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# Digital Collateral Workgroup



# GINNIE 2020

# AGENDA **Digital Collateral Presentation**



**eNote Overview**



**Ginnie Mae Pilot Securitization Parameters**



**Pilot Timeline**



**Open Q&A**

## eNOTE OVERVIEW **MERS**<sup>®</sup> eRegistry

- Established in **2004** as the mortgage industry's system of record and centralized registry for eNotes
- Stores the unique, tamper-evident digital signature of eNotes
- Enables transfers of eNotes and other mortgage documents via MERS<sup>®</sup> eDelivery

**MERS**<sup>®</sup>  
System

- ✓ *Tracks beneficial ownership rights and servicing rights for over 75% of all U.S. mortgages*

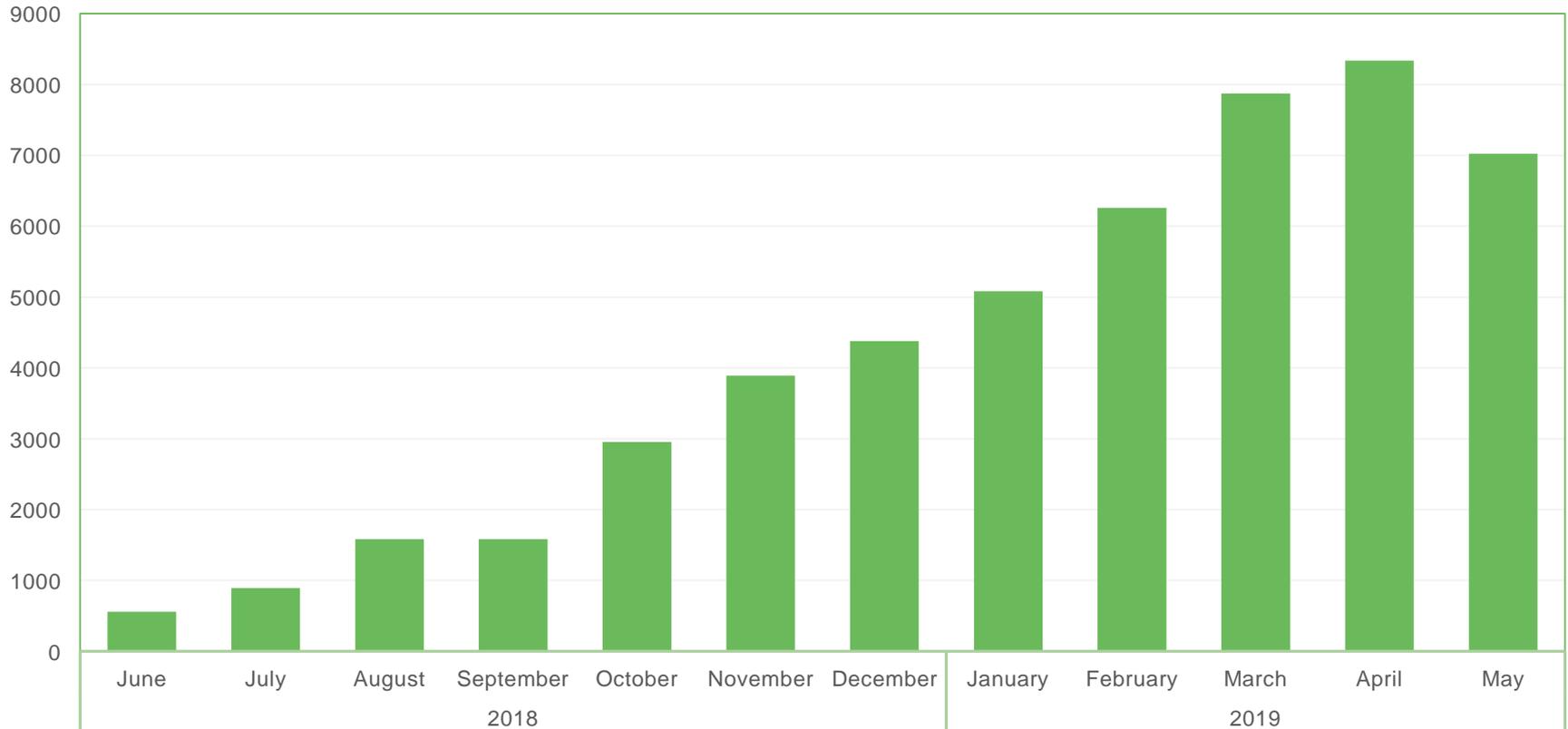
**MERS**<sup>®</sup>  
eRegistry

- ✓ *System of record for identifying the Controller (holder) and Location (custodian) of the authoritative copy of registered eNotes*

PROPRIETARY

# eNOTE OVERVIEW **Surge in eNotes**

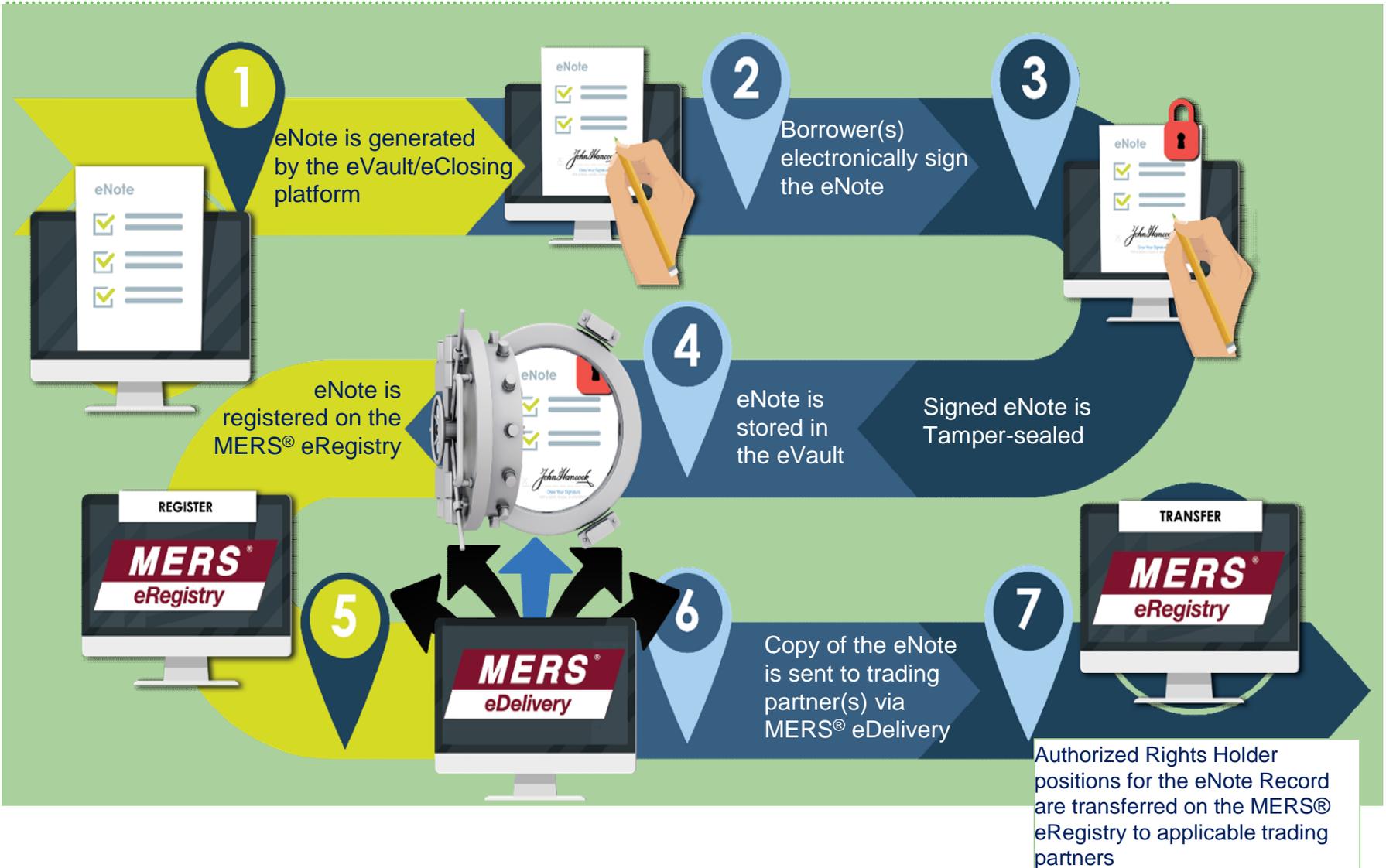
## eNotes Registered on the MERS® eRegistry



# of Registrations in Q1 2019 > Total of All Registrations in 2018  
**19,000+ Q1 2019 vs. 17,000+ FY 2018**

PROPRIETARY

# eNOTE OVERVIEW Follow the eNote



PROPRIETARY

**Secured Party:** The Participant named on the MERS® eRegistry that has been sold, pledged, assigned, or granted a security interest in the eNote by the Controller.

**Secured  
Party  
can:**

Permit or restrict Transfers of Control or Location

Initiate Transfers of Control or Location to itself or another MERS® eRegistry Participant

Elect to receive notifications of changes to the eNote record's status

Permit or restrict Deactivations

# GINNIE MAE PILOT SECURITIZATION **Key Pillars**

## Delegated Custodial Model will Remain in Place

- Issuer responsibility for custodial and certification costs
- Document Custodian fiduciary role intact
- Final Cert. process remains intact

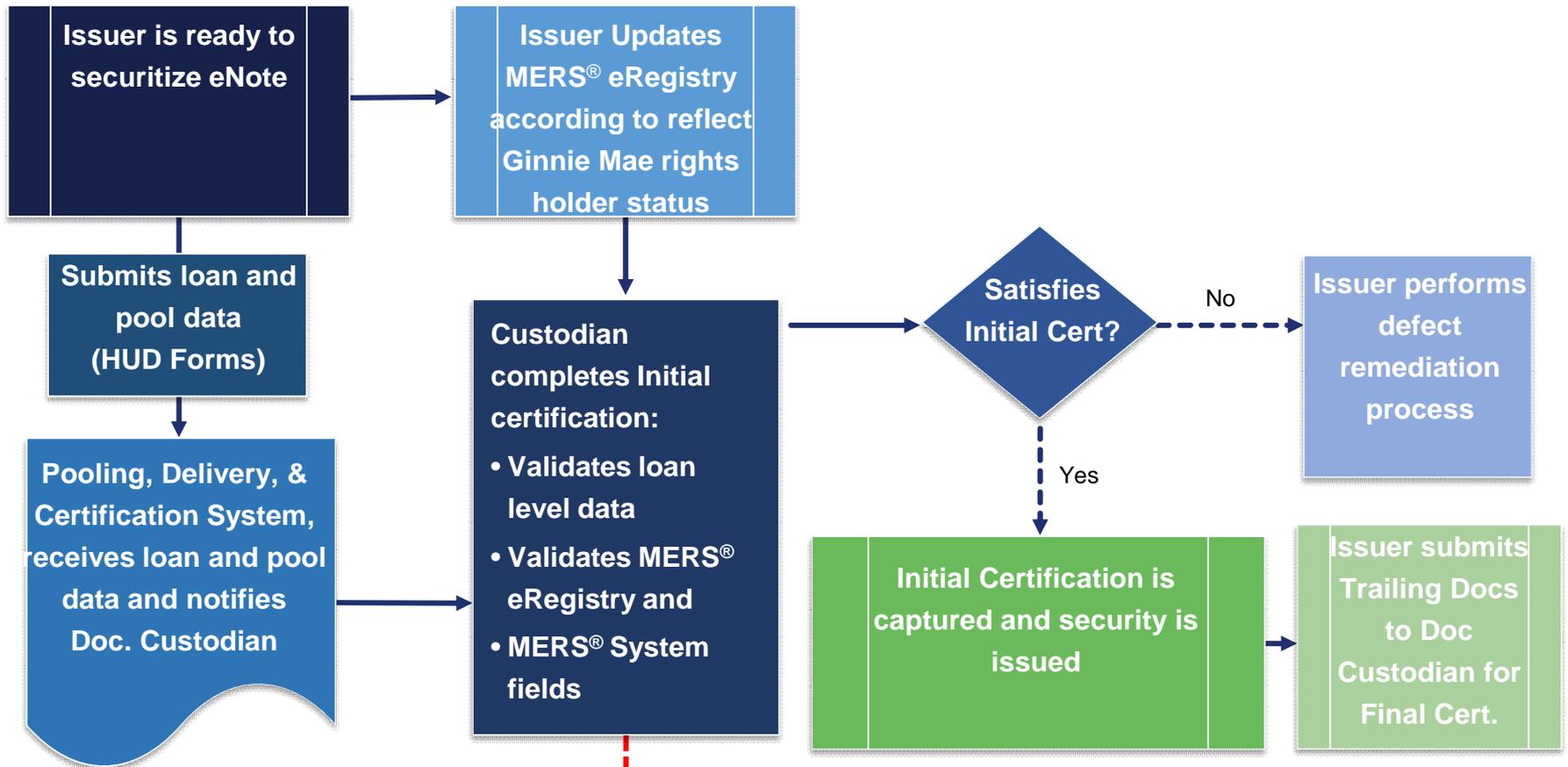
## Provide for Streamlining by Accepting Digital Equivalents

- eNotes
- Original digital instruments
- Electronic copies everywhere photocopies are acceptable

## GII MIP: Securitization

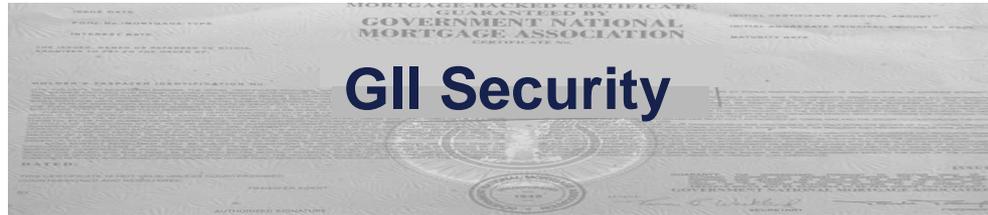
- Segregation of eNotes
- Specific MSR transfer restrictions

# GINNIE MAE PILOT SECURITIZATION **Loan Delivery**

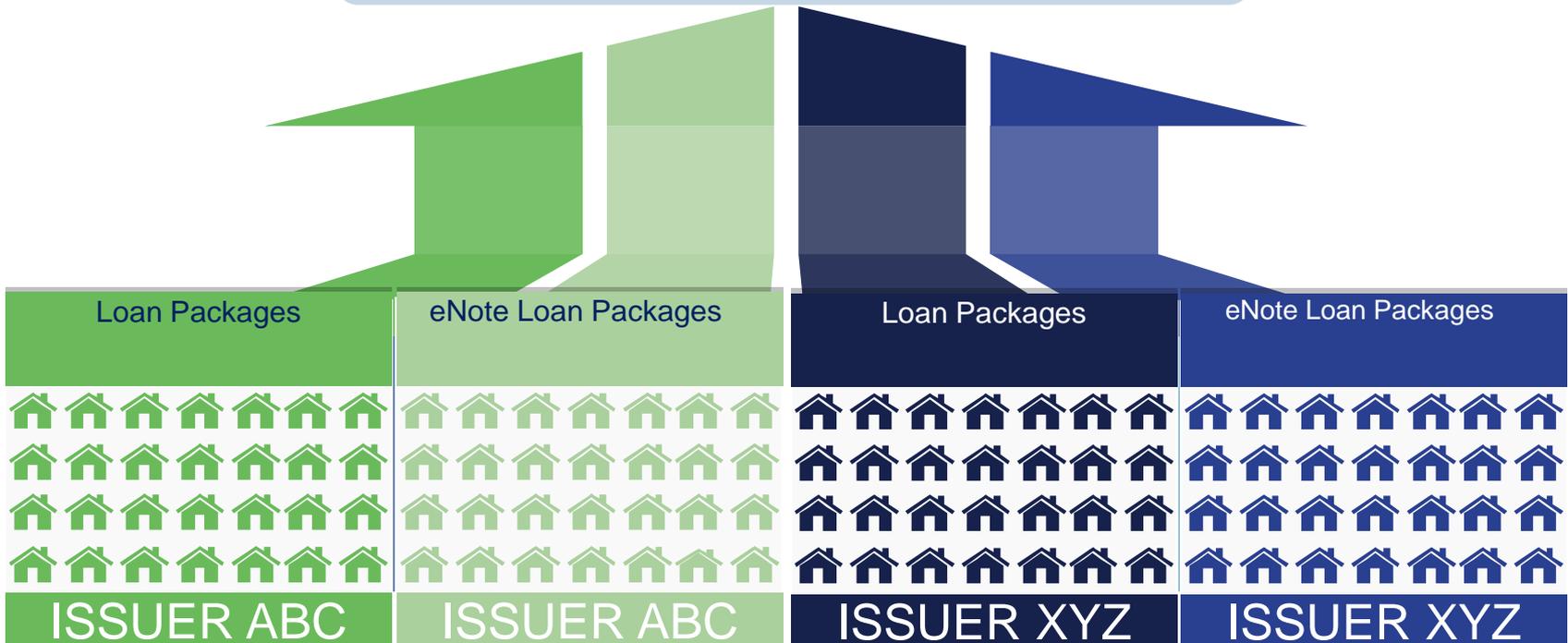


This is the biggest change during Pilot. Doc. Custodians will need to validate by referencing MERS system and eVault data/files.

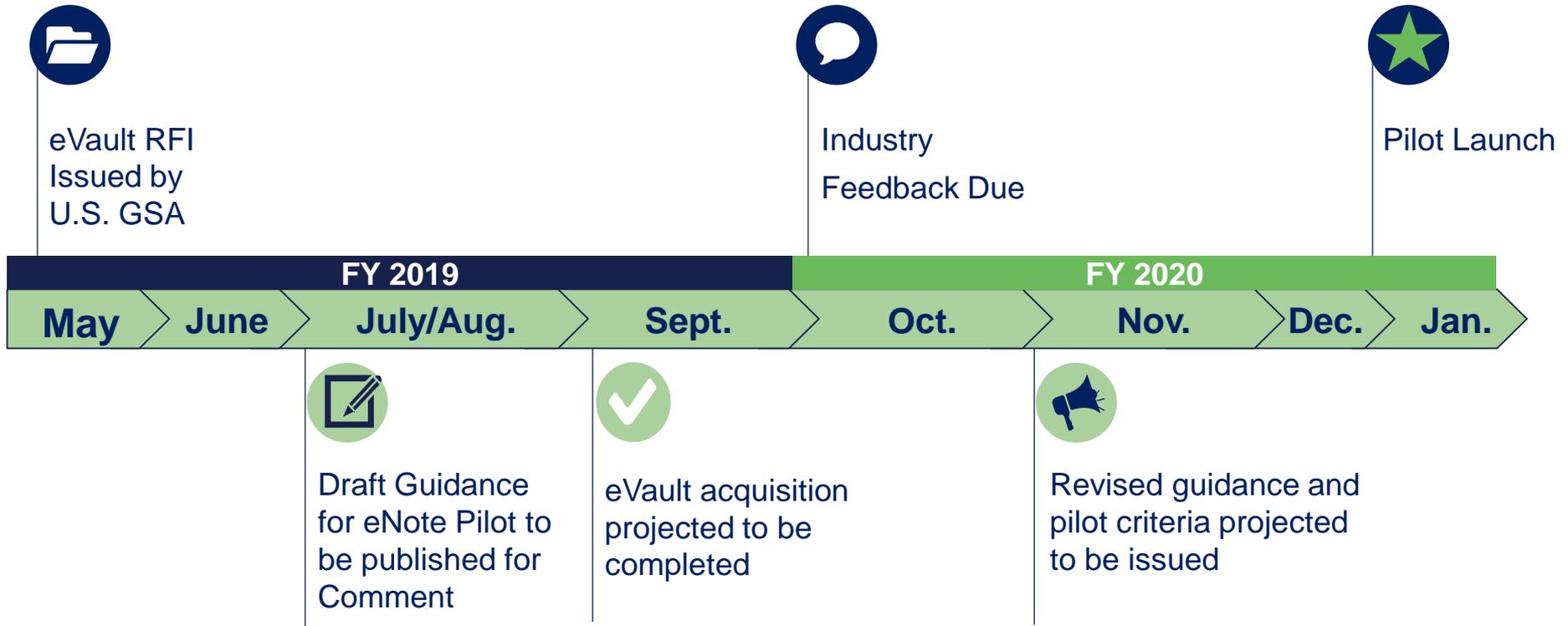
# GINNIE MAE PILOT SECURITIZATION **Securitization**



 **GII Multi-Issuer Pool Collateral**



# PROJECTED PILOT TIMELINE **Draft Guidance and Input**



Ask  
Answer  
Who  
Why  
Where  
What  
When  
Apply  
Understand  
Query  
Question  
Answers  
Questions