

FEDERAL RESERVE BANK OF NEW YORK
EAST RUTHERFORD OPERATIONS CENTER
100 ORCHARD STREET
EAST RUTHERFORD, N.J. 07073
AREA CODE 201-531-3000

May 18, 2001
Clearing Memo #224

To: All Fedwire Book-Entry Securities Participants
From: Gail Armendinger, Electronic Payments Officer
Subject: Changes to Mortgage-Backed Principal and Interest Notifications

As you know, the Federal Reserve Banks, in ongoing efforts to improve the service level of the Securities Transfer System, are expanding the products available on the National Book-Entry System. With the addition of new mortgage-backed securities (MBS) and an increase in the number of MBS principal and interest (P&I) payment dates, there will be some operational/procedural changes.

Effective with the October 2001 payment dates:

- Principal and Interest notifications for Mortgage Backed Securities may be distributed to institutions up to the day prior to the P&I payment date. This change is necessary because the factor information on certain MBS products will not be available until the day before payment.
- MBS notifications sent the day prior to the payment date will be included in the "Immediate P&I Notifications" report along with the Non-MBS products.
- MBS notifications may include more than one product type, products issued by different agencies and/or products with different payment date/record date combinations. Institutions who receive their P&I notification report electronically should confirm that this change does not cause any technical issues. Attachment 1 details the order the notifications will appear and Attachment 2 is a sample report.

If you have any questions, please call Belinda Williams, Information/Technical Support Specialist at (201)-531-3155.

Attachments

IMMEDIATE AND NON-IMMEDIATE NOTIFICATIONS

Sort Order

MBS Notifications by ABA

Securities Account (1010)

Payment Date

Record Date

Funder (ABA numeric)

CUSIP (Alpha/numeric order)

Securities Account (1020)

Same as above

ATTACHMENT 2

PAGE 2 03/12/2001 14:55:11 BA NOTIFICATION OF P&I CREDIT BAPN825N
CYC DT: 03/01/01 INTERNAL FR
BIN#:

TEST BANK A
456 MAIN STREET
NEW YORK, NY 10000

DI: 9999-9999-9 ACCT: T108 *TT&L

PAY DT: 03/18/01 RECD DT: 03/01/01 FUNDER: 021039539 FNMA RPT DT: 03/01/01
CUSIP: 31359T4A3 FXRM CL036PM R98F036 MAT DT: 11/18/22

PAR: 150,000,000.00 RATE: 6.250 TOTAL: \$781,250.00
INT: 5.208333333 \$781,250.00
NBV: 1.0000000000 150,000,000.00
OBV: 1.0000000000 150,000,000.00

***TOTALS: #OF CUSIPS: 1 PAYMENT DUE: \$781,250.00
TOTAL PAYMENT AMT: \$781,250.00

ATTACHMENT 2

BAPN825N

NOTIFICATION OF P&I CREDIT

PAGE 1 03/12/01 14:55:11 BA

INTERNAL FR

CYC DT: 03/01/01

BIN#:

TEST BANK A
456 MAIN STREET
NEW YORK, NY 10000

DI: 9999-9999-9 ACCT: T108 *TT&L

PAY DT :03/15/01 RECD DT 03/01/01 FUNDER:021033205 FHLM RPT DT:03/01/01
CUSIP 31283JX48 06.500 FGPC G10699 G MAT DT:07/01/12

PAR: 198,000,000.00 RATE: 6.500 TOOTAL: \$2,139,494.98

INT: 5.4166666666 \$602,361.58
PPD: .0077633000 \$1,537,133.40
NBV: .5538792000 109,668,081.60
OBV: .5616425000 111,205,215.00

CUSIP 3133TKGL8 FGRM 2141HD 04/15/25 MAT DT : 04/15/25

PAR: 131,250,000.00 rate: 6.000 TOTAL: \$1,770,550.36

INT: 5.0000000000 \$547,274.11
PPD: .0093202000 \$1,223,276.25
NBV: .8246213000 108,231,545.62
OBV: .8339415000 109,454,821.87

***TOTALS: #OF CUSIPS: 2 PAYMENT DUE: \$3,910,045.34
TOTAL PAYMENT AMT: \$3,910,045.34

INT: \$1,149,635.69
PPD: \$2,760,409.65