

**VETERANS LAND BOARD OF THE STATE OF TEXAS
LETTER OF AUTHORIZATION FOR P&I CUSTODIAL ACCOUNT**

Name of Depository Institution

Date

Street Address

City, State and Zip

You are hereby authorized and requested to establish a demand deposit Custodial Account, to contain funds representing payments of principal and interest received from mortgagors in connection with mortgage loans serviced by the undersigned Servicer (the *Servicer*). The Custodial Account shall be specifically designated as follows:

*Custodial Account of _____ as agent, trustee and/or Bailee for the **Veterans Land Board of the State of Texas** and/or payments of various mortgagors.

All deposits made in the Custodial Accounts shall be subject to withdrawal therefrom, but only by the Servicer, and by the **Veterans Land Board of the State of Texas**. You are authorized to pay the **Veterans Land Board of the State of Texas** at any time, without penalty, upon its written demand and without prior notice, which demand need not name a specific amount, the entire amount then in the Custodial Account and to comply with all agreements contained in the Certification and Agreement set forth below.

Deposits now or hereafter placed appropriately in the Custodial Account are not, and will not be, the property or assets of the Servicer. The Servicer is to act with respect to such deposits solely a fiduciary, in the capacity or capacities shown in the foregoing designation of the Custodial Account. The handling, processing, and disposition of such deposits as between the Servicer and the Program shall be governed by the program agreements existing between the parties in the program.

This letter and the accompanying Certification and Agreement are submitted to you in original counterparts. Please acknowledge the existence of the Custodial Account, as described above, by executing each counterpart in the appropriate space provided below, and return all but one counterpart to the undersigned Servicer.

Servicer Name

Authorized Signature

Name

Title

Date

CERTIFICATION AND AGREEMENT

The undersigned depository institution (Institution) certifies to the **Veterans Land Board of the State of Texas** that the Custodial Account above identified is in existence in this Institution under the Account number noted below and agrees with the **Veterans Land Board of the State of Texas** to honor instruments drawn on the above account. In addition, this Institution certifies to the **Veterans Land Board of the State of Texas** that the deposits in the above-identified Custodial Account are insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund. This Institution further agrees to disclose to the **Veterans Land Board of the State of Texas** at any time upon its request, the deposit balance in the Custodial Account as of the time of such disclosure.

Name of Depository Institution

Account Number

Authorized Signature

Name

Title

Date