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% Ginnie Mae II Mortgage-Backed Securities
(Single-Family Mortgages)

Issued by:

Guaranteed as to the Timely Payment of Principal and Interest
by the Government National Mortgage Association
(Backed by the Full Faith and Credit of the United States)

Ginnie Mae Pool No.:	First Payment Due:
Issue Date:	Maturity Date:
Depository: The Federal Reserve Bank of New York	Central Paying and Transfer Agent:

The securities offered hereby (the “Securities”) provide for the timely payment of principal and interest on the twentieth day of each month, except as stated herein, commencing in the month following the month of issuance. Interest will accrue on the Securities at the per annum rate specified above; installments of principal will be payable in relation to payments of principal on the underlying pool of mortgages described herein. The maturity date for the Securities is based on the mortgage with the latest maturity. See “Maturity, Prepayment, and Yield” herein for a discussion of certain significant factors that should be considered by prospective investors in the Securities offered hereby.

The Government National Mortgage Association (“Ginnie Mae”) guarantees the timely payment of principal and interest on the Securities. The Ginnie Mae guaranty is backed by the full faith and credit of the United States of America.

The Securities are exempt from the registration requirements of the Securities Act of 1933, as amended, and are “exempted securities” within the meaning of the Securities Exchange Act of 1934, as amended.

Ginnie Mae Guaranty

Ginnie Mae is a wholly-owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development with its principal office at 451 Seventh Street, S.W., Washington, D.C. 20410. Timely payment of the principal of and interest on the Securities is guaranteed by Ginnie Mae pursuant to Section 306(g) of the National Housing Act of 1934, as amended (the “National Housing Act”). Section 306(g) provides that “[t]he full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.” An opinion, dated December 9, 1969, of William H. Rehnquist, Assistant Attorney General of the United States, states that such guaranties under Section 306(g) of mortgage-backed securities of the type offered hereby are authorized to be made by Ginnie Mae and “would constitute general obligations of the United States backed by its full faith and credit.”

Borrowing Authority–United States Treasury

Ginnie Mae, in its corporate capacity under Section 306(d) of the National Housing Act, may issue to the United States Treasury its general obligations in an amount outstanding at any one time sufficient to enable Ginnie Mae, with no limitations as to amount, to perform its obligations under its guaranty of the timely payment of the principal of and interest on the Securities offered hereby. The Treasury is authorized to purchase any obligations so issued.

The Treasury Department has indicated that it will make loans to Ginnie Mae, if needed, to implement the aforementioned guaranty as stated in the following letter:

The Secretary of the Treasury
Washington

February 13, 1970

Dear Mr. Secretary:

I wish to refer to your letter of November 14, 1969 asking whether the timely payment of principal and interest on mortgage-backed securities of the pass-through type guaranteed by the Government National Mortgage Association under Section 306(g) of the National Housing Act under its management and liquidating function is a function for which the Association may properly borrow from the Treasury.

It is the opinion of the Treasury Department that the Association may properly borrow from the Treasury for the purpose of assuring the timely payment of principal and interest on guaranteed pass-through type mortgage-backed securities as described in Chapter 3 paragraph 6 of the Mortgage-Backed Securities Guide dated December 1969. Accordingly, the Treasury will make loans to the Association for the foregoing purposes under the procedure provided in subsection (d) of Section 306 of Title III of the National Housing Act.

Sincerely,
DAVID M. KENNEDY

The Honorable George Romney
Secretary of the Department of
Housing and Urban Development
Washington, D.C. 20410

Single-Family Mortgages

The Securities are based on and backed by a pool of mortgage loans (the “Mortgages”) described below. The Issuer has represented that the Mortgages are single-family, level payment mortgages of either the “SF” (Single Family), “FS” (*FHASecure* and H4H), “JM” (Higher Balance), “RG” (Re-Performing Loan), “ET” (Extended Term) or “BD”(Buydown) pool types, and are insured by the Federal Housing Administration (“FHA”) or guaranteed by the Department of Veterans Affairs (“VA”) or by Rural Development (“RD”) or the Secretary of the Department of Housing and Urban Development (“HUD”). For “ET” pool types, the Issuer has represented, through attestation, that the loans have been modified to have a remaining term greater than or equal to 361 months, but not more than 480 months as a result of a prior default or reasonably foreseeable default, pursuant to the guidance of the applicable agency. The term “mortgage,” as used herein, includes both a note and the mortgage or deed of trust by which it is secured.

The Issuer has also represented, except as otherwise disclosed in the “Annex—Special Disclosure” (the “Annex”), that (a) there is no age limitation on the first scheduled monthly payment for each mortgage, (b) if the pool is a custom pool, at least 80% of the original principal amount of the pool constitutes Mortgages that have maturities that are within 30 months of the maturity of the Mortgage with the latest stated maturity, (c) at least 90% of the original principal amount of the pool constitutes Mortgages that have original maturities of 20 years or more, (d) each Mortgage provides for repayment in equal monthly installments that are fully amortizing to maturity, (e) each Mortgage bears interest at a fixed rate of interest throughout the term thereof, which exceeds the interest rate of the Securities by at least 0.25% but not more than 0.75%, (f) no Mortgage is more than sixty (60) days delinquent as to scheduled payments as of the Issue Date, and (g) in the case of ET pools, 100% of the pool consists of Mortgages that have loan modifications executed in accordance with the applicable agency guidance and have amortization schedules greater than or equal to 361 months, but not more than 480 months, and (h) the requirements of Chapter 24 Section B(3) of the MBS Guide do not apply to ET Pools.

If any of the foregoing representations, or any other representation made by the Issuer, is incorrect with respect to any Mortgage, the Issuer may be required by Ginnie Mae to purchase the Mortgage from the pool. Additionally, if any Mortgage comes into default and continues in default for a period of 90 days or more, the Issuer is permitted to purchase it from the pool. If any Mortgage is processed for insurance under the HOPE for Homeowners (H4H) Program and the borrower fails to make the first mortgage payment within the timeframe established by the FHA, FHA is prohibited by statute from paying insurance benefits, and the Issuer would be required to remove or in the case of ET Pools, repurchase the Mortgage from the pool through substitution or repurchase. In any of these repurchase events, the remaining principal balance of the Mortgage will be passed through to the Security Holders as an unscheduled recovery of principal. To the extent that a substitute Mortgage has a lower principal balance than the Mortgage removed from the pool, the Issuer will be required to pay the deficiency and the amount of the difference will be passed through to Security Holders as an unscheduled recovery of principal. See “Maturity, Prepayment, and Yield” herein.

If any Mortgage is also a buydown mortgage, the Issuer is required to state that fact in the Annex. A buydown mortgage is a mortgage loan for which funds have been provided by someone other

than the borrower to reduce the borrower's monthly payments during the early years of the loan. A buydown loan is based on an assessment that the borrower will be able to make higher payments in later years. Increases in the required monthly payments on such loans may result in a higher prepayment rate than that of non-buydown, single-family, level payment loans. Consequently, this may accelerate the payment of principal of the Securities. If the pool is a multiple issuer pool, no more than 10% of the original principal amount of the pool consists of buydown mortgage loans.

An *FHASecure* mortgage in a FS pool is a fixed rate mortgage loan originated under a temporary FHA mortgage insurance program for borrowers that either (i) refinance delinquent mortgage loans or (ii) refinance current or delinquent mortgage loans and take out a new subordinate loan. The underwriting guidelines for *FHASecure* mortgages differ from those applicable to other mortgages that back Ginnie Mae II securities.

An H4H mortgage is a fixed rate mortgage loan originated under a temporary FHA mortgage insurance program for borrowers that refinance current or delinquent mortgage loans. Many of the H4H mortgage loans may be located in declining markets. H4H mortgages are originated under guidelines that differ from those applicable to other mortgages that back Ginnie Mae II securities. The underwriting guidelines for H4H mortgage loans in some cases permit higher qualifying ratios and maximum mortgage limits than those permitted for other mortgages. The origination guidelines for H4H mortgage loans differ from other mortgages; for example, H4H borrowers agree to prohibitions on secondary financing during the first five years of their H4H mortgage term and agree to share a portion of the initial equity in the property at the closing for the H4H mortgage loan and any appreciation in the equity in the property since the closing for the H4H mortgage. Furthermore, if an H4H borrower fails to make the first mortgage payment within the timeframe established by FHA, then, unlike with other mortgages that back Ginnie Mae II securities, FHA is prohibited by statute from paying insurance benefits.

The pool may contain one or more Mortgages that constitute high balance mortgages. A high balance mortgage is a single-family mortgage loan originated with a note date on or after October 1, 2008, with a high loan balance as defined in the Ginnie Mae Mortgage-Backed Securities Guide. If the suffix of the pool number on the cover hereof is "M SF," no more than 10% of the original principal balance of the pool or the loan package may consist of high balance mortgages. If the suffix of the pool number on the cover hereof is "M JM" or "M FS," there is no limit on the percentage of the original principal balance of the pool or the loan package that may consist of high balance mortgages. If the suffix of the pool number on the cover hereof is "M BD" or includes a "C," the pool does not contain any high balance mortgages, except for the "C ET" pool type.

The RG pool type may only contain Re-Performing Loans, as that term is defined in the MBS Guide. At pooling, Issuers must acknowledge that each loan included in a C RG pool was previously pooled in a Ginnie Mae MBS and bought out pursuant to MBS Guide provisions governing the repurchase of delinquent loans. To be eligible for inclusion in the C RG pool, each Re-Performing Loan must be a loan where (1) the borrower has made Timely Payments for the three (3) months immediately preceding the issuance month associated with the MBS, and (2) the Issue Date of the MBS is at least 120 days from the last date the loan was Delinquent. No modifications were made to the loans since they were bought out pursuant to forbearance options.

In the case of ET pools, one or more of the insuring and/or guaranteeing agencies have developed specific loss mitigation programs for eligible borrowers that are delinquent and can no longer meet the payment obligations for their mortgage loans. These loss mitigation programs allow eligible borrowers to modify their mortgage loans to extend loan maturity. The ET Pool consists of mortgage loans insured by FHA or PIH or guaranteed by RD or VA that were eligible for Ginnie Mae pools when originated and that have been modified pursuant to applicable agency guidance to allow distressed borrowers to lower their monthly payments through an extended repayment schedule. Each mortgage loan in the ET Pool has a remaining term greater than or equal to 361 months, but not more than 480 months.

Some or all of the mortgage loans may have previously been bought out of other Ginnie Mae MBS pools to allow for loan modification to an extended term.

With respect to each Mortgage in an ET Pool, all modifications of the Mortgage after the origination of such Mortgage were occasioned by default or reasonably foreseeable default on such Mortgage within the meaning of section 1.860G-2(b)(3)(i) of the United States Treasury Regulations.

Social Bonds

Based on certain attributes (i.e., collateral selection, targeted populations, use of proceeds, monthly reporting), prospective investors may deem the Securities “Social Bonds.”

Collateral selection is restricted by federal law. The Securities must be based on and backed by a pool of mortgage loans insured or guaranteed pursuant to mortgage insurance or guaranty programs of FHA, VA, RD, or HUD (the “Programs”) (see Single-Family Mortgages, above).

These Programs, authorized by Congress, have established guidelines to serve targeted populations in furtherance of their Congressional mandates. The government insurance or guaranties extended under the Programs reduce borrower credit risk, which promotes broader access to mortgage credit and/or less costly credit for borrowers in the targeted populations, thereby expanding homeownership access and/or homeownership affordability. In addition, the Ginnie Mae guaranty furthers the purpose of promoting access to mortgage credit throughout the Nation (including central cities, rural areas, and underserved areas) by improving the distribution of investment capital available for residential mortgage financing.

The Securities thus are backed by residential mortgage loans extended to borrowers in accordance with Federal programs that promote more affordable and/or accessible homeownership for the Nation’s low-to-moderate income (“LMI”) borrowers, veterans, senior citizens, rural communities, and/or tribal, Alaska Native, and Native Hawaiian communities. The Securities, as modified pass-through mortgage-backed securities, provide for payments to Security Holders that represent (as further described herein) principal and interest payments made by the borrowers on these mortgage loans. In addition, the Securities’ issuance makes investment capital more readily available for residential mortgage financing. The Issuer(s) may use proceeds from the sale of the Securities as a source of capital to finance residential mortgage loans to members of targeted populations, in accordance with one or more of the Programs.

Ginnie Mae updates the reported data on collateral characteristics and attributes for each MBS on a monthly basis.

Based on the attributes discussed above (i.e., collateral selection, targeted populations, use of proceeds, monthly reporting) or other factors, prospective investors may determine that the Securities are “Social Bonds”; however, they must reach their own conclusions in this regard.

Book-Entry Registration

The Securities initially will be issued and maintained in uncertificated, book-entry form, except that Securities issued in conversion of Ginnie Mae I securities may be issued in certificated form. Subsequent to closing, an investor may request that its book-entry Security be issued in certificated form. So long as they are maintained in book-entry form, the Securities may be transferred only on the book-entry system of the Depository. In the case of the book-entry Securities, Ginnie Mae guarantees only that payments will be made to the Depository in whose name the Security is registered.

Investors in book-entry Securities will ordinarily hold such Securities through one or more financial intermediaries, such as banks, brokerage firms, and securities-clearing organizations. An investor in a Security held in book-entry form may transfer its beneficial interest only by complying with the procedures of the appropriate financial intermediary and must depend on its financial intermediary to enforce its rights with respect to a book-entry Security.

Certificated Registration

By request made through the Issuer or a securities dealer, accompanied by a transfer fee, an investor in book-entry Securities may receive from the central paying and transfer agent (“CPTA”) for the Securities a Security in fully registered, certificated form.

Securities held in fully registered, certificated form will be fully transferable and assignable, but only on the security register maintained by the CPTA (the “Security Register”). A Security Holder of a fully registered, certificated Security or its designated representative may transfer ownership or obtain a denominational exchange of its Security on the Security Register upon surrender of the Security to the CPTA at its Ginnie Mae transfer window, or through the mail, if the Security is duly endorsed by the Security Holder using the form of assignment on the reverse side thereof or any other written instrument of transfer acceptable to Ginnie Mae. A service charge in an amount determined by Ginnie Mae will be imposed for any registration of transfer or denominational exchange of a Security, and payment sufficient to cover any tax or governmental charge in connection therewith will also be required.

Payments of Principal and Interest

The Securities will provide for payments to Security Holders to be made by the CPTA using funds provided by the Issuer. Payments of principal and interest are required to be made to registered holders of the Securities in monthly installments by the twentieth calendar day of each month (or, in the case of payments on book-entry Securities, if such twentieth day is not a business day, on

the next following business day). The first such payment is required to be made on such day in the month following the month in which the Issue Date occurs.

Amounts payable on each Security in respect of interest on each monthly payment date will equal the product of (i) one-twelfth of the interest rate specified on the cover page hereof, and (ii) the remaining principal balance of such Security at the end of the prior month. Principal payments on each monthly payment date will equal the sum of (i) all scheduled principal payments due on the Mortgages on the first day of the month of such payment date, and (ii) all unscheduled payments (including prepayments) and other recoveries received on the Mortgages during the preceding month. The maturity date for the Securities is set forth on the cover page hereof and is based on the latest maturity date of any Mortgage included in the pool.

The Issuer is required to make available to the CPTA the full amount described above prior to each monthly payment date regardless of whether sufficient amounts have been collected on the Mortgages.

Monthly payments on the Securities will be allocated among the holders of each Security in the proportion that the initial principal amount of such Security bears to the initial aggregate principal amount of the Securities.

Monthly payments on Securities held in book-entry form will be paid to the Depository for allocation and payment to the investors in accordance with the Depository's procedures.

Monthly payments on Securities held in fully registered, certificated form will be paid to the Security Holder in whose name the Securities are registered on the last day of the month preceding the month in which the payment is made. Payments will be made by check or in such other manner as may be prescribed by Ginnie Mae. The CPTA will issue a single check (or otherwise consolidate payments) to each Security Holder each month for all payments due the Security Holder on all Ginnie Mae II securities. Final payment on a fully registered, certificated Security will be made only upon surrender of the outstanding certificate.

Denominations

The Securities will be issued in minimum dollar denominations representing initial principal balances of \$1,000 and in multiples of \$1 in excess thereof, including securities issued in conversion of Ginnie Mae I to Ginnie Mae II securities.

Servicing of the Mortgages

If the suffix of the pool number on the cover hereof includes a "C," the pool is a "custom" pool, which means that a single Issuer, who is named on the cover hereof and on each Security, pooled all the Mortgages. The Issuer of a custom pool is responsible for servicing all of the Mortgages.

If the suffix of the pool number on the cover hereof includes an "M," the pool is a multiple issuer pool, which normally means that the Mortgages consist of two or more "loan packages," each contributed by a different Issuer (a multiple issuer pool may contain only a single loan package in some cases). If the Mortgages constitute a multiple issuer pool, the term "Multiple Issuer" appears

on the cover hereof and on each Security, and each Issuer is named, and the portion of the pool it contributed is stated, on the “Annex — Special Disclosure.”

If the Mortgages constitute a multiple issuer pool, each Security is backed by all of the Mortgages and not merely the Mortgages contributed by a single Issuer. Each Issuer, however, has undertaken to service only the Mortgages it contributed to the pool and to perform certain administrative duties only with respect to those Mortgages. No Issuer is responsible for performing such functions with respect to Mortgages contributed by another Issuer, and no Issuer is responsible for any act or omission of any other Issuer.

Under contractual arrangements between the Issuer and Ginnie Mae, an Issuer is responsible for servicing and otherwise administering the Mortgages that it contributed to the pool in accordance with FHA, VA, RHS or PIH or requirements of the Secretary of HUD, as applicable, Ginnie Mae requirements, and servicing practices generally accepted in the mortgage lending industry.

As compensation for its servicing and administrative duties, an Issuer will be entitled to retain from each interest payment collected on a Mortgage that it contributed to the pool an amount equal to the product of one-twelfth times the difference between the interest rate on the Securities and the interest rate on the Mortgage (which difference will be not less than 0.25% or more than 0.75%) times the actual principal amount of such Mortgage. Late payment fees and similar charges collected will be retained by the Issuer as additional compensation. The Issuer will pay (a) to Ginnie Mae monthly a guaranty fee of not more than one-twelfth of 0.06% of the outstanding principal amount of such Mortgages and (b) all other costs and expenses incident to the servicing of such Mortgages.

Custodial Agent

The underlying loan documentation for the Mortgages will be held in custody by a document custodian acceptable to Ginnie Mae.

Termination of Pool Arrangement

If the Mortgages constitute a custom pool, the pool arrangement may be terminated at any time prior to the maturity date of the Securities, provided that the Issuer and all holders of the outstanding Securities have entered into an agreement for such termination. Upon formal notification with satisfactory evidence that all parties to the termination agreement have concurred, and upon return of all certificated Securities to Ginnie Mae for cancellation, the guaranty will be terminated.

Certain United States Federal Income Tax Aspects

The following discussion is a summary of certain anticipated material United States federal income tax consequences of the purchase, ownership, and disposition of the Securities. The summary is based upon laws, regulations, rulings, and decisions now in effect, all of which are subject to change. The discussion does not purport to address investors in special tax situations, such as financial institutions, tax-exempt organizations, partnerships, insurance companies, regulated investment companies, dealers in securities or foreign currencies, persons holding Securities as a hedge against currency risks or as a position in a straddle, conversion transaction, or other

integrated transaction, or Security Holders whose functional currency is not the U.S. dollar. The discussion addresses solely investors who will purchase the Securities at original issuance and hold the Securities as “capital assets” (generally, property held for investment) within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”).

Finally, the summary does not purport to address the anticipated state, local or foreign income tax consequences to investors of owning and disposing of the Securities. Consequently, investors should consult their own tax advisors in determining the federal, state, local, foreign, and any other tax consequences to them of the purchase, ownership, and disposition of the Securities.

Investors who own an interest in a Security Holder that is treated as a pass-through entity under the Code will generally receive the same tax treatment, with respect to the material tax consequences of their indirect ownership of the Securities, as described herein for direct Security Holders with the same tax status. Nonetheless, such persons should consult their own tax advisors with respect to their particular circumstances.

A Security Holder generally will be treated as owning a *pro rata* undivided interest in each of the Mortgages. Accordingly, each Security Holder will be required to include in income its *pro rata* share of the entire income from the Mortgages, including interest (without reduction for servicing fees, to the extent those fees represent reasonable compensation for services) and discount, if any. The income must be reported in the same manner and at the same time as it would have been reported had the Security Holder held the Mortgages directly.

A Security Holder will generally be entitled to deduct its *pro rata* share of servicing fees, to the extent those fees represent reasonable compensation for services. However, an individual, trust, or estate that holds a Security directly or through a pass-through entity (e.g., a partnership) must treat servicing fees as miscellaneous itemized deductions, which are not deductible in computing taxable income or alternative minimum taxable income under current law for taxable years prior to 2026.

Interest paid on the Securities will qualify as portfolio interest. Consequently, payment of interest to a Security Holder who is a non-resident alien or a foreign corporation will not be subject to withholding tax provided that (i) such interest is not effectively connected with a trade or business in the United States of the Security Holder, (ii) the Security Holder properly certifies to the withholding agent the Security Holder’s status as a foreign person, and (iii) the Security Holder properly certifies to the withholding agent its exemption from withholding under the Foreign Account Tax Compliance Act (“FATCA”). FATCA and related administrative guidance impose a 30% withholding tax on certain payments (including interest paid on the Securities) made to a non-United States entity that fails to take required steps to provide information regarding its “United States accounts” or its direct or indirect “substantial United States owners,” as applicable, or to certify that it has no such accounts or owners. Foreign investors should consult their own tax advisors regarding the application and impact of FATCA based upon their particular circumstances.

Ginnie Mae does not allow any loan originated prior to 1985 to be included in pool or loan packages issued on or after September 1, 2004.

THE FOREGOING REPRESENTS ONLY A SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES RELATED TO AN INVESTMENT IN A SECURITY.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT OF THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF A SECURITY.

Certain ERISA Considerations – the Fiduciary Rule

Any purchaser, transferee or holder of the Securities or any interest therein that is a benefit plan investor as defined in 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) (a “Benefit Plan Investor”) or a fiduciary purchasing the Securities on behalf of a Benefit Plan Investor (a “Plan Fiduciary”), should consider the impact of the regulations promulgated by the Department of Labor at 29 C.F.R. Section 2510.3-21 on April 8, 2016 (81 Fed. Reg. 20,997) (the “Fiduciary Rule”). In connection with the Fiduciary Rule, each Benefit Plan Investor will be deemed to have represented by its acquisition of the Securities that:

(1) Neither Ginnie Mae nor the Issuer or any of their respective affiliates (the “Transaction Parties”), has provided or will provide advice with respect to the acquisition of the Securities by the Benefit Plan Investor, other than to the Plan Fiduciary which is “independent” (within the meaning of the Fiduciary Rule) of the Transaction Parties;

(2) the Plan Fiduciary either:

(a) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the “Advisers Act”), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; or

(b) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a Benefit Plan Investor; or

(c) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; or

(d) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or

(e) has, and at all times that the Benefit Plan Investor is invested in the Securities will have, total assets of at least U.S. \$50,000,000 under its management or control (provided that this clause (e) shall not be satisfied if the Plan Fiduciary is either (i) the owner or a relative of the owner of an investing individual retirement account or (ii) a participant or beneficiary of the Benefit Plan Investor investing in or holding the Securities in such capacity);

(3) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of the Securities;

(4) the Plan Fiduciary is a “fiduciary” within the meaning of Section 3(21) of ERISA and Section 4975 of the Code with respect to the Benefit Plan Investor and is responsible for exercising independent judgment in evaluating the Benefit Plan Investor’s acquisition of the Securities;

(5) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Securities or to negotiate the terms of the Benefit Plan Investor’s investment in the Securities; and

(6) the Plan Fiduciary acknowledges and agrees that it has been informed by the Transaction Parties:

(a) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the Benefit Plan Investor’s acquisition of the Securities; and

(b) of the existence and nature of the Transaction Parties’ financial interests in the Benefit Plan Investor’s acquisition of the Securities.

None of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of any Securities by any Benefit Plan Investor.

Ginnie Mae is neither selling any Security nor providing any advice with respect to any Security to a Benefit Plan Investor, a Plan Fiduciary or any other Person.

These representations and statements are intended to comply with the Department of Labor regulations at 29 C.F.R. Sections 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81Fed. Reg. 20,997). If these sections of the Fiduciary Rule are revoked, repealed or no longer effective, these representations and statements shall be deemed to be no longer in effect.

This discussion does not purport to deal with all aspects of ERISA or the Code or, to the extent not preempted, any state laws that may be relevant to Benefit Plan Investors or the investment by Benefit Plan Investors in the Securities.

Maturity, Prepayment, and Yield

An investor considering a purchase of the Securities should consider the following factors:

1. The rate of principal payments (including prepayments) of the Mortgages underlying the Securities will affect their weighted average lives and the yields realized by investors in the Securities. The Mortgages do not contain “due-on-sale” provisions. Any Mortgage may be prepaid in full or in part at any time without penalty. The rate of payments (including prepayments and recoveries in respect of liquidations) on the Mortgages depends on a variety of economic, geographic, social, and other factors, including prevailing market interest rates. The rate of prepayments with respect to single-family

mortgage loans has fluctuated significantly over the years. Also, there is no assurance that prepayment patterns for the Mortgages will conform to patterns for conventional fixed-rate mortgage loans. In general, if prevailing mortgage interest rates fall materially below the stated interest rates on the Mortgages (giving consideration to the cost of refinancing), the rate of prepayment of those Mortgages would be expected to increase. If mortgage interest rates rise materially above the stated interest rates on the Mortgages, the rate of prepayment of those Mortgages would be expected to decrease.

2. Following any Mortgage default and the subsequent liquidation of the underlying mortgaged property, Ginnie Mae guarantees that the principal balance of the Mortgage will be paid to Security Holders. As a result, defaults experienced on the Mortgages will accelerate the distribution of principal of the Securities. Prepayments may also result from the repurchase of any Mortgage as described herein.
3. The yields to investors will be sensitive in varying degrees to the rate of prepayments (including liquidations and repurchases) on the Mortgages. In the case of Securities purchased at a premium, faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields. In the case of Securities purchased at a discount, slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
4. Rapid rates of prepayments on the Mortgages are likely to coincide with periods when prevailing interest rates are lower than the interest rates on the Mortgages. During such periods, the yields at which an investor may be able to reinvest amounts received as principal payments on the investor's Securities may be lower than the yield on those Securities. Slow rates of prepayments on the Mortgages are likely to coincide with periods when prevailing interest rates are higher than the interest rates on the Mortgages. During such periods, the amount of principal payments available to an investor for reinvestment at such high rates may be relatively low.
5. It is highly unlikely that the Mortgages will prepay at any constant rate until maturity or that all of the Mortgages will prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgages occurs, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Issue Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.
6. The effective yield on any Security will be less than the yield otherwise produced by its stated interest rate and purchase price because interest will not be paid to the Security Holder until the twentieth calendar day of the month following the month in which interest accrues on the Security.
7. The *FHASecure* and H4H mortgage loans in FS pools may respond differently to prepayment factors than other mortgages that generally back Ginnie Mae II MBS

securities. Differences in the underwriting, origination, and mortgage insurance eligibility guidelines for *FHASecure* and H4H mortgage loans in FS pools may adversely impact the rate of prepayments of the securities. There are no historical performance data regarding prepayment rates for *FHASecure* and H4H mortgage loans.

8. The Extended Term mortgage loans may respond differently to prepayment factors than other mortgages that generally back Ginnie Mae II MBS securities. There are no historical performance data regarding prepayment rates for extended term mortgage loans that were previously modified pursuant to applicable agency guidance to allow distressed borrowers to lower their monthly payments through an extended repayment schedule.
9. Furthermore, the rate of principal payments on H4H mortgage loans may differ, perhaps significantly, from the rate of principal prepayments for *FHASecure* mortgages as a result of the differences in the underwriting, origination, and mortgage insurance eligibility guidelines of the *FHASecure* and H4H mortgage loans. No assurances can be made about the performance of the *FHASecure* and H4H mortgage loans.
10. The high balance mortgages may respond differently to prepayment factors than other mortgages that generally back Ginnie Mae II MBS securities. Borrowers of high balance mortgages may be more likely to refinance their mortgages than borrowers who have otherwise similar mortgages with lower principal balances. No assurances can be made about the performance of the high balance mortgages.
11. The Re-Performing Loans pooled in the “C RG” or “M SF” pool type may respond differently to prepayment factors than other mortgages that generally back Ginnie Mae II MBS securities. There are no historical performance data regarding prepayment rates for Re-Performing Loans that were previously bought out of Ginnie Mae MBS pursuant to the MBS Guide provisions governing the buy out of delinquent loans. Re-Performing Loans that meet the pooling and eligibility requirements, including the requirements that, for each Re-Performing Loan included in a C RG or M SF pool, (1) the borrower has made Timely Payments for the three (3) months immediately preceding the issuance month associated with the MBS, and (2) the Issue Date of the MBS is at least 120 days from the last date the loan was Delinquent.

Annex

Special Disclosure

RG pools may only contain Re-Performing Loans as defined in Chapter 18 of the MBS Guide. RG collateral may only contain loans identified by the Loan Purpose Code 5: Re-Performing Loans.