrual Class, HECM MBS Weighted Average Coupon Class, HECM MBS Sequential Pay Class or any Accrual Security, shall record any additions to the principal amount of) the Securities issued in respect of any Trust as shall be provided in the related Trust Agreement. Any distributions or accruals of interest made on a Distribution Date on the Securities issued in respect of a particular Trust shall be at the Interest Rate set forth in or as otherwise described in the related Trust Agreement and in respect of the related Accrual Period.

(g) Allocations of Distributions. The Holders of any Class entitled to receive distributions on any Distribution Date shall receive such distributions on a pro rata basis among

the Securities of such Class based on the principal balance, notional balance or percentage interest of such Securities. All distributions of principal on the Securities issued in respect of a particular Trust shall be made as provided in the related Trust Agreement. Unless otherwise indicated in the Trust Agreement, all distributions made on any Security on any Distribution Date (other than distributions in respect of Prepayment Penalties) shall be applied first to any interest payable thereon on such Distribution Date and then to any principal thereof.

(h) Interest Accrual. Unless otherwise provided in the related Trust Agreement, the amount of interest accrued on each Class during an Accrual Period and to be distributed thereon (or, to the extent applicable in the case of an Accrual Security, added to the principal amount thereof) on the related Distribution Date shall be 1/12th of the applicable Interest Rate multiplied by the Class Principal Balance (or Class Notional Balance) of such Class prior to the distribution of principal (or, in the case of an Accrual Security, the addition of accrued interest to principal) on such Distribution Date. Interest on the Securities will be computed on the basis of a 360-day year consisting of twelve 30-day months.

(i) Distributions on Residual Securities. In addition to such other distributions on a Class of Residual Securities as may be provided in the related Trust Agreement for the related Series, on each Distribution Date the Trustee shall distribute (i) to the Holders of the Residual Interest in each Trust REMIC, in the case of a Single REMIC Series, or in each Pooling REMIC, in the case of a Double REMIC Series, any amounts remaining in the related Segregated Portion of any Trust REMIC Account on such date (after the payment of all amounts distributable on such date on the Regular Interests in such Trust REMIC or Pooling REMIC) that are attributable to Structural Excess for such Trust REMIC or Pooling REMIC and (ii) to the Holders of the Residual Interest in each Issuing REMIC in the case of a Double REMIC Series, any amounts remaining in the related Pooling REMIC Subaccounts after the payment of all amounts distributable therefrom on the related Regular Securities.

(j) Ginnie Mae Interest Amounts. The Trustee shall distribute to Ginnie Mae the Ginnie Mae Interest Amount with respect to that Distribution Date as soon as practicable but no later than the first Business Day of the next succeeding calendar month following such Distribution Date, as instructed by Ginnie Mae.

### **Section 3.05. Conversion of Deposited Ginnie Mae Construction Loan Certificates.**

Each Deposited Ginnie Mae Construction Loan Certificate may be redeemed prior to its stated maturity date by the issuance of a *pro rata* interest in a Ginnie Mae Project Loan Certificate. Upon issuance thereof, each *pro rata* interest in a Ginnie Mae Project Loan Certificate will constitute a Trust Asset and shall be registered in accordance with Section 1.04 hereof. Subject to Section 7.03(v) hereof, the Trustee shall take all actions that it deems necessary or advisable to facilitate the conversion of each Deposited Ginnie Mae Construction Loan Certificate into a Ginnie Mae Project Loan Certificate (*provided*, that the conversion of a Deposited Ginnie Mae Construction Loan Certificate into a Ginnie Mae Project Loan Certificate shall not itself constitute or be considered to be a modification of the Trust MBS).

**Section 3.06. Ginnie Mae Guaranties and Guaranty Fee; Trustee Fee.**

(a) Ginnie Mae Guaranty. With respect to each Series, pursuant to the Guaranty Agreement, Ginnie Mae, in exchange for the Ginnie Mae Guaranty Fee, has guaranteed to each Holder of a Security the timely payment of principal and interest on the Holder's Security in accordance with the terms of the applicable Trust Agreement.

(b) Ginnie Mae Guaranty Payments. If the Book-Entry Depository and/or the Trustee, as the case may be, discovers that payments on the Trust Assets underlying a Series together with any funds available in the Variance Account will be inadequate to distribute principal and interest to the Securities of such Series on any Distribution Date in accordance with the terms of the Trust Agreement, the Book-Entry Depository and/or the Trustee, as the case may be, promptly shall inform Ginnie Mae that a Ginnie Mae Guaranty Payment must be made. In that event, Ginnie Mae (or its agent) will transfer the amount of the shortfall to the Book-Entry Depository Account or Collection Account, as applicable, in immediately available funds in accordance with Section 3.04(b) hereof. At Ginnie Mae's option, Ginnie Mae may instruct the Person designated by the Trustee and acceptable to Ginnie Mae as the Person to hold funds on behalf of the Trustee (which Person initially shall be The Bank of New York) to transfer such amount. In addition, if on the Final Distribution Date of any Class, the funds available to be distributed on such Class are insufficient to reduce the Class Principal Balance of such Class to zero, Ginnie Mae shall make a Ginnie Mae Guaranty Payment in the amount of such insufficiency. In the event that Ginnie Mae makes any Ginnie Mae Guaranty Payment to reduce the Class Principal Balance of any Class to zero on its Final Distribution Date, such Class shall continue to be treated as outstanding for all purposes, and Ginnie Mae shall be deemed to have purchased the related Class and will be entitled to all subsequent distributions on such Class.

(c) Trustee Fee. On the Business Day following each Distribution Date, the Trustee shall withdraw for its own account from the Collection Account, the Trustee Fee and any investment earnings payable with respect to such Distribution Date.

**Section 3.07. Reconciliation Process.**

After a Distribution Date, at the request of Ginnie Mae, the Trustee shall reconcile payments in accordance with applicable Ginnie Mae guidelines. Such reconciliation may involve credits and charges to one or more Trust Accounts.

**Section 3.08. Determination of Interest Rate Indices.**

(a) General. Unless otherwise provided in the related Trust Agreement, each Floating Rate and Inverse Floating Rate Class shall bear interest during each Accrual Period at a rate determined by reference to one of the following indices: (i) LIBOR, (ii) COFI, (iii) a Treasury Index or (iv) the Prime Rate. The Trustee shall determine the applicable interest rate index levels in accordance with this Section and shall compare the results with interest rate index levels posted on Ginnie Mae's Multiclass Securities e-Access, located on Ginnie Mae's website, by the Information Agent. If there is a discrepancy, the Trustee shall contact the Information Agent to resolve the discrepancy. If the Trustee cannot resolve the discrepancy, the Trustee will contact Ginnie Mae to resolve the difference. Absent manifest error, Ginnie Mae's

determination (or, if Ginnie Mae is not consulted, the Trustee's determination) of the applicable interest rate index levels and its calculation of the Interest Rates of the Floating Rate and Inverse Floating Rate Classes shall be final and binding.

(b) Determination of LIBOR. The Trustee (or its agent) shall calculate the Interest Rates of LIBOR Classes for each Accrual Period (after the first Accrual Period) on the related Floating Rate Adjustment Date. On each Floating Rate Adjustment Date, the Trustee or its agent will determine the applicable LIBOR in accordance with one of the three following methods described below, as specified in the related Trust Agreement.

(i) BBA LIBOR. Pursuant to this method, LIBOR shall be determined as the rate (the "BBA Interest Settlement Rate"), expressed as a percentage per annum, for one-month U.S. Dollar deposits as it appears on the Dow Jones Telerate Service page 3750 (or such other page as may replace page 3750 on that service or such other service as may be nominated by the BBA for the purpose of displaying BBA Interest Settlement Rates) (the "Designated Telerate Page") as of 11:00 a.m. London time on the related Floating Rate Adjustment Date. If, on any Floating Rate Adjustment Date, the BBA Interest Settlement Rate is not reported in the manner described above and does not appear on the Designated Telerate Page, the Trustee shall determine LIBOR in the manner set forth in clause (ii) below.

(ii) LIBO Method. Pursuant to this method, LIBOR shall be determined on the basis of the offered quotations of the Reference Banks, as those quotations appear on the Reuters Screen LIBO Page, to the extent available. If not available from the Reuters Screen LIBO Page, the Trustee or its agent will request the Reference Banks to provide the offered quotations to the Trustee as of 11:00 a.m. (London time) on that Floating Rate Adjustment Date, and will determine the applicable LIBOR based on those quotations. If any Reference Bank designated by the Trustee should be removed from the Reuters Screen LIBO Page or in any other way fails to meet the qualifications of a Reference Bank, the Trustee may, in its sole discretion, designate an alternative Reference Bank.

On each Floating Rate Adjustment Date, the Trustee shall determine LIBOR for the next Accrual Period as follows:

(A) If on any Floating Rate Adjustment Date two or more of the Reference Banks provide offered quotations of the applicable maturity, LIBOR for the next Accrual Period shall be the arithmetic mean of such offered quotations (rounding such arithmetic mean upwards, if necessary, to the nearest whole multiple of 1/16%).

(B) If on any Floating Rate Adjustment Date only one or none of the Reference Banks provides such offered quotations, LIBOR for the next Accrual Period shall be whichever is the higher of (x) LIBOR as determined on the previous Floating Rate Adjustment Date and (y) the Reserve Interest Rate.

(C) If on any Floating Rate Adjustment Date the Trustee is required but is unable to determine the Reserve Interest Rate, LIBOR for the next Accrual

Period shall be LIBOR as determined on the previous Floating Rate Adjustment Date, or, in the case of the first Floating Rate Adjustment Date, the level of LIBOR used to calculate the initial Interest Rate of the particular LIBOR Class.

(iii) LIBOR for Floating Rate Classes whose Trust Assets consist of HECM MBS backed by Participations related to adjustable rate HECMs. Unless otherwise provided in the related Trust Agreement, for Floating Rate Classes whose Trust Assets consist of HECM MBS, or Underlying Certificates backed by HECM MBS, backed by Participations related to adjustable rate HECMs, LIBOR shall be determined as the rate equal to the average of the London interbank offered rates for one month United States dollar deposits as published in the Wall Street Journal thirty days prior to the first day of the month in which the related Accrual Period beings (or if such date is not a Business Day, the immediately preceding Business Day). If such rate ceases to be published in the Wall Street Journal or becomes unavailable for any reason, then the rate will be based upon a new index selected by the Trustee, from the list of indices approved for use with HUD-insured HECMs, which will be announced as soon as it is available.

In the event that LIBOR becomes unavailable, the Trustee shall designate a new index (approved by Ginnie Mae) based upon comparable information and methodology. The Trustee shall select an alternative index only if it receives an Opinion of Counsel that the selection of such alternative index will not cause the related Trust REMIC or REMICs to lose their classification as REMICs for United States federal income tax purposes. If at any time after LIBOR becomes unavailable, it again becomes available, the Interest Rates for the related LIBOR Classes for each subsequent Accrual Period shall be calculated by reference to LIBOR.

(c) Determination of COFI. On each Floating Rate Adjustment Date, the Trustee (or its agent) shall calculate the Interest Rates of COFI Classes for the related Accrual Period by reference to COFI as published most recently by the FHLB of San Francisco prior to such Floating Rate Adjustment Date.

Upon the occurrence of an Alternative Rate Event, the Trustee shall calculate the Interest Rates of the COFI Classes for the subsequent Accrual Periods by using, in place of COFI, (i) the replacement index, if any, published or designated by the FHLB of San Francisco or (ii) if no replacement index is so published or designated, an alternative index selected by the Trustee (or its agent) and approved by Ginnie Mae that has performed, or that the Trustee expects to perform, in a manner substantially similar to COFI. At the time an alternative index is first selected by the Trustee, the Trustee shall determine the average number of basis points, if any, by which the alternative index differed from COFI for such period as the Trustee, in its sole discretion, reasonably determines to reflect fairly the long-term difference between COFI and the alternative index, and shall adjust the alternative index by such average. The Trustee shall select an alternative index only if it receives an Opinion of Counsel that the selection of such index will not cause the related Trust REMIC or REMICs to lose their classification as REMICs for United States federal income tax purposes. If at any time after the occurrence of an Alternative Rate Event, the FHLB of San Francisco resumes publication of COFI, the Interest Rates of the COFI Classes for each subsequent Accrual Period shall be calculated by reference to COFI.



(d) Determination of the Treasury Index. The Trustee (or its agent) shall calculate the Interest Rates of Treasury Index Classes for each Accrual Period (after the first Accrual Period) on the related Floating Rate Adjustment Date. On each Floating Rate Adjustment Date, the Trustee will determine the applicable Treasury Index, which (i) in the case of the weekly average yield on U. S. Treasury securities adjusted to a constant maturity of one, three, five, seven or ten years or to some other maturity, will be as published by the Federal Reserve Board in the most recent edition of Federal Reserve Board Statistical Release No. H.15 (519) that is available to the Trustee and (ii) in the case of the auction average (investment) yield on three-month or six-month U.S. Treasury bills, will be as made available to the Trustee on the Treasury Public Affairs Information Line. The Trustee shall consider a new value for the Treasury Index to have been made available on the day following the date it is released by the Federal Reserve Board or placed on the Treasury Public Affairs Information Line.

In the event that the applicable Treasury Index becomes unavailable, the Trustee (or its agent) shall designate a new index, approved by Ginnie Mae, based upon comparable information and methodology. The Trustee shall select an alternative index only if it receives an Opinion of Counsel that the selection of such alternative index will not cause the related Trust REMIC or REMICs to lose their classification as REMICs for United States federal income tax purposes. If at any time after the applicable Treasury Index becomes unavailable, it again becomes available, the Interest Rates for the related Treasury Index Classes for each subsequent Accrual Period shall be calculated by reference to the applicable Treasury Index.

(e) Determination of the Prime Rate. On each Floating Rate Adjustment Date, the Trustee (or its agent) shall calculate the Interest Rates of Prime Rate Classes for the next Accrual Period by reference to the rate published as the “Prime Rate” in the “Money Rates” section or other comparable section of *The Wall Street Journal* on such Floating Rate Adjustment Date. In the event *The Wall Street Journal* publishes a prime rate range, the average of that range, as determined by the Trustee, shall be the Prime Rate. In the event *The Wall Street Journal* no longer publishes a “Prime Rate” entry, the Trustee shall designate a new methodology, approved by Ginnie Mae, for determining the Prime Rate based on comparable data. The Trustee shall select an alternative methodology only if it receives an Opinion of Counsel that the selection of such methodology will not cause the related Trust REMIC or REMICs to lose their classification as REMICs for United States federal income tax purposes. If at any time after the Prime Rate becomes unavailable in *The Wall Street Journal*, it again becomes available, the Interest Rates for the Prime Rate Classes for each subsequent Accrual Period shall be calculated by reference to the Prime Rate published in *The Wall Street Journal*.

### **Section 3.09. Appointment of Information Agent.**

Except as otherwise provided in the Trust Agreement, at the direction of Ginnie Mae, the Trustee of each Trust has appointed The Bank of New York to be the Information Agent. Ginnie Mae has reserved the right to substitute at any time another Person as the Information Agent.

### **Section 3.10. Annual Reports.**

Within a reasonable period of time after the end of each calendar year (but in no event later than sixty days after the end of such calendar year), the Trustee shall furnish or cause to be

furnished to Ginnie Mae and to each Person who at any time during the calendar year was the Holder of a Security a statement containing (a) in the case of Regular Securities, the amount of distributions allocable to principal and the amount allocable to interest, or (b) in the case of Residual Securities, the amount of distributions, in each case with respect to the Class of which such Holder's Security is a part, aggregated for such calendar year or applicable portion thereof during which such Person was a Holder. Such obligation of the Trustee shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Tax Matters Person pursuant to any requirements of the Code, Treasury Regulations and the REMIC Provisions as are from time to time in force.

## ARTICLE IV

### REPRESENTATIONS, WARRANTIES AND COVENANTS

#### **Section 4.01. Representations and Warranties of the Sponsor.**

The Sponsor hereby represents and warrants as follows:

(a) The Trust Agreement constitutes the legal, valid and binding agreement of the Sponsor, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless whether enforcement is sought in a proceeding in equity or at law;

(b) Neither the execution and delivery by the Sponsor of the Trust Agreement, nor the consummation by the Sponsor of the transactions therein contemplated, nor compliance by the Sponsor with the provisions thereof, will (i) conflict with or result in a breach of, or constitute a default under, any of the provisions of the articles of incorporation or by-laws of the Sponsor or any law, governmental rule or regulation or any judgment, decree or order binding on the Sponsor or any of its properties, or any of the provisions of any indenture, mortgage, deed of trust, contract or other instrument to which the Sponsor is a party or by which it is bound, or (ii) result in the creation of any lien, charge, or encumbrance upon any of its properties pursuant to the terms of any such indenture, mortgage, deed of trust, contract or other instrument;

(c) The information (i) set forth in the Final Data Statement, (ii) with respect to a Multifamily Series, set forth in Exhibit A and in Exhibit D, if any, to the Offering Circular Supplement or (iii) with respect to any Series backed in whole or in part by HECM MBS, set forth in Exhibit A to the Offering Circular Supplement, for such Series with respect to each Trust Asset is true and correct in all material respects as of the Closing Date;

(d) The representations and warranties made by the Sponsor in the Sponsor Agreement are true and correct in all material respects at and as of the Closing Date with the same effect as if made on the Closing Date;

(e) The Sponsor has complied with all the agreements (including, without limitation, the covenants in the Sponsor Agreement) and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date; and

(f) Each Ginnie Mae Multifamily Certificate, if any, included in the Trust constitutes a “qualified mortgage” within the meaning of Section 860G(a)(3) of the Code (but without regard to the rule in Treasury Regulation section 1.860G-2(f)(2) that treats a defective obligation as a qualified mortgage, or any substantially similar successor provision).

(g) In the case of any Series backed by HECM MBS, the certifications, representations and warranties made by the Sponsor in the Sponsor Certification are true and correct in all material respects as of the Closing Date.

It is understood and agreed that the representations and warranties set forth in this Section 4.01 shall survive delivery of the Trust Assets to the Trustee and shall inure to the benefit of the Trustee and Ginnie Mae notwithstanding any restrictive or qualified endorsement or assignment. Upon the discovery by the Sponsor or the Trustee of a breach of the foregoing representations and warranties, the party discovering such breach shall give prompt written notice to the other party to the Trust Agreement and to Ginnie Mae, and in no event later than two Business Days from the date of such discovery.

#### **Section 4.02. Representations and Warranties of the Trustee.**

The Trustee hereby represents and warrants as follows:

(a) The Trustee acknowledges and declares that it holds and will hold the Trust Assets identified in the case of any Series (other than any Series backed by Ginnie Mae Multifamily Certificates and HECM MBS), in the Final Data Statement, or, in the case of any Series backed by Ginnie Mae Multifamily Certificates or HECM MBS, in the Trustee’s Receipt Schedule A, and that it has agreed to hold all documents delivered to it with respect to such Trust Assets and all assets of the Trust in trust for the exclusive use and benefit of all present and future Holders and, to the extent provided herein, Ginnie Mae.

(b) The Trustee (i) acquired the Trust Assets on behalf of the Trust from the Sponsor in good faith, for value, and without notice or knowledge of any adverse claim, lien, charge, encumbrance or security interest (including, without limitation, any federal tax liens or liens arising under ERISA), (ii) except as permitted in the Trust Agreement, has not and will not, in any capacity, assert any claim or interest in the Trust Assets and will hold (or its agent will hold) such Trust Assets and the proceeds thereof in trust pursuant to the terms of the Trust Agreement, and (iii) has not encumbered or transferred its right, title or interest in the Trust Assets.

(c) On the Closing Date, the Trustee shall deliver to the Sponsor and Ginnie Mae a certificate certifying that the Trustee (or an agent thereof) is in possession of the Trust Assets for such Series.

#### **Section 4.03. Sponsor Breach; Repurchase Obligation; Substitution.**

Within 90 days of the earlier of Sponsor’s discovery or notice to the Sponsor of any breach by the Sponsor of any of its representations, warranties or covenants under a Sponsor Agreement, Sponsor Certification, if any, or the related Trust Agreement which breach, in the judgment of the Trustee or Ginnie Mae, materially and adversely affects the value of any Trust Asset or the interest of the Trust therein, the Sponsor shall (i) cure such breach, (ii) in the case of

Trust MBS other than HECM MBS, remove such affected Trust MBS from the Trust and substitute one or more Ginnie Mae Certificates (A) with a Certificate Rate equal to the Certificate Rate of the replaced Trust MBS as reflected in the records of the Trust and (B) with an aggregate outstanding principal balance equal to the outstanding principal balance of the replaced Trust MBS, as reflected in the records of the Trust, (C) with a Maturity Date no later than the Maturity Date of the replaced Trust MBS and no earlier than six months prior to the Maturity Date of the replaced Trust MBS, (D) that are entitled to payments on the following Ginnie Mae Certificate Payment Date (which shall be the same Ginnie Mae Certificate Payment Date on which the replaced Trust MBS was payable) and (E) that otherwise conform to the requirements of the Trust Agreement, (iii) in the case of HECM MBS, remove such affected HECM MBS from the Trust and substitute one or more HECM MBS (A) with a HECM MBS Rate equal to the HECM MBS Rate of the replaced HECM MBS, (B) with an aggregate outstanding principal balance equal to the outstanding principal balance of the replaced HECM MBS, (C) with a Maturity Date no later than the Maturity Date of the replaced HECM MBS, (D) satisfying such additional requirements, if any, as set forth in the related Trust Agreement or (iv) with the consent of Ginnie Mae purchase the affected Trust Asset from the Trust. The Sponsor shall effect any substitution of a Trust MBS by depositing with the Trust each Ginnie Mae Certificate to be substituted. However, no substitution for a Trust MBS may be made 90 days or more after the Closing Date unless such representations, warranties or covenants relate specifically to the characteristics of such Trust MBS. No substitution for a Trust MBS may be made for any reason two years or more from the Closing Date unless an Opinion of Counsel addressed to and satisfactory to Ginnie Mae is delivered to the effect that such substitution will not adversely affect the status of the related Trust REMIC or REMICs as REMICs for United States federal income tax purposes.

(a) The Sponsor shall effect a purchase of a Trust Asset from the Trust by depositing with the Trustee cash in an amount equal to the sum of (i) the then outstanding principal balance of the Trust Asset to be purchased, as reflected in the records of the Trustee, plus (ii) interest on that amount at the Certificate Rate for the period from the date on which the Trust ceases to be entitled to distributions of interest on the repurchased Trust Asset through the next succeeding Accounting Date.

## ARTICLE V

### CONCERNING THE TRUSTEE

#### **Section 5.01. Duties of Trustee.**

The Trustee undertakes to perform such duties and only such duties as are specifically set forth in the related Trust Agreement. The Trustee, upon receipt of any and all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee that are specifically required to be furnished pursuant to any provision of such Trust Agreement, or that may be furnished to the Trustee at its request, shall examine them to determine whether they conform to the requirements of such Trust Agreement.

No provision of any Trust Agreement shall be construed to relieve the Trustee of such Trust from liability for its own negligent action, its own negligent failure to act or its own misconduct; *provided, however*, that:

(a) The duties and obligations of the Trustee shall be determined solely by the express provisions of the related Trust Agreement, the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the related Trust Agreement, and no implied covenants or obligations shall be read into the related Trust Agreement against the Trustee;

(b) The Trustee shall not be personally liable for an error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts;

(c) The Trustee shall not be personally liable with respect to any action taken or suffered or omitted to be taken by it in good faith in accordance with the direction of Ginnie Mae as to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under a Trust Agreement.

(d) The Trustee with respect to any Trust shall not be personally liable with respect to any action taken or suffered or omitted to be taken by it in good faith in accordance with the direction of Holders of a Series evidencing Percentage Interests aggregating not less than 25% of each Class of Securities in such Series as to the enforcement by the Trustee of the Ginnie Mae Guaranty.

The Information Agent shall not be deemed to be the agent of the Trustee, but rather the agent of Ginnie Mae. The Trustee shall not be liable for any loss, liability or damage to any Trust attributable to the acts or omissions of the Information Agent.

**Section 5.02. Certain Matters Affecting the Trustee.**

Except as otherwise provided in Section 5.01, with respect to any Series:

(a) The Trustee may request (at its sole expense, except as otherwise provided herein) and rely conclusively upon and shall be protected in acting or refraining from acting upon any resolution, officers' certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper, Transfer Affidavit, communication or document *prima facie* in proper form and believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) The Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such Opinion of Counsel;

(c) The Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the related Trust Agreement or to institute, conduct or defend any litigation thereunder or in relation thereto at the request, order or direction of Ginnie Mae or any of the

Holder of such Series, pursuant to the provisions of the Trust Agreement, unless (i) such directing party has offered to the Trustee reasonable security or indemnity against the costs, expenses (including the fees and disbursements of Trustee's counsel), and liabilities that may be incurred by the Trustee with respect thereto or (ii) the need for or desirability of such institution, conduct or defense results from the negligence of the Trustee;

(d) The Trustee shall not be personally liable for any action taken or suffered or omitted to be taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by a Trust Agreement;

(e) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper, communications or document, unless requested in writing so to do by Ginnie Mae or the Holders of a Series evidencing Percentage Interests aggregating not less than 50% of all Securities in such Series; *provided, however*, that the reasonable expense of such investigation shall be paid by the party requesting the investigation, and the Trustee may require reasonable indemnity against the costs, expenses or liabilities likely to be incurred by it in the making of such investigation as a condition to proceeding;

(f) The Trustee may execute any of the trusts or powers under any Trust Agreement or perform any duties thereunder either directly or by or through agents or attorneys;

(g) The Trustee may rely conclusively on all calculations and other information provided to it by Ginnie Mae, the Information Agent or any other agent of Ginnie Mae; and

(h) The Trustee shall not be obligated to post a bond or other form of surety in connection with its service or status as Trustee under a Trust Agreement.

### **Section 5.03. Trustee Not Liable for Securities.**

The Trustee makes no representations as to the validity or sufficiency of any Trust Agreement or of any Securities (except that each Trust Agreement has been duly executed and is binding on the Trustee, the Certificated Securities of each Series shall be duly and validly issued, authorized, authenticated and delivered by the Trustee and the Book-Entry Securities and Uncertificated Securities of each Series shall be duly and validly issued, authorized and delivered by the Trustee) or of any Trust Asset or any document related to any of the foregoing.

The Trustee shall have no responsibility or accountability with respect to the sufficiency or adequacy of the following: (a) the Trust Assets and Ginnie Mae Guaranty to generate funds necessary to make required payments on the Securities or (b) any Offering Circular or other securities filings or reports required to be filed by any federal, state or local securities regulatory authority, including but not limited to the United States Securities and Exchange Commission.

### **Section 5.04. Trustee May Own Securities.**

The Trustee in its individual or any other capacity may become the owner or pledgee of Securities, and may transact banking or trust business with Ginnie Mae, any Sponsor, the Book-

Entry Depository, any Trust Asset Depository, any Beneficial Owner, any other Trustee or any Tax Administrator with the same rights it would have if it were not Trustee.

**Section 5.05. Payment of Trustee's Fees and Expenses.**

With respect to the Distribution Date in each month, the Trustee shall be paid compensation for all services rendered by it in the execution of the trusts created by the Trust Agreement and in the exercise and performance of any of its powers and duties under the Trust Agreement (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) in an amount equal to the Trustee Fee.

**Section 5.06. Eligibility Requirements for Trustee.**

The Trustee under any Trust Agreement must have been approved in writing by Ginnie Mae to serve as Trustee under such Trust Agreement and at all times (a) must be organized and doing business under the laws of the state of its incorporation or the United States of America, (b) must be authorized under such laws to exercise corporate trust powers, (c) must have (or must be a member of a consolidated bank or financial holding company that has) a minimum combined capital and surplus that meets the requirements prescribed by Ginnie Mae from time to time pursuant to written notice to the Trustee provided by Ginnie Mae, (d) must be a member depository institution of the FRS, (e) must be an entity subject to supervision or examination by federal or state authority and (f) unless otherwise approved by Ginnie Mae, must have a long term unsecured debt obligation rating from Moody's Investors, Inc. of at least Aa3 and a short term debt or commercial paper rating from Standard & Poor's Ratings Services, a division of the McGraw Hill Companies, Inc. of at least A-1. In addition, neither the Trustee nor any officer or professional working on the subject matter of the Trust may be currently suspended or debarred by any governmental agency, nor may such Persons have been convicted of, or found liable in a civil action for, fraud, forgery, bribery, falsification or destruction of records, making false statements or any other offense indicating a lack of business integrity that seriously and directly could affect the responsibility of the Trustee, or such officer or professional.

If the Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section the combined capital and surplus of the Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee ceases to be eligible in accordance with the provisions of this Section, the Trustee shall notify Ginnie Mae in writing immediately and, if Ginnie Mae requests, shall resign immediately in the manner and with the effect specified in Section 5.07 hereof.

**Section 5.07. Resignation and Removal of the Trustee.**

The Trustee may resign as Trustee of any Trust at any time and be discharged from the trusts created under the related Trust Agreement by giving written notice thereof to Ginnie Mae and upon appointment of a successor trustee pursuant to Section 5.08. Upon receiving such notice of resignation, Ginnie Mae may appoint a successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 90 days after the giving of such

notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee acceptable to Ginnie Mae.

Ginnie Mae may remove the Trustee for cause at any time. For the purposes of this Section “cause” shall mean one of the following:

(a) The Trustee’s ceasing to be eligible in accordance with the provisions of Section 5.06 hereof and failing to resign after written request therefor by Ginnie Mae or its agent;

(b) The Trustee’s inability to take any actions required under a Trust Agreement;

(c) The Trustee’s failure to observe or perform any of its covenants set forth in the related Trust Agreement;

(d) A court or regulatory authority having jurisdiction in the premises, including without limitation the FDIC and any similar state authority, entering a decree or order for relief in respect of the Trustee in an involuntary case under any bankruptcy, insolvency, receivership, conservatorship or other similar law or regulation, state or federal, now or hereafter in effect, or appointing a receiver, conservator, assignee, trustee, custodian, sequestrator or other similar official for the Trustee or for all or any substantial part of its property, or order the winding up or liquidation of its affairs;

(e) The Trustee’s commencing a voluntary case under any applicable bankruptcy, insolvency, receivership, conservatorship or other similar law or regulation, state or federal, now or hereafter in effect, or consenting to or acquiescing in the entry of an order for relief in an involuntary case under any such law, or consenting to or acquiescing in the appointment of or taking of possession by a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official for the Trustee or for all or any substantial part of its property, or making a general assignment for the benefit of creditors, or the Trustee’s generally failing to pay its debts as they become due;

(f) The discovery that any Location-Based Tax, other tax or other charge levied or threatened to be levied against a Trust on account of the situs of the Trustee could be avoided by the appointment of a successor trustee, to the extent that Ginnie Mae determines that such tax or other change may not be adequately covered by the Trustee; or

(g) The removal for cause of the Trustee as the trustee of any trust that has issued securities guaranteed by Ginnie Mae.

Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section shall become effective upon acceptance of appointment by the successor trustee as provided in Section 5.08 hereof but in no event shall become effective until a successor has been appointed and has accepted the duties of the Trustee. Any liability of the Trustee under a Trust Agreement arising prior to such termination shall survive such termination.

To the extent that a successor trustee is entitled to receive reasonable compensation in excess of compensation payable to the Trustee under the related Trust Agreement, the Trustee



shall indemnify Ginnie Mae and the Trust for the amount of such excess and shall provide such security for such indemnity as Ginnie Mae may require.

**Section 5.08. Successor Trustee.**

Any successor trustee appointed to serve as Trustee of a Trust as provided in Section 5.07 hereof shall execute, acknowledge and deliver to Ginnie Mae and its predecessor trustee an instrument accepting such appointment under the related Trust Agreement, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor under the Trust Agreement, with the same effect as if originally named as trustee therein. The predecessor trustee shall immediately deliver to the successor trustee all documents and statements held by it under the applicable Trust Agreement, and the predecessor trustee shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor trustee all such rights, powers, duties and obligations. The predecessor trustee shall perform the duties and obligations imposed on it in this Section irrespective of any stay arising from, any injunction or other process issued pursuant to, and any restriction or limitation imposed by any bankruptcy, insolvency, receivership, conservatorship or other similar law or regulation, state or federal, now or hereafter in effect, including without limitation 11 U.S.C. §§ 105, 362 and 18 U.S.C. §§ 1821, 1823, each as amended from time to time. In the event the predecessor trustee fails to perform the duties and obligations imposed on it in this Section, Ginnie Mae may take any action it deems necessary or advisable to cause the performance of such duties and obligations.

No successor trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor trustee is eligible under the provisions of Section 5.06 hereof.

Upon acceptance of appointment by a successor trustee as provided in this Section, the successor trustee shall mail notice of the succession of such trustee hereunder to all Holders at their addresses as shown in the Register.

**Section 5.09. Appointment of Co-Trustee.**

The Trustee shall be permitted to appoint a Person that either meets the eligibility requirements to act as a Trustee hereunder or otherwise has been approved in writing by Ginnie Mae to act as co-trustee with respect to the Trust. Any such co-trustee may perform any of the duties and obligations of the Trustee hereunder, *provided, however*, that any such appointment of any co-trustee shall not relieve the Trustee of any of its obligations and duties hereunder. The Trustee shall continue to remain liable for the performance of all such duties and obligations hereunder (including the obligation to indemnify Ginnie Mae pursuant to Section 5.11, 5.12, 5.13), irrespective of the appointment of any co-trustee to perform such duties or obligations on behalf of the Trustee.

**Section 5.10. Merger or Consolidation of Trustee.**

Any corporation into which a Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which such Trustee may be a party, or any corporation succeeding to all or substantially all of the corporate trust business of such Trustee, shall be the successor of such Trustee under the related Trust Agreement without the execution or filing of any paper or any further act on the part of any of the parties to the Trust Agreement, provided such corporation is eligible under the provisions of Section 5.06 hereof.

**Section 5.11. Indemnification of HUD and Ginnie Mae.**

The Trustee for each Trust shall indemnify and hold harmless HUD and Ginnie Mae (including each official, officer, employee and agent of HUD and Ginnie Mae) from and against any and all losses, claims, demands, liabilities, or expenses (including, without limitation, all attorneys' fees and related charges and expenses) resulting, directly or indirectly, from any Trustee default or other failure to perform under the related Trust Agreement. Without limiting the foregoing, Ginnie Mae's right to indemnification hereunder shall include the right to reimbursement of any and all amounts paid by Ginnie Mae to any Holder of such Series as a result of any failure of the Trustee properly to calculate the amount of any required distribution to any such Holder or to cause the proper distributions to be made to any such Holder, together with interest thereon at a rate equal to the yield on three-month Treasury securities.

**Section 5.12. Voting of the Underlying Certificates.**

In the event that a vote of the holders of Underlying Certificates, Underlying SMBS Securities or Underlying Callable Securities is required pursuant to the trust agreement governing any Underlying Trust, Underlying SMBS Trust or Underlying Callable Trust, the Trustee shall vote in respect of the Underlying Certificate, Underlying SMBS Securities or Underlying Callable Securities in a manner that, in its sole judgment, is consistent with the best interests of the holders of such Underlying Certificate, Underlying SMBS Security or Underlying Callable Security.

**Section 5.13. Performance Reviews by Ginnie Mae.**

At its sole discretion, and from time to time, Ginnie Mae shall have the right to undertake a full performance review of the Trustee and any subcontractors retained by the Trustee. Any such review may involve the on site inspection of the Trustee's (or any subcontractor's) facilities and the review of any books, records or documents of the Trustee (or any subcontractor) which relate to the performance by the Trustee (or any subcontractor) of its duties hereunder. In connection with any such review and inspection, the Trustee agrees to make available to Ginnie Mae appropriate officers of the Trustee (or any subcontractor) and to otherwise cooperate with such an undertaking by Ginnie Mae.

## ARTICLE VI

### TERMINATION

#### **Section 6.01. Termination by the Trustee.**

On any Distribution Date on which the aggregate of the Class Principal Balances of the Securities in a particular Series, after giving effect to distributions otherwise to be made on that date, is less than 1% of the aggregate of the Original Class Principal Balances, the Trustee may, but shall not be obligated to, effect a termination of the related Trust and retirement of the related Securities by purchasing (or causing the sale to one or more third parties of) all of the Trust Assets remaining in the Trust and depositing into the Book-Entry Depository Account the Termination Price therefor.

On any Distribution Date, upon the Trustee's determination, based upon an Opinion of Counsel, that the REMIC status of any Trust REMIC has been lost or that a substantial risk exists that such status will be lost for the then current taxable year, the Trustee shall effect a termination of the Trust, or if applicable, such Trust REMIC and any related Trust REMICs and shall retire the related Securities in the manner described above.

The Trustee promptly shall mail notice of any termination to be caused by its purchase of the assets of the Trust or one or more Trust REMICs to Holders not earlier than the fifteenth day and not later than the twentieth day of the month preceding the month of the final distribution. The notice shall specify (a) the final Distribution Date (which shall be the next Distribution Date) upon which the Holders of Certificated Securities may surrender their Securities to the Trustee for payment of the final distribution and cancellation, (b) the office of the Registrar at which Holders may surrender their Certificated Securities, (c) the amount of any final payment and (d) that the Record Date otherwise applicable to that Distribution Date is not applicable because final distributions will be made only upon presentation and surrender of the Certificated Securities at the office or agency of the Registrar specified in the notice. The Trustee shall give this notice to Ginnie Mae at the time the notice is given to Holders, and shall deposit the Termination Price into the Book-Entry Depository Account no later than 10:00 a.m. Eastern time on the final Distribution Date.

Upon presentation and surrender of the Certificated Securities, pursuant to such a notice, the Trustee shall, to the extent of available funds, cause to be distributed on the final Distribution Date to Holders of any Class of Securities, in proportion to their respective Percentage Interests, an amount equal to the applicable Class Principal Balance, if any, together with any accrued and unpaid interest thereon at the applicable Interest Rate.

The following additional requirements shall be met in the event of any termination of the Trust or any Trust REMIC pursuant to this Section 6.01 (including as a result of the redemption of Underlying Callable Securities):

(a) within 90 days prior to the final Distribution Date, the Trustee, on behalf of each related Trust REMIC, shall adopt a plan of complete liquidation meeting the requirements of a qualified liquidation under the REMIC Provisions (which plan the Trustee may adopt by

attaching to each Trust REMIC's final United States federal income tax return a statement specifying the first day of the 90-day liquidation period);

(b) upon making final payment of principal and interest on the related Securities (and the related Pooling REMIC Subaccounts, if any) and depositing any unclaimed funds otherwise distributable to the Holders of such Securities in the Termination Account (established pursuant to Section 6.03) on the final Distribution Date, the Trustee shall distribute or credit, or cause to be distributed or credited, to the Holders of the related Residual Securities, all cash on hand relating to the applicable Trust REMIC (other than cash retained to meet claims), and each related Trust REMIC shall terminate at that time; and

(c) in no event may the final payment on the related Securities or the related Pooling REMIC Subaccounts, if any, be made after the 90th day from the date on which the plan of complete liquidation is adopted. A payment into the Termination Account with respect to any Security pursuant to Section 6.03 hereof shall be deemed a final payment on, or final distribution with respect to, such Security for the purposes of this clause.

The Holder of a Residual Security issued by the Trust, by its acceptance of such Security, authorizes and is deemed to take whatever action may be necessary to adopt a plan of complete liquidation of the related Trust REMIC upon the written request of the Trustee, and this authorization shall bind all successor Holders of the Residual Security.

#### **Section 6.02. Termination of Agreement.**

The respective obligations and responsibilities of the Sponsor and the Trustee created by the Trust Agreement (other than the obligation of the Trustee to make certain payments to Holders after the final Distribution Date and the obligation of the Trustee to send certain notices as set forth herein) shall terminate upon (a) the payment of all principal and accrued interest on the Securities and Pooling REMIC Subaccounts, if any, and all other amounts due and owing by the Trustee under such Trust Agreement and (b) the last action required to be taken by the Trustee on the final Distribution Date pursuant to this Article VI following the earlier of (i) the purchase by the Trustee of all Trust Assets remaining in the Trust pursuant to Section 6.01 hereof at a price equal to the Termination Price and (ii) the final payment or other liquidation (or any advance with respect thereto) of the last Trust Asset remaining in the Trust; *provided, however,* that in no event shall the Trust created hereby continue beyond the expiration of 21 years less one day from the death of the last survivor of the descendants of Joseph P. Kennedy, the late ambassador of the United States to the Court of St. James's, living on the date hereof.

#### **Section 6.03. Termination Account.**

If all of the Holders do not surrender their Securities for final payment and cancellation on or before the final Distribution Date, the Trustee, on the final Distribution Date, shall withdraw all funds remaining in the Trust Accounts and shall credit those remaining funds to the Holders who did not surrender their Securities by depositing such funds in a Termination Account for the benefit of such Holders, and the Trustee shall give a second written notice to the remaining Holders to surrender their Securities for cancellation and receive the final distribution with respect thereto. If within one year after the sending of the second notice all the Securities

shall not have been surrendered for cancellation, the Trustee shall take appropriate steps, at the direction of Ginnie Mae, if Ginnie Mae chooses to provide direction, or may appoint an agent to take appropriate steps, to contact the remaining Holders concerning surrender of their Securities, and the cost thereof shall be paid out of the funds on deposit in the Termination Account. The Trustee shall not invest or owe interest on funds in the Termination Account. The Trustee shall maintain the Termination Account for five years, subject to applicable laws of escheatment, after which time the assets shall be transferred to Ginnie Mae.

## **ARTICLE VII**

### **REMIC TAX PROVISIONS**

#### **Section 7.01. REMIC Administration.**

Each Holder of a Residual Interest in a Trust REMIC hereby designates the Tax Administrator, as its agent, to act as the Tax Matters Person of such Trust REMIC and to perform certain tax administration functions of such Trust REMIC as set forth in this Section.

(a) With respect to each Trust, the related Trustee shall elect (on behalf of each Trust REMIC to be created) on Form 1066 to have each Asset Pool treated as a REMIC for the taxable year ending on the last day of the calendar year in which the Securities are issued as well as on any corresponding state tax or information return necessary to have such Asset Pool treated as a REMIC or comparable pass-through entity under state law. Pursuant to such election or elections, (i) in the case of a Single REMIC Series, (x) if a single Trust REMIC is established, the Trustee shall designate the Class R Securities as the Residual Interest and shall designate the other REMIC Securities as the Regular Interests, or (y) if side-by-side Trust REMICs are established, the Trustee shall designate each Class of Class R Securities corresponding to a Trust REMIC (or the interest in each Trust REMIC represented by the Class RR Securities) as the Residual Interest in such Trust REMIC, and shall designate the other REMIC Securities as Regular Interests in the related Trust REMIC, and (ii) in the case of a Double REMIC Series, (x) the Trustee shall designate either the related Class of Class RP Securities corresponding to a Pooling REMIC or the interest in the related Pooling REMIC represented by the Class RR Securities (as the case may be) as the Residual Interest in the related Pooling REMIC and shall designate the related Pooling REMIC Subaccounts as the Regular Interests in the related Pooling REMIC, and (y) the Trustee shall designate either the Class RI Securities corresponding to an Issuing REMIC or the interest in such Issuing REMIC represented by the Class RR Securities (as the case may be) as the Residual Interest in such Issuing REMIC and shall designate the other related REMIC Securities (excluding the Class RP Securities, if any) as the Regular Interests in the related Issuing REMIC. The “latest possible maturity date” of the Regular Interests within the meaning of Treasury regulations Section 1.860G-1(a)(4) will be the 36th Distribution Date following the month during which the last maturing Mortgage Loan in the related REMIC matures.

(b) With respect to each Trust, the Closing Date is hereby designated as the Startup Day of each related Trust REMIC within the meaning of Section 860G(a)(9) of the Code.

(c) With respect to each Trust, the Tax Administrator shall pay in a timely manner:

(i) the amount of any United States federal, state and local taxes imposed on the Trust or a related Trust REMIC or Asset Pool out of amounts in any of the Trust Accounts (except for Location-Based Taxes attributable to the Tax Administrator, which shall be paid by the Tax Administrator out of its own funds); *provided, however*, that the Tax Administrator may decide, provided it has received the written permission of Ginnie Mae, to pay or deposit such tax but subsequently to contest such tax, or, if permitted by law, to refrain from paying such tax pending the outcome of the contest of such tax, and

(ii) out of its own funds, any and all tax related expenses (not including taxes) of the Trust and each related Trust REMIC or Asset Pool, including but not limited to any professional fees or expenses related to audits or any administrative or judicial proceedings with respect to each such Trust REMIC that involves the Internal Revenue Service or state or local tax authorities; *provided, however*, that the Tax Administrator may pay out of amounts in any of the Trust Accounts the reasonable cost of contesting a tax imposed on the Trust or a related Trust REMIC or Asset Pool, provided that the Tax Administrator has received Ginnie Mae's written permission to engage in the contest.

(d) With respect to each Trust, the Tax Administrator shall maintain all books, records, and supporting documents of the related Trust REMICs that are necessary to comply with any and all aspects of the Tax Administrator's duties under the Trust Agreement and other Closing Documents.

(e) For each Trust, the related Tax Administrator shall timely prepare, sign (or, as appropriate, submit to the Trustee for signature) and file all of the United States federal, state, and local tax and information returns (other than Forms 1099 or applicable successor forms) of the Trust and each related Trust REMIC or Asset Pool. The expenses of preparing and filing such returns shall be borne by the Tax Administrator without any right to reimbursement by the Trustee or from amounts on deposit in the Trust Accounts.

(f) The Tax Administrator for each Trust shall assist the Trustee in performing in a timely manner all reporting and other tax compliance duties that are the responsibility of the Trust and each related Trust REMIC or Asset Pool under the REMIC Provisions or state or local tax law. Upon the Tax Administrator's request, the Trustee shall provide the Tax Administrator with a list of Holders of record and any other information reasonably necessary to the Tax Administrator in the performance of its duties. Among its other duties, the Tax Administrator, acting as agent of each Trust REMIC, shall compile and deliver (or provide, by mail, telephone or publication as may be permitted by applicable Treasury Regulations) (i) to the Treasury or other governmental authority such information as is necessary for the application of any tax relating to the transfer of an Ownership Interest to any Disqualified Organization and (ii) to the Trustee such information or reports as are required under the REMIC Provisions to be provided to the Treasury or other governmental authority and to the holders of the Regular Interests and Residual Interests in the Trust REMIC. As a specific exception to the foregoing, however, the Trustee shall produce (based on income information prepared by the Tax Administrator) and distribute any Forms 1099 (or applicable successor forms) that are required to be distributed under the Code and Treasury regulations.

(g) With respect to each Trust, the Tax Administrator, the Trustee and the Holders of Residual Interests shall take any action or cause the related Trust REMIC to take any action necessary to create or maintain the status of such Trust REMIC as a REMIC under the REMIC Provisions and shall assist each other as necessary to create or maintain such status.

(h) With respect to each Trust, neither the Tax Administrator, the Trustee nor the Holder of a Residual Interest shall take any action or fail to take any action, or cause any Trust REMIC to take any action or fail to take any action that, if taken or not taken, could endanger the status of any such Trust REMIC as a REMIC unless the Trustee and the Tax Administrator have received the consent of Ginnie Mae and an Opinion of Counsel (at the expense of the party seeking to take or to fail to take such action) to the effect that the contemplated action or failure to act will not endanger such status.

(i) With respect to each Trust, the Trustee, with the assistance of the Tax Administrator, shall perform in a timely manner the reporting duties that are the responsibility of the Trust and each related Trust REMIC under the REMIC provisions as described in Section 7.01(f) hereof and all applicable withholding of United States federal tax as required by the Code with respect to Holders and holders of Pooling REMIC Interests that are Non-U.S. Persons. The Trustee shall evaluate applicable exemptions from such withholding, and shall file or cause to be filed with the Internal Revenue Service all applicable returns related to such withholding.

(j) As a condition to the payment of any principal of or interest on any Security or beneficial interest therein without the imposition of withholding tax, the Trustee or the Tax Administrator may require the previous delivery of (i) a properly completed and signed certification, including an Internal Revenue Service Form W-9 (or applicable successor form) in the case of a Person that is a “United States person” within the meaning of Section 7701(a)(30) of the Code or the appropriate Internal Revenue Service Form W-8 (or applicable successor form) and any applicable attachments in the case of a Person that is not a “United States person” within the meaning of Section 7701(a)(30) of the Code and (ii) any documentation that is required under the Code (including, without limitation, Sections 1471 through 1474 of the Code) to enable the Trustee or the Tax Administrator to determine its duties and liabilities with respect to any taxes that it may be required to withhold pursuant to the Code.

(k) With respect to each Trust and each Trust REMIC, unless otherwise provided in the related Trust Agreement, the fiscal year of such Trust and each Trust REMIC shall run from January 1 (or from the Closing Date, in the case of the first fiscal year) through December 31.

(l) The Trustee shall reimburse the Trust for any Location-Based Taxes.

**Section 7.02. Resignation and Removal of the Tax Administrator.**

(a) Unless otherwise provided in the Trust Agreement, the Trustee shall act as Tax Administrator. The Trustee may subcontract with another Person acceptable to Ginnie Mae to undertake these obligations. In addition, Ginnie Mae reserves the right to require the Trustee to subcontract with a Person designated by Ginnie Mae to perform these duties. Execution of a subcontract shall not relieve the Trustee, however, of any responsibility for the tax

administration of the Trust or of liability for breaches of the obligations of the Tax Administrator under the Trust Agreement.

(b) If the Tax Administrator for a Trust is unable for any reason to fulfill its duties as Tax Administrator of the related Trust REMIC or REMICs, the Tax Administrator shall immediately notify Ginnie Mae and the Trustee. Upon notification, the Trustee may appoint another Person acceptable to Ginnie Mae to act as Tax Administrator for the related Trust REMIC or REMICs or Ginnie Mae may direct the Trustee to appoint another Person to act in such capacity.

(c) Except as provided in a Trust Agreement, Ginnie Mae has reserved the right to remove the Tax Administrator for cause at any time. For the purposes of this Section “cause” shall mean one of the following:

(i) The Tax Administrator’s inability to take any actions required under a Trust Agreement;

(ii) Failure on the part of the Tax Administrator to observe or perform any other of its covenants set forth in the related Trust Agreement;

(iii) A court having jurisdiction entering a decree or order for relief in respect of the Tax Administrator in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, sequestrator (or other similar official) of the Tax Administrator or for all or substantially all of its property, or order the winding up or liquidation of its affairs; or

(iv) The Tax Administrator commencing a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consenting to the entry of an order for relief in an involuntary case under any such law, or consenting to the appointment of or taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Tax Administrator or for any substantial part of its property, or making any general assignment for the benefit of creditors, or the Tax Administrator failing generally to pay its debts as they become due.

(d) Any resignation or removal of the Tax Administrator and appointment of a successor Tax Administrator pursuant to any of the provisions of this Section shall become effective upon acceptance of appointment by the successor Tax Administrator as provided in Section 7.02(e) below. Any liability of the Tax Administrator under a Trust Agreement arising prior to such termination shall survive such termination.

(e) The successor Tax Administrator appointed to serve as Tax Administrator of a Trust REMIC as provided in this Section shall execute, acknowledge and deliver to Ginnie Mae and its predecessor Tax Administrator a written acceptance of such appointment under the related Trust Agreement, and thereupon the resignation or removal of the predecessor Tax Administrator shall become effective and such successor Tax Administrator, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and



obligations of its predecessor under such Trust Agreement, with the same effect as if originally named as Tax Administrator therein.

**Section 7.03. Prohibited Activities.**

Except as otherwise provided in a Trust Agreement, neither the Tax Administrator, the Holders of Residual Interests, nor the Trustee shall engage in, nor shall the Trustee permit, any of the following transactions or activities unless it has received (a) a Special Tax Opinion and (b) a Special Tax Consent from each of the Holders of the Residual Securities in the related Series (unless the Special Tax Opinion specially provides that no REMIC-level or Trust-level tax will result from the transaction or activity in question):

(i) the sale or other disposition of, or substitution for, any of the Trust Assets except pursuant to (A) the bankruptcy or insolvency of any related Trust REMIC, (B) the termination of any related Trust REMIC pursuant to Section 6.01, or (C) a substitution or purchase in accordance with Section 4.03;

(ii) the acquisition of any Ginnie Mae Certificates or Eligible Certificates for the Trust after the Closing Date except (A) during the three-month period beginning on the Closing Date pursuant to a fixed price contract in effect on the Closing Date that has been reviewed and approved by tax counsel acceptable to Ginnie Mae or (B) a substitution in accordance with Section 4.03;

(iii) the sale or other disposition of any investment in any Trust REMIC Account at a gain;

(iv) the acceptance of any contribution to the Trust except the following cash contributions: (A) a contribution received during the three month period beginning on the Closing Date, (B) a contribution to facilitate an optional termination that is made within the 90-day period beginning on the date on which a plan of complete liquidation is adopted pursuant to Section 6.01 and (C) any other contribution approved by Ginnie Mae and the Tax Administrator after consultation with tax counsel;

(v) if the Trust Assets related to a Security consist of any Ginnie Mae Construction Loan Certificates, any modification of the terms of any Trust MBS; or

(vi) any other transaction or activity that is not contemplated by the Trust Agreement.

Any party causing the Trust to engage in any of the activities prohibited in this Section shall be liable for the payment of any tax imposed on the Trust or any related Trust REMIC or Asset Pool pursuant to Code section 860F(a)(1) or 860G(d) as a result of the Trust engaging in such activities.

**Section 7.04. Double REMIC Series.**

(a) With respect to a Double REMIC Series, amounts withdrawn from any Pooling Portion of the Book-Entry Depository Account in accordance with Section 3.04(d) (other than

amounts distributable in respect of a Pooling REMIC Residual Interest) shall be deemed to be distributed on the Pooling REMIC Subaccounts of the related Pooling REMIC and withdrawn from those Pooling REMIC Subaccounts to be transferred to the related Issuing Portion of the Book-Entry Depository Account or the related Issuing Portion of the Collection Account, as applicable, and any amounts payable on MX or Modifiable Securities shall be deemed withdrawn from such Issuing Portions and transferred to the applicable MX or Modifiable Securities accounts as payments on the REMIC Securities underlying such MX or Modifiable Securities.

(b) With respect to each Double REMIC Series, the Trust Agreement will set forth the terms of each Pooling REMIC Regular Interest and each Pooling REMIC Residual Interest. Unless otherwise specified in the Trust Agreement (i) the Pooling REMIC Regular Interests will be designated as “regular interests” in the related Pooling REMIC for purposes of the REMIC Provisions but will not constitute securities or certificates of interest in the Trust and (ii) the Trustee will be the legal owner of the Pooling REMIC Regular Interests, which may not be transferred to any person other than a successor trustee appointed pursuant to Section 5.08 hereof unless the party desiring to transfer such Interests obtains a Special Tax Opinion.

#### **Section 7.05. Final Residual Proceeds.**

(a) Single REMIC Series. The Holders of the Residual Securities of each Trust REMIC shall be entitled to receive, on the Distribution Date after payment in full of the Regular Interests in such Trust REMIC, any amounts due Ginnie Mae and any administrative expenses associated with such REMIC, their pro rata shares of any amounts remaining in such Trust REMIC.

(b) Double REMIC Series. The Holders of the Residual Securities of one or more Pooling REMICs and an Issuing REMIC shall be entitled to receive, on each Distribution Date after payment of any amounts due to the Regular Interests in such Issuing REMIC and the related Pooling REMICs as of such Distribution Date, any amounts due Ginnie Mae and any administrative expenses associated with such REMICs and the related Trust, their pro rata shares of any amounts remaining in such Pooling REMICs and the Issuing REMIC. The Holders of the Class RP Securities of a Pooling REMIC shall be entitled to receive, on each Distribution Date after payment of any amounts due to the Regular Interests in the related Pooling REMIC as of such Distribution Date, any amounts due Ginnie Mae and any administrative expenses associated with the related Pooling REMIC and the related Trust, their pro rata shares of any amounts remaining in such Pooling REMIC. The Holders of the Class RI Securities of an Issuing REMIC shall be entitled to receive, on each Distribution Date after payment of any amounts due to the Regular Interests in the Issuing REMIC as of such Distribution Date, any amounts due Ginnie Mae and any administrative expenses associated with such REMIC and the related Trust, their pro rata shares of any amounts remaining in such Issuing REMIC.

## ARTICLE VIII

### MISCELLANEOUS PROVISIONS

#### **Section 8.01. Limitation of Rights of Holders.**

The death or incapacity of any person having an interest, beneficial or otherwise, in a Security shall not operate to terminate any Trust Agreement or any Trust REMIC, nor entitle the legal representatives or heirs of such person or any Holder for such person to claim an accounting, take any action or bring any proceeding in any court for a partition or winding up of any Trust REMIC, nor otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

#### **Section 8.02. Control by Holders.**

Except as otherwise provided in the Trust Agreement, no Holder in any Series shall have any right to vote or in any manner otherwise control the administration, operation and management of any Trust REMIC or the Securities backing such Trust REMIC, or the obligations of the parties hereto, nor shall anything herein set forth, or contained in the terms of the Securities, be construed so as to constitute the Holders from time to time as partners or members of an association; nor shall a Holder be under any liability to any third person by reason of any action taken by the parties to this Trust Agreement pursuant to any provision hereof. Notwithstanding the foregoing, the Holders of 25% of the Voting Rights shall have the right to require the related Trustee to enforce on their behalf the Ginnie Mae Guaranty in accordance with Section 3.06(b) hereof.

#### **Section 8.03. Amendment of Trust Agreements.**

(a) Any Trust Agreement may, with the consent of Ginnie Mae, and shall, at the request of Ginnie Mae, be amended from time to time by the Trustee without the consent of the Sponsor or any Holder or Holders (i) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to this Trust Agreement, provided that any such amendment shall not effect a change in principal priority schedules, interest rates, the Termination Price, Distribution Dates, Record Dates, Accounting Dates, terms of optional terminations, the Ginnie Mae Guaranty or other payment terms established by the Trust Agreement for the Series or otherwise adversely affect in any material respect the interests of any Holder and shall not impose an additional obligation on any party who has not consented to such amendment; (ii) to permit the Trustee to take any necessary or helpful action to maintain the qualification of any Trust REMIC as a REMIC under the Code or to avoid the imposition of any state or United States federal tax on any Trust or related Trust REMIC or Asset Pool; or (iii) except as provided in Section 8.03(b) below, to make any other changes that Ginnie Mae requests. Notwithstanding any other provision herein, the related Trust Agreement may not be amended if the effect of such amendment is to adversely affect the status of any related Trust REMIC as a REMIC under the Code or to result in the imposition of any United States federal or applicable state tax on any Trust or any related Trust REMIC or Asset Pool.

(b) Notwithstanding any other provision herein, without the consent of each Holder who may be adversely affected, the related Trust Agreement may not be amended to impair or affect the right of such Holder to receive payment of principal and interest (including any payment under the Ginnie Mae Guaranty in respect thereof) or to institute suit for the enforcement of any such payment, all as herein provided, on or after the respective due date of such payment.

(c) Solely for purposes of this Section, if the principal amount of a Residual Class has been reduced to zero prior to the principal amounts of all the other Classes of Securities of the related Series having been reduced to zero, each Security of such Residual Class shall be deemed to have an aggregate outstanding principal amount of \$1,000.00.

(d) In connection with any amendment to a Trust Agreement made pursuant to this Section 8.03, the Sponsor shall deliver to Ginnie Mae and the Trustee (i) an Opinion of Counsel (who, if the amendment is at the request of the Sponsor, may be Trust Counsel), addressed to Ginnie Mae and the Trustee, to the effect that (A) such counsel has examined the amendment and the relevant portion of the related Trust Agreement and (B) the amendment is permitted by the related Trust Agreement and (ii) a Special Tax Opinion, addressed to Ginnie Mae and the Trustee, and any required Special Tax Consents.

#### **Section 8.04. Persons Deemed Owners.**

The Trustee, Ginnie Mae and the Registrar, or any agent of the Trustee, Ginnie Mae or the Registrar, may deem and treat the Holder of the Securities (which, with respect to the Book-Entry Securities, will be the Book-Entry Depository (or its nominee)), as the absolute owner of such Securities for the purpose of receiving distributions of principal or interest and for all other purposes, and neither the Trustee, Ginnie Mae nor the Registrar, nor any agent of the Trustee, Ginnie Mae or the Registrar, shall be affected by any notice to the contrary. All such distributions so made to the Holder or upon such Holder's order shall be valid and, to the extent of the sum or sums so distributed, effectual to satisfy and discharge the duty for monies distributable by the Trustee upon such Securities.

The Holder of a Book-Entry Security is not the Beneficial Owner of such Security. The rights of a Beneficial Owner of a Book-Entry Security with respect to the Trustee, Ginnie Mae and the Registrar may be exercised only through the Holder, which is the Book-Entry Depository or its nominee. The Trustee, Ginnie Mae and the Registrar will have no obligation to a Beneficial Owner of a Book-Entry Security because such obligations are satisfied directly to the Book-Entry Depository.

#### **Section 8.05. Third-Party Beneficiary; Ginnie Mae Subrogation.**

The Trustee and the Sponsor hereby acknowledge and agree that Ginnie Mae is a third-party beneficiary of each Trust Agreement and entitled to enforce all obligations of any party to a Trust Agreement. Ginnie Mae shall be subrogated to all the rights, interests, remedies, powers and privileges of the Holders in respect of any Ginnie Mae Guaranty Payments, to the extent of such payments.

#### **Section 8.06. Preemption.**

Pursuant to Section 306(g)(3)(E)(iv) of the National Housing Act (12 U.S.C. § 1721(g)(3)(E)(iv)), Ginnie Mae may exercise any right or power granted to it in or recognized under the Trust Agreement irrespective of any stay arising from, any injunction or other process issued pursuant to, and any restriction or limitation imposed by any bankruptcy, insolvency, receivership, conservatorship or other similar law or regulation, state or federal, now or hereafter in effect, including without limitation 11 U.S.C. §§ 105, 362 and 18 U.S.C. §§ 1821, 1823, each as amended from time to time.

**Section 8.07. Governing Law.**

THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE UNITED STATES OF AMERICA. IN SO FAR AS THERE MAY BE NO APPLICABLE LAW OF THE UNITED STATES, THE INTERNAL LAWS OF THE STATE OF NEW YORK (WITHOUT GIVING REGARD TO CONFLICT OF LAWS PRINCIPLES OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) SHALL BE DEEMED REFLECTIVE OF THE LAWS OF THE UNITED STATES OF AMERICA, IN SO FAR AS TO DO SO WOULD NOT FRUSTRATE THE PURPOSES OF ANY PROVISION OF THE TRUST AGREEMENT OR THE TRANSACTIONS GOVERNED THEREBY.

**Section 8.08. Successors.**

The Trust Agreement shall be binding upon and shall inure to the benefit of any successor to the Trustee, the Sponsor, or Ginnie Mae, including any successor by operation of law.

**Section 8.09. Headings.**

The Article and Section headings are for convenience only and shall not affect the construction of the Trust Agreement.

**Section 8.10. Notice and Demand.**

Any notice, demand or other communication which by any provision of a Trust Agreement is required or permitted to be given or served to or upon any Holder may be given or served in writing by deposit thereof, postage prepaid, in the United States mail addressed to such Holder as such Holder's name and address may appear in the records of the Trustee or the Registrar. Such notice, demand or other communication to or upon a Holder shall be deemed to have been sufficiently given or made, for all purposes, upon mailing or transmission.

RECEIPT AND ACCEPTANCE OF A SECURITY BY OR ON BEHALF OF A HOLDER, WITHOUT ANY SIGNATURE OR FURTHER MANIFESTATION OF ASSENT, SHALL CONSTITUTE THE UNCONDITIONAL ACCEPTANCE BY THE HOLDER AND ALL OTHERS HAVING A BENEFICIAL INTEREST IN SUCH SECURITY OF ALL THE TERMS AND PROVISIONS OF THE RELATED TRUST AGREEMENT.

All demands, notices, approvals and communications under the Trust Agreement shall be in writing and shall be deemed to have been duly given if personally delivered (including

overnight receipted delivery by a recognized courier service) to or mailed by registered mail, postage prepaid, or transmitted by any standard form of written telecommunications and confirmed by a similar mailed writing, to the address provided in the Trust Agreement. The address for Ginnie Mae shall be as follows:

Government National Mortgage Association  
550 12<sup>th</sup> Street, SW  
Third Floor  
Washington, DC 20024  
Attention: Senior Vice President, Capital Markets Division  
Telephone: (202) 475-4926

With copies to:

Department of Housing and Urban Development

Office of General Counsel

Room 9254

451 Seventh Street, S.W.

Washington, D.C. 20410-9000

Attention: Assistant General Counsel Ginnie Mae/Finance

Telephone: (202) 708-3260

and the Legal Advisor as of the date of the demand, notice, approval or communication.

The addresses of all other parties are set forth in the related Sponsor Agreement.

**Section 8.11. Severability of Provisions.**

Any part, provision, representation or warranty of any Trust Agreement that is prohibited or that is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining parts, provisions, representations or warranties of that Trust Agreement. Any part, provision, representation or warranty of a Trust Agreement that is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining parts, provisions, representations or warranties of that Trust Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties to each Trust Agreement waive any provision of law which prohibits or renders void or unenforceable any provision of that Trust Agreement.

**Section 8.12. Counterparts.**

The Trust Agreement may be executed in two or more counterparts, each of which when so executed and delivered shall be an original, and all of which together shall constitute one and

the same instrument. The Trust Agreement shall inure to the benefit of and be binding upon the parties thereto and their respective successors and assigns.

FORM OF TRANSFER AFFIDAVIT

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GINNIE MAE REMIC TRUST 20\_\_

Re: Government National Mortgage Association  
Ginnie Mae REMIC Trust 20\_\_ (the "Trust"),  
Guaranteed [Multifamily] REMIC Pass-Through Securities  
Class [R] [RR] [RP and/or RI] Securities

Under penalties of perjury, I, [Representative of Purchaser], declare that, to the best of my knowledge and belief, the following representations and warranties are true, correct, and complete.

1. That I am [Title of Representative] of [Purchaser], a \_\_\_\_\_ (the "Purchaser"), whose mailing address is \_\_\_\_\_ and whose taxpayer identification number is \_\_\_\_\_, and on behalf of which I have the authority to make this affidavit. If the Purchaser is disregarded as an entity separate from its owner under Treasury Regulation Section 301.7701-3(b)(1)(ii) or is characterized as a partnership for United States federal income tax purposes, each owner of the Purchaser is identified on Schedule 1. Further, if the Purchaser is disregarded as an entity separate from its owner under Treasury Regulation Section 301.7701-3(b)(1)(ii), the Purchaser makes the following representations both in respect of itself and its beneficial owner.

[\_\_\_\_\_ has been chosen as Nominee for the Purchaser (the "Nominee"). The mailing address for the Nominee is \_\_\_\_\_ and its taxpayer identification number is \_\_\_\_\_.]

2. That the Purchaser is acquiring a Class [R][RR][RP and/or RI][R ] Security representing a residual interest in one or more Trust REMICs for whose designated assets a real estate mortgage investment conduit (a "REMIC") election or elections are to be made under Section 860D of the United States Internal Revenue Code of 1986, as amended (the "Code").

3. That the Purchaser understands that no residual interest may be transferred, sold, or otherwise assigned without the express written consent of the Trustee and that as a condition to that consent, any transferee (including the initial purchaser) of such an interest must provide the Trustee with a properly completed transfer affidavit, substantially in the form of this affidavit.





















































































































































































































































































