

INTERESTS AND LIABILITIES AGREEMENT

(the "Agreement")

entered into by and between

[REDACTED]
(hereinafter referred to as the "Company")

and

[REDACTED]
(hereinafter referred to as the "Subscribing Reinsurer")

and incorporating the

QUOTA SHARE REINSURANCE CONTRACT No. [REDACTED]

Effective April 25, 2016

(the "Contract")

which forms a part of this Agreement.

This Agreement shall become effective at 12:01 a.m., Eastern Standard Time, April 25, 2016, and shall continue in force until the Policy is terminated, unless earlier terminated in accordance with the provisions of the Contract and its Attachment 1, which is expressly incorporated into and forms a part of this Agreement as Exhibit C. As established in the Contract, the *Subscribing Reinsurer* shall also execute the Endorsement and the Trust Agreement, attached as Exhibits A and B respectively, which are hereby expressly incorporated into the I&L Agreement.

1. Quota Share

- A. The *Subscribing Reinsurer* hereby accepts the following percentage share(s) in the interests and liabilities of the "Reinsurer" as set forth in the attached Contract captioned above:

[REDACTED]

of the Class M-1 Reference Tranche, and
of the Class M-2 Reference Tranche, and
of the Class M-3 Reference Tranche; and
of the Class M-4 Reference Tranche.

- B. The *Subscribing Reinsurer's* share in the Contract is and shall be separate and apart from the shares of any other reinsurer, and shall not be joint with the shares of any other reinsurer, it being understood that the *Subscribing Reinsurer* shall in no event participate in the interests and liabilities of any other reinsurer.

2. Initial Assets and Security Amount

As respects the *Subscribing Reinsurer's* share in the Contract, the following shall apply:

For the purposes of the Contract, "Initial Assets" to be deposited into the Trust Account under the terms and conditions established by the Contract and the Trust Agreement means an amount equal to:

- i. [REDACTED] which constitutes the Collateral Requirement as determined under Section 1(c) of the Trust Agreement, of the *Subscribing Reinsurer's* quota share of the Company's obligation under the Policy corresponding to the Class M-1 Reference Tranche, as set forth in Section 1(A) above; plus
- ii. [REDACTED] which constitutes the Collateral Requirement as determined under Section 1(c) of the Trust Agreement, of the *Subscribing Reinsurer's* quota share of the Company's obligation under the Policy corresponding to the Class M-2 Reference Tranche, as set forth in Section 1(A) above; plus
- iii. [REDACTED] which constitutes the Collateral Requirement as determined under Section 1(c) of the Trust Agreement, of the *Subscribing Reinsurer's* quota share of the Company's obligation under the Policy corresponding to the Class M-3 Reference Tranche, as set forth in Section 1(A) above; plus
- iv. [REDACTED] which constitutes the Collateral Requirement as determined under Section 1(c) of the Trust Agreement, of the *Subscribing Reinsurer's* quota share of the Company's obligation under the Policy corresponding to the Class M-4 Reference Tranche, as set forth in Section 1(A) above.

The Security Amount with respect to each tranche shall be determined by reference to the applicable trust supplement which forms a part of the Trust Agreement.

3. Notices and Contract Execution

- A. Whenever a notice, statement, report or any other written communication is required by a Reinsurance Document (as defined in the Contract), unless otherwise specified, such notice, statement, report or other written communication may be transmitted by certified or registered mail, nationally or internationally recognized express delivery service, personal delivery, electronic mail, first class mail or facsimile. Notice given as described above shall be deemed to be received and effective upon actual receipt thereof by a party or any Business Day (as defined in the Contract and its Attachment 1) following the date such notice is sent, whichever is earlier.
- B. All notices to the Company and *Subscribing Reinsurer* under any provision of a Reinsurance Document shall be sent by electronic mail to the e-mail address below, with a copy of each such notice sent in writing and given by prepaid express courier, certified mail or fax, to:

If to the Company:

[REDACTED]

If to the *Subscribing Reinsurer*:

[REDACTED]

All notices to the Original Insured under any provision of a Reinsurance Document shall be in writing and given by prepaid express courier, certified mail or fax, to:

Freddie Mac, 8200 Jones Branch Drive, McLean, VA 22102-3110

[REDACTED]

Notice given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee on any Business Day following the date such notice is sent, whichever is earlier.

- C. The use of any of the following shall constitute a valid execution of a Reinsurance Document or any amendment thereto:
1. Paper documents with an original ink signature; and/or
 2. Facsimile or electronic copies of paper documents showing an original ink signature.

[Remainder of page intentionally left blank]

In Witness Whereof, the parties hereto by their respective duly authorized representatives have executed this Agreement as of the dates specified below:

This _____ day of _____ in the year _____.

Signature

Title

This _____ day of _____ in the year _____.

Signature

Title

EXHIBIT A

Assumption of Liability Endorsement

This endorsement (the "Endorsement") forms a part of policy no [REDACTED], effective as of April 25, 2016 (including any amendments, endorsements, or addenda thereto, hereinafter referred to as the "Policy") issued by [REDACTED] (hereinafter referred to as the "Company") to the Insured named below and the Interests and Liabilities Agreement (the "I&L Agreement") incorporating the Quota Share Reinsurance Contract (the "Contract") which forms a part of the I&L Agreement by and between the Company and [REDACTED] (hereinafter referred to as the "Subscribing Reinsurer"), effective as of the same date. The Insured for whose benefit this Endorsement is made is as follows:

Named Insured: Federal Home Loan Mortgage Corporation, also known as Freddie Mac, a government-sponsored enterprise chartered by the U.S. Congress.

Insured's Address: 8200 Jones Branch Drive, McLean, VA 22102-3110

For value received, the Subscribing Reinsurer agrees that it will immediately become liable for its quota share, as identified in Section 1(A) of the I&L Agreement, of any Covered Amount (as defined in the Policy) under the Class M-1, Class M-2, Class M-3 or Class M-4 Reference Tranches payable by the Company under the Policy as and to the extent that the Company does not make payment of a Covered Amount to the Insured as required under the Policy, and the Subscribing Reinsurer will make payment thereof directly to the Insured named above, subject always to the other terms of the Policy and the Contract. To the extent the Subscribing Reinsurer does not make payment as required under the Contract, the Insured, without further notice, will have access to the Assets from the Trust Account.

The Company and the Subscribing Reinsurer covenant that the provisions of this Endorsement, taken together with the (i) I&L Agreement, (ii) Policy, and (iii) Contract into each of which it is expressly incorporated and forms a part, shall take precedence over any other reinsurance agreement, contract or arrangement between them. In no event will the Subscribing Reinsurer be subject to duplicate liability under the Contract or under any other such agreement, contract or arrangement because of any payment or payments made to the Insured under the terms hereof.

The Company and the Subscribing Reinsurer represent that they have the authorization and authority to enter into this Endorsement.

A copy of this Endorsement shall be attached to the I&L Agreement, the Policy and the Contract and delivered to the Insured. This Endorsement shall not be withdrawn or modified without the written consent of all parties hereto.

In Witness whereof, the parties hereto have executed this Endorsement to be effective as of the date set forth above.

[REDACTED]

[REDACTED]

(Official Title)
Subscribing Reinsurer

(Official Title)
Company

Federal Home Loan Mortgage Corporation

(Official Title)
Insured

EXHIBIT B

Trust Agreement

(Attached)

EXHIBIT C

**QUOTA SHARE
REINSURANCE CONTRACT No. [REDACTED]**
(the "Contract")

(Attached)

ATTACHMENT 1 TO EXHIBIT C

Aggregate Excess of Loss Credit Insurance Policy
(Policy Number: [REDACTED])

(Attached)