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APM 18-05

June 1, 2018

To: All Participants in Ginnie Mae Programs
From: Michael Bright, Acting President
Subject: Periodic Maintenance and Miscellaneous Announcements APM

Periodically, Ginnie Mae implements minor updates to the Mortgage Backed Securities Guide, HUD Handbook 5500.3, Rev. 1 (MBS Guide) to ensure that its policies are clearly and accurately reflected and to notify Issuers about upcoming operational changes. Please note the following announcements.

HMBS Issuers-Revision of the definition of ‘Original Interest Rate’ in Appendix III-28

Ginnie Mae has become aware of confusion about the data that should be reported for the “original interest rate” field in field 9, M01, of Appendix III-28, Form HUD 11705H and HUD 11706H. To ensure clarity and consistency, Ginnie Mae is updating the definition of “original interest rate” as follows. The term “Original Interest Rate” will be revised as “The original interest rate for the HECM loan, as reported at the initial pooling (first Participation).” Appendix III-28 of the MBS Guide has been updated in accordance with this APM and is effective immediately.

List of Acceptable Abbreviations for Custodial Account Titles

Ginnie Mae is publishing a list of acceptable acronyms for use when titling custodial accounts. If an Issuer needs to abbreviate the title of an account, the Issuer may use only the abbreviations approved by Ginnie Mae. The table below contains a list of approved abbreviations for identifying the account type or the Issuer’s legal name, d/b/a name, or business form, as applicable, and is being incorporated into Chapter 16 of the MBS Guide and is effective immediately.

Account Type	Abbreviation	Entity Legal Name	Abbreviation
Trustee	TTEE	National Association	N.A.
Principal and Interest	P&I	Incorporated	Inc.
Escrow	ESCRW	Federal Savings Bank	FSB
Custodial	CUST	Company	Co.
Disbursement	DISB	Corporation	Corp.



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Account	ACCT		Limited Liability Company	LLC
Ginnie Mae	GNMA		Limited Liability Partnership	LLP
Mortgage-Backed Securities	MBS		Housing Finance Authority	HFA
Packages	PKGS		Limited Company	LTD
Various	VAR		Limited Partnership	LP

Changes to MBS I ACH Debit Procedures

Historically, Ginnie Mae has processed investor pass through (P&I) obligations for all Ginnie Mae I book entry securities through our Depository, the Federal Reserve Bank of New York (FRB). Effective August 1, 2018, and thereafter, ACH debit processing for all Ginnie Mae I MBS Program securities will be performed by Ginnie Mae’s Central Paying & Transfer Payment Agent (CPTA), the Bank of New York Mellon. The FRB will discontinue ACH debits at the end of July 2018. Consequently, and effective with investor payments beginning August 2018, Ginnie Mae’s CPTA will assume all ACH debit responsibilities for both Ginnie Mae I and II MBS. Upon receipt of all Issuer pass-through payments, the CPTA will wire the funds to the Federal Reserve for distribution to investors.

The CPTA will conduct testing prior to the Ginnie Mae I MBS Program August payment date to ensure that it has the requisite access to debit the corresponding custodial accounts successfully. To ensure a seamless transition, all Issuers participating in the Ginnie Mae I MBS Program must confirm that the Bank of New York Mellon can successfully debit the designated custodial account unimpeded by fraud filters or other limits to the debit process. The ACH Originator ID for the Bank of New York Mellon is 1135160382. Once you have confirmed that your custodial accounts are properly configured, no further action is required unless the prenote test fails and you are contacted by Ginnie Mae or the Bank of New York Mellon. The MBS Guide changes relating to the new ACH Debit process will be published prior to August 2018.

Updated Summary of Addresses

Ginnie Mae has also updated its Summary of Addresses to ensure participants have the most up to date contact information for Ginnie Mae and its agents.

If you have any questions regarding this announcement, please contact your Account Executive in the Office of Issuer and Portfolio Management directly, or at (202) 708-1535.