



Freddie Mac Continues to Reduce Credit Risk With Two ACIS® Insurance Policies for a Combined \$508 Million Limit

December 22, 2015

MCLEAN, VA--(Marketwired - Dec 22, 2015) - [Freddie Mac](#) (OTCQB: FMCC) announced today that it has obtained two new insurance policies under its successful [Agency Credit Insurance Structure](#) (ACIS®) program. 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 Structured Agency Credit Risk ([STACR®](#)) debt note reference pools.

The new transactions transfer much of the remaining credit risk associated with the most recent STACR HQA debt issuances, 2015 HQA1 and 2015 HQA2. These policies transfer up to a combined maximum limit of approximately \$508 million of losses on Single-Family loans with loan-to-value ratios greater than 80% (max 95%) acquired from August 2014 to March 2015.

"With these two new transactions, we're closing out a very strong year for the ACIS program. Freddie Mac continues to break new ground in these initiatives which demonstrates our company's commitment and innovation in transferring credit risk away from taxpayers," said Kevin Palmer, senior vice president of Single-Family credit risk transfer for Freddie Mac.

With these transactions Freddie Mac has acquired approximately \$2.8 billion in insurance coverage this year with ten ACIS transactions and over \$3.5 billion since the program's inception in 2013. The 4th quarter of 2015 marks the largest issuance period in the history of the program, with over \$1.7B in transactions executed.

Freddie Mac has led the market in introducing new risk-sharing initiatives with 17 STACR offerings, two Whole Loan Security(SM) (WLS(SM)) offerings and 14 ACIS transactions since mid-2013. Through STACR, WLS and ACIS, Freddie Mac has transferred a substantial portion of credit risk on more than \$385 billion of UPB in Single-Family mortgages. Freddie Mac was the first agency to market credit risk transfer transactions with STACR, WLS and ACIS, and the company has since grown its investor base to approximately 190 unique investors, including reinsurers.

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.