



Freddie Mac Continues to Reduce Credit Risk With Largest ACIS® Insurance Policy to Date for a Combined \$702.4 Million Limit

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MCLEAN, VA--(Marketwired - Nov 20, 2015) - [Freddie Mac](#) (OTCQB: FMCC) announced today that it has obtained its largest insurance policy to date -- more than half a billion dollars -- 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.

This new transaction transfers much of the remaining credit risk associated with the fourth actual loss STACR offering, STACR Series 2015 DNA3. This policy transfers up to a combined maximum limit of approximately \$702.4 million of losses on a pool of Single-Family loans acquired from December 2014 to March 2015.

With this transaction Freddie Mac has acquired approximately \$2.2 billion in insurance coverage this year with eight ACIS transactions and nearly \$3.1 billion since the program's inception.

"This transaction marks several key milestones in the ACIS program such as \$3 billion in risk transferred, continuously growing panel of participants and the first time that ACIS and STACR were issued in the same month. These accomplishments highlight the maturity of the program and strong interest by repeat and new reinsurers," said Kevin Palmer, senior vice president of Credit Risk Transfer for Freddie Mac.

Freddie Mac has led the market in introducing new risk-sharing initiatives with 16 STACR offerings, one Whole Loan Security(SM) (WLS(SM)) and now 12 ACIS transactions since mid-2013. Five of the ACIS transactions have provided coverage on a first loss and actual loss basis. Through STACR, WLS and ACIS, Freddie Mac has laid off a substantial portion of credit risk on more than \$367 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 about 180 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.