



## Guide Update 20-05: Letter of Credit Forms

Effective: 06/10/20

Retired: 10/04/21

### Summary of Changes

#### HIGHLIGHTS

**Effective June 10, 2020**, Lender and Borrower Letter of Credit related forms were updated to:

- Bifurcate the Letter of Credit Authorization and Certification Form (Form 4664) into the
  - Borrower Letter of Credit Form (Form 4664B), and
  - Lender Letter of Credit Form (Form 4664L).
- Revise the Form of Opinion of Counsel to Issuer of Letter of Credit (Form 4653) and Form of Irrevocable Letter of Credit and Site Draft (Form 4663).

#### Primary Changes

The following changes were made:

- Retired Form 4664 and created a new
  - Form 4664B, for a Borrower Letter of Credit collateralizing a Mortgage Loan, and
  - Form 4664L, for a Lender Letter of Credit collateralizing the Restricted Liquidity Requirement.
- Revised Form 4653 to combine the form of legal opinion for new Letters of Credit and Amended Letters of Credit into 1 form.
- Revised Form 4663 to combine the form of letter of credit for Lender Letters of Credit and Borrower Letters of Credit into 1 form.
- Corrected DUS Capital Calculation Requirements (Form 4165) error; Letters of Credit held for Fannie Mae's benefit and used in lieu of balance sheet assets for the Lender Liquidity Requirements will not be deducted from Acceptable Lender Net Worth.
- Updated the Multifamily Certification and Custody mailing address and numerous form references in Part I, Chapter 2 and Part V, Chapter 1 of the Guide.

#### Questions

Please contact [partner\\_risk\\_management@fanniemae.com](mailto:partner_risk_management@fanniemae.com) with any questions.