



Ginnie Mae

Digital Collateral Program Guide

eGuide



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1000.00 Digital Collateral Program Guide Overview

1100.00 Purpose of this Guide

This Government National Mortgage Association (Ginnie Mae) Digital Collateral Program Guide (eGuide) provides the requirements of, and procedures applicable to, the Digital Collateral Program, which is Ginnie Mae's program for the securitization of Digital Pool/Loan Packages.

1200.00 eGuide Revisions

The requirements in this eGuide are subject to revision by Ginnie Mae at any time and at its sole discretion. Any revisions to this eGuide shall be effective as of the date specified by Ginnie Mae in an All Participants Memorandum (APM).

1300.00 Incorporation into the MBS Guide

The requirements in this eGuide shall be incorporated into and supplement the Ginnie Mae Mortgage Backed Securities Guide (MBS Guide), as applicable to any Issuer or Document Custodian that is approved to participate in the Digital Collateral Program as an elssuer or eCustodian respectively. Approved elssuers and eCustodians must continue to comply with all requirements in the MBS Guide and applicable Ginnie Mae Guaranty Agreement, as well as the requirements in this eGuide. In the event that any provision in this eGuide is in conflict with, or inconsistent with any provision of the MBS Guide or the Guaranty Agreement, the provisions in the MBS Guide or the Guaranty Agreement, as applicable, shall govern and control.

1400.00 Capitalized Terms, Abbreviations, and Initialisms

Any capitalized terms, abbreviations, or initialisms contained in this eGuide shall have the meaning provided in the eGuide Glossary below or the MBS Guide.

1500.00 Section References

Unless otherwise specified, any "Section" references herein are to sections of this eGuide.

1600.00 General Notice Requirements

Any notices to Ginnie Mae required by this eGuide may be submitted via email to the Issuer's Account Executive unless otherwise indicated herein.

2000.00 Application and Approval to Issue Digital Pool/Loan Packages

All MBS Program Participants seeking to participate in the Digital Collateral Program as an elssuer or eCustodian must request and receive prior Ginnie Mae approval.

2100.00 elssuer Eligibility Requirements

An Issuer seeking approval to securitize Digital Pool/Loan Packages in the Digital Collateral Program must meet the following requirements to be eligible for approval by Ginnie Mae as an elssuer.

2110.00 elssuer Application

An elssuer applicant must submit the elssuer Application (Appendix V-08: elssuer Application to Participate – Digital Collateral Program of the MBS Guide) to Participate in the Digital Collateral Program, including all corresponding certifications. The application must be signed by an officer of the applicant identified on form HUD 11702 and submitted via email to DCPA@hud.gov. Hard copy paper submissions will not be accepted. Ginnie Mae, in its sole discretion, may refuse to grant elssuer status if Ginnie Mae determines that the applicant has failed to meet the requirements set forth in this eGuide, or if Ginnie Mae otherwise determines that approval of the applicant would be detrimental to the safety and soundness of the MBS Program. elssuer applicants who have notified Ginnie Mae of an impending merger or acquisition, pursuant to their notice obligation under the MBS Guide, will not be approved as elssuers until a date after the effective date of the merger or acquisition. Ginnie Mae's approval of an institution as an Issuer does not imply or constitute approval to securitize Digital Pool/Loan Packages as an elssuer.

2120.00 Active Issuer Requirement

An elssuer applicant must be a Ginnie Mae approved Issuer and have issued Ginnie Mae securities in each of the three (3) calendar months preceding the date of its application to the Digital Collateral Program.

2130.00 Good Standing Requirement

An elssuer applicant must not have received a notice of violation (NOV) or a civil money penalty (CMP) in the six (6) months preceding the date of its application to the Digital Collateral Program. If an NOV or CMP is received while the Issuer's application is in process, Final Approval for the Digital Collateral Program will not be granted until the matter is considered to be resolved, as stated in writing by Ginnie Mae.

2140.00 eNote Origination Requirements

An elssuer applicant must have the ability to originate Eligible eNotes (see Section 2500.00), and other related Electronic Records, using a Qualified eClosing System that meets the requirements of Section 2400.00. An elssuer applicant may, additionally or alternatively, aggregate Eligible eNotes for delivery in a Digital Pool/Loan Package, in which case it is the elssuer's responsibility to ensure that the eClosing System used by its counterparty (e.g., correspondent lender) to originate such Eligible eNotes is a Qualified eClosing System.

2150.00 eNote Safekeeping and eVault Requirements

An elssuer applicant must have unrestricted access to a Qualified eVault to store, manage, and transfer copies of Eligible eNotes it delivers to Ginnie Mae in Digital Pool/Loan Packages.

2160.00 Qualified eRegistry Participant Requirement

An elssuer applicant must be integrated with a Qualified eRegistry. Currently, the MERS® eRegistry is the only Qualified eRegistry that meets the requirements of ESIGN and UETA and is approved for use in the Digital Collateral Program. An elssuer must maintain the status of an active MERS® eRegistry Participant and MERS® System Member in good standing.

2170.00 eServicing Requirements

An elssuer applicant must have demonstrated experience servicing eNotes, which requires the applicant, at a minimum, to have and maintain staff with sufficient expertise in performing transactions in a Qualified eRegistry, as well as the internal processes and systems required to perform the following functions on the Qualified eRegistry:

- eNote Registration
- Add Ginnie Mae as Secured Party
- Perform Registration Reversals
 - Initiate and accept Transfers of Control
 - Initiate and accept Transfers of Location
 - Initiate and accept Transfers of Servicing
 - Report Loan Modifications and Reversals of Loan Modifications
 - Report Assumptions and Reversals of Assumptions
 - Deactivate and Reverse Deactivation on eNote records for the following reasons:
 - Loan payoffs
 - Loan charge-offs

Lastly, the applicant must demonstrate to Ginnie Mae its readiness to meet the operational eServicing procedures in Section 6000.00.

2180.00 eCustodian Requirement

An elssuer applicant must utilize a Ginnie Mae approved eCustodian to provide custodial services for its Digital Pool/Loan Packages. At the time of application, there must be an executed form HUD 11715 Master Custodial Agreement in place between the elssuer applicant and such eCustodian.

2190.00 Other elssuer Requirements

elssuers are responsible for meeting all other requirements of the MBS Guide and the Guaranty Agreement. In its application, an elssuer applicant must identify dedicated personnel to collaborate and coordinate efforts with

Ginnie Mae on the Digital Collateral Program, as described in Section 2300.00. Ginnie Mae reserves the right to decide, in its sole discretion, who may participate in the Digital Collateral Program.

2200.00 eCustodian Eligibility Requirements

A Document Custodian seeking approval to provide custodial services for Digital Pool/Loan Packages in the Digital Collateral Program must meet the following requirements to be eligible for approval by Ginnie Mae as an eCustodian.

2210.00 eCustodian Application

An eCustodian applicant must submit the eCustodian Application to Participate in the Digital Collateral Program, Appendix V-09 of the MBS Guide, including all corresponding certifications. The application must be signed by an authorized officer of the applicant and submitted via email to DCPA@hud.gov. Hard copy paper submissions will not be accepted. Ginnie Mae, in its sole discretion, may refuse to grant eCustodian status if Ginnie Mae determines that the applicant has failed to meet the requirements set forth in this eGuide, or if Ginnie Mae otherwise determines that approval of the applicant would be detrimental to the safety and soundness of the MBS Program. eCustodian applicants who have notified Ginnie Mae of an impending merger or acquisition, pursuant to their notice obligation under the MBS Guide, will not be approved as eCustodians until a date after the effective date of the merger or acquisition. Ginnie Mae's approval of an institution as a Document Custodian does not imply or constitute approval to provide custodial services for Digital Pool/Loan Packages as an eCustodian.

2220.00 Active Custodian Requirement

An eCustodian applicant must have provided custodial services for a Ginnie Mae Issuer, under a duly executed form HUD 11715, for each of the three (3) calendar months preceding the date of its application to the Digital Collateral Program.

2230.00 Good Standing Requirement

An eCustodian applicant must have not received a notice of violation (NOV), civil money penalty (CMP), or have unresolved field compliance review findings in the six (6) months preceding the date of its application to the Digital Collateral Program.

2240.00 eNote Safekeeping Requirements

An eCustodian applicant must have unrestricted access to store, manage, and view copies of eNotes in a Qualified eVault (see Section 2600.00). The applicant must also have a means of storage that will associate an eMortgage's Electronic Records with the loan's corresponding paper records in accordance with Section 5230.00.

2250.00 eNote Subject Matter Expertise

An eCustodian applicant must demonstrate to Ginnie Mae that its staff has sufficient training and expertise performing custodial functions with eNotes and associated loan documents to implement the controls and perform the document review, storage, and certification processes identified in Section 5000.00.

2260.00 Qualified eRegistry Participant Requirement

An eCustodian applicant must be integrated with a Qualified eRegistry. Currently, the MERS® eRegistry is the only Qualified Registry approved for use in the Digital Collateral Program. An eCustodian must maintain the status of an active MERS® eRegistry Participant and MERS® System Member in good standing

2270.00 [Reserved]

2280.00 [Reserved]

2290.00 Other eCustodian Requirements

eCustodians are responsible for meeting all other requirements of the MBS Guide, the Master Custodial Agreement form HUD 11715, and the Guaranty Agreement. In its application, an eCustodian applicant must identify dedicated personnel to collaborate and coordinate efforts with Ginnie Mae on the Digital Collateral Program, as described in Section 2300.00. Ginnie Mae reserves the right to decide, in its sole discretion, who may participate in the Digital Collateral Program.

2300.00 Dedicated Personnel Requirements

Digital Collateral Program applicants must identify one or more employees who will be designated as the primary points of contact for collaborating and coordinating efforts with Ginnie Mae and Ginnie Mae's agents during the Digital Collateral Program. At least one of the employees identified by each applicant must have the necessary delegated authority to implement changes to the entity's securitization and/or pool or loan package delivery and certification processes as may be needed to test or validate various pooling scenarios and to collaborate with Ginnie Mae and its agents in the identification of best practices, process improvements, and MBS Program policy enhancements. Approved Digital Collateral Program participants must maintain such points of contact with Ginnie Mae throughout their participation in the Digital Collateral Program.

2400.00 Qualified eClosing System Requirements

2410.00 General Requirement

Eligible eNotes, and other related Electronic Records, delivered in Digital Pool/Loan Packages must be signed electronically using a Qualified eClosing System.

2420.00 Qualified eClosing System Requirements

A Qualified eClosing System is an eClosing System that meets the following requirements:

- Designed in compliance with applicable federal, state, and local laws, rules, and regulations concerning privacy, data security, and record retention.
- Presents Electronic Records in compliance with applicable federal, state, and local laws, rules, and regulations concerning, but not limited to, the content, format, and display of information.
- Support the verification of the Borrower's identity utilizing a Multi-Factor Authentication process.
- Clearly identify the symbol or process used as the Borrower's Electronic Signature and the purpose of the Electronic Signature.
- Clearly identify the Electronic Record being signed.
- Capture clear evidence that is compliant with all applicable state and federal requirements (including ESIGN) of the Borrower's consent to receive Electronic Records and the Borrower's intent to adopt the Electronic Signature and to electronically sign the eNote and other Electronic Records.
- Attach or associate any Electronic Signature to/with the relevant Electronic Record that was signed.
- Attribute any Electronic Signature to the applicable signer.
- Clearly and legibly display any signer's printed name directly above, below, or in close proximity to the location on the Electronic Record where their Electronic Signature will be applied.
- Support the ability to determine the date and time any Electronic Signature was applied to an Electronic Record.
- Apply a Tamper-Evident Seal to Electronic Records immediately after the last signer has applied their Electronic Signature.
- Prevent alterations to Electronic Records between Electronic Signatures by one/several signers prior to application of a Tamper-Evident Seal at the conclusion of signing.
- Register the eNote with the MERS® eRegistry after a Tamper-Evident Seal has been applied to it.
- Create, store, and make accessible and retrievable to parties with rights to such access an Audit Trail of critical events and actions occurring in an eClosing including, but not limited to:
 - Date and time any signers successfully completed each and ultimately all factors of the Multi-Factor Authentication process;
 - Date and time any signers accessed the eClosing System;
 - Date and time any signers consented to the use of Electronic Records and Electronic Signatures;
 - Date and time each Electronic Record was presented for Electronic Signature(s);
 - Date and time each Electronic Record was signed, including the type(s) of Electronic Signature used, the attribution of the Electronic Signature(s) to the signer(s), and the attribution of the Electronic Signature(s) to the Electronic Record;
 - Date and time a Tamper-Evident Seal was applied to each signed Electronic Record.
 -
- Provide reasonable evidence that Electronic Records created and maintained by the eClosing System are not and have not been subject to unauthorized access or alteration. In the event of unauthorized access or alteration, the eClosing System provider must have procedures in place to promptly notify the issuer.

- Be capable of accurately reproducing any Electronic Record signed in the eClosing System. This includes both the capability to electronically display the Electronic Record and print it to paper. Such reproduction must include the contents, fonts, styling, margins, and all other physical features of the Electronic Record as may be required by state and/or federal laws, including an indication that it is a reproduction of an Electronic Record that was electronically signed. In addition, the eClosing System must permit the party viewing or printing the Electronic Record to ascertain:
 - The content of the Electronic Record; and
 - The name(s) of the signer(s) of the Electronic Record and the legal capacity in which they signed (if signing is occurring pursuant to a Power of Attorney, the Borrower name(s) must be ascertainable).
- Be capable of producing Eligible eNotes that meet all requirements of Section 2500.00.

2430.00 Retention of eClosing Audit Trail

elssuers are responsible for retaining the eClosing Audit Trail for any eMortgage delivered in a Digital Pool/Loan Package. Such Audit Trail must be stored and maintained in a manner that preserves the integrity and reliability of the Audit Trail for the life of the applicable eMortgage plus seven (7) years.

2440.00 Change of eClosing System Provider

If an elssuer changes from one eClosing System provider to another then it must notify Ginnie Mae of the change before the new system is utilized. Ginnie Mae may, in its sole discretion, require the elssuer to submit to additional review, testing, and/or approval.

2500.00 Eligible eNote Requirements

elssuers must have the capability to produce and deliver Eligible eNotes. An Eligible eNote must meet the following requirements.

2510.00 eNote Technical Requirements

The eNote must be a valid Version 1.02 MISMO Category 1 SMART Doc®, which is generated, displayed, and signed electronically using a Qualified eClosing System, and secured by a Tamper-Evident Seal.

2520.00 Insuring Agency and State and Local Requirements

The eNote must reflect any and all clauses required by state and local jurisdictional law, as well as by the federal agency providing the mortgage insurance or guaranty, as it would for paper promissory notes. All elssuers are responsible for ensuring that the eNote being executed by the Borrower reflects any and all language, clauses, and disclosures mandated by the insuring or guaranteeing agency, and any legal requirements relevant to the property's jurisdiction, and also bear responsibility for updating their eClosing System and eNote document format to implement any changes required by these agencies.

2530.00 Mandatory eNote Language

Ginnie Mae does not traditionally prescribe specific clauses or language to be included on a promissory note. Issuers should always follow the guidance promulgated by the FHA, VA, USDA, or PIH as well as state and local law to generate the promissory note language as discussed in Section 2520.00. However, for eNote eligibility, Ginnie Mae requires the following elements.

2530.01 eNote Heading

The view of the eNote must contain the following heading.

“Note
(For Electronic Signature)”

2530.02 Required eNote Clauses

The eNote must contain the clauses (A) through (D), which must be viewable and acknowledged by the Borrower(s). Please note that the section or clause citations below may be altered or modified as needed from (A), (B), (C), and (D) to any other numbering convention needed to be consistent with the citation or clause convention used for other clauses in the eNote. If any such change is implemented, the elssuer must ensure that the cross-references and citations within each of these clauses retain the purpose and effect below, and no other

aspect of these clauses is altered or modified.

An eNote must contain a new paragraph as follows as the last paragraph of the promissory note preceding the signature block with the appropriate clause number of the note. The text “[Sign Original Only]” which appears on the paper promissory notes should be omitted from the eNote.

[###]. ISSUANCE OF TRANSFERABLE RECORD (ELECTRONIC NOTE)

- (A) Definitions: The following terms used in this Section 11 are defined as set forth below: (1) "Authoritative Copy" will have the meaning ascribed to such term in the UETA and E-SIGN (both as defined below), as amended from time to time; (2) "Electronic Note" means an electronically created note; (3) "Electronic Record" means a Record created, generated, sent, communicated, received, or stored by electronic means; (4) "Electronic Signature" means an electronic symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign a record; (5) "E-SIGN" means the Electronic Signatures in Global and National Commerce Act, codified at 15 U.S.C. § 7001 et seq., as it may be amended from time to time, or any applicable additional or successor legislation that governs the same subject matter; (6) "Note Holder Registry" means a registry system that is used to record the issuance and transfer of Electronic Notes; (7) "Paper Note" means an Electronic Note that is converted into a paper note; (8) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; (9) "Transferable Record" means an Electronic Record that: (i) would be a note under Article 3 of the Uniform Commercial Code if the Electronic Record were in writing and (ii) I, as the issuer, have agreed is a Transferable Record; and (10) "UETA" means the Uniform Electronic Transactions Act, as enacted by the jurisdiction in which the property is located, as may be amended from time to time, or any applicable additional or successor legislation that governs the same subject matter.
- (B) Issuance of Transferable Record: I have signed this Electronic Note using my adopted Electronic Signature. By signing this Electronic Note using my adopted Electronic Signature, I am: (1) promising to pay the amount owed, as evidenced by this Electronic Note, to the Note Holder, and (2) agreeing that this Electronic Note is a valid, enforceable and effective Transferable Record issued by me to the Note Holder under the transferable records provisions of UETA and E-SIGN. By virtue of my agreements above, this Electronic Note is a Transferable Record.
- (C) Identification of Registry and Note Holder: After I issue this Electronic Note to the Note Holder, the Note Holder will register this Electronic Note in the Note Holder Registry. This Electronic Note will be registered in the Note Holder Registry operated by [Insert Name of Operator of Registry]¹. I agree that the Note Holder has the right, at any time to transfer the registration of this Electronic Note to another Note Holder Registry. The Note Holder Registry will contain the identity of the Note Holder and the location of the Authoritative Copy of this Electronic Note. I understand that I may request a copy of the Authoritative Copy of this Electronic Note from the Note Holder or the Note Holder's designee. The only copy of this Electronic Note that is the Authoritative Copy is the copy identified by the Note Holder named in the Note Holder Registry or the Note Holder's designee.
- (D) Conversion to a Paper Note: I agree that the Note Holder has the right, at any time, to convert this Electronic Note into a Paper Note. If this Electronic Note is converted to a Paper Note: (1) the Paper Note will be governed by the negotiable instrument provisions of the Uniform Commercial Code as enacted in the jurisdiction where the Property Address is located; (2) a copy or representation of my Electronic Signature affixed or attached to a printed paper copy of the Electronic Note will be, for all legal purposes, my adopted, original, written signature on the Paper Note; (3) I have authenticated, issued and delivered the Paper Note to the Note Holder; (4) the Paper Note will be a valid original writing for all legal purposes; (5) upon conversion of this Electronic Note to a Paper Note by the Note Holder, my promise to pay the amount owed, evidenced by this Electronic Note, will automatically convert to, (without interruption, alteration or diminution) my promise to pay the amount owed, evidenced by the Paper Note; (6) I am bound by my promise to pay the amount owed evidenced by the Paper Note; and (7) the Note Holder will update the Note Holder Registry to reflect the conversion of this Electronic Note to a Paper Note and remove the registration of (de-activate) this Electronic Note in the Note Holder Registry such that the Electronic Note ceases to have any effect or validity.

2540.00 Restrictions Against Certain Types of Electronic Signatures

The Borrower's signature on any eNote delivered to Ginnie Mae is not permitted to be an audio or video recording or comprised exclusively of biometric data.

¹ Insert "MERSCORP Holdings, Inc., a Delaware corporation" as the name of the Operator of the Registry.

2550.00 Change of eNote Provider

If an elssuer changes from one eNote provider to another then it must notify Ginnie Mae of the change. Ginnie Mae may, in its sole discretion, require the elssuer to submit to additional review, testing, and/or approval.

2600.00 Qualified eVault Requirements

elssuer, and eCustodian applicants must have unrestricted access to a Qualified eVault.

2610.00 Qualified eVault Storage Requirements

Each eNote in a Digital Pool/Loan Package must be executed using a Qualified eClosing System and the Authoritative Copy of each such eNote must at all times be stored in a Qualified eVault.

2620.00 Qualified eVault Definition

A Qualified eVault is an eVault that meets the following requirements:

- Interfaces and is integrated with the MERS® eRegistry and MERS® eDelivery.
- Supports the MISMO industry standard document version in which the eNote was originally created for the life of the loan plus seven (7) years.
- Supports at least one method to authenticate user access.
- Safeguards the integrity of the system and documents stored against malware.
- Supports a firewall as well as other network perimeter security controls.
- Validates the integrity (i.e., Tamper-Evident Seal, DTD, schema) of any eNotes or Electronic Records transmitted to the eVault.
- Logs any validations of eNotes or other Electronic Records transmitted to the eVault.
- Allows Ginnie Mae, elssuers and eCustodians to validate compliance with eNote DTD or schema and eNote Tamper-Evident Seal requirements.
- Has the capability to transfer copies of eNotes and other eDocs to another Qualified eVault using MERS® eDelivery. The eVault should capture and store sufficient information (including both successful and unsuccessful transactional level detail) to properly identify and provide necessary loan and pool level detail for both custodial parties involved in the electronic transfer of records to properly reconcile and report on the electronic records sent and received within the transfer.
- Restricts access to sensitive data and documents.
- Distinguishes Authoritative Copies of eNotes from non-Authoritative Copies of eNotes stored in the eVault.
- Provides a user interface for viewing Authoritative and non-Authoritative Copies of eNotes.
- Supports a user's ability to ascertain whether the copy of an eNote being viewed through the eVault's interface is either the Authoritative Copy or a non-Authoritative Copy of the eNote.
- Has backup copy and recovery capabilities for all electronic records (eNotes or eDocs). The recovery system or backup must restore archived/backup material within a 24-hour period of a reported instance. Any primary or backup data storage facilities (defined as any physical site offering equipment, servers, or any other computer storage device) used by eVault provider must be permanently housed within the United States of America. The eVault provider must have documented business continuity and disaster recovery plans, which include details on the eVault's application and data backup process.
- Meets the following encryption requirements:
 - Encryption algorithms compliant with NIST and FIPS 140-2 guidance.
 - X.509 digital certificates for device/server-based TLS/SSL session authentication which support a minimum of SHA-256 signing hash.
 - TLS session that uses a minimum of 2048-bit RSA key and 128-bit AES key.
 - Ensures that data is encrypted both while in transit and at rest.

2630.00 Required Practice Transactions

Each Digital Collateral Program applicant must successfully complete a set of practice transactions involving sample eNotes in the non-production environments of its Qualified eVault and the MERS® eRegistry. Each sample eNote must meet the requirements for being an Eligible eNote (see Section 2500.00) and must not contain actual borrower or loan data. Further, the data used in the sample eNotes must be varied (e.g., different mortgagors, property addresses, interest rates).

The practice transactions required of an applicant will vary depending on the type of application(s) being submitted, and potentially other factors as determined by Ginnie Mae in its sole discretion. Completion of practice

transactions may require coordination with partners (e.g., the elssuer's eCustodian), technology providers, and Ginnie Mae. Specific instructions will be provided to an applicant upon Ginnie Mae granting it Conditional Approval to participate in the Digital Collateral Program. Practice transactions may include, but are not limited to, the following:

- Completion of a modified form HUD 11706 reflecting data used in the sample eNotes.
- Registration on the MERS® eRegistry.
- eDelivery of sample eNote copies of an Eligible eNote to Ginnie Mae and to the elssuer's eCustodian.
- Transfer of Location to the elssuer's eCustodian.
- Addition of Ginnie Mae as Secured Party.
- Transfer of Servicing to name a Subservicer.
- Reporting a Loan Modification to the MERS® eRegistry.
- Reporting an Assumption to the MERS® eRegistry.
- Deactivation from the MERS® eRegistry (e.g., Paid Off, Charged Off).
- Reversal of a Loan Modification, Assumption, or Deactivation reported to the MERS® eRegistry.
- Completion of a form HUD 11708 to simulate the buyout of a loan from a Digital Pool/Loan Package.
- Initial Certification by the eCustodian.

2640.00 eVaults Provided by Third Parties

elssuers and eCustodians in the Digital Collateral Program can either build their eVault in-house or obtain via purchase or license, a third-party vendor product (including software, hardware, and services) that provides equivalent technology eVault resources. Ginnie Mae does not endorse or recommend the use of any specific third-party vendor eVault solution. Each elssuer and eCustodian bears the responsibility for the overall competence of any system selected and compliance with all Ginnie Mae requirements. All contracts between an elssuer or eCustodian and any third-party eVault provider must specify: 1) that any eNotes stored in the eVault as part of a Digital Pool or Loan Package are the property of Ginnie Mae, 2) such eNotes are not subject to any disputes between the eVault provider and the elssuer or eCustodian, 3) the eVault provider will comply with Ginnie Mae's instructions to transfer any copies of any such eNotes, as well as any other electronic documents or records relating to such eNotes, to Ginnie Mae or its designee in the event of Issuer or Document Custodian change or default.

2650.00 Technology Certifications

Any elssuer, or eCustodian seeking approval of a system as a Qualified eVault must submit to Ginnie Mae a written review provided by an independent third-party technology specialist known nationally in the technology and mortgage industry as having proficiency with respect to eVault and eNote storage systems. This report should confirm that the eVault meets industry guidelines set forth by MISMO, the MERS® eRegistry, and Ginnie Mae.

2660.00 Annual Audit Requirements

Ginnie Mae requires any eVault used to maintain and/or transact against electronic records corresponding to a Digital Pool/Loan Package to be reviewed and certified annually by MISMO or a similar organization to confirm that the eVault meets applicable mortgage industry standards.

2670.00 GSE eMortgage Technology Provider Lists

Ginnie Mae will consider eVault providers identified on Fannie Mae's or Freddie Mac's eMortgage Technology Provider Lists as evidence that a given eVault solution meets the requirements for a Qualified eVault detailed in Section 2600.00. However, Ginnie Mae reserves the right to request additional information and written certifications from an elssuer or eCustodian to validate compliance against Ginnie Mae's requirements. elssuers and eCustodians are responsible for notifying Ginnie Mae immediately in cases when an eVault that is being utilized by the elssuer or eCustodian for loan documents relating to a Digital Pool/Loan Package is removed from one or more of the GSE's eVault technology provider lists.

2680.00 Change of eVault Provider

If an elssuer or eCustodian changes from one eVault provider to another then it must notify Ginnie Mae of the change. Ginnie Mae may, in its sole discretion, require the elssuer or eCustodian to submit to additional review, testing, and/or approval.

2800.00 [Reserved]

2900.00 [Reserved]

3000.00 Structuring Digital Pool/Loan Packages

3100.00 Eligible eNote Requirements

To be eligible for a Digital Pool/Loan Package, the eNote associated with any eMortgage must meet the Eligible eNote Requirements in Section 2500.00.

3200.00 Mortgage Loan Parameters

In addition to the Eligible eNote Requirements in Section 2500.00, eMortgages must meet the following requirements to qualify as eligible collateral for Ginnie Mae securities:

3210.00 Eligible Loan Types

Only eMortgages for Single-Family forward rate loans, including FHA-Insured Single-Family Loans, VA Guaranteed Single-Family Loans, and RD-Insured Single-Family Loans are eligible for Digital Pool/Loan Packages. Loans for Home Equity Conversion Mortgages, Manufactured Housing Loans, or Multifamily Loans are ineligible at this time.

3220.00 Loan Purpose Requirement

Only eMortgages that constitute Initial Purchase Loans or Refinance Loans are eligible collateral.

3230.00 Fixed Rate/Level Payment Requirement

Only eMortgages with fixed interest rates and level monthly payments are eligible collateral. eMortgages for loans with payment schedules other than level monthly payments, including Adjustable Rate Mortgages and Graduated Payment Mortgages are ineligible at this time.

3240.00 Other Exclusions

eMortgages for the following types of loans are not eligible for inclusion in a Digital Pool/Loan Package:

- New York Consolidation, Extension and Modification Agreement Mortgages
- Mortgages in which the Borrower is a trust of any type
- Mortgage loans secured by properties in Puerto Rico

3250.00 Notarization Requirements

All issuers are responsible for ensuring compliance with all federal, state, and local laws, rules, and regulations governing notarization for any eMortgage delivered to Ginnie Mae. In-Person Electronic Notarization (IPEN) and Remote Online Notarization (RON) are permitted if and only if the following criteria are met:

- The notary public is properly licensed and authorized to perform the notarial act in the state in which the notarial act is performed, at the time it was performed, including specific licensing for, or meeting any requirements specific to, IPEN/RON in the state.
- The use of IPEN/RON does not inhibit the recordability of the security instrument or any other loan documents which must be recorded in the applicable County land records.
- The use of IPEN/RON does not compromise the first lien status of the loan, nor create any exceptions or exclusions in the title policy.
- The use of RON by the notary is permissible if the laws and regulations of the state in which the mortgaged property is located either expressly permit the use of RON or expressly accept RON performed out-of-state in accordance with the laws of the state in which the notarial act is performed.
- For RON transactions, the issuer must either maintain the recording of the notarial ceremony, or maintain the ability to access and reproduce the recording of the notarial ceremony (if such recording is maintained by a third party such as an individual notary or third party notary platform) for the greater of 10 years or the minimum period required by applicable law.

- Any platform utilized to facilitate RON must comply with the MISMO RON Standards.

3260.00 Legal Requirements

elssuers may only deliver eMortgages into the MBS Securitization Platform using systems that comply with this eGuide. A breach under this eGuide is a breach under the MBS Guide and the Guaranty Agreement. The elssuer makes the following representations and warranties with respect to each eMortgage submitted as collateral for Digital Pool/ Loan Packages:

- Each eMortgage is evidenced by an Eligible eNote that is a valid and enforceable Transferable Record pursuant to ESIGN and UETA, as applicable, and there is no flaw or defect with respect to the eNote that would confer upon a subsequent transferor, or Ginnie Mae as a secured party, less than the full rights, benefits and defenses of Control (as defined by UETA and ESIGN) of the Transferable Record;
- The elssuer is an entity entitled to enforce the eMortgage;
- All Electronic Signatures associated with the eMortgage, including, but not limited to, the eNote are authenticated and authorized;
- The elssuer has established procedures and controls limiting access to eMortgage delivery and the MERS® eDelivery to duly authorized individuals, and Ginnie Mae is entitled to rely on any transmission, transfer or other communication via these systems to be the authorized act of the elssuer;
- Any transfers of Control of the eNote are authenticated and authorized;
- The eVault technology solution used, or to be used, to store the eNotes by the eCustodian, as it relates to the storage and ongoing maintenance of Electronic Signatures and eDocs, meets the requirements of ESIGN and UETA, including, without limitation, Section 201 of Title II of ESIGN and Section 16 of the model UETA, and any other appropriate state and federal laws, and does not endanger any safe harbor given by these laws;
- The Authoritative Copy of the eNote has not been altered since it was signed electronically by the Borrower(s); and
- There has been, at all times, one and only one Authoritative Copy of the eNote in existence, and all copies other than the Authoritative Copy are readily identifiable as non-authoritative copies.

3300.00 MERS as the Original Mortgagee Requirement

Each eMortgage included in a Digital Pool/Loan Package must be originated with Mortgage Electronic Registration Systems, Inc. (MERS) as the Original Mortgagee (“MOM”).

3400.00 Eligible Pool Types for Digital Pool/Loan Packages

The following pool types are permitted for Digital Pool/Loan Packages. No other pool types are permitted.

- Ginnie Mae I Single Family Pools (X SF)
- Ginnie Mae II Custom Single-Family Pools (C SF)
- Ginnie Mae II Multi Issuer Pools for Single-Family Loans (M SF)
- Multi-Issuer Jumbo Mortgage (MJM SF) Pools
- Extended Term (C ET) Pools

3500.00 Special Restrictions Applicable to Digital Pool/Loan Packages

Digital Pool/Loan Packages may consist either entirely of eMortgages or of eMortgages commingled with mortgage loans originated with paper promissory notes. Digital Pool/Loan Packages are prohibited from containing any Converted eNotes, which is a mortgage loan originated with an eNote that has subsequently been converted to a paper promissory note (this is not the same as modification of an eNote where the modification itself is paper, which is permitted).

Unless expressly permitted under the MBS Guide, mortgage loans originated with eNotes that have subsequently been converted to paper promissory notes are prohibited in all Ginnie Mae pools or loan packages.

3600.00 Other Parameters Applicable to Digital Pool/Loan Packages

Digital Pool/Loan Packages are subject to all other pooling eligibility parameters in the MBS Guide, including, but not limited to, the mortgage and pool parameters in Chapters 9 and 24 of the MBS Guide.

4000.00 Digital Pool/Loan Package Delivery

4100.00 Obtaining eMortgage Issuance Authority for Digital Pool/Loan Packages

Each issuer must apply for and receive eMortgage Issuance Authority prior to delivering eMortgages for securitization. eMortgage Issuance Authority governs the number of eMortgages (regardless of the principal balance associated with each loan) that an issuer may securitize in the Digital Collateral Program. At the time Ginnie Mae grants Final Approval to an Issuer to participate in the Digital Collateral Program as an issuer, Ginnie Mae will also grant it an initial amount of eMortgage Issuance Authority. To obtain additional eMortgage Issuance Authority, issuers must send a request to DCPA@hud.gov with details on their planned future eMortgage delivery volume. Ginnie Mae does not charge additional fees for eMortgage Issuance Authority. Digital Pool/Loan Packages are still subject to Ginnie Mae's requirements pertaining to Commitment Authority, which is a separate process.

4200.00 Use of eDocs as Digital Equivalents

This eGuide authorizes the use of certain electronic files as digital equivalents of documents required for Initial Certification, Final Certification, and Recertification under the Document Custody Manual (DCM), Appendix V-01 of the MBS Guide. All collateral documents, identified in Section 4600.00, other than the promissory note may be delivered as MISMO Category 1, 2 or 4 Version 1.02 SMART Doc documents or Portable Document Format (PDF) documents. Please see Section 2500.00 for specific standards relating to the promissory note under Eligible eNote Requirements.

4300.00 SFPDM HUD 11706 Submission Requirement

All issuers must execute and submit a Form HUD 11706 electronically through Ginnie Mae's Single Family Pool Delivery Module (SFPDM) for any Digital Pool/Loan Package delivered for securitization. Hard copy submissions of Form HUD 11706 are not permitted for any Digital Pool/Loan Package.

4400.00 General Requirements for Delivery of eNotes

Prior to securitization, the Authoritative Copy of any eNote associated with a loan identified on a Form HUD 11706 must have at all times been stored in a Qualified eVault. To deliver an eNote for securitization by Ginnie Mae, the issuer must ensure that Ginnie Mae is named in the Secured Party field for the corresponding eNote record on the MERS® eRegistry and that a copy of the Authoritative Copy of the eNote is sent via MERS® eDelivery to Ginnie Mae's eVault. Further, the issuer must ensure that by the time the MERS® eRegistry is updated to reflect Ginnie Mae as the Secured Party, all other MERS® eRegistry fields are consistent with Ginnie Mae's Pool Certification Requirements (see Section 5000.00). This means, among other things, that the MERS® eRegistry rightsholder fields corresponding to the eNote being delivered do not reflect any parties other than the issuer, eCustodian, and, if applicable, an eSubservicer. As with paper promissory notes pooled for securitization, all eMortgages must be free of any liens (including warehouse lines) at the time of securitization.

4410.00 Delivery Requirements for eNotes Executed via Power of Attorney

eNotes that are executed by an attorney-in-fact pursuant to a Power of Attorney have the following additional requirements for delivery:

- Whether the Power of Attorney is electronic or paper-based, an active and valid copy of the Power of Attorney must be delivered to the eCustodian's eVault using MERS® eDelivery along with the corresponding eNote. If a paper-based Power of Attorney, containing a wet-ink signature, is required for enforcement of the eNote, the Power of Attorney should be delivered to the eCustodian as a paper document and a copy of the Power of Attorney should be eDelivered to the eCustodian's eVault.
- If eNotarization is used to notarize the Power of Attorney, the eNotarization is subject to the notarization requirements outlined in Section 3250.00.

4500.00 General Requirements for the Transmission and Delivery of eDocs

The Authoritative Copy of each eNote in a Digital Pool/Loan Package, as well as all other collateral documents pertaining to such Digital Pool/Loan Package must be stored by the eCustodian. Issuers may transmit loan documents electronically to an eCustodian in lieu of a hard copy or hard copy original as required by the Document Custody Manual, Appendix V-01 of the MBS Guide (DCM). Issuers and their corresponding eCustodian must implement and maintain processes and controls for transmission of loan files in accordance with all federal and state laws and regulations governing the protection of Personally Identifiable Information. These processes and controls must prevent unauthorized access to the documents being transmitted.

4600.00 eDocs Accepted as Digital Equivalents of Hard Copy Documents

The following loan documents may be transmitted electronically to a custodian in lieu of a hard copy, subject to the requirements and specifications below.

4610.00 Electronic Copy of Form HUD 11711A/B

elssuers may deliver the executed form HUD 11711A/B corresponding to any loans in a Digital Pool/Loan Package as a PDF file.

4620.00 Electronically Recorded Security Instruments

elssuers may deliver an electronically signed, notarized, and recorded security instrument that meets the requirements of Section 5210.00. Security instruments that do not meet the requirements of 5210.00 must be delivered per existing MBS Guide requirements. An electronic image of a wet-signed security instrument that has been digitized and electronically recorded is also permissible, provided it reflects evidence of recordation, including information relating to the date and time of recordation (see Section 5210.00).

4630.00 Title Policies

The elssuers may deliver a copy of the title policy corresponding to any loan in a Digital Pool/Loan Package as a PDF file.

4640.00 Electronically Signed Modification Agreements

The elssuers may deliver an electronic modification agreement that meets the requirements of Section 5210.00 and was signed using a Qualified eClosing System (see Section 2400.00). Modification agreements that do not meet the requirements of 5210.00 must be delivered per existing MBS Guide requirements. elssuers are not permitted to deliver an electronically signed modification agreement if: a.) the security instrument, as modified by the electronically signed modification agreement, would be invalid or unenforceable or would no longer be in first lien position; b.) the recording jurisdiction does not permit or provide for recordation of electronic documents; or c.) the elssuer is unable to comply with the recording jurisdiction's recordation and formatting requirements for an electronic document's recordation.

4700.00 [Reserved]

4800.00 [Reserved]

4900.00 [Reserved]

5000.00 Digital Pool/Loan Package Certification

5100.00 General Requirements for the Receipt and Storage of eNotes

Prior to initiating the Document Review Procedures for Initial Certification, Final Certification, or Recertification, eCustodians must ensure that the Authoritative Copy of any eNote associated with a loan identified in a form HUD 11706 received by the eCustodian is stored in a Qualified eVault. For eNotes executed pursuant to a Power of Attorney, the eCustodian must also ensure that a copy of the Power of Attorney was received in its eVault. The eCustodian must have the agreements, licenses, and user credentials necessary to access the Qualified eVault and perform the document review procedures detailed below. All other document and document review requirements detailed in Chapter 3 of the DCM for Initial Certification that are not addressed expressly in this eGuide apply without modification to loans in Digital Pool/Loan Packages.

5200.00 General Requirements for the Receipt and Storage of eDocs

5210.00 Electronically Recorded Security Instruments and Modification Agreements

Electronically signed, notarized, and recorded security instruments or modification agreements may be submitted electronically to an eCustodian if and only if:

- The security instrument or modification agreement is an eDoc that was originally submitted for recordation through a process available and approved at the corresponding county or state recorder's office; and

