



Freddie Mac Continues to Reduce Credit Risk With a New ACIS Insurance Policy for a Combined \$132.5 Million Limit

September 28, 2015

MCLEAN, VA--(Marketwired - Sep 28, 2015) - [Freddie Mac](#) (OTCQB: FMCC) announced today that it has obtained another actual loss insurance policy under its successful [Agency Credit Insurance Structure](#) (ACIS[®]) program, which is tied to a Structured Agency Credit Risk ([STACR[®]](#)) actual loss deal. Through ACIS, Freddie Mac obtains [insurance policies](#) that transfer to insurance and reinsurance companies around the globe, a portion of the credit risk associated with its STACR debt note reference pools.

This new transaction transfers much of the remaining credit risk associated with the first actual loss STACR offering last April, STACR Series 2015 DNA1. This policy transfers up to a combined maximum limit of approximately \$132.5 million of losses on a pool of Single-Family loans acquired in the fourth quarter of 2012.

"We continue to expand the panel of participating reinsurers as the ACIS program matures," said Kevin Palmer, vice president of Freddie Mac's Single-Family strategic credit costing and structuring. "We have now acquired more than \$1 billion in additional insurance coverage this year with six ACIS transactions, and almost \$2 billion since the program's inception in 2013. This transaction includes new and past participants as we strive for consistency in how and where we transfer credit risk."

In July the company completed its first two ACIS transactions that provided coverage based on both first loss and actual losses realized on a reference pool of residential mortgages.

Freddie Mac has led the market in introducing new risk-sharing initiatives with 15 STACR offerings, including first loss and actual loss risk transactions, and now 10 ACIS transactions since mid-2013. Through STACR and ACIS, Freddie Mac has laid off a substantial portion of credit risk on more than \$333 billion of UPB in single-family mortgages. Freddie Mac was the first agency to market credit risk transfer transactions with STACR and ACIS, and has since grown its investor base to more than 160 unique investors.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is one of the largest sources of financing for multifamily housing. Additional information is available at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

The financial and other information contained in the documents that may be accessed on this page speaks only as of the date of those documents. The information could be out of date and no longer accurate. Freddie Mac does not undertake an obligation, and disclaims any duty, to update any of the information in those documents. Freddie Mac's future performance, including financial performance, is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the company's future results are discussed more fully in our reports filed with the SEC.