



Office of Capital Markets
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MPM 20-03

October 7, 2020

MEMORANDUM FOR: All Participants in Ginnie Mae Multiclass Securities Program

FROM: Eric Blankenstein, Executive Vice President/Chief Operating Officer

SUBJECT: Adoption of ARRC LIBOR Fallback Recommendations for LIBOR Classes of Ginnie Mae Multiclass Securities Issued Before March 2020

In March 2020, Ginnie Mae adopted recommendations of the Alternative Rates Reference Committee (ARRC) for fallback language for LIBOR floating rate securities issued in March 2020 or later (the “ARRC Recommendations”).¹ The purpose of this Multiclass Participants Memorandum (MPM) is to inform interested participants that Ginnie Mae will adopt the same ARRC Recommendations for issuances of LIBOR floating rate securities before March 2020. Accordingly, the fallback language for all Ginnie Mae LIBOR floating rate securities will be the same, regardless when those securities were issued.

For all LIBOR floating rate securities, Ginnie Mae will determine:

- if and when a transition event occurs with respect to LIBOR,
- the date on which LIBOR will be replaced for LIBOR Classes, and
- the applicable benchmark replacement for LIBOR and spread adjustment, in each case using, and subject to, the defined parameters or list of alternatives specified in the ARRC Recommendations, some of which contemplate or require action by other regulatory bodies.

In the event a benchmark replacement in the ordered list of alternatives is unavailable on a replacement date but later becomes available, Ginnie Mae may reselect the initially unavailable alternative. Ginnie Mae may also make other conforming changes without the consent of security holders or any other party.

¹ See ARRC Recommendations Regarding More Robust Fallback Language for New Issuances of LIBOR Floating Rate Notes, dated April 25, 2019, and ARRC Recommendations Regarding More Robust Fallback Language for New Issuances of LIBOR Securitizations, dated May 31, 2019, both available at: <https://www.newyorkfed.org/arrc/fallbacks-contract-language>.

Participants are encouraged to read the current Single Family Base Offering Circular and Multifamily Base Offering Circular, as applicable, for a detailed description of the fallback provisions adopted by Ginnie Mae. The specific terms set forth in the operative documents for any issuance, including the related trust agreement and applicable Standard Trust Provisions after giving effect to the terms of this MPM, will be controlling.

Capitalized terms used herein have the meanings in the Guide.

The Guide, including the Base Offering Circulars, can be found on the Ginnie Mae Website https://www.ginniemae.gov/investors/multiclass_resources/Pages/multiclass-securities-guide.aspx.

Please call Ginnie Mae's Office of Capital Markets at (202) 475-7820 with any questions or comments regarding this announcement.