



Federal Reserve Banks

Boston	Richmond	Minneapolis
New York	Atlanta	Kansas City
Philadelphia	Chicago	Dallas
Cleveland	St. Louis	San Francisco

March 6, 2002
Clearing Memo #235

To: All Fedwire® Securities Service Participants

Subject: U.S. Department of Veteran Affairs Securities on the Fedwire Securities Service

This is to announce that the U.S. Department of Veteran Affairs, Vendee Mortgage Trust Guaranteed REMIC pass-through certificates issuance program ("Vinnie Mac"), will begin issuing mortgage-backed securities (MBS) on the Fedwire Securities system, with the next issuance scheduled for June 2002. In addition, Vinnie Mac securities on deposit with the MBS division of the Depository Trust and Clearing Corporation (DTCC) will migrate to the Fedwire Securities system on the weekend of March 23, 2002.

The record date for Vinnie Mac's securities is the last business day of the month. The payment date is the 15th calendar day of the next month, or on the next business day if the 15th is not a business day. A beneficiary date, if applicable, will be broadcast at the time the security is added. In addition, the timing of the P&I notification will be one to two days prior to the payment date.

In this connection, the Federal Reserve Banks have been named as depository with respect to these securities. Vinnie Mac securities will be processed on the Fedwire Securities system. Transfers of these obligations will be governed by the same procedures and fees applicable to transfers of other book-entry securities. These securities are transferable nationwide upon issuance.

A. CUSIP Number/Security Description

Each security will be assigned a unique nine-character CUSIP number. Listed below are examples of the security descriptions:

Fixed Rate REMIC: VARM yyyy-nn cl

Adjustable Rate REMIC: VARA yyyy-nn cl

yyyy - Year

nn - Trust number

cl - Class

® Fedwire is a registered trademark of the Federal Reserve Banks.

B. CUSIP Information

Vinnie Mac securities currently outstanding have been added to the Federal Reserve's Securities Description Master file (SDM).

The Securities Description Master file is only available via bulkdata transmission. Institutions should contact the Federal Reserve Bank of New York via telephone at (201) 531-3341, or fax at (201) 531-3590 to request the SDM file and the Computer Interface Protocol Specifications (CIPS), as well as to schedule receipt of a test file.

C. Denominations

The minimum and multiple denominations will be announced with each new issue.

D. Original Issues

On the original issue settlement date, the original issue will be effected by sending a Type Code 2500 (Reversal Code 2502) which will transfer the securities against payment, if applicable, to the purchaser's account. Vinnie Mac securities will be issued from the following account:

Issuing ABA	Telegraphic Name	Securities Number	Account Name
0210-0103-3	Bankers NYC	7028	Issuer2

E. Secondary Market Transactions

Transfers will be at par amount and effected using the standard Type Code 2000 message (Reversal Code 2002).

F. Principal and Interest Payments

The principal and interest payments for these securities will be automated. The principal and interest payment will be via a Type Code 8906 wire. The maturing securities will be withdrawn electronically on the payment date via a Type Code 8900.

The Principal and Interest Notifications for these Vinnie Mac issuances will be distributed either one or two days prior to the payment date. The factor information on these Vinnie Mac issuances is not available until that time.

MBS Notifications sent the day prior to the payment date will be included in the "Immediate P&I Notification" report along with Non-MBS products (Refer to Clearing Memorandum Number 224).

G. Claims Adjustment Eligibility

These securities will be eligible for Fail Tracking and Interim Accounting available through the Fedwire Securities system, as described in Clearing Memoranda Numbers 219 and 220 respectively.

H. Beneficiary Date

Some Vinnie Mac classes may have a beneficiary date equal to the payment date instead of the record date. The beneficiary date will not be included on the MBS broadcast message, however, for those securities where the beneficiary date does not equal the record date a general broadcast message (BA1000) will be sent announcing the CUSIP number and the beneficiary date. If you wish to receive these broadcasts in the future, please fax your request to (201) 531-3590.

I. Conversion

1. Conversion from Book-Entry to Definitive

- For Vinnie Mac securities, a DI must send a type code 2000, free of payment, with all necessary information to register the securities as well as delivery instructions to FRB NYC/VA BREG.
- The closing time for all Vinnie Mac securities conversion requests is 1:00 p.m. ET.
- Book-Entry conversions to definitive form are not priced.
- The Federal Reserve is not the transfer agent for Vinnie Mac definitive securities. The Federal Reserve will forward your conversion request to the transfer agent. The transfer agent will issue the registered securities to the requestor for the CUSIP submitted.

2. Conversion from Definitive to Book-Entry

- Requestor should contact the Transfer Agent for procedures for presentment.
- Once the conversion is complete, the securities will be sent from the issuer's registered holder account to the requestor via a type code 2000 message.

Questions regarding this announcement should be directed to the Federal Reserve Bank of New York at (201) 531-3341.