

**GINNIE MAE MULTICLASS SECURITIES PROGRAM**

**Government National Mortgage Association**



**MULTICLASS SECURITIES GUIDE**

**Part VI: Ginnie Mae Multiclass Securities Transactions:  
Stripped Mortgage-Backed Securities Transaction  
Documents (“SMBS”)**

**July 1, 2023**

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**  
**MULTICLASS SECURITIES GUIDE**  
**(July 1, 2023 Edition)**

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## GENERAL OVERVIEW: SMBS TRANSACTIONS

### *INTRODUCTORY STATEMENT*

Ginnie Mae provides for the guarantee of Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities under the Ginnie Mae Multiclass Securities Program. The requirements of the Ginnie Mae Multiclass Securities Program are set forth in the Ginnie Mae Multiclass Securities Guide (the “Guide”), which consists of seven parts. Refer to Part I of the Guide for an introduction to, and transaction guidelines for, the Ginnie Mae Multiclass Securities Program generally. This Part VI of the Guide relates to the issuance of Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities (“SMBS Securities”) and provides for modifications of the transaction guidelines for such issuance. Capitalized terms that are used but not defined herein have the meanings ascribed thereto in the Glossary contained in Part I of the Guide.

The Standard Trust Provisions for Ginnie Mae SMBS Trusts and Standard Sponsor Provisions for Ginnie Mae SMBS Securities are contained in this Part VI. For issuances of SMBS Securities, the related transaction parties are required to use the forms of documents specifically related to SMBS Securities transactions contained in this Part VI. Trust counsel should contact Ginnie Mae’s Legal Advisor for the Base Offering Circular and the form of Offering Circular Supplement for SMBS Securities and Ginnie Mae’s Financial Advisor for the forms of the Accountants’ Agreed-Upon Procedures Letters for SMBS Securities transactions. Any changes to any transaction documents will require prior approval by Ginnie Mae and Ginnie Mae’s Legal Advisor.

This Part VI of the Guide also provides information regarding associated fees and important Ginnie Mae policy regarding SMBS Trusts.

### *SMBS TRUSTS*

SMBS Securities, which will be sold from time to time in one or more series, represent interests in separate Ginnie Mae SMBS Trusts established from time to time. Ginnie Mae guarantees the timely payment of principal and interest on each Class of SMBS Securities.

Each Trust will be comprised primarily of (i) “fully modified pass-through” mortgage-backed certificates as to which Ginnie Mae has guaranteed the timely payment of principal and interest pursuant to the Ginnie Mae I Program or the Ginnie Mae II Program, (ii) certificates backed by Ginnie Mae MBS Certificates as to which Ginnie Mae has guaranteed the timely payment of principal and interest pursuant to the Ginnie Mae Platinum Program, (iii) previously issued REMIC or comparable mortgage certificates, or (iv) previously issued SMBS Securities, in each case, evidencing interests in trusts consisting primarily of direct or indirect interests in Ginnie Mae Certificates, as further described in the related Offering Circular Supplement.

Each Series will be issued in two or more Classes. Each Class of Securities of a Series will evidence an interest in future principal payments and/or an interest in future interest payments on the Trust Assets included in the related SMBS Trust. The SMBS Trust created for each issue of SMBS Securities will be classified as a grantor trust.

Ginnie Mae will be entitled to a Guaranty Fee payable at the settlement (i.e., the Closing Date) of each SMBS Trust. The Ginnie Mae Guaranty Fee is an amount that equals the product of 0.03125% and the aggregate Class Principal Balance of the Securities as of the Closing Date.\*

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\* The Ginnie Mae Guaranty Fee is subject to change by Ginnie Mae.



**[RESERVED]**

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**STANDARD SPONSOR PROVISIONS**

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GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED STRIPPED MORTGAGE-BACKED SECURITIES

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July 1, 2023 Edition

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**STANDARD SPONSOR PROVISIONS**  
**FOR GINNIE MAE SMBS SECURITIES**

THESE STANDARD SPONSOR PROVISIONS FOR GINNIE MAE SMBS SECURITIES are to be incorporated by reference in each Sponsor Agreement relating to the issuance of Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities entered into by and between the GOVERNMENT NATIONAL MORTGAGE ASSOCIATION and each Sponsor.

**SECTION 1. *Definitions.*** Capitalized terms used and not defined herein shall have the meanings assigned to them in the Glossary included in the Ginnie Mae Multiclass Securities Guide in effect as of the date of the related Sponsor Agreement.

Class: As to any Series of Ginnie Mae Guaranteed SMBS Securities, all of the Securities sharing the same designation. As to each SMBS Trust, the designations, Original Class Principal Balances (if any), original Class Notional Balances (if any), Interest Rates (if any) and other specific characteristics of each Class of Securities shall be as set forth in the related SMBS Trust Agreement.

eCommerce Laws: ESIGN, UETA, any applicable state or local equivalent or similar laws and regulations, and any rules, regulations and guidelines promulgated under any of the foregoing.

ESIGN: The Electronic Signature In Global and National Commerce Act, Pub. L. No. 106-229, 114 Stat. 464 (codified at 15 U.S.C. §§ 7001-31), as the same may be supplemented, amended, recodified or replaced from time to time.

UETA: The Uniform Electronic Transactions Act, as adopted in the relevant jurisdiction, and as may be supplemented, modified or replaced from time to time.

**SECTION 2. *Commitment to Sell and Purchase.*** Subject to satisfaction of the conditions to Sponsor's obligations set forth in these Standard Sponsor Provisions, on the Closing Date the Sponsor will establish an SMBS Trust by executing an SMBS Trust Agreement in form and substance substantially similar to the form included in Part VI of the Ginnie Mae Multiclass Securities Guide, with only such changes as are necessary to reflect the Securities Structure or as are approved by Ginnie Mae. Pursuant to an SMBS Trust Agreement, the Sponsor (or its Participating Affiliates) will transfer all of Sponsor's and the Participating Affiliates' interest in identified Trust Assets to the SMBS Trust in consideration of specified Securities, representing undivided beneficial ownership interests in the SMBS Trust.

**SECTION 3. *Commitment to Issue Ginnie Mae Guaranty.*** Subject to satisfaction of the conditions to Ginnie Mae's obligations set forth in the Sponsor Agreement, including these Standard Sponsor Provisions, Ginnie Mae will guarantee the timely payment of principal of and interest on each Security (in accordance with its terms) issued by an SMBS Trust pursuant to an SMBS Trust Agreement. To effect the Ginnie Mae Guaranty, on the Closing Date, Ginnie Mae will execute a Guaranty Agreement authorizing the Trustee to issue the related Series of Securities entitled to the benefits of the Ginnie Mae Guaranty. The Securities shall only be issued in book-entry form. Each Security issued by the Trustee pursuant to the authority of the Ginnie Mae Guaranty shall be entitled

to the benefits of the Ginnie Mae Guaranty and shall be valid and obligatory for any purpose. Ginnie Mae will have no obligation to issue the Ginnie Mae Guaranty except upon full satisfaction of all conditions to closing. The obligations of Ginnie Mae on any Security or pursuant to the related Guaranty Agreement will terminate upon the retirement of that Security pursuant to the terms of the related SMBS Trust Agreement.

**SECTION 4. *Representations and Warranties of the Sponsor.*** The Sponsor hereby represents and warrants, as of the date of the Sponsor Agreement, as follows:

- (a) The Sponsor and its Participating Affiliates have acquired, or by the Closing Date will acquire, the Trust Assets in the ordinary course of its business, in good faith, for value and without notice of any claim against or claim to any of the Trust Assets on the part of any person.
- (b) Neither the Sponsor nor its Participating Affiliates have any actual or constructive knowledge or notice of any interest in the Trust Assets contrary to the interest of the Trustee under any SMBS Trust Agreement.
- (c) The Sponsor and its Participating Affiliates, as applicable, have the full power, authority and legal right to transfer and convey the Trust Assets to the Trustee and have the full power, authority and legal right to execute and deliver the Sponsor Agreement, to engage in the transactions contemplated therein and to fully perform and observe the terms and conditions thereof.
- (d) The execution and delivery by the Sponsor of the Sponsor Agreement are within the legal power of, and have been duly authorized by all necessary actions on the part of, the Sponsor. Neither the execution and delivery of the Sponsor Agreement by the Sponsor, nor the consummation by the Sponsor of the transactions contemplated in the Sponsor Agreement, 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 certificate of incorporation or bylaws of, or any law, governmental rule or regulation, or any judgment, decree or order binding on, the Sponsor, its Participating Affiliates or its properties, or any of the provisions of any indenture, mortgage, deed of trust, contract or other instrument to which it or its Participating Affiliates are a party or by which they are bound, or (ii) result in the creation or imposition of any lien, charge or encumbrance upon any of its or its Participating Affiliates' properties pursuant to the terms of any such indenture, mortgage, deed of trust, contract or other instrument.
- (e) The Sponsor Agreement has been duly executed and delivered by the Sponsor and constitutes a legal, valid and binding agreement of the Sponsor, enforceable in accordance with its terms subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights and to general principles of equity.
- (f) No consent, approval, authorization or order of or registration or filing with, or notice to, any governmental authority or court is required for the execution,

delivery and performance of, or compliance by the Sponsor with, the Sponsor Agreement or the consummation by the Sponsor of any other transaction contemplated thereby.

- (g) No certificate of an officer of the Sponsor or Participating Affiliate, statement furnished pursuant hereto in writing, or report delivered pursuant to the terms hereof to Ginnie Mae, any Affiliate or designee of Ginnie Mae, or the Trustee by the Sponsor contains any untrue statement of a material fact, or omits a material fact necessary to make the certificate, statement, or report not misleading in light of the circumstances under which such certificate, statement or report is given.
- (h) Neither the Sponsor nor any of its Participating Affiliates has dealt with any broker, investment banker, or agent or other person that may be entitled to any commission or compensation in connection with the sale of Trust Assets to the related SMBS Trust, or any such commission or compensation has been paid in full.
- (i) There is no litigation pending or, to the Sponsor's knowledge, threatened against the Sponsor or any of its Participating Affiliates that could reasonably be expected to affect adversely the transfer of the Trust Assets, the issuance of the Securities or the execution, delivery, performance or enforceability of the Sponsor Agreement, including the Sponsor's performance under any indemnification provisions.
- (j) At the time of the issuance of the Securities, the Trust Assets will be assets of the related SMBS Trust and not assets of the Sponsor or any other person.
- (k) Immediately prior to the transfer of Trust Assets to the related SMBS Trust, the Sponsor or its Participating Affiliates will be the sole owners of, and will have good and marketable title to, the Trust Assets, subject to no prior lien, mortgage, security interest, pledge, charge or other encumbrance or any such encumbrance will be discharged, and on the Closing Date, all right, title and interest in the Trust Assets shall be transferred to the related SMBS Trust and the Trust Assets shall be duly and validly delivered to such SMBS Trust, together with any other documents or certificates required by the Sponsor Agreement. Following the transfer of Trust Assets to an SMBS Trust, the SMBS Trust will own such Trust Assets, free and clear of any lien, mortgage, security interest, pledge, charge or other encumbrance.
- (l) The transfer, assignment and conveyance of the Trust Assets by the Sponsor and its Participating Affiliates pursuant to the Sponsor Agreement are not subject to bulk transfer laws or any similar statutory provisions in effect in any applicable jurisdiction.
- (m) The Trust Assets are of the type and with the payment characteristics identified in the Offering Circular Supplement. Each of the Trust Assets satisfies the characteristics specified in the Terms Sheet under the heading "*Actual Characteristics of the Mortgage Loans Underlying the Trust Asset(s).*"

- (n) The Trust Assets consist solely of Trust MBS, Underlying Certificates or Underlying SMBS Securities that evidence, directly or indirectly, interests in Ginnie Mae Certificates.
- (o) The consideration received by each of the Sponsor and any of its Participating Affiliates upon the transfer of Trust Assets under an SMBS Trust Agreement constitutes fair consideration and reasonably equivalent value for the Trust Assets transferred by it.
- (p) The Sponsor is solvent, and the transfer of the Trust Assets will not cause the Sponsor or any of its Participating Affiliates to become insolvent; the transfer of the Trust Assets is not undertaken with the intent to hinder, delay or defraud any of the creditors of the Sponsor or its Participating Affiliates.
- (q) The Sponsor relinquishes and will cause its Participating Affiliates to relinquish all rights to possess, control and monitor the Trust Assets transferred to an SMBS Trust except such rights as any may have as a Holder of the related Securities.
- (r) The description of the plan for distribution of the Securities contained under the heading “Plan of Distribution” in the Offering Circular Supplement related to the Securities does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading.
- (s) The Sponsor has delivered to Ginnie Mae financial statements (including the notes attached thereto) of the Sponsor for its two most recently completed fiscal years, certified by independent certified public accountants. Such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied. These financial statements fairly reflect the financial condition of the Sponsor and the results of its operations as of the dates and for the periods presented. Since the dates of such statements, no materially adverse changes in the financial condition, business or operations of the Sponsor have occurred that could reasonably be expected to affect adversely the transfer of the Trust Assets, the issuance of the Securities or the execution, delivery, performance or enforceability of the Sponsor Agreement, including the Sponsor’s performance under any indemnification provisions.
- (t) The Offering Circular Supplement includes an accurate description of the Securities Structure.
- (u) Assuming the full and timely payment of principal and interest on the Trust Assets (as those Trust Assets are identified in the Offering Circular Supplement), payments on the Trust Assets in all possible prepayment scenarios will be adequate to make full and timely payments of principal and interest on the Securities in accordance with the terms of the Securities as described in the Offering Circular Supplement when combined with other Securities with

appropriate Class Principal or Class Notional Balances (giving effect, in each case, to all possible re-combinations of SMBS Securities and/or Trust Assets) and will pay in full each Class of Securities by its Final Distribution Date regardless of the rate of prepayment of the Mortgage Loans underlying the Trust Assets or level of any index upon which the Interest Rate of any Class may be based.

- (v) Assuming the full and timely payment of principal and interest on the Trust Assets, payments on the Trust Assets in all possible prepayment scenarios will be adequate to make full and timely payments of principal and interest on the Securities in accordance with the terms of the related SMBS Trust Agreement when combined with other Securities with appropriate Class Principal or Class Notional Balances (giving effect, in each case, to all possible re-combinations of SMBS Securities and/or Trust Assets) and will pay in full each Class of Securities by its Final Distribution Date regardless of the rate of prepayment of the Mortgage Loans underlying the Trust Assets or level of any index upon which the Interest Rate of any Class may be based.
- (w) The Sponsor has obtained CUSIP Numbers for each Class of Securities.
- (x) To the extent a Co-Sponsor has been engaged by the Sponsor, the Sponsor has engaged the Co-Sponsor identified in the Sponsor Agreement under an agreement separate from the Sponsor Agreement to assist in the distribution of the Securities.
- (y) The Sponsor has been duly incorporated, organized or formed, as applicable, and is validly existing as a corporation, limited liability company or limited partnership, as applicable, in good standing under the laws of the jurisdiction of its incorporation, organization or formation, as applicable.
- (z) If the Sponsor executes the Sponsor Agreement via electronic signature, (i) the Sponsor's creation and maintenance of the Sponsor's electronic signature to the Sponsor Agreement and the Sponsor's storage of its copy of the fully executed Sponsor Agreement will be in compliance with applicable eCommerce Laws to ensure admissibility of such electronic signature and related electronic records in a legal proceeding, (ii) the Sponsor has controls in place to ensure compliance with applicable eCommerce Laws, including, without limitation, §201 of E-SIGN and §16 of UETA, regarding the Sponsor's electronic signature to the Sponsor Agreement, and the records, including electronic records, retained by the Sponsor will be stored to prevent unauthorized access to or unauthorized alteration of the electronic signature and associated records, and (iii) the Sponsor has controls and systems in place to provide necessary information, including, but not limited to, the Sponsor's business practices and methods, for record keeping and audit trails, including audit trails regarding Sponsor's electronic signature to the Sponsor Agreement and associated records.
- (aa) With respect to any Series backed by one or more Ginnie Mae Multifamily Certificates, neither the Sponsor nor any of its Participating Affiliates has any actual or constructive knowledge or notice that any of the Mortgage Loans

underlying any of the Trust MBS is 30 days or more delinquent as of the Final Structure Date for the related Series.

- (bb) With respect to any Series backed by one or more Ginnie Mae Construction Loan Certificates, and each Deposited Ginnie Mae Construction Loan Certificate and each Undeposited Ginnie Mae Construction Loan Certificate, the related Contracted Security Purchaser has duly executed and delivered a Waiver Agreement.
- (cc) With respect to any Series backed by one or more Ginnie Mae Construction Loan Certificates, on the date as of which the related Contracted Security Purchaser duly executed and delivered the Waiver Agreement referred to in clause (bb), the Sponsor owned each Deposited Ginnie Mae Construction Loan Certificate.

**SECTION 5. *Covenants of the Sponsor.*** Subject to the conditions set forth in Section 8, the Sponsor hereby covenants and agrees as follows:

- (a) The Sponsor shall create, no later than the Pool Information Date, the Final Data Statement, the final version of which will be attached to the SMBS Trust Agreement related to a Ginnie Mae SMBS Trust.
- (b) [Reserved.]
- (c) On or before the Pool Wire Date, the Sponsor shall transfer (or cause to be transferred) the Trust Assets of a Ginnie Mae SMBS Trust and the assets consisting of the Trustee Fee to the Trustee Limited Purpose Account and/or Trust Asset Depository Account, where they will be held on behalf of the Sponsor and its Participating Affiliates, as applicable, until closing. The Sponsor and its Participating Affiliates, as applicable, shall release the foregoing assets to the Trustee on the Closing Date.
- (d) The Sponsor shall calculate the original issue discount, if any, for each Class. In addition, the Sponsor shall deliver a list showing the initial offering price to the public at which the first substantial amount of Securities of each Class will have been sold, assuming that preliminary indications of interest are confirmed upon delivery of the Offering Circular Supplement and that such sales are consummated, or an estimate of the sales price to Trust Counsel and Tax Administrator on or before the date on which the Offering Circular Supplement is printed. Within ten Business Days after the Closing Date, the Sponsor shall provide the Tax Administrator with any additional information concerning the Securities that the Tax Administrator reasonably may require.
- (e) On or before the Closing Date, the Sponsor shall transfer to a special purpose account of the Trustee sufficient funds to pay the Ginnie Mae Guaranty Fee and the fees and expenses of any Participant who is to be paid from the proceeds of the transaction.



- (f) The Sponsor shall use its best efforts to satisfy each of the conditions to Ginnie Mae's obligations under the Sponsor Agreement.
- (g) The Sponsor shall provide or cause to be provided or shall make available in electronic form a copy of the Offering Circular Supplement to each and every Person who purchases or otherwise acquires a Security from the Sponsor (including any underwriter of the Securities) prior to or simultaneously with the confirmation of sale of such Security to such Person and shall comply with the guidelines issued from time to time by The Securities Industry and Financial Markets Association relating to the distribution by "Government Sponsored Enterprises" of offering materials related to securities exempt from registration under the Securities Act of 1933 (the "GSE Guidelines") and shall comply with any applicable federal or state laws relating to the distribution, offer or sale of any Security. In connection with its compliance with the GSE Guidelines, the Sponsor shall amend its master agreement with each of its dealers in a letter substantially in the form attached as Exhibit 1.
- (h) No Security shall be offered, sold or otherwise transferred by the Sponsor (or any other underwriter of any such Class) to any investor, unless such investor is an institutional "accredited investor," as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D of the Securities Act of 1933, as amended (an "Institutional Accredited Investor"), that has substantial experience in mortgage-backed securities and is capable of understanding and is able to bear the risks associated with an investment in such a Security. In addition, the Sponsor shall inform all other broker/dealers to whom it has agreed to sell a Security at the Closing Date that such Security is not intended to be distributed to any investor other than an Institutional Accredited Investor.
- (i) The information concerning Trust Assets to be (i) included in the Final Data Statement and (ii) set forth in Exhibit A to the Offering Circular Supplement, with respect to any Series backed in whole or in part by any Ginnie Mae Multifamily Certificates, including, but not by way of limitation, the outstanding principal balance of each Trust Asset as of the Closing Date and the Certificate Rate of each Trust Asset, will be true and correct in all material respects as of the Closing Date.
- (j) The Sponsor shall transfer or cause to be transferred to the SMBS Trust, Trust Assets with the characteristics identified in the Offering Circular Supplement. If the characteristics of the Trust Assets transferred to the SMBS Trust are such that there is a material change in the investment characteristics of any Class as described in the Offering Circular Supplement, or if there are other material changes to the disclosure in the Offering Circular Supplement, the Sponsor shall:
  - (1) deliver or cause to be delivered to Ginnie Mae and the Financial Advisor, for posting on e-Access, a Supplemental Statement, in substantially the form attached as Exhibit 2,

- (2) deliver or cause to be delivered to the Financial Advisor promptly after the closing an electronic file of the Supplemental Statement described in Section 5(j)(1) hereof, and
  - (3) notify each person with whom the Sponsor has entered into an agreement for the purchase of any Securities of any applicable Class (a “Purchaser”) of the material change in the investment characteristics of the related Class and confirm to Ginnie Mae, in a letter substantially in the form attached as Exhibit 3, that either (A) the Purchaser’s decision to purchase the Securities of an applicable Class was not affected by such variance or (B) the terms of the sale to the Purchaser were revised to the Purchaser’s satisfaction.
- (k) In connection with any sale of a Security to a customer, the Sponsor shall have reasonable grounds for believing that the proposed investment is suitable, in accordance with the NASD Conduct Rules, for such customer.
  - (l) The Sponsor shall deliver or cause to be delivered to the Information Agent, no later than the Pool Information Date, one copy of each Underlying Certificate Disclosure Document if one or more Underlying Certificates are held in the Ginnie Mae SMBS Trust and one copy of each Underlying SMBS Security Disclosure Document if one or more Underlying SMBS Securities are held in the Ginnie Mae SMBS Trust.
  - (m) To the extent that the Trustee’s Receipt and Safekeeping Agreement refers to an Intermediary Bank, the Sponsor acknowledges the agreements of the Sponsor set forth in the Trustee’s Receipt and Safekeeping Agreement relating to the issuance of the Securities and agrees to be bound thereby to the same extent as though such agreements were set forth in full in the Sponsor Agreement.
  - (n) For the Sponsor’s next completed fiscal year and each completed fiscal year thereafter for so long as the Sponsor Agreement remains in effect, the Sponsor will deliver to Ginnie Mae, annually, as requested by Ginnie Mae, the Sponsor’s financial statements (including the notes thereto), certified by independent certified public accountants and prepared in accordance with generally accepted accounting principles consistently applied, together with a representation that such financial statements fairly reflect the financial condition of the Sponsor and the results of its operations as of the dates and for the periods presented. In the event such financial statements reflect that the Sponsor has less than the minimum required amount, as set forth in the Guide, in shareholders’ equity or partners’ capital, the Sponsor will cause, within 90 calendar days of delivering financial statements to Ginnie Mae, all of its rights and obligations under the Sponsor Agreement to be assigned to, and assumed by, another approved Sponsor under the Ginnie Mae Multiclass Securities Program with at least the minimum required amount, as set forth in the Guide, in shareholders’ equity or partners’ capital and who otherwise meets the eligibility requirements then in effect to become a

Sponsor under the Ginnie Mae Multiclass Securities Program. Such assignment and assumption will be in a form acceptable to Ginnie Mae.

- (o) If the Sponsor executes the Sponsor Agreement via electronic signature, the Sponsor will produce, upon request by Ginnie Mae, such affidavits, certifications, records and information regarding the creation or maintenance of the Sponsor's electronic signature to the Sponsor Agreement to ensure admissibility of such electronic signature and related electronic records in a legal proceeding.
- (p) With respect to any Series backed by Ginnie Mae Construction Loan Certificates, all Deposited Ginnie Mae Construction Loan Certificates and any related Undeposited Ginnie Mae Construction Loan Certificates were issued on or after January 1, 2003.

**SECTION 6. *Representations and Warranties of Ginnie Mae.*** Ginnie Mae hereby represents and warrants to the Sponsor as follows:

- (a) Ginnie Mae is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development.
- (b) Pursuant to Section 308 of the National Housing Act, 12 U.S.C. § 1723, the Secretary of HUD has adopted the bylaws of Ginnie Mae. The bylaws provide that the President, each Vice President and each Assistant Vice President of Ginnie Mae are severally expressly empowered in the name of Ginnie Mae to sign all contracts and other documents, instruments, and writings that are required to be executed by Ginnie Mae in the conduct of its business and affairs.
- (c) Ginnie Mae has the power and authority to make, execute, deliver and perform the Sponsor Agreement and all the transactions contemplated hereby, including, but not limited to, the authority to guarantee the timely payment of principal and interest on the Securities in accordance with the Sponsor Agreement. Ginnie Mae has taken all necessary action to authorize its execution, delivery and performance of the Sponsor Agreement. The Sponsor Agreement constitutes the legal, valid and binding obligation of Ginnie Mae enforceable in accordance with its terms.
- (d) The Ginnie Mae Multiclass Securities Guide contains an opinion of the General Counsel to HUD to the effect that Ginnie Mae has the authority to guarantee stripped mortgage-backed securities and that such guaranties will represent general obligations of the United States backed by the full faith and credit of the United States. The Sponsor, the Trustee, the SMBS Trust, the Trust Counsel and Holders of the Securities are entitled to rely on that opinion.
- (e) The execution, delivery and performance of the Sponsor Agreement by Ginnie Mae do not violate any provision of any existing federal law, regulation or executive order applicable to Ginnie Mae or any order or decree of any court, or any mortgage, indenture, contract or other agreement to which Ginnie Mae is a party or by which it or any significant portion of its properties is bound.

- (f) All payment obligations of Ginnie Mae under the Sponsor Agreement, including specifically the Ginnie Mae Guaranty, are obligations of the United States backed by the full faith and credit of the United States.
- (g) With respect to each Deposited Ginnie Mae Construction Loan Certificate and each Undeposited Ginnie Mae Construction Loan Certificate, Ginnie Mae (i) acknowledges that the right of the related Contracted Security Purchaser with respect to such Ginnie Mae Construction Loan Certificate to withhold 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 project loan insured by FHA, has been irrevocably waived by the Contracted Security Purchaser pursuant to the applicable Waiver Agreement, (ii) agrees that, if the Ginnie Mae Issuer of any such Ginnie Mae Construction Loan Certificate requests an extension of the applicable Maturity Date, such Ginnie Mae Issuer may submit the applicable Waiver Agreement in lieu of any document evidencing the consent to such extension by the holders or the Contracted Security Purchaser, as applicable, of such Ginnie Mae Construction Loan Certificates (provided, that such extension, together with all extensions previously granted in respect of such Ginnie Mae Construction Loan Certificates, does not exceed the term of the underlying project loan insured by FHA), and (iii) agrees that if the applicable Waiver Agreement is submitted by any such Ginnie Mae Issuer in accordance with clause (g)(ii) above, Ginnie Mae will not require, or condition the approval of such extension request upon, the submission of any document evidencing the consent of the Contracted Security Purchaser of such Ginnie Mae Construction Loan Certificates to such extension (provided, that notwithstanding the submission of the applicable Waiver Agreement by any Ginnie Mae Issuer in accordance with clause (g)(ii) above, Ginnie Mae may, in its sole discretion, reject any extension request for any reason other than the failure of the Ginnie Mae Issuer to obtain the consent of the Contracted Security Purchaser of such Ginnie Mae Construction Loan Certificates).

**SECTION 7. *Conditions to Obligation of Ginnie Mae.*** The obligation of Ginnie Mae hereunder to guarantee the Securities is subject to the following conditions:

- (a) All of the representations and warranties of the Sponsor under this Sponsor Agreement shall be accurate as of the Closing Date, and the Sponsor shall have complied with all of its covenants and obligations under this Sponsor Agreement as of the Closing Date.
- (b) Ginnie Mae, its Legal Advisor or another authorized agent shall have received the following documents (collectively, the “Closing Documents”) in such forms as are agreed upon and acceptable to Ginnie Mae, duly executed and delivered by all signatories thereto:
  - (1) The related SMBS Trust Agreement, substantially in the form provided by Ginnie Mae, with only such changes to the form as have been approved by Ginnie Mae.

- (2) A Base Offering Circular and Offering Circular Supplement, in form and substance acceptable to Ginnie Mae.
  - (3) Applicable opinions of Trust Counsel, and, if applicable, an opinion of the Sponsor, substantially in the form provided by Ginnie Mae, with only such changes as have been approved by Ginnie Mae and the Sponsor.
  - (4) An opinion of counsel to the Trustee, substantially in the form provided by Ginnie Mae, with only such changes as have been approved by Ginnie Mae and the Sponsor.
  - (5) A letter from the Accountants, dated the date of the Offering Circular Supplement, confirming the accuracy of the numerical information related to the Trust Assets and the numerical information related to the Securities contained in the Offering Circular Supplement, substantially in the form provided by Ginnie Mae and in form and substance satisfactory to Ginnie Mae and the Sponsor.
  - (6) A letter from the Accountants, dated the Closing Date, confirming the numerical information in the Final Data Statement, substantially in the form provided by Ginnie Mae in form and substance satisfactory to Ginnie Mae and the Sponsor.
  - (7) A Trustee's Receipt and Safekeeping Agreement for SMBS in one of the forms included in Part VI of the Ginnie Mae Multiclass Securities Guide acknowledging acceptance of Trust Assets on behalf of a Ginnie Mae SMBS Trust.
  - (8) A Closing Flow of Funds Instruction Letter from the Sponsor to the Trustee regarding amounts to be remitted to Ginnie Mae in payment of the Ginnie Mae Guaranty Fee and amounts to be remitted in payment of fees to any Participant who is to be paid from the proceeds of the transaction.
  - (9) An Issuance Statement from the Sponsor to the Trustee directing the Trustee to issue the Securities in the identified amounts.
- (c) The transaction and transaction documents shall be in form and substance reasonably acceptable to the Legal Advisor and the Financial Advisor, and Ginnie Mae shall have received written advice to that effect.
  - (d) There shall be no pending or threatened action, suit or proceeding before any court or governmental agency, authority or body involving the Sponsor, the SMBS Trust, Ginnie Mae or any other party to the transactions contemplated hereby, adversely affecting any such transaction, or challenging the validity of or seeking to enjoin such transaction.
  - (e) Ginnie Mae shall have received the Ginnie Mae Guaranty Fee, and any Participant who is to be paid from the proceeds of the transaction shall have been paid.

- (f) The Sponsor shall have executed a certification and agreement relating to the absence of fraud on the part of the Sponsor as requested by Ginnie Mae.
- (g) Following the execution of the Sponsor Agreement, (i) nothing shall have occurred or first come to Ginnie Mae's knowledge that has caused Ginnie Mae, in its sole discretion, to determine that completion of the transaction would jeopardize the integrity of, or otherwise materially and adversely affect, the Ginnie Mae Multiclass Securities Program and (ii) no Participant shall have been suspended from participation in the Ginnie Mae Multiclass Securities Program.
- (h) All other terms and conditions of the Sponsor Agreement shall have been fulfilled.

**SECTION 8. *Conditions to Obligation of Sponsor.*** The obligation of the Sponsor to perform its obligations under the Sponsor Agreement is subject to the following conditions:

- (a) Receipt by the Sponsor of the Guaranty Agreement, substantially in the form provided by Ginnie Mae, duly executed by Ginnie Mae.
- (b) Receipt of the Closing Documents listed in paragraph (b) of Section 7, duly executed by the parties thereto.
- (c) The satisfaction of all rule-making and notice requirements related to the transactions contemplated hereunder that are required to be completed prior to the Closing Date.
- (d) There shall be no pending or threatened action, suit or proceeding before any court or governmental agency, authority or body involving the Sponsor, an SMBS Trust, Ginnie Mae or any other party to the transactions contemplated hereby, adversely affecting any such transaction, or challenging the validity of or seeking to enjoin such transaction.
- (e) All of the representations and warranties of Ginnie Mae under the Sponsor Agreement shall be accurate as of the Closing Date.

**SECTION 9. *Fees and Deposits.***

- (a) On the Closing Date, after receiving confirmation from the Accountants and the Legal Advisor, Trust Counsel will notify the Trustee that the transaction may close. The Sponsor shall cause funds for payment of the Ginnie Mae Guaranty Fee to be made available in accordance with the Closing Flow of Funds Instruction Letter such that, upon notification by Trust Counsel that the transaction may close and the Trustee's wiring of the Security identified in the Closing Flow of Funds Instruction Letter, the Ginnie Mae Guaranty Fee will be released to the Trustee and submitted to Ginnie Mae via pay.gov.
- (b) The Sponsor shall pay (i) the fees and expenses of the Trust Counsel and the Accountants and (ii) the expense of circulating an electronic version of the Base Offering Circular, if required, and the Offering Circular Supplement for the

transaction, and neither Ginnie Mae nor the Trustee shall have any responsibility for paying any such fee or expense.

**SECTION 10. *Indemnification.***

- (a) In the event that Ginnie Mae must make any payment pursuant to the Ginnie Mae Guaranty as a result of the Sponsor's breach of any of its representations, warranties, covenants or obligations set forth herein or in an SMBS Trust Agreement, the Sponsor shall promptly reimburse Ginnie Mae for any payments made, together with interest thereon for the period from the date of such Ginnie Mae Guaranty payment through the date of reimbursement at a rate equal to the rate of interest on three-month United States Treasury securities as of the date of that Ginnie Mae Guaranty payment.
- (b) In the event that the Sponsor breaches its representations, warranties, covenants or obligations set forth herein or in an SMBS Trust Agreement, the Sponsor shall indemnify and hold harmless Ginnie Mae from and against any loss, damages, penalties, fines, forfeiture, legal fees and related costs, judgements, and other costs and expenses resulting from any claim, demand, defense or assertion based on or grounded upon, or resulting from, such breach. Promptly after receipt by Ginnie Mae of notice of the commencement of any such action, Ginnie Mae will, if a claim in respect thereof is to be made against the Sponsor, notify the Sponsor in writing of the commencement thereof, but the omission to so notify the Sponsor will not relieve the Sponsor from any liability hereunder unless such omission materially prejudices the rights of the Sponsor. In case any such action is brought against Ginnie Mae, and Ginnie Mae notifies the Sponsor of the commencement thereof, the Sponsor will be entitled to participate therein, and to assume the defense thereof, with counsel satisfactory to Ginnie Mae, and after notice from the Sponsor to Ginnie Mae of its election so to assume the defense thereof, the Sponsor will not be liable to Ginnie Mae under this Section for any legal or other expenses subsequently incurred by Ginnie Mae in connection with the defense thereof other than reasonable costs of investigation.
- (c) If an indemnification payment is made by the Sponsor to Ginnie Mae as the result of a breach by the Sponsor of its representation made in paragraph (v) of Section 4, Ginnie Mae will reimburse the Sponsor up to the amount of the payment and interest thereon at the applicable Certificate Rate, as and only to the extent that Ginnie Mae is entitled to distributions from an SMBS Trust as a result of a payment on the Ginnie Mae Guaranty occasioned by the breach of the representation included in paragraph (v) of Section 4.

**SECTION 11. *Notices.*** All demands, notices, approvals and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered to or mailed by registered mail, postage prepaid, or transmitted by any standard form of written telecommunications and confirmed by a similar mailed writing, as follows:

- (a) If to Ginnie Mae:

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street S.W., 4th Floor  
Washington, D.C. 20024  
Attention: Senior Vice President  
Telephone: (202) 475-8855  
Facsimile: (202) 485-9585

With copies to:

Department of Housing and Urban Development  
Office of General Counsel  
451 7th Street, S.W., Room 9250  
Washington, D.C. 20410  
Attention: Assistant General Counsel Ginnie Mae/Finance  
Telephone: (202) 402-5196  
Facsimile: (202) 708-1999

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

- (b) If to the Sponsor or any other Participant, to the address indicated in the Sponsor Agreement.

Any party may alter the address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

**SECTION 12. *Severability of Provisions.*** Any part, provision, representation or warranty of the Sponsor 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 hereof. Any part, provision, representation or warranty of the Sponsor 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 hereof, 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 hereto waive any provision of law that prohibits or renders void or unenforceable any provision hereof.

**SECTION 13. *GOVERNING LAW.*** THE SPONSOR AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF GINNIE MAE AND THE SPONSOR UNDER THE SPONSOR 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 CONFLICTS 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, INsofar AS TO DO SO WOULD NOT FRUSTRATE THE PURPOSES OF ANY PROVISION OF THE SPONSOR AGREEMENT OR THE TRANSACTIONS GOVERNED THEREBY.

**SECTION 14. *Survival.*** Each party agrees that its representations, warranties and covenants herein, and in any certificate or other instrument delivered pursuant hereto, shall be deemed to be relied upon by the other party, notwithstanding any investigation heretofore or hereafter made by the other party or on the other party's behalf, and that the representations, warranties and covenants made herein or in any such certificate or other instrument shall survive the Closing Date.

**SECTION 15. *Miscellaneous.***

- (a) The Sponsor 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 Sponsor Agreement shall inure to the benefit of and be binding upon the parties thereto and their respective successors and assigns.
- (b) Any person into which the Sponsor may be merged or consolidated or any person resulting from a merger or consolidation involving the Sponsor or any person succeeding to the business of the Sponsor shall be considered the successor of the Sponsor under the Sponsor Agreement, without the further act or consent of either party. The Sponsor Agreement cannot be assigned, pledged or hypothecated by any party without the written consent of the other party to the Sponsor Agreement.
- (c) The Sponsor Agreement supersedes all prior agreements and understandings relating to the subject matter thereof. Neither the Sponsor Agreement nor any term thereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought. The headings in the Sponsor Agreement and these Standard Sponsor Provisions are for purposes of reference only and shall not limit or otherwise affect the meaning thereof.
- (d) Documents executed, scanned and transmitted electronically, and electronic signatures, shall be deemed original signatures for purposes of the Sponsor Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures. The parties agree that the Sponsor Agreement, any addendum thereto and the Guaranty Agreement may be accepted, executed or agreed to through use of an electronic signature in accordance with applicable eCommerce Laws. Any document accepted, executed or agreed to in conformity with such eCommerce Laws, by one or both parties, will be binding on both parties the same as if it were physically executed. The Sponsor consents to the use of any third party electronic signature capture service providers and record storage providers as may be chosen by Ginnie Mae.

**SECTION 16. *Request for Opinion.*** The Sponsor hereby requests and authorizes the Trust Counsel to issue such legal opinions to Ginnie Mae, each SMBS Trust, the Trustee, the Financial Advisor or the Legal Advisor as may be required by any and all documents, certificates or agreements executed in connection with the Sponsor Agreement.

**SECTION 17. *Adjustment to Size of Offering.*** The Sponsor may increase or decrease the size of the offering by 10% of the aggregate principal amount of securities identified in the Sponsor Agreement upon delivery of a written notice to Ginnie Mae no later than one Business Day prior to the Pool Wire Date. The Ginnie Mae Guaranty Fee will be adjusted to reflect the increase or decrease in the size of the transaction.

[Sponsor's Letterhead]

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

[Dealer Name]  
[Dealer Address]

Dear Dealer:

Our records show that your firm has previously executed a Master Agreement with us concerning the distribution of securities issued by the Federal Home Loan Mortgage Corporation ("Freddie Mac") or the Federal National Mortgage Association ("Fannie Mae"). This Agreement requires compliance with the guidelines on Delivery of Offering Materials relating to Securities of Government-Sponsored Enterprises ("GSE Guidelines").

[Name of Sponsor] recently has entered into agreements with the Government National Mortgage Association ("Ginnie Mae") to distribute its securities. As a result of certification requested in these agreements, we would like to amend our Master Agreement with you to include Ginnie Mae in the definition of the term "issuer".

This letter will serve as the required amendment. By your signature below, you agree to comply with the GSE Guidelines with respect to securities guaranteed by Ginnie Mae. Please have an authorized person sign both copies of this letter in the spaces indicated below and return one letter to me in the enclosed envelope. Retain the other executed letter for your files.

Thank you for your prompt attention to this matter.

Sincerely,

\_\_\_\_\_

(Sponsor Name)

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

**Seen and Agreed:**

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(Firm Name)

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

(Authorized Signatory)

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(Printed Name of Signatory)

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(Title)

**Government National Mortgage Association**  
**Supplemental Statement**  
**Guaranteed Stripped Mortgage-Backed Securities,**  
**Ginnie Mae SMBS Trust \_\_\_\_**

Reference is made to the Offering Circular Supplement, dated \_\_\_\_\_, 20\_\_\_\_, for the Ginnie Mae SMBS Trust \_\_\_\_ (the “Offering Circular Supplement”) and the related Base Offering Circular, dated \_\_\_\_\_, 20\_\_\_\_ (the “Base Offering Circular” and, together with the Offering Circular Supplement, the “Offering Circular”). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings assigned to them in Appendix II to the Base Offering Circular.

[**Note to Trust Counsel:** Insert disclosure regarding any material changes in investment characteristics of the applicable Classes or material changes to the disclosure.]

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

\_\_\_\_\_, 2\_\_\_\_

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

**Re: Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities,  
Ginnie Mae SMBS Trust \_\_\_\_**

Ladies and Gentlemen:

We confirm that we have informed or will inform the purchasers from us of the Class \_\_\_\_ Securities that [ ] [Note to Trust Counsel: Insert additional material changes in investment characteristics of applicable Classes.] [We also have informed or will inform such purchasers that a Supplemental Statement reflecting such material changes in investment characteristics will be posted to [ginniemae.gov](http://ginniemae.gov).] Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Base Offering Circular for Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities, dated \_\_\_\_\_, 20\_\_\_\_.

[The persons at each of the purchasers with whom we ordinarily negotiate trades have each informed us that either (A) the purchaser’s decision to purchase the Class \_\_\_\_ Securities has not been affected by [ ] [Note to Trust Counsel: Insert additional material changes in investment characteristics of applicable Classes.] or (B) the terms of the sale to the purchaser have been revised to the purchaser’s satisfaction.] [Note to Trust Counsel: Use following bracketed language when the affected securities have not been sold.] [As of today, no part of the Class \_\_\_\_ Securities has been sold.] For the initial distribution period, if we buy or sell any of the Class \_\_\_\_ Securities, we will be responsible for disclosing to our customers the [see Note to Trust Counsel in (A) above].

We acknowledge that you are agreeing to proceed with the closing of Ginnie Mae SMBS Trust \_\_\_\_ upon reliance upon the representations in this certificate.

[SPONSOR]

By: \_\_\_\_\_  
[Title of Signatory]

**FORM OF SPONSOR AGREEMENT FOR SMBS TRANSACTIONS**

**SPONSOR AGREEMENT**

**GINNIE MAE SMBS TRUST \_\_\_\_**

THIS SPONSOR AGREEMENT is entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between the GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (“Ginnie Mae”) and \_\_\_\_\_, a(n) \_\_\_\_\_ corporation (the “Sponsor”) in connection with the issuance by the Ginnie Mae SMBS Trust \_\_\_\_ of approximately \$ \_\_\_\_\_ aggregate principal amount of Securities.

**SECTION 1. *Standard Sponsor Provisions.***

The parties acknowledge and agree that the terms of the Standard Sponsor Provisions for Ginnie Mae SMBS Securities, \_\_\_\_\_, 20\_\_\_\_ Edition, are herein incorporated by reference and constitute part of this Sponsor Agreement as if set forth herein in full.

**SECTION 2. *Dates.***

The Pool Information Date shall be \_\_\_\_\_, 20\_\_\_\_; the Pool Wire Date shall be \_\_\_\_\_, 20\_\_\_\_; and the Closing Date shall be \_\_\_\_\_, 20\_\_\_\_. These dates may not be changed without the written approval of Ginnie Mae.

**SECTION 3. *Fees.***

Based upon the information regarding the Securities set forth in the Offering Circular Supplement, the Ginnie Mae Guaranty Fee will be \$ \_\_\_\_\_ but will be adjusted if the size of the transaction increases or increases. **[Note to Trust Counsel:** The Ginnie Mae Guaranty Fee is an amount that equals the product of 0.03125% and the aggregate Class Principal Balance of the Securities as of the Closing Date.\*

**SECTION 4. *Notices.***

Sponsor: \_\_\_\_\_

\_\_\_\_\_  
\* The Ginnie Mae Guaranty Fee is subject to change by Ginnie Mae.

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Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telecopy: \_\_\_\_\_

Participating Affiliate(s)  
of the Sponsor:

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Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telecopy: \_\_\_\_\_

Trust Counsel:

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Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telecopy: \_\_\_\_\_



Accountants:

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Attention:

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Telephone:

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Telecopy:

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Trustee:

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Attention:

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Telephone:

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Telecopy:

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Trustee's Counsel:

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Attention:

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Telephone:

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Telecopy:

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**SECTION 5. *Modifications to Standard Sponsor Provisions.***

The parties acknowledge and agree that the following modifications of the Standard Sponsor Provisions shall apply to the Securities: [NONE.]

IN WITNESS WHEREOF, the parties have caused this Sponsor Agreement to be executed and delivered by their duly authorized representatives as of the day and year first above written.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

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

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

[SPONSOR], as Sponsor

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

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

**BASE OFFERING CIRCULAR FOR SMBS TRANSACTIONS**

[available upon request from Ginnie Mae's Legal Advisor]

**FORM OF OFFERING CIRCULAR SUPPLEMENT  
FOR SMBS TRANSACTIONS**

[available upon request from Ginnie Mae's Legal Advisor]

**FORM OF ACCOUNTANTS' AGREED-UPON PROCEDURES  
LETTER CONCERNING THE OFFERING CIRCULAR FOR SMBS TRANSACTIONS**

[available upon request from Ginnie Mae's Financial Advisor]

**FORM OF GUARANTY AGREEMENT FOR SMBS TRANSACTIONS**

**GINNIE MAE SMBS SECURITIES GUARANTY AGREEMENT**

Pursuant to Section 306(g) of the National Housing Act, the Government National Mortgage Association (“Ginnie Mae”) hereby guarantees the timely payment of principal and interest on the Ginnie Mae SMBS Securities in accordance with the terms as established by the Trust Agreement, dated as of \_\_\_\_\_, 20\_\_ relating to Ginnie Mae SMBS Trust \_\_\_\_ (the “SMBS Trust Agreement”).

Ginnie Mae hereby authorizes the Trustee under the SMBS Trust Agreement to issue the Securities provided for issuance thereunder, each of which Security shall be entitled to the benefits of the guaranty set forth below:

**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 SMBS 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. [THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION DOES NOT GUARANTEE PAYMENTS OF PREPAYMENT PENALTES ON THIS SECURITY.]

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the SMBS Trust Agreement.

IN WITNESS WHEREOF, Ginnie Mae has executed and delivered this Guaranty Agreement as of the date set forth below.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

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

Dated: [closing date], 20 \_\_\_\_

**FORM OF ISSUANCE STATEMENT FOR SMBS TRANSACTIONS**

**ISSUANCE STATEMENT**

[Trustee]

Ginnie Mae SMBS Trust \_\_\_\_

The Sponsor hereby instructs the Trustee, on behalf of the Ginnie Mae SMBS Trust \_\_\_\_, to authorize the issuance of the Securities identified in Schedule A (the "Schedule") in book-entry form through the facilities of the Book-Entry Depository for the account of [the Sponsor][insert name of Sponsor's repo lender] on the Closing Date. The Securities shall be issued in the denominations specified in the Schedule under the column designated as "Denomination (or "Par Amount") to be issued at Closing". Capitalized terms used herein and not otherwise defined shall be given the meanings assigned to them in the Trust Agreement, dated as of \_\_\_\_\_, 20 \_\_\_\_, by and between the Sponsor and the Trustee.

The undersigned acknowledges that the Schedule accurately describes the Securities to be issued in book-entry form at closing.

[Sponsor]

\_\_\_\_\_

By:

Its:

[**Note to Trust Counsel:** The Issuance Statement must be provided to the Trustee no later than the Pool Wire Date, which is generally two Business Days prior to closing.]



**SCHEDULE A: SMBS CLASSES**

<u>CLASS</u>	DENOMINATION (OR "PAR AMOUNT") TO BE ISSUED <u>AT CLOSING</u>	<u>CUSIP</u>	MAXIMUM CLASS PRINCIPAL (OR <u>NOTIONAL) BALANCE</u>
	†		†

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[† Notional balance.]

**FORMS OF TRUSTEE’S RECEIPT AND SAFEKEEPING AGREEMENT  
FOR SMBS TRANSACTIONS**

**TRUSTEE’S RECEIPT AND SAFEKEEPING AGREEMENT**

[INSERT POOL WIRE DATE] \_\_\_\_\_, 20\_\_

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

[Sponsor’s Name] (the “Sponsor”)

[Sponsor’s Address]

Ginnie Mae SMBS Trust [\_\_\_\_]

Ladies and Gentlemen:

\_\_\_\_\_, as trustee (the “Trustee”) under a trust agreement (the “SMBS Trust Agreement”), dated as of \_\_\_\_\_, 20\_\_, between the Trustee and \_\_\_\_\_ (the “Sponsor”), acknowledges receipt of the Trust Assets listed on Schedule A attached to this letter (the “Trust Assets”). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the glossary contained in the Ginnie Mae Multiclass Securities Guide currently in effect.

The Trustee has received the Trust Assets through the facilities of [\_\_\_\_\_] (the “Trust Asset Depository”), which has credited the Trust Assets to a limited purpose account at the Trust Asset Depository. **[NOTE TO TRUST COUNSEL:** If the Trust Assets include any Trust MBS, Underlying SMBS Securities or Underlying Certificates that are held in the book-entry facilities of more than one depository, identify such other depositories].

The Trustee confirms that it is holding, and at all times prior to settlement on \_\_\_\_\_, 20\_\_ (the “Closing Date”) will hold, the Trust Assets in one or more segregated accounts in the name of and solely for the benefit of [the Sponsor] [the Sponsor’s Participating Affiliates]. The Trustee has made appropriate entries on its books and records to show that it is so holding the Trust Assets, and the Trust Assets are not subject to any right, charge, security interest, lien or claim of any kind in favor of the Trustee or any Person claiming through it.

All of the Trust Assets, described in the attached list and having an aggregate current face value of \$ \_\_\_\_\_, are held by the Trustee as the Sponsor’s agent and subject to the Sponsor’s further instructions. In the event that there is no settlement on the Closing Date, the Trustee will release the Trust Assets in accordance with the instructions of the [Sponsor or its Participating Affiliates].

Upon settlement (if any) on the Closing Date, the Trustee will deliver in accordance with the instructions of the [Sponsor] the securities representing the Ginnie Mae SMBS Trust \_\_\_ Guaranteed Stripped Mortgage-Backed Securities, and the Trustee thereupon will hold the Trust Assets in the name of and solely on behalf of the Ginnie Mae SMBS Trust \_\_\_.

\* \* \* \* \*

Unless otherwise instructed by the Sponsor, if any distributions on the Trust Assets are received by the Trustee prior to settlement on the Closing Date, the Trustee will remit such distributions to the Sponsor.

Very Truly Yours,

[TRUSTEE], as Trustee

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

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

cc: [Accountants' Name]  
[Accountants' Address]

**TRUSTEE'S RECEIPT AND  
SAFEKEEPING AGREEMENT (FOR USE WITH REPO LENDERS)**

[INSERT POOL WIRE DATE] \_\_\_\_\_, 20\_\_

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

[Sponsor's Name] (the "Sponsor")  
[Sponsor's Address]

[Intermediary Bank (the "Intermediary Bank")  
Intermediary Bank's Address]

Ginnie Mae SMBS Trust [ ]

Ladies and Gentlemen:

\_\_\_\_\_, as trustee (the "Trustee") under a trust agreement to be dated as of \_\_\_\_\_, 20\_\_, acknowledges receipt of the Trust Assets listed on Schedule A attached to this letter (the "Trust Assets"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the glossary contained in the Ginnie Mae Multiclass Securities Guide currently in effect.

The Trustee confirms that it is holding, and at all times prior to settlement on \_\_\_\_\_, 20\_\_ (the "Closing Date") will hold, the Trust Assets in one or more segregated accounts in the name of and solely for the benefit of the Intermediary Bank. The Trustee has made appropriate entries on its books and records to show that it is so holding the Trust Assets, and the Trust Assets are not subject to any right, charge, security interest, lien or claim of any kind in favor of the Trustee or any Person claiming through the Trustee.

All of the Trust Assets, described in the attached list and having an aggregate current face value of \$\_\_\_\_\_, are held by the Trustee solely as the Intermediary Bank's agent and subject to the instructions described herein. In the event that there is no settlement on the Closing Date, the Trustee will release the Trust Assets solely in accordance with the instructions of the Intermediary Bank.

Upon settlement (if any) on the Closing Date, the Trustee will deliver in accordance with the delivery instructions of the Intermediary Bank, which delivery instructions may be standing instructions (that the Sponsor irrevocably authorizes the Trustee to follow) the securities representing the Ginnie Mae SMBS Trust \_\_\_ Guaranteed Stripped Mortgage-Backed Securities (the "SMBS \_\_\_ Securities"), and the Trustee thereupon will hold the Trust Assets in the name of and solely on behalf of the Ginnie Mae SMBS Trust \_\_\_\_\_. On the Closing Date, concurrent with the settlement and

delivery of the SMBS \_\_\_ Securities to the Intermediary Bank, the Trustee's obligations to hold the Trust Assets on behalf of the Intermediary Bank will automatically terminate.

If the Intermediary Bank fails to provide delivery instructions to the Trustee, the Trustee shall continue to hold the SMBS \_\_\_ Securities for the Intermediary Bank until its delivery instructions are received.

The Trustee shall have no liability to the Sponsor, the Intermediary Bank or any other entity related to any transaction involving the SMBS \_\_\_ Securities, provided that the Trustee has made at least one attempt to deliver the SMBS \_\_\_ Securities on the Closing Date in accordance with the instructions provided to it by the Intermediary Bank.

The Sponsor agrees to indemnify and hold each of Ginnie Mae and the Trustee harmless from and against any and all losses, claims, damages, liabilities and expenses arising out of or in connection with the Trustee's holding of the Trust Assets and its delivery of the Trust Assets in accordance with the Intermediary Bank's instructions.

\* \* \* \* \*

Unless otherwise instructed by the Intermediary Bank, if any distributions on the Trust Assets are received by the Trustee prior to settlement on the Closing Date, the Trustee will remit such distributions to the Sponsor.

Unless otherwise notified by the Sponsor or the Intermediary Bank after receipt of this Trustee's Receipt and Safekeeping Agreement (the "Trustee's Receipt") that the terms hereof are unacceptable, the terms of this Trustee's Receipt shall be deemed conclusively to be acceptable to the Sponsor and the Intermediary Bank; provided, however, that in the event of any such notification, no change shall be made hereto without the consent of Ginnie Mae and the Intermediary Bank.

Very Truly Yours,

[TRUSTEE], as Trustee

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

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

cc: [Accountants' Name]  
[Accountants' Address]

**FORM OF CLOSING FLOW OF FUNDS LETTER  
FOR SMBS TRANSACTIONS**

**CLOSING FLOW OF FUNDS INSTRUCTION LETTER**

**REGARDING THE TRANSFER OF FUNDS  
BY THE SPONSOR TO THE TRUSTEE  
AND THE SUBSEQUENT DISBURSEMENT OF FUNDS  
BY THE TRUSTEE TO GINNIE MAE**

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

[Trustee]

Ginnie Mae SMBS Trust [ ]

Ladies and Gentlemen:

Reference is hereby made to the above-referenced transaction which is scheduled to close on the date hereof (the "Closing Date"). Capitalized terms used but not defined herein have the meaning ascribed to them in the Sponsor Agreement related to the above-referenced transaction. On the Closing Date, using a delivery versus payment function, simultaneously upon transfer to us (or our designee) of the Class \_\_\_\_ Securities [**NOTE TO TRUST COUNSEL:** Insert the name of an SMBS Security to be issued as of the Closing Date] of the above-referenced trust, we shall transfer to you \$\_\_\_\_\_ representing the Ginnie Mae Guaranty Fee, which shall be disbursed to Ginnie Mae to cover the fees and expenses of those persons who are to be paid from the proceeds of the transaction. We hereby instruct you to disburse such amount to Ginnie Mae via pay.gov.

\* \* \* \* \*

If you have any questions, please call Ginnie Mae's Office of Capital Market division at (202) 475-7820.

Very truly yours,

[Sponsor]

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

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

cc: Ginnie Mae Office of Capital Markets

[NOTE: THE EXECUTED VERSION OF THIS DOCUMENT SHOULD BE SCANNED AND E-MAILED TO THE FOLLOWING PERSON AT GINNIE MAE'S OFFICE OF CAPITAL MARKET DIVISION: Shalei.Choi@hud.gov]

**FORM OF TRUST AGREEMENT FOR SMBS TRANSACTIONS**

---

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED STRIPPED MORTGAGE-BACKED SECURITIES**

**GINNIE MAE SMBS TRUST [     ]**

\_\_\_\_\_

**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][an] \_\_\_\_\_ [corporation] [limited liability company][limited partnership][general partnership] (the “Sponsor”), and \_\_\_\_\_, [a][an] \_\_\_\_\_ banking [corporation] [association], as trustee (the “Trustee”).

**Section 1. Standard Trust Provisions.** The Standard Trust Provisions for Ginnie Mae SMBS Trusts dated as of \_\_\_\_\_, 20\_\_\_\_, [as amended through \_\_\_\_\_, 20\_\_\_\_] (the “SMBS Standard Trust Provisions”) 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 in this Trust Agreement shall have the meanings set forth below and in Article I of the SMBS Standard Trust Provisions, provided that the meanings below shall be controlling in the case of any conflict with the SMBS Standard Trust Provisions. Capitalized terms used and not otherwise defined in this Trust Agreement shall have the meanings assigned to them in the Glossary contained in the Ginnie Mae Multiclass Securities Guide, \_\_\_\_\_, 20\_\_\_\_ Edition as supplemented by the glossary in the Base Offering Circular for Guaranteed Stripped Mortgage-Backed Securities dated \_\_\_\_\_, 20\_\_\_\_, and the Terms Sheet in the Ginnie Mae SMBS Trust \_\_\_\_ Offering Circular Supplement attached hereto as Schedule A; provided that the definitions in such Glossary which themselves use capitalized terms defined in this Trust Agreement will be interpreted using the meaning for such capitalized terms set forth in this Trust Agreement.

“Closing Date”: \_\_\_\_\_, 20\_\_\_\_.

“Corporate Trust Office”: \_\_\_\_\_.

“Co-Trust Counsel”: \_\_\_\_\_.

“Distribution Date”: [The 16<sup>th</sup> day of each month or if the 16<sup>th</sup> day is not a Business Day, the first Business Day, commencing in \_\_\_\_\_, 20\_\_\_\_.] [The 20<sup>th</sup> day of each month or if the 20<sup>th</sup> day is not a Business Day, the first Business Day thereafter, commencing in \_\_\_\_\_, 20\_\_\_\_.]

“Final Data Statement”: The statement attached to the Accountants’ Agreed-Upon Procedures Letter as of the Closing Date as Schedule B, a copy of which is attached hereto. [The Final Data Statement separately identifies the Trust Assets in each Trust Asset Group and the Group T Trust Assets.]

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

“Offering Circular Supplement”: The Offering Circular Supplement for Ginnie Mae SMBS Trust \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_.

“Registrar”: The Trustee.

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

“Sponsor Agreement”: The Sponsor Agreement relating to the Ginnie Mae SMBS Trust \_\_\_\_, by and between the Sponsor and Ginnie Mae, dated \_\_\_\_\_, 20\_\_.

“Tax Administrator”: The Trustee.

“Trust Assets”: Collectively, the certificates listed in the Final Data Statement.

“Trust Counsel”: \_\_\_\_\_.

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

“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.

[“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.]

**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. 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 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, 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 5. The Securities.** The Securities will be designated generally as Ginnie Mae Guaranteed Stripped Mortgage-Backed Securities, Ginnie Mae SMBS Trust \_\_\_\_\_. 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) Interest Type, (v) Principal Type, (vi) CUSIP Number and (vii) Final Distribution Date for the Securities are set forth on the cover page and page S-\_\_\_ of the Offering Circular Supplement attached hereto as Schedule A.

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

**Section 6. Distributions to Holders.** On each Distribution Date, the Trustee (or the Paying Agent on behalf of the Trustee) shall withdraw the Distribution Amount for each Class from the Trust Accounts in accordance with Section 4.04 and Section 4.06 of the SMBS Standard Trust Provisions and shall distribute such amount on a pro rata basis among the Outstanding Securities of such Class.

**Section 7. Modification of the SMBS Standard Trust Provisions.** The following modifications of the SMBS Standard Trust Provisions shall apply to the Securities:

[NONE]

[Insert other modifications, if necessary]

**Section 8. Schedules and Exhibits.** Each of the Schedules and Exhibits attached hereto or referenced herein is incorporated herein by reference.

\* \* \* \* \*

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 \_\_\_\_\_ )

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

\_\_\_\_\_

Notary Public

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

STATE OF \_\_\_\_\_ )

) ss.:

COUNTY OF \_\_\_\_\_ )

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

\_\_\_\_\_

Notary Public

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

## **LIST OF SCHEDULES AND EXHIBITS**

Schedule A: Front Cover, Page S-\_\_ and Terms Sheet of Offering Circular Supplement

Schedule B: Final Data Statement

Exhibit 1: Issuance Statement

**[NOTE: FOR MULTIFAMILY DEALS WITH CLCS:**

Exhibit 2: Form of Waiver Agreement]

**Exhibit 1**

**Issuance Statement**

See Section 9 of this Part VI of the Guide for the Form of Issuance Statement for SMBS Transactions.



## Exhibit 2

### FORM OF WAIVER AGREEMENT FOR SMBS 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 Guaranteed Stripped Mortgage-Backed Securities to be issued pursuant to the trust agreement relating to the Ginnie Mae SMBS Trust \_\_\_\_\_ 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 "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 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  
Office of Capital Markets  
425 3<sup>rd</sup> Street, S.W., 4<sup>th</sup> Floor  
Washington, D.C. 20024

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

[Trustee Address]

Attention: [ ]

Ginnie Mae SMBS Trust \_\_\_\_

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 SMBS Trust \_\_\_\_ Offering Circular Supplement, a copy of which is attached hereto:

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

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**STANDARD TRUST PROVISIONS  
FOR GINNIE MAE SMBS TRUSTS**

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**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEED STRIPPED MORTGAGE-BACKED SECURITIES**

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**July 1, 2023 Edition**

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**STANDARD TRUST PROVISIONS  
FOR GINNIE MAE SMBS TRUSTS**

THESE STANDARD TRUST PROVISIONS FOR GINNIE MAE SMBS 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's Guaranteed Stripped Mortgage-Backed Securities and shall apply to each such Series except as otherwise provided in the related Trust Agreement.

**ARTICLE I  
DEFINITIONS**

Whenever used herein, the following words and phrases shall have the meanings set forth in this Article I. 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 currently in effect.

**“Book-Entry Depository Account”**: An Eligible Account that is a limited purpose account maintained by the Trustee at the Book-Entry Depository, which account shall, among other things, be credited with all distributions in respect of the Trust Assets, and from which amounts distributable to Securities shall be payable.

**“Certificate Factor”**: As to any Trust Asset and date of determination, the factor (truncated to eight decimal places) determined by dividing (i) the aggregate current principal (or notional) amount of such Certificate, calculated on the assumption that the maximum possible amount thereof is then outstanding, regardless of any exchanges (taking into account, without duplication, any increases in such aggregate current principal (or notional) amount as a result of the excess, if any, of the related Interest Accrual Amounts accrued prior to such date of determination over the Certificate Interest Distribution Amounts payable in respect of such Certificate prior to such date of determination), by (ii) the Original Class Principal Balance (or original Class Notional Balance) of such Certificate.

**“Class”**: As to any Series, all Securities sharing the same designation.

**“Distribution Shortfall Amount”**: As defined in Section 4.04(b).

**“Notional Balance”**: As to any Outstanding Security that constitutes an interest only security, (i) prior to the initial Distribution Date, the notional denomination thereof; and (ii) subsequent to its initial Distribution Date, the notional denomination thereof multiplied by the then current Series Factor.

**“Outstanding Security”**: Each Security; *provided, however*, that upon the exchange of any Security pursuant to Section 3.05 hereof, the Security so exchanged shall be deemed no longer to be an Outstanding Security and each Security issued in exchange therefor shall be deemed to be an Outstanding Security.



“Security”: A Ginnie Mae Guaranteed Stripped Mortgage-Backed Security.

“Security Principal Balance”: As to any Outstanding Security (other than an Interest Only Security) prior to the initial Distribution Date, the denomination thereof; and as to any such Outstanding Security subsequent to such initial Distribution Date, the denomination thereof multiplied by the then applicable Series Factor.

“Tax Administrator”: With respect to a Trust, the Person designated in the Trust Agreement to perform certain tax administrative functions for the Trust.

“Trust”: As to each Series, the related Ginnie Mae SMBS Trust.

“Trust Agreement”: With respect to each Trust, the agreement between the Sponsor and the Trustee that identifies and establishes the Trust and the particular Securities issued in respect of that Trust. Each Trust Agreement shall incorporate these Standard Trust Provisions by reference and may modify, amend or supplement the terms hereof in any respect.

“Trust Asset”: As to any Trust, each Ginnie Mae Certificate conveyed thereto by the related Sponsor.

## **ARTICLE II ESTABLISHMENT OF TRUST**

### **Section 2.01. 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 2.02. Conveyance 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 2.03. 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 2.04. Delivery of Securities.**

Simultaneously with the execution and delivery of the Trust Agreement, the Trustee shall deliver to the Sponsor the Securities in an amount equal to the aggregate principal balance of the underlying Trust Assets.

**Section 2.05. 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 appointed trust committee or duly authorized officers, 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, as applicable. The Trustee shall maintain the Trust Agreement as an official record of the Trustee from the time the Trust Agreement is executed.

**Section 2.06. Separate Grantor Trusts.**

The arrangement pursuant to which each Trust is created pursuant to the related Trust Agreement, and pursuant to which the related Trust Assets will be administered, shall be treated as a separate grantor trust under subpart E, part I of subchapter J of the United States Internal Revenue Code of 1986, as amended (the "Code"). The provisions of the related Trust Agreement shall be interpreted in a manner consistent with such treatment.

**ARTICLE III  
THE SECURITIES**

**Section 3.01. Forms and Denominations of Securities.**

The Securities shall be designated in the related Trust Agreement. The Securities, in the aggregate, represent the entire Beneficial Ownership in the Trust. The Classes of Securities shall be maintained, transferred and exchanged as Securities on the book-entry records of the Book-Entry Depository in minimum denominations of \$100,000 and integral multiples of \$1 in excess thereof, except that the minimum denomination will not be greater than the then authorized Class Principal Balance or Class Notional Balance. No person acquiring a beneficial ownership interest in the Securities (a "Beneficial Owner") shall be entitled to receive a physical certificate representing such ownership interest.

**Section 3.02. Method of Distribution.**

Distributions on the Securities shall be made by the Trustee on each Distribution Date to each Holder as of the related Record Date. Distributions on the Securities shall be made through the facilities of the Book-Entry Depository pursuant to instructions provided by the Trustee

and/or the Information Agent. 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.

**Section 3.03. Authorization, Issuance and Delivery of Securities.**

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

Delivery of the Securities occurs when the Registrar registers the transferee as the registered owner of such Securities. The 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 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:

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, the Ginnie Mae Guaranty will be subject to the following exclusion:

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

**Section 3.04. Registration 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 of Securities as herein provided.

**Section 3.05. Exchange of Securities for Other Securities or Trust MBS.**

Securities shall be exchangeable on the books of the Book-Entry Depository for (i) other Securities within the same Series or (ii) a pro rata percentage ownership interest in the underlying Trust Assets, on and after the Closing Date under the terms and conditions hereinafter

set forth and otherwise in accordance with the procedures specified in the related Offering Circular.

Holders of Securities of each Class of any Series may exchange any such Securities or a portion thereof for a proportionate interest in one or more other Securities within the same Series, so long as the aggregate interests of the Securities surrendered for exchange represent identical percentage interests in the related Interest Distribution Amount and Principal Distribution Amount of the Securities to be exchanged (except for de minimis differences due to rounding). The aggregate Class Principal Balances of the Securities delivered in any such exchange shall equal the aggregate Class Principal Balances of the Securities surrendered for exchange.

For any Series of Securities evidencing an interest in Ginnie Mae Certificates, holders of Securities of each Class of the related Series may exchange any such Securities for a corresponding portion of the Ginnie Mae Certificates, so long as the aggregate interests of the Securities surrendered for exchange represent identical percentage interests in the principal and interest entitlements of the Ginnie Mae Certificates to be exchanged (except for de minimis differences due to rounding). The aggregate principal balances of the Ginnie Mae Certificates delivered in any such exchange shall equal the aggregate outstanding Class Principal Balances of the Securities surrendered for exchange. The Ginnie Mae Certificates surrendered in the exchange may be exchanged back into a proportionate interest in one or more Classes of Securities in the same Series.

There shall be no limitation (other than with respect to minimum denomination requirements) on any exchanges authorized pursuant to this Section 3.05, and, except as provided in the following paragraph, no fee or other charge shall be payable in connection therewith.

Unless otherwise specified in the related Offering Circular or Trust Agreement, as a condition to each exchange, a fee shall be payable to the Trustee equal to 1/32 of 1% of the outstanding principal balance (or notional balance, to the extent provided in the following proviso) of the Securities or the Trust Assets to be submitted for exchange (but not less than \$2,000 or greater than \$25,000).

Unless otherwise specified in the related Offering Circular or Trust Agreement, any Beneficial Owner proposing to effect an exchange as contemplated by this Section 3.05 shall notify the Trustee (through the facilities of the Book-Entry Depository) no later than two Business Days before the proposed date of exchange; provided however, that no such exchange can occur on the last business day of any month. Any such notice as provided hereunder shall become irrevocable by the Beneficial Owner on the second Business Day preceding the proposed date of exchange, provided that the exchange fee has been paid. The contents of any notice of exchange shall be specified in the related Offering Circular.

In connection with any exchange of Securities or Ginnie Mae Certificates, the Trustee shall verify that such exchange has been effected in the appropriate proportions. The Trustee shall promptly notify the Book-Entry Depository (or its participant, as applicable) in the event of

error. The initial distribution in respect of a Security delivered for exchange shall occur on the Distribution Date in the month following the month of exchange.

## **ARTICLE IV DISTRIBUTIONS ON THE SECURITIES**

### **Section 4.01. Establishment of Accounts.**

(a) Book-Entry Depository Account. 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, clearly identifying the Segregated Portions thereof. The Depository Accounts shall be credited with amounts as provided in Sections 4.03 and 4.04 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, clearly identifying the Segregated Portions thereof. The Trustee ABA Account shall be credited with amounts as provided in Section 4.03 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 income 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 amounts held in the Variance Account 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 4.04(b) hereof. If no investment direction is provided to the Trustee, then the Trustee shall hold such funds uninvested.

(d) Collection Account. The Trustee will maintain an Eligible Account (the "Collection Account") for the purposes provided in Section 4.03. 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 clearly identifying the Segregated Portions thereof. Amounts on deposit from time to time in the Collection Account may be invested in Eligible Investments, provided that (i) such Eligible Investments consist solely of investments

described in clause (a) or (b) of the definition of Eligible Investments and (ii) such Eligible Investments are held to their maturity, if any, and are not sold except to facilitate a distribution from the Collection Account. 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 4.03 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 as a fiduciary 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, a duly appointed loan committee, duly appointed trust committee or duly authorized officers, as the case may be, of the Trustee, or, as the case may be, the Trustee's board of directors, a duly appointed loan committee, duly appointed trust committee or duly authorized officers of the depository institution or trust company at which such Trust Account is to be established, shall approve the establishment of such Trust Account and the Trust Agreement 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.** With respect to each Trust, the Book-Entry Depository Account shall include, and where applicable a reference to such account herein or in the related Trust Agreement shall be understood to be a reference to, a Segregated Portion of such account corresponding to such Trust.

#### **Section 4.02. Certificate Factors and Series 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 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 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 4.02(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 Eastern time 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 4.02(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 4.02(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 4.02(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) 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) 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) 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 4.02(a), (b), (c) and (d) above, the Trustee shall calculate the Class Factors, the Principal Distribution Amount and the

Interest Distribution Amount 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 4.03. Application of Payments.**

(a) On each Ginnie Mae Certificate Payment Date and Underlying Certificate Payment Date or 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 the 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 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 4.04(c) and (d) 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 distributable as principal, interest and related Prepayment Penalties, if any, in respect of the Securities in respect of such Distribution Date shall be withdrawn therefrom and deposited into the Book-Entry Depository Account for distribution pursuant to Sections 4.04(c) and (d). All remaining amounts on deposit in the Collection Account distributable as Trustee Fee amounts and investment earnings, shall be withdrawn therefrom for application pursuant to Sections 4.04(g) and (j) 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.



#### **Section 4.04. 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 Securities from amounts on deposit in the Book-Entry Depository Account, (iii) amounts distributed on such Distribution Date as Prepayment Penalties on the 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 and (iv) the Ginnie Mae Interest Amount for the Distribution Date from the immediately preceding calendar month.

(b) Distribution Shortfall. No later than 10:00 a.m. Eastern Standard 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 Securities on such Distribution Date, exceed (B) the amounts on deposit in the Book-Entry Depository Account (the "Distribution 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 Distribution Shortfall Amount, the Trustee shall withdraw the Distribution 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.

(c) 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 Securities on that Distribution Date. On each Distribution Date, the Book-Entry Depository will credit the accounts of its record owners of the Securities in accordance with the standard procedures of the Book-Entry Depository.

(d) Distributions. On 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 the Securities issued in respect of any Trust as shall be provided in the related Trust Agreement. The Trustee hereby directs the Book-Entry Depository to withdraw from the Book-Entry Depository Account on each Distribution Date amounts distributable as principal, interest and Prepayment Penalties on the Securities as instructed by the Trustee. 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.

(e) 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 Outstanding 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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 the Collection Account, as applicable, in immediately available funds in accordance with Section 4.04(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. To the extent that Ginnie Mae fails to make any required payment pursuant to the Ginnie Mae Guaranty, the related Trustee on behalf of the Holders shall be obligated to take all necessary and appropriate actions to enforce the Ginnie Mae Guaranty in accordance with the terms hereof.

(j) **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.

(k) **Separate Application of Payments.** The application of payments pursuant to Section 4.03 and this Section 4.04 shall be made separately in respect of each Trust, and each reference to a Trust Account shall be understood to refer to the Segregated Portion of such account corresponding to each Trust created hereunder.

**Section 4.05. 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 2.03 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 4.06. Reconciliation Process.**

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

**Section 4.07. 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 4.08. 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 the amount of distributions allocable to principal, the amount allocable to interest and the amount allocable to Prepayment Penalties. 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 Administrator pursuant to any requirements of the Code and Treasury Regulations.

**ARTICLE V**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS**

**Section 5.01. 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 set forth (i) in the Final Data Statement for such Series and (ii) with respect to any Series backed in whole or in part by any Ginnie Mae Multifamily Certificates, in Exhibit A to the Offering Circular Supplement, including, but not by way of limitation, the outstanding principal balance of each Trust Asset as of the Closing Date and the Certificate Rate of 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; and

(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.

It is understood and agreed that the representations and warranties set forth in this Section 5.01 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 upon the Trustee's actual knowledge or receipt of notice of a breach of the foregoing representations and warranties, the Sponsor or the Trustee, as applicable, shall promptly notify the other party to the Trust Agreement and Ginnie Mae, and in no event later than two Business Days from the date of such discovery, actual knowledge or receipt of notice as applicable. In no event, however, will any failure to notify the other party to

the Trust Agreement and Ginnie Mae of such breach of representation and warranty absolve or limit the Sponsor's requirement to cure any such breach.

**Section 5.02. 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), in the Final Data Statement, or, in the case of any Series backed by Ginnie Mae Multifamily Certificates, 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 5.03. 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 or the related Trust Agreement which breach, in the judgment of 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 or (ii) in the case of Trust 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. 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.

**ARTICLE VI  
CONCERNING THE TRUSTEE**

**Section 6.01. Duties of Trustee.**

(a) 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.

(b) 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:

(i) 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;

(ii) 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;

(iii) 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; and

(iv) 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 as to the enforcement by the Trustee of the Ginnie Mae Guaranty.

(c) 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 6.02. Certain Matters Affecting the Trustee.**

Except as otherwise provided in Section 6.01, 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, 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 Holders 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 indemnity reasonably acceptable to it 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;

(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;

(i) If the Trustee determines that an action the Trustee is required to take under a Trust Agreement is not in accordance with applicable law, then the Trustee shall provide a copy of an Opinion of Counsel supporting such determination to Ginnie Mae and consult with Ginnie Mae as to ways in which such action can be taken in accordance with applicable law or alternative courses of action; provided, that if the Trustee and Ginnie Mae cannot determine a

way in which the Trustee can take such action or alternative action in accordance with applicable law, the Trustee shall not be required to take such action; and

(j) The Trustee will not be required to expend or risk its own funds or otherwise incur financial liability in the performance of its duties under the Trust Agreement (excluding its duties explicitly set forth herein) or in the exercise of any of its rights or powers if, there shall be reasonable ground for believing that the repayment of those funds or indemnity reasonably acceptable to it against that risk or liability is not reasonably assured to it.

**Section 6.03. Trustee Not Liable for Securities.**

(a) 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 and the 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.

(b) The Trustee shall have no responsibility or accountability with respect to the sufficiency or adequacy of the following: (i) the Trust Assets and Ginnie Mae Guaranty to generate funds necessary to make required payments on the Securities or (ii) 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 6.04. 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 or any other Trustee or any Tax Administrator with the same rights it would have if it were not Trustee.

**Section 6.05. 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 6.06. Eligibility Requirements for Trustee.**

(a) 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 S&P Global Ratings 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.

(b) 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 6.06 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 6.06, 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 6.07 hereof.

**Section 6.07. Resignation and Removal of the Trustee.**

(a) 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 6.08. 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.

(b) Ginnie Mae may remove the Trustee for cause at any time. For the purposes of this Section 6.07 "cause" shall mean one of the following:

(i) The Trustee's ceasing to be eligible in accordance with the provisions of Section 6.06 hereof and failing to resign after written request therefor by Ginnie Mae or its agent;

(ii) The Trustee's inability or failure to take any actions required under a Trust Agreement;

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

(iv) 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;

(v) 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;

(vi) 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

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

(c) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 6.07 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 6.08 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.

(d) 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 6.08. Successor Trustee.**

(a) Any successor trustee appointed to serve as Trustee of a Trust 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 6.08 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 6.08, Ginnie Mae may take any action it deems necessary or advisable to cause the performance of such duties and obligations.

(b) No successor trustee shall accept appointment as provided in this Section 6.08 unless at the time of such acceptance such successor trustee is eligible under the provisions of Section 6.06 hereof.

(c) Upon acceptance of appointment by a successor trustee as provided in this Section 6.08, 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 6.09. 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 6.11 hereof), irrespective of the appointment of any co-trustee to perform such duties or obligations on behalf of the Trustee.

**Section 6.10. 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 6.06 hereof.

**Section 6.11. 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 U.S. Treasury securities. Notwithstanding the foregoing, the Trustee will not be liable for any action reasonably taken, suffered or omitted by it in good faith and believed by it to be authorized by the Trust Agreement.

**Section 6.12. 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.

**Section 6.13. Voting of the Underlying Certificates or the Underlying SMBS Securities.**

In the event that a vote of the holders of Underlying Certificates or Underlying SMBS Securities is required pursuant to the trust agreement governing any Underlying Trust or Underlying SMBS Trust, the Trustee shall vote in respect of the Underlying Certificate or Underlying SMBS Trust in a manner that, in its sole judgment, is consistent with the best interests of the holders of the Securities. Notwithstanding the preceding sentence, the Trustee shall not have a right to vote, under this Section 6.13, in any case where the existence of such right would cause the Trust not to be treated as a grantor trust for United States federal income tax purposes.

**ARTICLE VII  
TERMINATION**

The respective obligations and responsibilities of the Sponsor and the Trustee created by the related Trust Agreement shall terminate upon the payment of all principal and accrued interest on the Securities and all other amounts due and owing by the Trustee under such Trust Agreement; *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.

**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, 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, 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, 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.

**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 interest rates, the Distribution Dates, Record Dates, Accounting Dates, the Ginnie Mae Guaranty or other payment terms established by the Trust Agreement for the Series which adversely affects 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; or (ii) except as provided in Section 8.03(b) below, to make any other changes that Ginnie Mae requests.

(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. Notwithstanding the foregoing, the Trustee shall not allow any amendment to the related Trust Agreement that would cause the Trust not to be treated as a grantor trust for United States federal income tax purposes.

(c) 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 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 (i) such counsel has examined the amendment and the relevant portion of the related Trust Agreement, (ii) the amendment is permitted by the related Trust Agreement and (iii) the proposed amendment will not cause any related SMBS Trust not to be treated as a grantor trust for United States federal income tax purposes.

**Section 8.04. Persons Deemed Owners.**

(a) 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 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.

(b) The Holder of a Security is not the Beneficial Owner of such Security. The rights of a Beneficial Owner of a 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 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. 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 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, INsofar 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  
Office of Capital Markets  
425 3rd Street S.W., 4th Floor  
Washington, D.C. 20024  
Attention: Senior Vice President, Capital Markets Division  
Telephone: (202) 475-8855  
Facsimile: (202) 485-9585

With copies to:

Department of Housing and Urban Development  
Office of General Counsel  
451 7th Street S.W., Room 9250  
Washington, D.C. 20410  
Attention: Assistant General Counsel Ginnie Mac/Finance  
Telephone: (202) 402-5196

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.

**ARTICLE IX  
TAX ADMINISTRATOR**

**Section 9.01. Tax Administration.**

- (a) Each Holder of a Security hereby designates the Tax Administrator, as its agent, to perform certain tax administration functions of the related SMBS Trust.
- (b) 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 out of amounts in 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, 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 that involves the Internal Revenue Service or state or local tax authorities; *provided, however*, that the Tax Administrator may pay out of amounts in the Trust Accounts the reasonable cost of contesting a tax imposed on the Trust, provided that the Tax Administrator has received Ginnie Mae's written permission to engage in the contest.

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

(d) 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 of the Trust in a manner consistent with the Offering Circular. 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.

(e) 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 under United States federal, state or local tax law. Upon the Tax Administrator's request, the Trustee shall provide the Tax Administrator with a list of Security holders of record and any other information reasonably necessary to the Tax Administrator in the performance of its duties.

(f) With respect to each Trust, the Tax Administrator and the Trustee shall take any action or cause any Trust to take any action necessary to create or maintain the status of such Trust as a grantor trust pursuant to Section 2.06 hereof.

(g) With respect to each Trust, neither the Tax Administrator nor the Trustee shall take any action or fail to take any action, or cause any Trust to take any action or fail to take any action that, if taken or not taken, could endanger the status of any such Trust as a grantor trust pursuant to Section 2.06 hereof.

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

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

**Section 9.02. 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, 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 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 9.02 “cause” shall mean one of the following:

(i) The Tax Administrator’s inability or failure to take any actions required under the related 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 9.02 shall become effective upon acceptance of appointment by the successor Tax Administrator as provided in Section 9.02(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 as provided in this Section 9.02 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.

\* \* \*

Exhibit 1

See Form of Issuance Statement for SMBS Transactions  
at page VI-9 in this Part VI of the Guide.

**FORM OF TRANSACTION OPINION OF  
TRUST COUNSEL FOR SMBS TRANSACTIONS**

Pursuant to the SMBS Sponsor Agreement, Trust Counsel must deliver an opinion substantially in the form that follows as a condition to closing. In general, this condition must be met by the delivery of an opinion in the form that follows, including the materials marked with square brackets “[].” If an opinion includes the bracketed language, it need not include the language marked with braces “{}.”

**FORM OF TRANSACTION OPINION OF  
TRUST COUNSEL FOR SMBS TRANSACTIONS**

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

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

[Trustee]

[Sponsor]

Ginnie Mae Stripped Mortgage-Backed Securities Trust [ ]

Ladies and Gentlemen:

We have acted as trust counsel in connection with the issuance by the Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_\_ (the “SMBS Trust”), established pursuant to a trust agreement (the “SMBS Trust Agreement”), dated as of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, as trustee of the SMBS Trust (the “Trustee”), and \_\_\_\_\_, [a][an] \_\_\_\_\_ [corporation][limited liability company][limited partnership][general partnership] (the “Sponsor”), and incorporating by reference the Standard Trust Provisions for Ginnie Mae SMBS Trusts, \_\_\_\_\_, 20\_\_ Edition (the “SMBS Standard Trust Provisions”), of approximately \$\_\_\_\_\_ aggregate principal amount of securities (the “Securities”) guaranteed by the Government National Mortgage Association (“Ginnie Mae”). The Securities are being sold to the Sponsor pursuant to the SMBS Trust Agreement. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the glossary contained in the Ginnie Mae Multiclass Securities Guide currently in effect (the “Glossary”).

The SMBS Base Offering Circular, dated \_\_\_\_\_, 20\_\_, and the related Offering Circular Supplement, dated \_\_\_\_\_, 20\_\_ (collectively, the “Offering Circular”), were prepared in connection with the offering of the Securities.

The assets of the SMBS Trust consists primarily of [Trust MBS] [and] [Underlying SMBS Securities] ([collectively,] the “Trust Assets”) sold to the SMBS Trust by the Sponsor. In connection with the issuance of the Securities, Ginnie Mae is guaranteeing the payment of the full amount of principal and interest on each Security pursuant to the Guaranty Agreement and Section 3 of the Standard Sponsor Provisions for Ginnie Mae SMBS Securities, \_\_\_\_\_, 20\_\_ Edition (the “SMBS Standard Sponsor Provisions”).

In connection with the foregoing, we have examined the following documents:

- (a) A copy of the SMBS Standard Trust Provisions;
- (b) A signed copy of the SMBS Trust Agreement, which incorporates by reference the SMBS Standard Trust Provisions;
- (c) A copy of the Standard SMBS Sponsor Provisions;
- (d) A signed copy of the Sponsor Agreement, dated \_\_\_\_\_, 20\_\_, between Ginnie Mae and the Sponsor, which incorporates by reference the SMBS Standard Sponsor Provisions;
- (e) A copy of the Offering Circular;
- (f) A copy of the Glossary;
- (g) The Issuance Statement[;][.] [and]
- {(h) the opinion[s] of counsel of the Sponsor, delivered in connection with this transaction (the “Sponsor’s Opinion[s]”)[;][.] [and]}
- [(i) the disclosure documents relating to the [Underlying SMBS Securit[y][ies]] ([each] as defined in the Offering Circular, and referred to herein [collectively,] as the “Underlying Securit[y][ies] Disclosure Documents”)[;][.] [and]]
- [(j) the Articles of Incorporation and Bylaws (collectively, the “Constituent Documents”) of the Sponsor, together with good standing certificates with respect to the Sponsor; and
- (k) the resolutions of the Sponsor pertaining to the subject transactions, certified by the Secretary or Assistant Secretary of the Sponsor.]

The SMBS Trust Agreement and the Sponsor Agreement are collectively referred to herein as the “Agreements.”

For purposes of the opinions expressed below, we have assumed (a) the authenticity of all documents submitted to us as originals, (b) the conformity to the originals of all documents

submitted as certified or photostatic copies and the authenticity of the originals of such copies, (c) the genuineness of signatures not witnessed by us, (d) the legal capacity of natural persons and (e) the due authorization, execution and delivery of all documents by all parties and the validity and binding effect thereof (other than [the due authorization, execution and delivery of documents by the Sponsor and] the validity and binding effect of documents upon the Sponsor).

As to factual matters, we have relied upon representations included in the aforementioned documents and in other documents delivered at the closing, upon certificates of officers of the Sponsor and upon certificates of public officials. In addition, we have obtained from officers and employees of the parties described above such other certificates and assurances, and we have examined such records, other documents and questions of law, as we have considered necessary or appropriate for purposes of rendering this opinion letter. [Whenever the phrase “to our knowledge” is used herein, it refers to the actual knowledge of the attorneys of this firm involved in the representation for this transaction.]

The enforceability of the Agreements against the parties thereto is subject to the provisions of bankruptcy, insolvency, reorganization, moratorium and similar laws relating to or affecting the rights of creditors generally and to principles of equity, whether considered at law or in equity, except that Ginnie Mae may enforce the Agreements against the parties thereto notwithstanding any bankruptcy, insolvency, reorganization or moratorium law, or any law relating to or affecting the rights of creditors generally, to the extent that such law is preempted by the authorizing law for the Ginnie Mae Multiclass Securities Program set forth at 12 U.S.C. § 1721(g)(3)(E)(iv).

We do not purport to express an opinion as to the laws of any jurisdiction other than [NOTE: INCLUDE WHEN INCLUDING BRACKETED OPINIONS 1. THROUGH 5. IN THIS OPINION: the State[s] of [INSERT STATE[S] OF ORGANIZATION AND, IF DIFFERENT, PRINCIPAL PLACE OF BUSINESS OF THE SPONSOR,]] [the State of ][and] New York and the United States of America.

## I.

Based upon, and subject to, the foregoing and such other documents and information as we have considered necessary for the purposes hereof, we are of the opinion that:

1. The Sponsor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation.
2. The Sponsor has the corporate power and authority to enter into the transactions contemplated by the Agreements.
3. The Sponsor is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction that requires such qualification wherein it owns or leases material properties, except where the failure so to qualify would not have a material adverse effect on such company’s ability to perform its obligations under the Agreements.



4. To our knowledge, there is no action, suit, proceeding or investigation pending or threatened against the Sponsor that reasonably could be expected to affect adversely (a) the Sponsor's ability to carry on its business substantially as now conducted; (b) the transfer of the Trust Assets; (c) the issuance of the Securities or (d) the execution, delivery, performance or enforceability of the Agreements, including the Sponsor's performance under any indemnification provisions.]

5. To our knowledge, no consent, approval, authorization or order of (a) any [INSERT BOTH PRINCIPAL PLACE OF BUSINESS STATE AND, IF DIFFERENT, STATE OF ORGANIZATION OF SPONSOR] state or federal court or (b) any [INSERT BOTH PRINCIPAL PLACE OF BUSINESS STATE AND, IF DIFFERENT, STATE OF ORGANIZATION OF SPONSOR] state or federal governmental agency or body is required for the consummation by the Sponsor of the transactions contemplated by the Agreements, except for those that have been obtained by the Sponsor and are in full force and effect; *provided, however,* that we express no opinion with respect to requirements under federal or state securities or blue sky laws, of any jurisdiction in connection with the distribution of the Securities.]

{1. The Sponsor's Opinion[s] [is] [are] satisfactory in form and scope to us, and we believe that you may properly rely on [it] [them].}

{2} [6.] Assuming the due authorization, execution and delivery of the SMBS Trust Agreement by the [Trustee] {parties thereto}, the provisions of the SMBS Trust Agreement are sufficient to establish a trust under and pursuant to the governing laws of the SMBS Trust Agreement.

{3} [7.] [Each of the Agreements has been duly executed and delivered by an authorized signatory of the Sponsor, and] {Assuming the due authorization, execution and delivery of the Agreements by the parties thereto,} each constitutes a valid, legal and binding agreement of the Sponsor, enforceable against the Sponsor in accordance with its respective terms.

{4} [8.] The Securities conform in all material respects to the descriptions thereof contained in the Offering Circular. The Securities have been duly and validly authorized and delivered by the Trustee in accordance with the SMBS Trust Agreement and are duly and validly issued and entitled to the benefits of such SMBS Trust Agreement.

{5} [9.] The Securities are exempt from the registration requirements of the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission (the "Commission") promulgated thereunder, and the Securities constitute "exempted securities" under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

{6} [10.] The SMBS Trust Agreement is not required to be qualified under the Trust Indenture Act of 1939, as amended, and the trust fund created thereby is not required to be registered under the Investment Company Act of 1940, as amended.

{7} [11.] No consent, approval, authorization or order of (a) any \_\_\_\_\_ state or federal court or (b) any \_\_\_\_\_ state or federal governmental agency or body is required for the consummation by the SMBS Trust of the transactions contemplated by the Agreements; *provided, however*, that we express no opinion with respect to requirements under local and state securities laws, including but not limited to such as may be required under the state securities or blue sky laws, of any jurisdiction in connection with the distribution of the Securities.

{8} [12.] The statements set forth under the headings “Terms Sheet” and “Description of the Securities” in the Offering Circular Supplement, and under the headings “Description of the Securities” and “The Trusts” in the SMBS Base Offering Circular, insofar as such statements together purport to summarize certain provisions of the Agreements, provide a fair summary of such provisions.

{9} [13.] The statements in the Offering Circular Supplement under the headings “ERISA Matters” and “Legal Investment Considerations,” and in the SMBS Base Offering Circular under the headings “ERISA Considerations” and “Legal Investment Considerations,” insofar as they describe federal statutes and regulations or constitute legal conclusions with respect thereto, have been prepared or reviewed by us, and such statements provide a fair summary of such statutes and regulations.

{10} [14.] The Securities qualify as “guaranteed governmental mortgage pool certificates” within the meaning of 29 C.F.R. § 2510.3-101(i)(2).

## II.

We have participated in various conferences with [officers and directors of] [appropriate representatives of] the Sponsor, representatives of Ginnie Mae, representatives of [Hunton Andrews Kurth LLP] [and] [Harrell & Chambliss LLP] [BurgherGray LLP], counsel to Ginnie Mae, and [appropriate representatives of] the Accountants. At those conferences, the contents of the Offering Circular were discussed and revised. [Since the dates of those conferences, we have inquired of appropriate representatives whether there has been any material change in the affairs of the Sponsor.]

Because of the inherent limitations in the independent verification of factual matters, we are not passing upon, and do not assume any responsibility for, and make no representation that we have independently verified, the accuracy, completeness or fairness of the statements contained in the Offering Circular, except as specifically set forth in paragraphs [12 and 13] {8 and 9} of Part I of our opinion above. Also, we do not express any opinion or belief as to the financial statements or other numerical, financial or statistical information contained in the Offering Circular. However, subject to the foregoing, we advise you that nothing has come to our attention that would lead us to believe that the Offering Circular, as of the date thereof and at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements made therein, in the light of

the circumstances under which they were made, not misleading (except that we express no opinion with respect to the numerical, financial and statistical data contained in the Offering Circular).

We express no opinion as to any matter other than as expressly set forth herein, and no other opinion is to be, or may be, inferred or implied herefrom. This opinion is given as of the date hereof and is based on facts and conditions presently known to us and laws and regulations currently in effect, and we do not undertake, and hereby disclaim, any obligation to advise you of any change in any matters set forth herein.

This opinion letter is being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any person without our prior written consent.

Very truly yours,

**FORM OF OPINION OF SPONSOR FOR SMBS TRANSACTIONS**

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

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

[Trustee]

[Sponsor]

Re: Guaranteed Stripped Mortgage-Backed Securities  
Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_\_\_

Ladies & Gentlemen:

I am [employed as] [the] [Internal] [Associate General] [General] counsel [by] [of] \_\_\_\_\_ (“Sponsor”) and, in such capacity, have acted as counsel to Sponsor, [a][an] \_\_\_\_\_ [corporation][limited liability company][limited partnership][general partnership], in connection with the issuance, by the Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_\_\_ (the “SMBS Trust”), established pursuant to a trust agreement (the “SMBS Trust Agreement”) dated as of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, as trustee of the SMBS Trust (the “Trustee”), and the Sponsor, and incorporating by reference the Standard Trust Provisions for Ginnie Mae SMBS Trusts, \_\_\_\_\_, 20\_\_ Edition, of approximately \$ \_\_\_\_\_ aggregate principal amount of securities (the “Securities”) guaranteed by the Government National Mortgage Association (“Ginnie Mae”). The Securities are being sold to the Sponsor pursuant to the SMBS Trust Agreement. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the glossary contained in the Ginnie Mae Multiclass Securities Guide currently in effect.

In connection with this opinion, I [or others under my supervision] have examined the SMBS Trust Agreement and a sponsor agreement (the “Sponsor Agreement” and, together with the Trust Agreement, the “Agreements”) dated as of \_\_\_\_\_, 20\_\_, by and between Ginnie Mae and the Sponsor and incorporating by reference the Standard SMBS Sponsor Provisions, [\_\_\_\_\_] Edition. I [or others under my supervision] have also examined and am familiar with originals or copies, certified or otherwise identified to my satisfaction, of such documents as I have deemed necessary or appropriate as a basis for the opinion set forth below.

In my examination, I have assumed the genuineness of all signatures, the legal capacity of natural persons, the conformity to original documents of all documents submitted to me as certified or photostatic copies, the authenticity of the originals of such copies, and the due

authorization, execution and delivery of all documents by all parties and the validity and binding effect thereof (other than the due authorization, execution and delivery of documents by the Sponsor as to which I express an opinion herein). As to any fact material to this opinion that I did not independently establish or verify, I have relied upon statements and representations of officers and other representatives of the Sponsor. Whenever the phrase “to my knowledge” is used herein, it refers to the actual knowledge of the attorneys employed by the Sponsor who are involved in the representation for this transaction.

I am admitted to the Bar of the State of \_\_\_\_\_, and I express no opinion as to the laws of any jurisdiction other than the laws of the State of [INSERT STATE OF PRINCIPAL PLACE OF BUSINESS OF SPONSOR], [INSERT, IF STATE IS DIFFERENT: [the [corporate] [limited liability company] laws of the State of [INSERT STATE OF ORGANIZATION OF SPONSOR]] and, to the extent specifically referred to herein, the laws of the United States of America. Based upon and subject to the foregoing, I am of the opinion that:

1. The Sponsor has been duly [incorporated] [organized] [formed as] and is validly existing as a [corporation] [limited liability company] [limited partnership] [general partnership] in good standing under the laws of the jurisdiction of its [incorporation] [organization] [formation].
2. The Sponsor has the [corporate] power and authority to enter into the transactions and perform the obligations contemplated by the Agreements.
3. The Sponsor is duly qualified to do business as a foreign [corporation] [limited liability company] [limited partnership] [general partnership] and is in good standing under the laws of each jurisdiction that requires such qualification wherein it owns or leases material properties, except where the failure so to qualify would not have a material adverse effect on the Sponsor’s ability to perform its obligations under the Agreements.
4. There is no action, suit, proceeding or investigation pending or, to my knowledge, threatened against the Sponsor that reasonably could be expected to affect adversely (a) the Sponsor’s ability to carry on its business substantially as now conducted, (b) the transfer of the Trust Assets, (c) the transfer of the Securities or (d) the execution, delivery, performance or enforceability of the Agreements, including the Sponsor’s performance under any indemnification provisions.
5. The Agreements have been duly executed and delivered by the Sponsor.
6. No consent, approval, authorization or order of (a) any [INSERT BOTH PRINCIPAL PLACE OF BUSINESS AND, IF DIFFERENT, STATE OF ORGANIZATION OF SPONSOR] state or federal court or (b) any [INSERT BOTH PRINCIPAL PLACE OF BUSINESS AND, IF DIFFERENT, STATE OF ORGANIZATION OF SPONSOR] state or federal governmental agency or body is required for the consummation by the Sponsor of the transactions contemplated by the Agreements, except for those that have been obtained by the Sponsor and are in full force and effect; *provided, however*, that I express no opinion with respect to requirements

under federal or state securities or blue sky laws, of any jurisdiction in connection with the distribution of the Securities.

I express no opinion as to any matter other than as expressly set forth herein, and no other opinion is to be, or may be, inferred or implied herefrom. This opinion is given as of the date hereof and is based on facts and conditions presently known to me and laws and regulations currently in effect, and I do not undertake, and hereby disclaim, any obligation to advise you of any change in any matters set forth herein.

I consent to reliance upon this opinion letter by Ginnie Mae for the purpose of complying with its requirements in connection with the Sponsor Agreement and by [INSERT TRUST COUNSEL] in connection with the delivery of its opinion related to the Agreements. Except as provided in the preceding sentence, this opinion letter may not be relied upon by, nor may copies be delivered to, any person without my prior written consent.

Very truly yours,

**FORM OF TAX OPINION OF  
TRUST COUNSEL FOR SMBS TRANSACTIONS**

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

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_  
c/o [Trustee]

[Trustee]

[Sponsor]

Ginnie Mae Stripped Mortgage-Backed Securities Trust [\_\_]  
Certain Tax Matters

Ladies and Gentlemen:

We have acted as trust counsel in connection with the formation of the Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_ (the "SMBS Trust"), established pursuant to a trust agreement (the "SMBS Trust Agreement"), dated as of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, as trustee of the SMBS Trust (the "Trustee"), and \_\_\_\_\_, [a][an] \_\_\_\_\_ [corporation] [limited liability company][limited partnership][general partnership] (the "Sponsor"), and incorporating by reference the Standard Trust Provisions for Ginnie Mae SMBS Trusts, \_\_\_\_\_, 20\_\_ Edition (the "SMBS Standard Trust Provisions"), and the issuance of approximately \$ \_\_\_\_\_ aggregate principal amount of its Guaranteed Stripped Mortgage-Backed Securities (the "Securities"). The Securities consist of the Classes of Securities listed on the front cover of the Offering Circular Supplement dated \_\_\_\_\_, 20\_\_ (the "Offering Circular Supplement"). The Securities are being offered pursuant to the SMBS Base Offering Circular dated \_\_\_\_\_, 20\_\_ and the Offering Circular Supplement (together, the "Offering Circular"). Capitalized terms used but not defined herein shall have the meanings assigned to them in the glossary contained in the SMBS Trust Agreement.

We have reviewed the originals or copies of: (i) the SMBS Trust Agreement, including the SMBS Standard Trust Provisions; (ii) the Sponsor Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, by and between the Sponsor and Ginnie Mae, including the Standard Sponsor Provisions for Ginnie Mae SMBS Securities, \_\_\_\_\_, 20\_\_\_\_ Edition[, as amended through \_\_\_\_\_, 20\_\_\_\_]; (iii) the Guaranty Agreement dated as of \_\_\_\_\_, 20\_\_\_\_; and (iv) the Offering Circular. We also have reviewed such other documents relating to the transaction and made such other factual and legal inquiries as we have considered necessary for purposes of the opinions given below.

Based on the foregoing, we are of the opinion that, with respect to this transaction, the statements and legal conclusions contained in the Offering Circular under the caption "Certain United States Federal Income Tax Consequences," insofar as they constitute matters of United States federal law or legal conclusions with respect thereto, are correct in all material respects and the discussion thereunder does not omit any material provision with respect to the matters covered. Also based on the foregoing and subject to the qualifications stated herein, we are of the further opinion that, if the Trustee, the Sponsor, Ginnie Mae and the other parties to the documents referenced in the foregoing paragraph comply (without waiver) with all of the provisions of such documents, SMBS Trust \_\_\_\_ will constitute a grantor trust within the meaning of Sections 671 through 679 of the Code, and not a partnership or an association taxable as a corporation.

You should be aware that the above opinions and the discussion contained in the Offering Circular under the caption "Certain United States Federal Income Tax Consequences" represent conclusions as to the application of existing law to the transaction described herein. There can be no assurance that existing law will not change or that contrary positions will not be taken by the Internal Revenue Service.

No opinion has been sought and none has been given concerning the tax consequences of the transaction described herein or of the acquisition, ownership, or disposition of the Securities under the laws of any state or locality.

The opinions expressed herein are solely for the information and use of the addressees and may not be relied upon or otherwise used for any purpose by any other person without our express written consent.

Very truly yours,



**FORM OF OPINION OF TRUSTEE’S COUNSEL FOR SMBS TRANSACTIONS**

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

Government National Mortgage Association  
Office of Capital Markets  
425 3rd Street SW, 4th Floor  
Washington, D.C. 20024

Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_\_\_  
c/o [Trustee]

[Sponsor]

Ginnie Mae Stripped Mortgage-Backed Securities Trust [\_\_\_\_]

Ladies and Gentlemen:

We have acted as special counsel to \_\_\_\_\_ in its capacity as trustee (the “Trustee”) in connection with the issuance by the Ginnie Mae Stripped Mortgage-Backed Securities Trust \_\_\_\_ (the “SMBS Trust”), established pursuant to a trust agreement (the “SMBS Trust Agreement”), dated as of \_\_\_\_\_, 20 \_\_, by and between the Trustee and \_\_\_\_\_, [a][an] \_\_\_\_\_ [corporation] [limited liability company][limited partnership][general partnership] (the “Sponsor”), and incorporating by reference the SMBS Standard Trust Provisions, \_\_\_\_\_, 20 \_\_ Edition (the “SMBS Standard Trust Provisions”), of \$ \_\_\_\_\_ aggregate principal amount of securities (the “Securities”) guaranteed by the Government National Mortgage Association (“Ginnie Mae”). The Securities are being sold to the Sponsor pursuant to the SMBS Trust Agreement. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the glossary contained in the Ginnie Mae Multiclass Securities Guide currently in effect.

In connection with the foregoing, we have examined the following documents:

- (a) A copy of the SMBS Standard Trust Provisions;
- (b) A signed copy of the SMBS Trust Agreement, which incorporates by reference the SMBS Standard Trust Provisions;

- (c) the Issuance Statement;
- (d) the [Amended and Restated] Articles of [Incorporation] [Association] [Restated Organization Certificate] and [the Amended and Restated] Bylaws of the Trustee, together with [Certificates of Corporate Existence and Fiduciary Powers with respect to the Trustee] [good standing certificates with respect to the Trustee]; and
- (e) the resolutions [and other corporate action] of the Trustee pertaining to the subject transactions, certified by [the Secretary or an Assistant Secretary] [an officer] of the Trustee.

We also have reviewed originals or copies, certified or otherwise identified to our satisfaction, of such other documents as we deemed necessary or appropriate as a basis for the opinions set forth below.

For purposes of the opinions expressed below, we have assumed (a) the authenticity of all documents submitted to us as originals, (b) the conformity to the originals of all documents submitted as certified or photostatic copies and the authenticity of the originals of such copies, (c) the genuineness of signatures not witnessed by us, (d) the legal capacity of natural persons, and (e) the due authorization, execution and delivery of all documents by all parties and the validity and binding effect thereof (other than the due authorization, execution and delivery of documents by the Trustee and the validity and binding effect of documents upon the Trustee as to which we express an opinion herein).

As to factual matters, we have relied upon representations included in the aforementioned documents and in other documents delivered at the closing, upon certificates of officers of the Trustee and upon certificates of public officials. In addition, we have obtained from officers and employees of the parties described above such other certificates and assurances, and we have examined such records, other documents and questions of law, as we have considered necessary or appropriate for purposes of rendering this opinion letter. Whenever the phrase "to our knowledge" is used herein, it refers to the actual knowledge of the attorneys of this firm involved in the representation of the Trustee in this transaction.

The enforceability of the SMBS Trust Agreement against the parties thereto is subject to the provisions of bankruptcy, insolvency, reorganization, moratorium and similar laws relating to or affecting the rights of creditors generally and principles of equity, whether considered at law or in equity, except that Ginnie Mae may enforce the SMBS Trust Agreement against the parties thereto notwithstanding any bankruptcy, insolvency, reorganization or moratorium law, or any law relating to or affecting the rights of creditors generally, to the extent that such law is preempted by the authorizing law for the Ginnie Mae Multiclass Securities Program set forth at 12 U.S.C. § 1721(g)(3)(E)(iv).

We do not purport to express an opinion as to the laws of any jurisdiction other than the [State of \_\_\_\_\_, the] State of New York and the United States of America.

Based upon, and subject to, the foregoing and such other documents and information as we have considered necessary for the purposes hereof, we are of the opinion that:

1. The Trustee is a(n) [ \_\_\_\_\_ corporation] [national banking association], duly organized and validly existing in good standing under the laws of [ \_\_\_\_\_ ] [the United States of America], and has all requisite power and authority to enter into the SMBS Trust Agreement and to perform its obligations thereunder.
2. To our knowledge, there is no action, suit, proceeding or investigation pending or threatened against the Trustee that could materially adversely affect the Trustee's ability to perform its obligations under the SMBS Trust Agreement.
3. The SMBS Trust Agreement has been duly authorized, executed and delivered by the Trustee, and constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee in accordance with its terms, subject to the limitations noted above.
4. The Securities have been duly and validly authorized and delivered by the Trustee in accordance with the SMBS Trust Agreement and are duly and validly issued and entitled to the benefits of the SMBS Trust Agreement.
5. The performance by the Trustee of its duties pursuant to the SMBS Trust Agreement does not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any statute or regulation currently governing the Trustee.
6. Assuming that, and for so long as, the SMBS Trust qualifies as a grantor trust (within the meaning of Sections 671 through 679 of the Code) for United States federal income tax purposes, it will not be subject to any tax imposed by the [State][Commonwealth] of [Trustee's principal place of business and, if different, the place where the principal trustee functions with respect to the Trust will take place] or any political subdivision thereof on its assets or income, except to the extent it is subject to United States federal income tax.

We express no opinion as to any matter other than as expressly set forth herein, and no other opinion is to be, or may be, inferred or implied herefrom. This opinion is given as of the date hereof and is based on facts and conditions presently known to us and laws and regulations currently in effect, and we do not undertake, and hereby disclaim, any obligation to advise you of any change in any matters set forth herein.

We consent to reliance upon this opinion letter by addressees hereto for the purpose of complying with your requirements in connection with this transaction only as it relates to the specific legal issues identified herein. Except as provided in the preceding sentence, this opinion letter may not be relied upon by, nor may copies be delivered to, any person without our prior written consent.

Very truly yours,

**FORM OF ACCOUNTANTS' AGREED-UPON PROCEDURES LETTER  
AS OF THE CLOSING DATE FOR SMBS TRANSACTIONS**

[available upon request from Ginnie Mae's Financial Advisor]

