

**Offer to Purchase for Cash**  
**Freddie Mac**  
**Up to \$650,000,000 Aggregate Original Principal Amount of**  
**the Outstanding Structured Agency Credit Risk (STACR®) Debt Notes Listed Below**

The Offer (defined below) will expire at 11:59 p.m., New York City time, on October 4, 2021, unless extended or earlier terminated by us (such date and time with respect to the Offer, as the same may be extended or earlier terminated, the “*Expiration Time*”). Holders (defined below) must validly tender and not properly withdraw their Notes (defined below) at or prior to 5:00 p.m., New York City time, on September 20, 2021, unless extended by us (such date and time with respect to the Offer, as the same may be extended, the “*Early Tender Time*”) in order to be eligible to receive Total Consideration (defined below) calculated based on the Full Tender Offer Consideration (defined below) for the applicable series (defined below), which includes the Early Tender Payment (defined below). Notes validly tendered may be withdrawn at any time at or prior to 5:00 p.m., New York City time, on September 20, 2021, unless extended by us (such date and time with respect to the Offer, as the same may be extended, the “*Withdrawal Deadline*”), but not thereafter (except in certain limited circumstances where additional withdrawal rights are granted by us or otherwise required by law).

Federal Home Loan Mortgage Corporation (“*Freddie Mac*,” the “*Company*,” “*we*,” “*us*” or “*our*”) hereby offers to purchase for cash up to \$650,000,000 (subject to increase, the “*Tender Cap*”) aggregate original principal amount (the “*Offer*”) of the Structured Agency Credit Risk (STACR®) Debt Notes listed in the table below (the “*Notes*”, and each, a “*series*” of Notes), at purchase prices determined in accordance with the procedures described in the next paragraph, subject to the terms and conditions set forth in the Offer Documents (defined below).

Freddie Mac will pay Holders that validly tender Notes that are accepted for purchase an amount (the “*Total Consideration*”) equal to the sum of:

- (x) (i) the original principal amount of such tendered and accepted Notes, times (ii) the Factor (as defined below), times (iii) the Full Tender Offer Consideration or Late Tender Offer Consideration (each, as defined below), as applicable, plus
- (y) Accrued Interest (as defined below).

The factor for each series of Notes is a number that represents a fraction (expressed as a decimal rounded to 8 decimal digits), the numerator of which represents the unpaid principal amount of such series of Notes and the denominator of which represents the original principal amount of such series of Notes and will be adjusted following each payment date under the applicable Debt Agreement (as defined below) (as adjusted from time to time, the “*Factor*”). The Factor for each series of Notes is likely to adjust after the Early Settlement Date (as defined below) and before the Final Settlement Date (as defined below). Holders may obtain the current Factor for each series of Notes on our website at [https://crt.freddie.com/news-insight/reference-materials/bond\\_factor.pdf](https://crt.freddie.com/news-insight/reference-materials/bond_factor.pdf). Information contained on our website is not incorporated herein. Holders should contact the Dealer Managers (defined below) with any questions or for more information about this calculation. The contact information of the Dealer Managers appears on the back cover of this Offer to Purchase.

Holders that validly tender their Notes at or prior to the Early Tender Time and do not properly withdraw their Notes at or prior to the Withdrawal Deadline will be eligible to receive Total Consideration calculated based on the “*Full Tender Offer Consideration*,” which is a price per \$1,000 original principal amount of the Notes equal to the amount specified in the table below for the applicable series of Notes. The Early Tender Payment (as defined below) is included in the amount of Full Tender Offer Consideration. Holders that validly tender their Notes after the Early Tender Time and at or prior to the Expiration Time will only be eligible to receive Total Consideration calculated based on the “*Late Tender Offer Consideration*,” which is a price per \$1,000 original principal amount of the Notes equal to the amount specified in the table below for the applicable series of Notes, which amount represents the Full Tender Offer Consideration for the applicable series of Notes minus the Early Tender Payment. The “*Early Tender Payment*” is an amount in cash equal to \$50 per \$1,000 original principal amount of Notes. In each case, the Total Consideration will include accrued and unpaid interest under the applicable Debt Agreement from, and including, the last interest payment date for the tendered and accepted Notes to, but not including, the applicable Settlement Date (as defined below), in each case rounded to the nearest cent (“*Accrued Interest*”). See “The Offer—General.”

Acceptance Priority Level	Title of Security	CUSIP Number	ISIN Number	Original Principal Amount	Full Tender Offer Consideration (per \$1,000 original principal amount)	Late Tender Offer Consideration (per \$1,000 original principal amount)
1	STACR 2017-HQA1 M2	3137G0NE5	US3137G0NE57	\$472,500,000.00	\$1,039.60	\$989.60
2	STACR 2017-HQA3 M2	3137G0RL5	US3137G0RL54	\$405,000,000.00	\$1,026.20	\$976.20
3	STACR 2016-HQA3 M3	3137G0LA5	US3137G0LA53	\$203,500,000.00	\$1,036.10	\$986.10
4	STACR 2016-HQA4 M3	3137G0LU1	US3137G0LU18	\$210,000,000.00	\$1,040.50	\$990.50
5	STACR 2014-HQ2 M3	3137G0CH0	US3137G0CH08	\$231,000,000.00	\$1,040.90	\$990.90
6	STACR 2015-HQA2 M3	3137G0HJ1	US3137G0HJ19	\$195,000,000.00	\$1,036.60	\$986.60
7	STACR 2015-HQA1 M3	3137G0GJ2	US3137G0GJ28	\$272,000,000.00	\$1,032.40	\$982.40
8	STACR 2017-DNA1 M2	3137G0MD8	US3137G0MD83	\$375,000,000.00	\$1,033.00	\$983.00

We will not accept for tender any MAC Notes, including other MAC Notes, or any Original Notes (each, as defined in the applicable Debt Agreement) that are not identified as Notes herein. Therefore, Holders that desire to tender MAC Notes, including other MAC Notes, or any Original Notes that are not identified as Notes herein will need to first exchange such MAC Notes, including other MAC Notes, or any Original Notes, as applicable, for the related Notes eligible for tender, in accordance with the exchange procedures applicable to such MAC Notes, including other MAC Notes, or any Original Notes as described in the applicable exchange administration agreement. Holders will be responsible for any exchange fees incurred under the applicable exchange administration agreement. The exchange procedures, and any timing constraints with respect thereto, will be governed by the applicable exchange administration agreement. Holders that do not desire to participate in the Offer may continue to hold MAC Notes, including other MAC Notes, or any Original Notes in accordance with the applicable Debt Agreement.

*The Dealer Managers for the Offer are:*

**Barclays**

**BofA Securities**

**September 7, 2021**

(continued from cover page)

Neither the U.S. Securities and Exchange Commission (the “SEC”) nor any U.S. state securities commission has approved or disapproved of the Offer, passed upon the merits or fairness of the Offer or passed upon the adequacy or accuracy of the disclosure in this Offer to Purchase. Any representation to the contrary is a criminal offense.

If any Notes are purchased in the Offer, Notes tendered at or prior to the Early Tender Time will be accepted for purchase in priority to other Notes tendered in the Offer after the Early Tender Time. Accordingly, if the Tender Cap is reached in respect of tenders made at or prior to the Early Tender Time, no Notes that are tendered after the Early Tender Time will be accepted for purchase, unless we increase the Tender Cap (and in such case, only up to the Tender Cap as so increased).

We may, but are not obligated to (with respect to the Offer, the “*Early Settlement Right*”), elect following the Early Tender Time and prior to the Expiration Time to accept the Notes in an aggregate original principal amount of up to the Tender Cap validly tendered at or prior to the Early Tender Time provided that all conditions to the Offer have been satisfied or waived by us on the date of such election (such date, with respect to the Offer, the “*Early Acceptance Date*”). Notes accepted on the Early Acceptance Date may be settled on such date or promptly thereafter (such date, with respect to the Offer, the “*Early Settlement Date*”). If we exercise our Early Settlement Right, we will announce such exercise promptly by a release to a nationally recognized news service or using such other means of announcement as we deem appropriate. Assuming that we exercise the Early Settlement Right and all conditions of the Offer have been satisfied, or where applicable, waived by us, we expect that the Early Settlement Date for the Offer will be September 22, 2021 (such date is subject to change without notice).

The “*Final Settlement Date*” with respect to the Offer is the date that we settle all Notes accepted for purchase and not previously settled on the Early Settlement Date, if any, and we expect such date to be two business days following the Expiration Time. We refer to each of the Early Settlement Date and the Final Settlement Date as a “*Settlement Date*.”

In addition, we expressly reserve our right, but are not obligated, subject to applicable law, to extend the Offer at any time and may amend or terminate the Offer if, before such time as any Notes have been accepted for purchase pursuant to the Offer, any condition of the Offer is not satisfied or, where applicable, waived by us. We expressly reserve our right, but are not obligated, subject to applicable law, to increase the Tender Cap in our sole discretion without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights. The Offer is subject to the satisfaction or, where applicable, the waiver of certain conditions. See “The Offer—Conditions to the Offer.”

None of the Company, the Dealer Managers, the Tender Agent (defined below), the Information Agent (defined below) or the global agents with respect to the Notes, or any of their respective affiliates makes any recommendation as to whether or not Holders should tender their Notes pursuant to the Offer.

The aggregate original principal amount of each series of Notes that we will purchase on any Settlement Date will be determined in accordance with the acceptance priority level for such series (in numerical priority order) as set forth in the table on the front cover of this Offer to Purchase (the “*Acceptance Priority Level*”), with 1 being the highest Acceptance Priority Level, and based on whether the Notes are tendered at or before the Early Tender Time or after the Early Tender Time.

If the Offer is fully subscribed up to the amount of the Tender Cap as of the Early Tender Time, the Notes will be accepted for purchase in the following order on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time):

1st — all Acceptance Priority Level 1 Notes validly tendered at or prior to the Early Tender Time;

2nd — all Acceptance Priority Level 2 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of the Acceptance Priority 2 Notes that does not exceed the Tender Cap;

3rd — all Acceptance Priority Level 3 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 3 Notes that does not exceed the Tender Cap;

4th — all Acceptance Priority Level 4 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 4 Notes that does not exceed the Tender Cap;

*(continued from cover page)*

5th — all Acceptance Priority Level 5 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 5 Notes that does not exceed the Tender Cap;

6th — all Acceptance Priority Level 6 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 6 Notes that does not exceed the Tender Cap;

7th — all Acceptance Priority Level 7 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 7 Notes that does not exceed the Tender Cap; and

8th — all Acceptance Priority Level 8 Notes validly tendered at or prior to the Early Tender Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority 8 Notes that does not exceed the Tender Cap.

**If the Offer is fully subscribed up to the amount of the Tender Cap as of the Early Tender Time, Notes of any series that are validly tendered after the Early Tender Time will not be accepted for purchase, regardless of Acceptance Priority Level unless, subject to applicable law, we elect to increase the Tender Cap.**

If the Offer is not fully subscribed up to the amount of the Tender Cap as of the Early Tender Time, additional Notes will be accepted for purchase in the following order:

1st — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 1 Notes validly tendered at or prior to the Early Tender Time;

2nd — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 2 Notes validly tendered at or prior to the Early Tender Time;

3rd — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 3 Notes validly tendered at or prior to the Early Tender Time;

4th — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 4 Notes validly tendered at or prior to the Early Tender Time;

5th — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 5 Notes validly tendered at or prior to the Early Tender Time;

6th — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 6 Notes validly tendered at or prior to the Early Tender Time;

7th — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 7 Notes validly tendered at or prior to the Early Tender Time;

8th — on the Early Acceptance Date (or, if there is no Early Acceptance Date, promptly after the Expiration Time), all Acceptance Priority Level 8 Notes validly tendered at or prior to the Early Tender Time;

9th — promptly after the Expiration Time, all Acceptance Priority Level 1 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 1 Notes that does not exceed the Tender Cap;

10th — promptly after the Expiration Time, all Acceptance Priority Level 2 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 2 Notes that does not exceed the Tender Cap;

11th — promptly after the Expiration Time, all Acceptance Priority Level 3 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 3 Notes that does not exceed the Tender Cap;

12th — promptly after the Expiration Time, all Acceptance Priority Level 4 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 4 Notes that does not exceed the Tender Cap;

*(continued from cover page)*

13th — promptly after the Expiration Time, all Acceptance Priority Level 5 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 5 Notes that does not exceed the Tender Cap;

14th — promptly after the Expiration Time, all Acceptance Priority Level 6 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 6 Notes that does not exceed the Tender Cap;

15th — promptly after the Expiration Time, all Acceptance Priority Level 7 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 7 Notes that does not exceed the Tender Cap; and

16th — promptly after the Expiration Time, all Acceptance Priority Level 8 Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time on a prorated basis, if necessary, such that we purchase the maximum aggregate original principal amount of Acceptance Priority Level 8 Notes that does not exceed the Tender Cap.

Notes in the lowest Acceptance Priority Level accepted for purchase in accordance with the terms and conditions of the Offer may be subject to proration, so that the Company will only accept for purchase Notes in an aggregate original principal amount up to the Tender Cap. All Notes not accepted as a result of prorationing or Acceptance Priority Level will be rejected from the Offer. See “The Offer—General.”

*(end of cover page)*

## IMPORTANT INFORMATION

The Offer is being made upon the terms and subject to the conditions set forth in this offer to purchase (as it may be amended or supplemented from time to time, this “*Offer to Purchase*”) and the related letter of transmittal (the “*Letter of Transmittal*” and, together with this Offer to Purchase, the “*Offer Documents*”). **The Offer Documents contain important information that Holders are urged to read before any decision is made with respect to the Offer. In particular, see “Considerations Related to Participation in the Offer” for a discussion of certain factors you should consider in connection with the Offer.**

All of the Notes are held in book-entry form and are registered in the name of Cede & Co., the nominee of The Depository Trust Company (“*DTC*”). **Because only a registered holder may tender Notes, a beneficial owner of Notes must instruct the broker, dealer, commercial bank, trust company or other nominee that holds Notes on its behalf to tender Notes on such beneficial owner’s behalf.** DTC has authorized DTC participants that hold Notes on behalf of beneficial owners of Notes through DTC to tender their Notes as if they were registered holders (each such DTC participant and Cede & Co., a “*Holder*”). To tender Notes effectively, DTC participants should electronically transmit their acceptance (and thereby tender Notes) to the Tender Agent through the DTC Automated Tender Offer Program (“*ATOP*”), for which the Offer will be eligible. See “The Offer—Procedures for Tendering.” A beneficial owner of Notes tendered by tendering Holders will not be obligated to pay brokerage fees or commissions to any of the Company, the Dealer Managers, Global Bondholder Services Corporation, as the tender agent and the information agent for the Offer (in such respective capacities, the “*Tender Agent*” or the “*Information Agent*”), or the global agents for the Notes. Holders may be obligated to pay fees or commissions to their own brokers, custodians or other agents.

Requests for additional copies of the Offer Documents may be directed to the Information Agent at the address and telephone number on the back cover of this Offer to Purchase. Requests for assistance relating to the procedures for tendering Notes may be directed to the Tender Agent at the address and telephone number on the back cover of this Offer to Purchase. Requests for assistance relating to the terms and conditions of the Offer may be directed to the Dealer Managers at the addresses and telephone numbers on the back cover of this Offer to Purchase. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance regarding the Offer.

**We have not provided guaranteed delivery provisions in conjunction with the Offer. Holders must tender their Notes in accordance with the procedures set forth under “The Offer—Procedures for Tendering.”**

**In any jurisdiction in which the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on our behalf by one or more of the Dealer Managers if any of the Dealer Managers is a licensed broker or dealer under the laws of such jurisdiction, or by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.**

The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in our affairs or the affairs of any of our affiliates since the date hereof.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Offer to Purchase, and, if given or made, such information or representation may not be relied upon as having been authorized by us, the Dealer Managers, the Tender Agent, the Information Agent or the global agents for the Notes.

From time to time in the future, and subject to certain conditions, we may acquire Notes that are not tendered and accepted for purchase in the Offer through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as we may determine, which may be more or less than the price to be paid pursuant to the Offer and could be for cash or other consideration. Alternatively, we may, subject to certain conditions, redeem any or all of the Notes not purchased pursuant to the terms of the applicable Debt Agreements (as defined below). There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

**None of the Company, its board of directors, the Dealer Managers, the Tender Agent, the Information Agent or the global agents for the Notes makes any recommendation to any Holder whether to tender or refrain from tendering any or all of the Holder's Notes, and none of them has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offer Documents, consult their own investment and tax advisors and make their own decisions whether to tender Notes, and, if so, the principal amount of Notes.**

All references to valid tender of Notes in this Offer to Purchase shall mean that such Notes have not been validly withdrawn prior to the Withdrawal Deadline.

## Table of Contents

	<u>Page</u>
IMPORTANT INFORMATION	ii
TABLE OF CONTENTS	iv
IMPORTANT DATES	v
SUMMARY	1
WHERE YOU CAN FIND MORE INFORMATION	6
FORWARD-LOOKING STATEMENTS	6
ABOUT FREDDIE MAC	7
PURPOSE AND BACKGROUND OF THE OFFER	7
SOURCES AND AMOUNT OF FUNDS	8
THE OFFER	8
General	8
Conditions to the Offer	9
Procedures for Tendering	10
Withdrawal of Tenders	15
CONSIDERATIONS RELATED TO PARTICIPATION IN THE OFFER	16
CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES	18
U.S. Beneficial Owners	19
Non-U.S. Beneficial Owners	20
Information Reporting and Backup Withholding	21
FATCA Withholding	22
STATE, LOCAL AND FOREIGN TAX CONSEQUENCES	22
CERTAIN ERISA CONSIDERATIONS	22
DEALER MANAGERS; TENDER AGENT AND INFORMATION AGENT	23
NO OFFER IF NOT IN COMPLIANCE WITH LAW	24
NOTICE TO UNITED KINGDOM INVESTORS	24
Financial Promotion Regime	24

## IMPORTANT DATES

Holders of Notes should take note of the following dates and times in connection with the Offer. Holders should note that the times and dates below are subject to change.

Date	Calendar Date and Time	Event
Launch Date	September 7, 2021.	The commencement date of the Offer.
Early Tender Time	5:00 p.m., New York City time, on September 20, 2021, unless extended, with respect to any or all series of Notes.	The deadline for Holders to tender Notes to be eligible for Total Consideration calculated based on the Full Tender Offer Consideration (which includes the Early Tender Payment) of the applicable series of Notes.
Withdrawal Deadline	5:00 p.m., New York City time, on September 20, 2021, unless extended, with respect to any or all series of Notes.	The deadline for Holders to properly withdraw tenders of their Notes. If a tender of Notes is properly withdrawn, the Holder will not receive any consideration on any Settlement Date (unless that Holder validly re-tenders such Notes at or prior to the Expiration Time and the Notes are accepted by us).
Early Acceptance Date	If we exercise the Early Settlement Right, a date following the Early Tender Time and prior to the Expiration Time, expected to be September 21, 2021 (but may change without notice), with respect to any or all series of Notes.	The date that we accept for purchase the Notes in an aggregate original principal amount of up to the Tender Cap validly tendered at or prior to the Early Tender Time pursuant to the Offer, provided that all conditions of the Offer have been satisfied or, where applicable, waived by us.
Early Settlement Date	If we exercise the Early Settlement Right, a date on or promptly following the Early Acceptance Date, expected to be September 22, 2021 (but may change without notice).	The date by which we will deposit with DTC, upon the direction of the Tender Agent, the amount of cash necessary to pay, and DTC will pay, to each Holder whose Notes are accepted for purchase on the Early Acceptance Date, the Total Consideration calculated based on the Full Tender Offer Consideration in respect of such Notes.
Expiration Time	11:59 p.m., New York City time, on October 4, 2021, unless extended or earlier terminated, with respect to any or all series of Notes.	The deadline for Holders to tender Notes to be eligible for payment of the Total Consideration calculated based on the Late Tender Offer Consideration for Notes tendered after the Early Tender Time.
Final Settlement Date	Promptly after the Expiration Time, expected to be October 6, 2021.	The date by which we will deposit with DTC, upon the direction of the Tender Agent, the amount of cash necessary to pay, and DTC will pay, to each Holder whose Notes are accepted for purchase but have not been previously settled, the Total Consideration calculated based on the Full Tender Offer Consideration or the Late Tender Offer Consideration, as applicable, in respect of such Notes.



**SUMMARY**

The following summary contains selected information about the Offer. It may not contain all of the information that is important to you and it is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere or incorporated by reference in the Offer Documents. Each undefined capitalized term used in this summary has the meaning set forth elsewhere in this Offer to Purchase.

**Freddie Mac** . . . . . Federal Home Loan Mortgage Corporation (“*Freddie Mac*,” “*we*,” “*us*” or “*our*”)

**Notes** . . . . .

<u>Title of Security</u>	<u>CUSIP Number</u>	<u>Original Principal Amount</u>	<u>Acceptance Priority Level</u>
STACR 2017-HQA1 M2	3137G0NE5	\$472,500,000.00	1
STACR 2017-HQA3 M2	3137G0RL5	\$405,000,000.00	2
STACR 2016-HQA3 M3	3137G0LA5	\$203,500,000.00	3
STACR 2016-HQA4 M3	3137G0LU1	\$210,000,000.00	4
STACR 2014-HQ2 M3	3137G0CH0	\$231,000,000.00	5
STACR 2015-HQA2 M3	3137G0HJ1	\$195,000,000.00	6
STACR 2015-HQA1 M3	3137G0GJ2	\$272,000,000.00	7
STACR 2017-DNA1 M2	3137G0MD8	\$375,000,000.00	8

**Purpose of the Offer** . . . . . The purpose of the Offer is to reduce the level of indebtedness under the Notes to reduce our interest expense. Any Notes that are tendered and accepted in the Offer will be retired and cancelled. Solely for purposes of making calculations with respect to the hypothetical structure and reference tranches described in the applicable Debt Agreement, such cancelled Notes and related reference tranches will be deemed to continue to be outstanding in accordance with the terms set forth in the applicable Debt Agreement.

**The Offer** . . . . . We are offering to purchase for cash up to \$650,000,000 (subject to increase, the “*Tender Cap*”) aggregate original principal amount of the Notes, subject to the terms and conditions set forth in the Offer Documents.

Holdings that validly tender their Notes at or prior to the Early Tender Time and do not properly withdraw their Notes at or prior to the Withdrawal Deadline will be eligible to receive Total Consideration calculated based on the Full Tender Offer Consideration. The Early Tender Payment is included in the amount of Full Tender Offer Consideration. Holdings that validly tender their Notes after the Early Tender Time and at or prior to the Expiration Time will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration, which is a price per \$1,000 original principal amount of the Notes equal to the amount specified in the table on the cover page of this Offer to Purchase for the applicable series of Notes, which amount represents the Full Tender Offer Consideration for the applicable series of Notes minus the Early Tender Payment. The Early Tender Payment is an amount in cash equal to \$50 per \$1,000 original principal amount of Notes. In each case, the Total Consideration will include Accrued Interest. See the cover page of this Offer to Purchase and “The Offer—General.”

We expressly reserve our right, but are not obligated, subject to applicable law, to increase the Tender Cap in our sole discretion without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights.

Notes in the lowest Acceptance Priority Level accepted for purchase in accordance with the terms and conditions of the Offer may be subject to proration, so that the Company will only accept for purchase Notes in an aggregate original principal amount up to the Tender Cap.

Holders must validly tender their Notes at or prior to the Early Tender Time in order to be eligible to receive Total Consideration calculated based on the Full Tender Offer Consideration (which includes the Early Tender Payment). Holders validly tendering their Notes after the Early Tender Time and at or prior to the Expiration Time will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration and will not be eligible to receive the Early Tender Payment.

**Total Consideration** . . . . . Freddie Mac will pay Holders that validly tender Notes that are accepted for purchase an amount (the “*Total Consideration*”) equal to the sum of:

- (x) (i) the original principal amount of such tendered and accepted Notes, times (ii) the Factor, times (iii) the Full Tender Offer Consideration or Late Tender Offer Consideration, as applicable, plus
- (y) Accrued Interest.

The factor for each series of Notes is a number that represents a fraction (expressed as a decimal rounded to 8 decimal digits), the numerator of which represents the unpaid principal amount of such series of Notes and the denominator of which represents the original principal amount of such series of Notes and will be adjusted following each payment date under the applicable Debt Agreement (as adjusted from time to time, the “*Factor*”). The Factor for each series of Notes is likely to adjust after the Early Settlement Date (as defined below) and before the Final Settlement Date (as defined below). Holders may obtain the current Factor for each series of Notes on our website at [https://crt.freddiemac.com/news-insight/reference-materials/bond\\_factor.pdf](https://crt.freddiemac.com/news-insight/reference-materials/bond_factor.pdf). Information contained on our website is not incorporated herein. Holders should contact the Dealer Managers (defined below) with any questions or for more information about this calculation. The contact information of the Dealer Managers appears on the back cover of this Offer to Purchase.

**Full Tender Offer Consideration** . . . . Holders that validly tender their Notes at or prior to the Early Tender Time and do not properly withdraw their Notes at or prior to the Withdrawal Deadline will be eligible to receive Total Consideration calculated based on the “*Full Tender Offer Consideration*,” which is a price per \$1,000 original principal amount of the Notes equal to the amount specified in the table on the cover page of this Offer to Purchase for the applicable series of Notes.

The Early Tender Payment is included in the amount of Full Tender Offer Consideration. Holders that validly tender their Notes after the Early Tender Time and at or prior to the Expiration Time will only be eligible to receive Total Consideration calculated based on the “*Late Tender Offer Consideration*,” which is a price per \$1,000 original principal amount of the Notes equal to the amount specified in the table on the cover page of this Offer to Purchase for the applicable series of Notes, which amount represents the Full Tender Offer Consideration for the applicable series of Notes minus the Early Tender Payment. The “*Early Tender Payment*” is an amount in cash equal to \$50 per \$1,000 original principal amount of Notes. In each case, the Total Consideration will include accrued and unpaid interest under the applicable Debt Agreement (as defined below) from, and including, the last interest payment date for the tendered and accepted Notes to, but not including, the applicable Settlement Date, in each case rounded to the nearest cent (“*Accrued Interest*”). See “The Offer—General.”

**Early Tender Payment** . . . . . The “*Early Tender Payment*” for each \$1,000 original principal amount of Notes validly tendered at or prior to the Early Tender Time and accepted for purchase by us will be an amount in cash equal to \$50 per \$1,000 original principal amount.

**Late Tender Offer Consideration** . . . . . The “*Late Tender Offer Consideration*” for each \$1,000 original principal amount of Notes validly tendered after the Early Tender Time and accepted for purchase by us will be equal to the Full Tender Offer Consideration for the applicable series of Notes *minus* the Early Tender Payment and is shown in the table on the cover page of this Offer to Purchase.

**Accrued Interest** . . . . . The Total Consideration paid to Holders whose Notes are accepted for purchase by us will include Accrued Interest, which is the accrued and unpaid interest under the applicable Debt Agreement with respect to their tendered Notes from, and including, the last interest payment date for such Notes to, but not including, the applicable Settlement Date, in each case rounded to the nearest cent. Accrued Interest will be payable on the applicable Settlement Date.

**Conditions to the Offer; Proration** . . . . . Notes may be tendered and accepted for purchase only in principal amounts equal to \$250,000 and integral multiples of \$1 in excess thereof (each, as calculated based on the original principal amount). Depending on the amount tendered and the proration factor, if any, applied, if the principal amount of Notes that are unaccepted and returned to a Holder as a result of proration would result in less than the minimum authorized denomination of \$250,000 (as calculated based on the original principal amount) being returned to the relevant Holder, we will either accept or reject all such Holder’s validly tendered Notes. Holders who do not tender all of their Notes should ensure that they retain a principal amount of Notes amounting to at least the minimum denomination, if any, applicable to such Notes pursuant to the applicable Debt Agreement.

**Conditions to the Offer** . . . . . Our obligation to accept for purchase, and to pay for, Notes validly tendered pursuant to the Offer is subject to, and conditioned upon, the

satisfaction of or, where applicable, our waiver of the conditions to the Offer specified herein. We reserve the right, subject to applicable law, with respect to the Offer for any or all series of Notes to: (a) extend the Early Tender Time, the Withdrawal Deadline and/or the Expiration Time and thereby delay acceptance for purchase of any Notes that are validly tendered, (b) waive any unsatisfied condition or conditions and accept for purchase all Notes validly tendered at or prior to the Expiration Time or (c) if any of these conditions have not been satisfied or waived, terminate the Offer or otherwise amend the Offer in any respect. See “The Offer—Conditions to the Offer.” The Offer is not conditioned on a minimum principal amount of Notes of any one series of Notes being tendered; however, all Notes will be purchased by the Company in accordance with the Acceptance Priority Levels and subject to the Tender Cap.

**Early Tender Time** . . . . . The Early Tender Time for the Offer is 5:00 p.m., New York City time, on September 20, 2021, unless extended, with respect to any or all series of Notes.

**Withdrawal Rights; Withdrawal Deadline** . . . . . Notes validly tendered may be properly withdrawn at any time prior to the Withdrawal Deadline, but not thereafter (except in certain limited circumstances where additional withdrawal rights are granted by us or otherwise required by law). Holders of Notes that validly tender their Notes after the Withdrawal Deadline and at or prior to the Expiration Time may not withdraw their tendered Notes. See “The Offer—Withdrawal of Tenders.”

**Expiration Time** . . . . . The Offer will expire at 11:59 p.m., New York City time, on October 4, 2021, unless extended or earlier terminated, with respect to any or all series of Notes. We expressly reserve our right to extend the Offer at any time and may amend or terminate the Offer if, before such time as any Notes have been accepted for purchase pursuant to the Offer, any condition of the Offer is not satisfied or, where applicable, waived by us.

**Early Settlement Right** . . . . . Our right to elect following the Early Tender Time and prior to the Expiration Time to accept the Notes validly tendered at or prior to the Early Tender Time, provided that all conditions of the Offer have been satisfied or, where applicable, waived by us.

**Early Acceptance Date** . . . . . If we exercise the Early Settlement Right, the date that we accept for purchase the Notes in an aggregate original principal amount of up to the Tender Cap validly tendered at or prior to the Early Tender Time. Assuming that we exercise the Early Settlement Right and all conditions of the Offer have been satisfied, or where applicable, waived by us, we expect that the Early Acceptance Date for the Offer will be September 21, 2021 (such date is subject to change without notice).

**Early Settlement Date** . . . . . If we exercise the Early Settlement Right, on or promptly following the Early Acceptance Date. Assuming that we exercise the Early Settlement Right and all conditions of the Offer have been satisfied, or where applicable, waived by us, we expect that the Early Settlement Date for the Offer will be September 22, 2021 (such date is subject to change without notice).

<b>Final Settlement Date</b> . . . . .	The Final Settlement Date for the Offer is expected to be two business days following the Expiration Time. Assuming the Offer is not extended and all conditions of the Offer have been satisfied or, where applicable, waived by us, we expect that the Final Settlement Date for the Offer will be October 6, 2021.
<b>Procedures for Tendering</b> . . . . .	<p>Any Holder wishing to tender Notes should either (a) complete and sign the Letter of Transmittal or a facsimile copy in accordance with the instructions therein, mail or deliver it and any other required documents to the Tender Agent, and transfer such Notes pursuant to the book-entry transfer procedures described therein or (b) tender Notes through DTC pursuant to ATOP. A beneficial owner with Notes held through a nominee must contact that nominee if such beneficial owner wishes to tender those Notes, and promptly instruct such nominee to tender such Notes on its behalf.</p> <p>See “The Offer—Procedures for Tendering.” For further information, please contact the Tender Agent or the Dealer Managers or consult your broker, dealer, commercial bank, trust company or other nominee for assistance.</p>
<b>Certain Considerations</b> . . . . .	In deciding whether to participate in the Offer, Holders should consider certain risks associated with the Offer. See “Considerations Related to Participation in the Offer” for a discussion of these risks.
<b>Certain United States Federal Tax Consequences</b> . . . . .	For a discussion of certain U.S. federal income tax consequences of the Offer, see “Certain United States Federal Tax Consequences.”
<b>State, Local and Foreign Tax Consequences</b> . . . . .	For a discussion of certain state, local and foreign tax consequences of the Offer, see “State, Local and Foreign Tax Consequences.”
<b>Certain ERISA Considerations</b> . . . . .	For a discussion of certain matters relating to employee benefit plans, see “Certain ERISA Considerations.”
<b>Dealer Managers</b> . . . . .	Barclays Capital Inc. and BofA Securities, Inc. are serving as the Dealer Managers in connection with the Offer (the “ <i>Dealer Managers</i> ”). The contact information of the Dealer Managers appears on the back cover of this Offer to Purchase.
<b>Tender Agent and Information Agent</b> . . . . .	Global Bondholder Services Corporation is serving as the Tender Agent and the Information Agent in connection with the Offer. Its contact information appears on the back cover of this Offer to Purchase. Requests for additional copies of the Offer Documents may be directed to the Information Agent and requests for assistance relating to the procedures for tendering Notes may be directed to the Tender Agent.
<b>Brokerage Commissions</b> . . . . .	No brokerage fees or commissions are payable by Holders to any of the Company, the Dealer Managers, the Tender Agent, the Information Agent or the global agents for the Notes. Holders may be obligated to pay fees or commissions to their own brokers, custodians or other agents.

## WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements, and other information with the SEC. We incorporate by reference in this Offer to Purchase the following: (1) our most recent Annual Report on Form 10-K filed with the SEC; (2) all other reports we have filed with the SEC pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”) since the end of the year covered by that Form 10-K report, excluding any information we “furnish” to the SEC on Form 8-K; and (3) all documents that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act after the date of this Offer to Purchase and prior to the termination of the Offer, excluding any information we “furnish” to the SEC on Form 8-K (collectively, the “*Incorporated Documents*”). You may read any document we file with the SEC at the SEC’s website at <http://www.sec.gov>.

The Incorporated Documents are available on the Investor Relations page of our website at [www.freddiemac.com/investors](http://www.freddiemac.com/investors). In addition, we will provide without charge upon written or oral request a copy of any or all of the Incorporated Documents, other than exhibits which are specifically incorporated by reference into such documents. Requests should be directed to:

**Freddie Mac — Investor Inquiry**  
**1551 Park Run Drive, Mailstop D50**  
**McLean, Virginia 22102-3110**  
**Telephone: 1-800-336-3672**  
**(571-382-4000 within the Washington, D.C. area)**  
**E-mail: [Investor\\_Inquiry@freddiemac.com](mailto:Investor_Inquiry@freddiemac.com)**

Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offer to Purchase to the extent that a statement contained herein or in any other subsequently filed document that is incorporated by reference herein modifies or supersedes such earlier statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offer to Purchase.

We make available certain pool- and mortgage loan-level information regarding mortgage loans we securitized based on information furnished to us by the sellers and servicers of such mortgage loans on our website at: <https://clarity.freddiemac.com/download/loan-level>. We also make aggregated credit and performance information related to credit risk transfer transactions and Freddie Mac historical data available at: [clarity.freddiemac.com](http://clarity.freddiemac.com).

## FORWARD-LOOKING STATEMENTS

This Offer to Purchase and the documents incorporated by reference herein and therein include forward-looking statements. Some of these statements can be identified by use of forward-looking words such as “believes,” “expects,” “anticipates,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans” or “estimates,” or the negative of these words, or other comparable terminology. The discussion of financial trends, strategy, plans or intentions may also include forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied. Although it is not possible to predict or identify all such risks and uncertainties, they may include, but are not limited to, the factors discussed under “Considerations Related to Participation in the Offer” in this Offer to Purchase and under “Risk Factors” in our most recent Annual Report on Form 10-K and in other information contained in our publicly available SEC filings and press releases. You should not consider this list to be a complete statement of all potential risks and uncertainties. You are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date such statements were first made. Except to the extent required by federal securities laws, we undertake no obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

## ABOUT FREDDIE MAC

### General

Freddie Mac is a government sponsored enterprise chartered by Congress in 1970. Our public mission is to provide liquidity, stability and affordability to the U.S. housing market. We do this primarily by purchasing residential mortgage loans originated by lenders. In most instances, we package these loans into guaranteed mortgage-related securities, which are sold in the global capital markets, and transfer interest-rate and liquidity risks to third-party investors. In addition, we transfer mortgage credit risk exposure to third-party investors through our credit risk transfer programs, which include securities- and insurance-based offerings. We also invest in mortgage loans and mortgage-related securities. We do not originate loans or lend money directly to mortgage borrowers.

We support the U.S. housing market and the overall economy by enabling America's families to access mortgage loan funding with better terms and by providing consistent liquidity to the multifamily mortgage market. We have helped many distressed borrowers keep their homes or avoid foreclosure and have helped many distressed renters avoid eviction. We are working with the Federal Housing Finance Agency ("FHFA"), our customers, and the industry to build a better housing finance system for the nation.

### Conservatorship and Government Support of Our Business

Since September 2008, we have been operating in conservatorship, with FHFA as conservator. The conservatorship and related matters significantly affect our management, business activities, financial condition and results of operations. Our future is uncertain, and the conservatorship has no specified termination date. We do not know what changes may occur to our business model during or following conservatorship, including whether we will continue to exist.

In connection with our entry into conservatorship, we entered into the Senior Preferred Stock Purchase Agreement, an agreement between FHFA as conservator, acting on our behalf, and the United States Department of the Treasury (the "*Treasury*") dated September 7, 2008, relating to Treasury's purchase of our senior preferred stock, which was subsequently amended and restated on September 26, 2008 and further amended on May 6, 2009, December 24, 2009, August 17, 2012, December 21, 2017, September 27, 2019, and January 14, 2021 (as so amended, the "*Purchase Agreement*"), under which we issued Treasury both senior preferred stock and a warrant to purchase common stock. The senior preferred stock and warrant were issued as an initial commitment fee in consideration for Treasury's commitment to provide funding to us under the Purchase Agreement.

Our Purchase Agreement with Treasury and the terms of the senior preferred stock we issued to Treasury affect our business activities and are critical to keeping us solvent and avoiding the appointment of a receiver by FHFA under statutory mandatory receivership provisions. We believe that the support provided by Treasury pursuant to the Purchase Agreement currently enables us to have adequate liquidity to conduct normal business activities.

For additional information regarding the conservatorship, the Purchase Agreement and government support of our business, see the Incorporated Documents.

### PURPOSE AND BACKGROUND OF THE OFFER

The purpose of the Offer is to reduce the level of indebtedness under the Notes to reduce our interest expense. Any Notes that are tendered and accepted in the Offer will be retired and cancelled. Solely for purposes of making calculations with respect to the hypothetical structure and reference tranches described in the applicable debt agreement identified below (each, a "*Debt Agreement*"), such cancelled Notes and related reference tranches will be deemed to continue to be outstanding in accordance with the terms set forth in the applicable Debt Agreement.

- The STACR 2014-HQ2 M3 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of September 15, 2014, as the same may have been amended from time to time.

- The STACR 2015-HQA1 M3 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of September 28, 2015, as the same may have been amended from time to time.
- The STACR 2015-HQA2 M3 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of December 8, 2015, as the same may have been amended from time to time.
- The STACR 2016-HQA3 M3 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of September 16, 2016, as the same may have been amended from time to time.
- The STACR 2016-HQA4 M3 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of October 25, 2016, as the same may have been amended from time to time.
- The STACR 2017-DNA1 M2 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of February 7, 2017, as the same may have been amended from time to time.
- The STACR 2017-HQA1 M2 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of February 22, 2017, as the same may have been amended from time to time.
- The STACR 2017-HQA3 M2 Notes were issued pursuant to that certain STACR® Debt Agreement, dated as of October 18, 2017, as the same may have been amended from time to time.

Additional information regarding the Notes can be obtained from the Company and applicable global agent for the Notes. See “Where You Can Find More Information” and “Incorporation by Reference”.

### **SOURCES AND AMOUNT OF FUNDS**

We will obtain the funds required to consummate the Offer through our cash on hand.

### **THE OFFER**

#### **General**

##### *Offer and Consideration*

We are offering to purchase for cash, subject to the terms and conditions set forth in the Offer Documents, Notes up to the Tender Cap, at purchase prices determined in accordance with the procedures set forth above. The Notes will be purchased in accordance with, and in the order of, the applicable Acceptance Priority Levels set forth in the table on the cover page of this Offer to Purchase.

We expressly reserve our right, but are not obligated, to increase the Tender Cap in our sole discretion without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights. If we increase the Tender Cap we will promptly announce such increase by issuing a release to a nationally recognized news service or by using such other means of announcement as we deem appropriate.

Notes may be tendered and accepted for purchase only in the original principal amounts equal to \$250,000 and integral multiples of \$1 in excess thereof (each, as calculated based on the original principal amount). Depending on the amount tendered and the proration factor, if any, applied, if the principal amount of Notes that are unaccepted and returned to a Holder as a result of proration would result in less than the original minimum authorized denomination of \$250,000 (as calculated based on the original principal amount) being returned to the relevant Holder, we will either accept or reject all such Holder’s validly tendered Notes. Holders who do not tender all of their Notes should ensure that they retain a principal amount of Notes amounting to at least the original minimum denomination applicable to such Notes pursuant to the applicable Debt Agreement.

No alternative, conditional or contingent tenders will be accepted. The Total Consideration offered for each \$1,000 original principal amount of Notes validly tendered at or prior to the Early Tender Time and accepted for purchase will be calculated based on the Full Tender Offer Consideration of the applicable series of Notes. Holders validly tendering their Notes after the Early Tender Time and at or prior to the Expiration Time whose Notes are accepted for purchase will only receive Total Consideration calculated based on the Late Tender Offer



Consideration, which is equal to the Full Tender Offer Consideration for the applicable series of Notes minus the Early Tender Payment. In each case, Total Consideration will also include Accrued Interest to, but not including, the applicable Settlement Date as described more fully below.

The table on the cover page of this Offer to Purchase sets forth the CUSIP and ISIN numbers, original principal amount, Acceptance Priority Level, Full Tender Offer Consideration (per \$1,000 original principal amount), and Late Tender Offer Consideration (per \$1,000 original principal amount), each for the applicable series of Notes.

Holders that validly tender their Notes at or prior to the Early Tender Time and do not properly withdraw their Notes at or prior to the Withdrawal Deadline will be eligible to receive Total Consideration calculated based on the Full Tender Offer Consideration for each \$1,000 original principal amount of the applicable series of Notes validly tendered and accepted for purchase by us. The Early Tender Payment is included in the amount of Full Tender Offer Consideration.

Holders that validly tender their Notes after the Early Tender Time and at or prior to the Expiration Time will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration for each \$1,000 original principal amount of the applicable series of Notes validly tendered and accepted for purchase by us, which is equal to the Full Tender Offer Consideration for the applicable series of Notes minus the Early Tender Payment.

The Total Consideration paid to Holders whose Notes are accepted for purchase by us will include Accrued Interest, which is the accrued and unpaid interest with respect to their tendered Notes from, and including, the last interest payment date for such Notes to, but not including, the applicable Settlement Date, in each case rounded to the nearest cent. Accrued Interest will be payable on the applicable Settlement Date. Under no circumstances will any interest be payable to Holders because of any delay on the part of the Tender Agent, DTC or any other party in the transmission of funds to Holders.

If the Early Settlement Right is exercised, we will announce such exercise promptly by a release to a nationally recognized news service or using such other means of announcement as we deem appropriate.

#### *Tender Offer Procedure*

Any Holder whose Notes are accepted in the Offer will receive no less than the Total Consideration, calculated based on the Full Tender Offer Consideration or Later Tender Offer Consideration, as applicable, for the Notes. Holders who tender after the Early Tender Time will not receive the Early Tender Payment.

#### **Conditions to the Offer**

The Offer is subject to the satisfaction or, where applicable, the waiver of certain conditions set forth herein. The purchase of any Notes of a series validly tendered is not conditioned upon the purchase of Notes of any other series; however, all Notes will be purchased by us in accordance with the Acceptance Priority Levels set forth on the table on the cover page and the other terms and conditions set forth in this Offer to Purchase.

#### *General Conditions*

Notwithstanding any other provision of the Offer, we will not be obligated to accept for purchase, and pay for, validly tendered Notes pursuant to the Offer if all of the conditions of the Offer have not been satisfied or, where applicable, waived. For purposes of the foregoing provisions, all of the conditions of the Offer shall be deemed to have been satisfied at the Early Tender Time or the Expiration Time with respect to any series of Notes, unless any of the following conditions (the “*General Conditions*”) shall have occurred on or after the date of this Offer to Purchase and before aforementioned dates:

- (i) any general suspension of trading in, or limitation on prices for, securities in the United States securities or financial markets, (ii) a material impairment in the trading market for debt securities, (iii) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States (whether or not mandatory), (iv) any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension

of credit by banks or other lending institutions in the United States, (v) any attack on, outbreak or escalation of hostilities or acts of terrorism involving the United States or emergency or war by the United States or (vi) any significant adverse change in the United States securities or financial markets generally or in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof;

- the existence of an action, proceeding, order, statute, rule, regulation, executive order, stay, decree, judgment or injunction (pending or threatened) that shall have been enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality or by any other person that, in our reasonable judgment, would or would be reasonably likely to prohibit, prevent or materially restrict or delay consummation of the Offer or that is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects or those of our affiliates;
- the existence of any other actual or threatened legal impediment to the Offer or any other circumstances that would materially adversely affect the transactions contemplated by the Offer, or the contemplated benefits of the Offer to us or our subsidiaries; or
- the occurrence of an event or events or the likely occurrence of an event or events that would reasonably be expected to prohibit, restrict or delay the consummation of the Offer or materially impair the contemplated benefits of the Offer.

The General Conditions are solely for our benefit and may be asserted by us regardless of the circumstances giving rise to any such condition, and may be waived by us in our sole discretion at any time and from time to time prior to the Early Tender Time or the Expiration Time for any or all series of Notes.

If any of these conditions to the Offer have not been satisfied, we expressly reserve our right, but are not obligated, at any time, subject to applicable law, with respect to any or all series of Notes, to (a) extend the Early Tender Time, the Withdrawal Deadline and/or the Expiration Time and thereby delay acceptance for purchase of any Notes that are validly tendered in the Offer, (b) waive any unsatisfied condition or conditions and accept for purchase all Notes validly tendered at or prior to the Expiration Time in the Offer or (c) if any of these conditions have not been satisfied or waived, terminate the Offer or otherwise amend the Offer in any respect. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time.

## **Procedures for Tendering**

### *Expiration Time; Early Tender Time; Extensions; Amendments; Terminations*

The Early Tender Time and the Expiration Time for the Notes are as set forth under the heading entitled "Important Dates." All references to the Early Tender Time or the Expiration Time in this Offer to Purchase are to the Early Tender Time or the Expiration Time, respectively, with respect to the Offer, with respect to any or all series of Notes, as may be extended or earlier terminated.

With respect to the Offer, we expressly reserve our right to extend the Early Tender Time or the Expiration Time at any time and from time to time, or to amend the Offer in any respect, subject to applicable law, including to permit the satisfaction or waiver of the conditions to the Offer or to increase the Tender Cap in our sole discretion, in each case by giving written notice of such extension or amendment to the Tender Agent. During any extension of the Offer, all Notes previously tendered will remain subject to the Offer, unless properly withdrawn prior to the Withdrawal Deadline. Any extension, amendment or termination will be followed as promptly as practicable by a public announcement thereof, with the announcement in the case of an extension to be issued no later than 9:00 a.m., New York City time, on the first business day after the previously scheduled Early Tender Time or Expiration Time, as applicable. Without limiting the manner in which we may choose to make any public announcement, we shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a release to a nationally recognized news service or using such

other means of announcement as we deem appropriate. If we make a material change in the terms of the Offer or the information concerning the Offer or waive a condition of the Offer that results in a material change to the circumstances of the Offer, in our reasonable judgment, we will disseminate additional tender offer materials and extend the Offer to the extent required by applicable law.

The minimum period during which the Offer, with respect to any or all series of Notes, will remain open following material changes in the terms thereof or in the information concerning the Offer, with respect to any or all series of Notes, will depend upon the facts and circumstances of such changes, including the relative materiality of the changes. If any of the terms of the Offer, with respect to any or all series of Notes, are amended in a manner determined by us to constitute a material change adversely affecting any Holder that has previously tendered Notes in the Offer, we will promptly disclose any such amendment in a manner reasonably calculated to inform Holders of such amendment, and we will extend the Offer, with respect to any or all series of Notes, and grant withdrawal rights for a time period that we, in our reasonable discretion, deem appropriate, depending upon the significance of the amendment and the manner of disclosure to Holders, if the Offer would otherwise expire during such time period.

If we increase the Tender Cap, we will promptly announce such increase by issuing a release to a nationally recognized news service or by using such other means of announcement as we deem appropriate.

If we terminate the Offer without purchasing any Notes tendered pursuant to the Offer, we will promptly give notice to the Tender Agent and all of the Notes tendered pursuant to the Offer will be returned promptly to the tendering Holders or the designees they properly specify in their Letters of Transmittal. Notes tendered through DTC pursuant to ATOP will be credited to the beneficial owner through DTC and such beneficial owner's DTC participant.

*How to Tender Notes; Book-Entry Transfer; Tender through ATOP*

All Notes are held in book-entry form through the facilities of DTC. Any Holder wishing to tender Notes should either (a) complete and sign the Letter of Transmittal or a facsimile copy in accordance with the instructions therein, mail or deliver it and any other required documents to the Tender Agent, and transfer such Notes pursuant to the book-entry transfer procedures described therein or (b) tender Notes through DTC pursuant to ATOP.

Any beneficial owner whose Notes are held in book-entry form through a broker, dealer, commercial bank, trust company or other nominee that wishes to tender Notes should contact such broker, dealer, commercial bank, trust company or other nominee promptly and instruct such nominee to submit instructions on such beneficial owner's behalf. In some cases, the broker, dealer, commercial bank, trust company or other nominee may request submission of such instructions on a beneficial owner's instruction form. Please check with your nominee to determine the procedures for such nominee. Beneficial owners should note that if Notes are held by a broker, dealer, commercial bank, trust company or other nominee, such broker, dealer, commercial bank, trust company or other nominee may have an earlier deadline for tendering the Notes pursuant to the Offer than the Early Tender Time or the Expiration Time. In addition, participants in DTC should note that DTC may have an earlier deadline for tendering the Notes pursuant to the Offer than the Early Tender Time or the Expiration Time.

Delivery of Notes will be deemed made only after receipt by the Tender Agent of (a) timely confirmation of a book-entry transfer of such Notes into the Tender Agent's account at DTC pursuant to the procedures set forth in this section, (b) a properly completed and duly executed Letter of Transmittal or a properly transmitted Agent's Message (defined below) through ATOP, and (c) any other documents required by the Letter of Transmittal at or prior to the Expiration Time or the Early Tender Time, as applicable, together with all accompanying evidences of authority and any other documents in form satisfactory to us.

Delivery of a Letter of Transmittal or delivery and acceptance of an Agent's Message transmitted through ATOP is at the election and risk of the person delivering or transmitting the same. Except as otherwise provided herein, delivery of Notes will be deemed made only when the Agent's Message or Letter of Transmittal is actually received by the Tender Agent. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested, and that the mailing be made sufficiently in advance of the Early

Tender Time or Expiration Time, as applicable, to permit timely delivery to the Tender Agent. No documents should be sent to us or any of the Dealer Managers or the global agents for the Notes. **If you desire to tender your Notes on the date of the Expiration Time or the Early Tender Time through ATOP, you should note that you must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such date.**

Notwithstanding any other provision in this Offer to Purchase, payment of the Total Consideration in exchange for Notes tendered and accepted for purchase pursuant to the Offer will occur only after timely receipt by the Tender Agent of a Book-Entry Confirmation (as defined below) with respect to such Notes, together with a properly completed and duly executed Letter of Transmittal or a properly transmitted Agent's Message through ATOP and any other required documents. All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes will be determined by us, in our sole discretion, the determination of which shall be final and binding. **Alternative, conditional or contingent tenders will not be considered valid.** We reserve the absolute right to reject any or all tenders of any or all series of Notes that are not in proper form or the acceptance of which would, in our opinion, be unlawful. We also reserve the right, with respect to any or all series of Notes, to waive any defects, irregularities or conditions of tender as to particular Notes. Our interpretations of the terms and conditions of the Offer will be final and binding. Any defect or irregularity in connection with tenders of Notes must be cured within such time as we determine, unless waived by us. Tenders of Notes shall not be deemed to have been made until all defects and irregularities have been waived by us or cured. We, the Tender Agent, the Information Agent, and the Dealer Managers will not be under any duty to give notice of any defects or irregularities in tenders of Notes, and will not incur any liability to Holders for failure to give any such notice.

The Tender Agent will establish one or more accounts with respect to the Notes at DTC for purposes of the Offer, and any financial institution that is a participant in DTC may make book-entry delivery of tendered Notes by causing DTC to transfer such Notes into the Tender Agent's account in accordance with DTC's procedures for such transfer. The Tender Agent and DTC have confirmed that the book-entry issues to be tendered in the Offer are eligible for ATOP. To effectively tender Notes eligible for ATOP that are held through DTC, DTC participants may, in lieu of physically completing and signing the Letter of Transmittal and delivering it to the Tender Agent, electronically transmit their acceptance through ATOP. DTC will then verify the acceptance of the Offer, execute a book-entry delivery to the Tender Agent's account at DTC and send an Agent's Message to the Tender Agent.

Delivery of an Agent's Message by DTC will satisfy the terms of the Offer in lieu of execution and delivery of a Letter of Transmittal by the participant identified in such Agent's Message. Accordingly, a Holder tendering through ATOP does not need to complete the Letter of Transmittal. The confirmation of a book-entry transfer into the Tender Agent's account at DTC as described above is referred to herein as a "*Book-Entry Confirmation.*" **Delivery of documents to DTC does not constitute delivery to the Tender Agent.**

The term "*Agent's Message*" means a message transmitted by DTC to, and received by, the Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent's Message, stating (a) the aggregate original principal amount of Notes that have been tendered by such participant pursuant to the Offer, (b) that such participant has received the Offer Documents and agrees to be bound by the terms and conditions of the Offer as described in the Offer Documents and (c) that we may enforce such agreement against such participant.

#### *Signature Guarantees*

All signatures on the Letter of Transmittal or a notice of withdrawal, as the case may be, must be guaranteed by a recognized participant in the Notes Transfer Agents Medallion Program, the New York Stock Exchange, Inc. Medallion Signature Program or the Stock Exchange Medallion Program (each, a "*Medallion Signature Guarantor*"), unless the Notes tendered thereby are tendered and delivered, or withdrawn (a) by a participant in DTC whose name appears on a security position listing as the owner of such Notes who, in the case of a tender, has not completed any of the boxes entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the Letter of Transmittal, or (b) for the account of a member firm of a registered national securities exchange, a

member of the Financial Industry Regulatory Authority, Inc. or a commercial bank or trust company or other nominee having an office or correspondent in the United States (each of the foregoing being referred to as an “*Eligible Institution*”). Without limiting the foregoing, unless Notes are tendered by an Eligible Institution, if the signer of the Letter of Transmittal is not the person in the name of which the Notes are registered or the DTC participant whose name appears on a security position listing as the owner of the Notes, or if the payment of the Total Consideration is being made to, or Notes not accepted for purchase or not tendered are to be returned to, a person other than the registered Holder or DTC participant whose name appears on a security position listing as the owner, then the signature on the Letter of Transmittal accompanying the tendered Notes must be guaranteed by a Medallion Signature Guarantor as described above. Beneficial owners whose Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if they desire to tender Notes so registered.

In the event that a Holder tenders Notes through ATOP, such Holder does not need to complete a Letter of Transmittal. Accordingly, no signature guarantees are required with respect to any such tenders.

*No Guaranteed Delivery*

We have not provided guaranteed delivery provisions in conjunction with the Offer. Holders must tender their Notes in accordance with the procedures set forth under “—Procedures for Tendering.”

*U.S. Federal Backup Withholding*

To prevent backup withholding, each U.S. Beneficial Owner (defined below) must complete and sign the IRS Form W-9 provided in the Letter of Transmittal. Each Non-U.S. Beneficial Owner (defined below) must submit the appropriate completed IRS Form(s) W-8 (generally, IRS Form W-8BEN or W-8BEN-E). See “Certain United States Federal Tax Consequences” and Instruction 7 of the Letter of Transmittal.

*Representations, Warranties and Undertakings; Our Acceptance Constitutes an Agreement*

Tenders of Notes pursuant to the procedures described above, and acceptance thereof by us, will constitute a binding agreement between the tendering Holder and us upon the terms and subject to the conditions set forth in the Offer Documents.

Subject to, and effective upon, the acceptance for purchase of, and payment for, the principal amount of Notes tendered in accordance with the terms and subject to the conditions of the Offer, a tendering Holder (a) will be deemed to have agreed to sell, assign and transfer to, or upon the order of, us, all right, title and interest in and to all of such Notes tendered and accepted for purchase pursuant to the terms of the Offer Documents; (b) waives any and all other rights with respect to such Notes (including, without limitation, any existing or past defaults and their consequences in respect of such Notes under the related indentures under which such Notes were issued); and (c) releases and discharges us from any and all claims the Holder may have now, or may have in the future, arising out of, or related to, the Notes, including, without limitation, any claims that the Holder is entitled to receive additional principal or interest payments with respect to such Notes or to participate in any repurchase, redemption or defeasance of the Notes.

By tendering Notes pursuant to the Offer, a Holder will be deemed to have (a) represented and warranted that such Holder has full power and authority to tender, sell, assign and transfer the Notes tendered thereby and that when such Notes are accepted for purchase and payment by us, we will acquire good title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right; (b) agreed to, upon request, execute and deliver any additional documents deemed by the Tender Agent or by us to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered thereby; (c) agreed that the delivery and surrender of the Notes is not effective, and the risk of loss of the Notes does not pass to the Tender Agent, until receipt by the Tender Agent of a properly transmitted Letter of Transmittal or Agent’s Message together with all accompanying evidences of authority, timely confirmation of a book-entry transfer of the Notes into the Tender Agent’s account at DTC and any other required documents in form satisfactory to us; and (d) acknowledged that all questions as to the form of all documents and the validity, eligibility (including time of receipt), acceptance for payment and withdrawal of tendered Notes will be determined by us in our sole

discretion, which determination will be final and binding absent a finding to the contrary by a court of competent jurisdiction.

In addition, by tendering Notes pursuant to the Offer, a Holder will be deemed to have irrevocably constituted and appointed the Tender Agent the true and lawful agent and attorney-in-fact of such Holder (with full knowledge that the Tender Agent also acts as our agent) with respect to any tendered Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) transfer ownership of such Notes on the account books maintained by DTC together with all accompanying evidences of transfer and authenticity, to or upon the order of us, and (b) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes, including receipt of funds from us for the purchase price for any Notes tendered pursuant to the Offer that are purchased by us and transfer such funds to the Holder, all in accordance with the terms of the Offer.

*Acceptance of Notes for Purchase; Payment for Notes; Early Settlement Right*

Upon the terms of the Offer and upon the satisfaction of or, where applicable, our waiver of the conditions to the Offer specified herein under “—Conditions to the Offer,” we will (a) accept for purchase Notes validly tendered (or defectively tendered, if we have waived such defect), and (b) promptly pay the Total Consideration on the applicable Settlement Date for all Notes accepted for purchase. In all cases, payment for Notes accepted for purchase pursuant to the Offer will be made only after confirmation of book-entry transfer thereof. Under no circumstances will any interest be payable to Holders because of any delay on the part of the Tender Agent, DTC or any other party in the transmission of funds to Holders.

Holders of Notes should indicate in the applicable box in the Letter of Transmittal, or to DTC as Book-Entry Transfer Facility (the “*Book-Entry Transfer Facility*”) in the case of Holders that electronically transmit their acceptance through ATOP, the name and address to which payment of the cash consideration and/or certificates evidencing Notes not accepted for purchase, each as appropriate, are to be issued or sent, if different from the name and address of the person signing the Letter of Transmittal or transmitting such acceptance through ATOP, as applicable.

We may, but are not obligated to, exercise our Early Settlement Right and decide following the Early Tender Time and prior to the Expiration Time to accept the Notes in an aggregate original principal amount of up to the Tender Cap validly tendered at or prior to the Early Tender Time provided that all conditions to the Offer have been satisfied or waived by us on the Early Acceptance Date. If we exercise our Early Settlement Right, we will announce such exercise promptly by a release to a nationally recognized news service or using such other means of announcement as we deem appropriate.

Notes accepted on the Early Acceptance Date, if applicable, will be settled on the Early Settlement Date, which may be on or promptly following the Early Acceptance Date. On the Final Settlement Date, we will settle all Notes accepted for purchase and not previously settled on the Early Settlement Date, if any, and we expect such date to be two business days following the Expiration Time.

We will be deemed to have accepted for purchase pursuant to the Offer, Notes validly tendered if, as and when we give oral (promptly confirmed in writing) or written notice thereof to the Tender Agent of our acceptance of the Notes in the Offer. The Tender Agent will act as agent for the tendering Holders for the purpose of receiving payments from us and transmitting such payments to the tendering Holders. With respect to tendered or deposited Notes that are to be returned to Holders, such Notes will be returned without expense to the tendering Holder (or, in the case of Notes tendered or deposited by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered) promptly after the expiration or termination of the Offer.

We will pay for Notes accepted for purchase in the Offer by depositing such payment in cash with DTC on the applicable Settlement Date, which we expect to be two business days following the Early Tender Time or two business days following the Expiration Time, as applicable and subject to change. If we are delayed in our acceptance of, purchase of, or payment for, validly tendered Notes or we are unable to accept for purchase or pay for validly tendered Notes pursuant to the Offer for any reason, then, without prejudice to our rights hereunder,

but subject to applicable law, tendered Notes may be retained by the Tender Agent on our behalf and may not be properly withdrawn.

We expressly reserve the right, in our sole discretion to delay acceptance for payment of or payment for the Notes if any of the conditions to the Offer shall not have been satisfied or, where applicable, waived, or in order to comply, in whole or in part, with any applicable law. We also expressly reserve our right to terminate the Offer at any time, in each case with respect to any or all series of Notes, subject to applicable law.

If any tendered Notes are not accepted for purchase for any reason pursuant to the terms and conditions of the Offer, such Notes will be credited to an account maintained at DTC, designated by the participant therein that so delivered such Notes, promptly following the Expiration Time or the termination of the Offer.

We may transfer or assign, in whole or from time to time in part, to any third party the right to purchase all or any of the Notes tendered pursuant to the Offer, but any such transfer or assignment will not relieve us of our obligations under the Offer and will in no way prejudice the rights of tendering Holders to receive payment for Notes validly tendered and not validly withdrawn and accepted for purchase pursuant to the Offer.

The Total Consideration payable to Holders of Notes tendered and accepted for purchase pursuant to the Offer will include Accrued Interest. Under no circumstances will any additional interest be payable because of any delay by the Tender Agent in the transmission of funds to the Holders of purchased Notes or otherwise.

Tendering Holders of Notes purchased in the Offer will not be obligated to pay brokerage fees or commissions to any of the Company, the Dealer Managers, the Tender Agent, the Information Agent or the global agents for the Notes, or to pay transfer taxes with respect to the purchase of their Notes. If, however, a transfer tax is imposed for any reason other than the transfer and sale of the Notes to us, or to our order, the amount of any transfer taxes (whether imposed on the Holder or such other person) payable on account of the transfer to such person will be deducted from the Total Consideration unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted. We will pay all other charges and expenses in connection with the Offer. Holders may be obligated to pay fees or commissions to their own brokers, custodians or other agents.

### **Withdrawal of Tenders**

Notes validly tendered prior to the Withdrawal Deadline may be validly withdrawn at any time at or prior to the Withdrawal Deadline, but not thereafter, except in certain limited circumstances where additional withdrawal rights are granted by us or are required by law.

For a withdrawal of a tender of Notes to be effective, the Tender Agent must receive a written or facsimile transmission notice of withdrawal or a properly transmitted "Request Message" through ATOP, in each case at or prior to the Withdrawal Deadline. Any such notice of withdrawal must:

- specify (a) the name of the Holder who tendered the Notes to be withdrawn and, if different, the name of the registered Holder of such Notes or (b) in the case of Notes tendered by book-entry transfer, the name of the participant for whose account such Notes were tendered and such participant's account number at DTC to be credited with the withdrawn Notes;
- contain a description of the Notes to be withdrawn and the aggregate original principal amount represented by such Notes;
- specify the account number to be credited with such Notes; and
- (a) be signed by the Holder of the Notes in the same manner as the original signature on the Letter of Transmittal, including any required signature guarantees or (b) in the case of Notes tendered by a DTC participant through ATOP, be signed by such participant in the same manner as the participant's name is listed on the applicable Agent's Message.

Withdrawal of tenders of Notes may only be accomplished in accordance with the foregoing procedures. Withdrawal of tenders of Notes may not be rescinded and any Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer; provided, however, that properly withdrawn Notes may be re-tendered by following one of the appropriate procedures described in this Offer to Purchase at any time at or prior to the Expiration Time. Any Notes re-tendered after the Early Tender Time will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration.

We will determine all questions as to the form, validity and eligibility (including time of receipt) of any notice of withdrawal, in our sole discretion, which determination shall be final and binding absent a finding to the contrary by a court of competent jurisdiction. We reserve the absolute right to reject any and all withdrawals that we determine are not in proper form or the acceptance of which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right, in our sole discretion, to waive any defect or irregularity in the withdrawal of Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders. A waiver of any defect or irregularity with respect to the withdrawal of one Note will not constitute a waiver of the same or any other defect or irregularity with respect to the withdrawal of any other Note unless we expressly provide otherwise. Any defect or irregularity in connection with withdrawals must be cured within such time as we may determine, unless waived by us. Withdrawals of Notes will not be deemed to have been made until all defects and irregularities have been waived by us or cured. None of the Company, the Dealer Managers, the Tender Agent and Information Agent or any of our or their affiliates, or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or incur any liability for failure to give any such notification.

If we are delayed in our acceptance for purchase of, or payment for, validly tendered Notes or we are unable to accept for purchase or pay for validly tendered Notes pursuant to the Offer for any reason, then, without prejudice to our rights hereunder, but subject to applicable law, tendered Notes may be retained by the Tender Agent on our behalf and may not be properly withdrawn.

The Notes are debt obligations of the Company and are governed by the applicable Debt Agreement under which they were issued. There are no appraisal or other similar statutory rights available to Holders in connection with the Offer.

## **CONSIDERATIONS RELATED TO PARTICIPATION IN THE OFFER**

In deciding whether to participate in the Offer, each Holder should consider carefully, in addition to the other information contained in or incorporated by reference in this Offer to Purchase, the following risks and other considerations associated with the Offer.

### *Position of the Company Concerning the Offer*

None of the Company, its board of directors, the Dealer Managers, the Tender Agent, the Information Agent or the global agents with respect to the Notes makes any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder's Notes, and none of them has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offer Documents, consult their own investment and tax advisors and make their own decisions whether to tender Notes, and, if so, the principal amount of Notes.

### *Effect of the Offer on Holders of Notes Tendered and Accepted in the Offer*

If your Notes are tendered and accepted, you will receive Total Consideration calculated based on the Full Tender Offer Consideration if your Notes were validly tendered at or prior to the Early Tender Time, or Total Consideration calculated based on the Late Tender Offer Consideration if your Notes were validly tendered after the Early Tender Time and at or prior to the Expiration Time, and you will give up all rights and benefits associated with ownership of such Notes.

The amount of Notes accepted for purchase in the Offer may be limited, because we are offering to purchase the aggregate original principal amount of Notes up to the Tender Cap.



#### *Limitations on Ability to Withdraw Notes*

Tendered Notes may be withdrawn at any time at or prior to the Withdrawal Deadline, but not thereafter (except in certain limited circumstances where additional withdrawal rights are granted by us or otherwise required by law). Holders of Notes who tender their Notes after the Withdrawal Deadline and at or prior to the Expiration Time may not withdraw their tendered Notes. You will also not be able to withdraw tenders of your Notes at the time we determine whether such Notes will be accepted as a result of prorating.

#### *Early Tender Payment and Priority of Acceptance for Notes Tendered at or Prior to the Early Tender Time*

You must validly tender your Notes at or prior to the Early Tender Time in order to be eligible to receive Total Consideration calculated based on the Full Tender Offer Consideration, which includes the Early Tender Payment. If you validly tender your Notes after the Early Tender Time but at or prior to the Expiration Time, you will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration, which does not include the Early Tender Payment.

Notwithstanding the Acceptance Priority Level, if any Notes are purchased in the Offer, Notes tendered at or prior to the Early Tender Time will be accepted for purchase in priority to Notes tendered after the Early Tender Time and at or prior to the Expiration Time. Accordingly, if the Tender Cap is reached in respect of tenders made at or prior to the Early Tender Time, no Notes of any series tendered after the Early Tender Time (regardless of Acceptance Priority Level) will be accepted for purchase, unless we increase the Tender Cap and such increased Tender Cap exceeds the tenders made at or prior to the Early Tender Time.

#### *Limitations after the Early Tender Time*

If you elect to participate in the Offer after the Early Tender Time, any Notes validly tendered after the Early Tender Time and at or prior to the Expiration Time, will only be eligible to receive Total Consideration calculated based on the Late Tender Offer Consideration and will not be eligible to receive the Early Tender Payment. This may result in your Notes being accepted for purchase at a lower price than you would have received had you tendered your Notes prior to the Early Tender Time.

#### *Conditions to the Consummation of the Offer*

The consummation of the Offer is subject to the satisfaction of several conditions. See “The Offer—Conditions to the Offer.” In addition, if any of the conditions thereto are not satisfied or waived, we may terminate or amend the Offer for any reason in our sole discretion. There can be no assurance that such conditions will be met, that we will not terminate the Offer, or that, in the event that the Offer is not consummated, the market value and liquidity of the Notes subject to the Offer will not be materially adversely affected.

#### *Potential Change in the Tender Cap*

We reserve the right, but are not obligated, to increase the Tender Cap in our sole discretion without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights. If we increase the Tender Cap, we will promptly announce such increase by issuing a release to a nationally recognized news service or by using such other means of announcement as we deem appropriate.

#### *Limited Trading Market for the Notes*

The Notes were issued at least three years ago. Generally, the trading market for seasoned STACR notes is more limited than recently-issued STACR notes. To the extent that Notes are tendered and accepted in the Offer, the trading market for the Notes will likely become further limited. A bid for a debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may be lower than a bid for a comparable debt security with a greater float. Therefore, the market price for and liquidity of Notes not tendered or tendered but not purchased may be adversely affected to the extent that the principal amount of the Notes purchased pursuant to the Offer reduces the float. The reduced float may also tend to make the trading price more volatile.

Holders of unpurchased Notes may attempt to obtain quotations for their Notes from their brokers; however, there can be no assurance that an active trading market will exist for the Notes following consummation of the

Offer. The extent of the public market for the Notes following consummation of the Offer will depend upon a number of factors, including the size of the float, the number of Holders remaining at such time, and the interest in maintaining a market in the Notes on the part of securities firms.

#### *Subsequent Repurchases of Notes*

From time to time in the future, and subject to certain conditions, we may acquire Notes that are not tendered and accepted for purchase in the Offer through redemptions, open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as we may determine, which may be more or less than the price to be paid pursuant to the Offer and could be for cash or other consideration. Alternatively, we may, subject to certain conditions, redeem any or all of the Notes not purchased pursuant to the terms of the applicable Debt Agreements. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

#### *Tax Considerations*

See “Certain United States Federal Tax Consequences” and “State, Local and Foreign Tax Consequences” for a discussion of certain tax matters that should be considered in evaluating the Offer.

### **CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES**

The following summary addresses certain U.S. federal tax consequences that may be relevant to Beneficial Owners (as defined below) with respect to the Offer and is based upon U.S. tax laws, the U.S. Treasury regulations (“*Regulations*”) and decisions now in effect, all of which are subject to change, potentially with retroactive effect, or to differing interpretations.

This summary discusses only Notes held by Beneficial Owners (as defined below) as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “*Code*”). It does not discuss all of the tax consequences that may be relevant to a Beneficial Owner in light of its particular circumstances or to Beneficial Owners subject to special rules, such as certain financial institutions, insurance companies, certain former citizens or residents of the United States, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, dealers, Beneficial Owners holding Notes as part of a hedging transaction, straddle, conversion transaction or synthetic security transaction, U.S. Beneficial Owners (as defined below) whose functional currency (as defined in Section 985 of the Code) is not the U.S. dollar, Beneficial Owners subject to the Medicare tax on net investment income, partnerships or other pass-through entities, tax-exempt persons, or regulated investment companies. In all cases, you are advised to consult your own tax advisors regarding the U.S. federal tax consequences to you of tendering the Notes pursuant to the Offer or retaining the Notes, including any tax consequences arising under the laws of any state, local, foreign or other taxing jurisdiction. In addition, this summary of certain U.S. federal tax consequences is for general information only and is not tax advice for any particular Beneficial Owner.

For purposes of this summary, “*U.S. Person*” means:

- an individual who, for U.S. federal income tax purposes, is a citizen or resident of the United States;
- a corporation (or other business entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Certain trusts in existence on or before August 20, 1996 that were treated as U.S. persons under the law in effect on such date but fail to qualify as U.S. persons under current law may elect to continue to be treated as U.S. persons to the extent prescribed in the applicable Regulations.

“*U.S. Beneficial Owner*” means a U.S. Person that beneficially owns a Note. “*Non-U.S. Beneficial Owner*” means a Beneficial Owner of a Note that is an individual, a corporation, an estate or a trust that is not a U.S. Person. “*Beneficial Owner*” means either a U.S. Beneficial Owner or a Non-U.S. Beneficial Owner.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds Notes, the treatment of a partner will generally depend upon the status of the particular partner and the activities of the partnership. Partners in such partnerships should consult their own tax advisors.

In the opinion of Shearman & Sterling LLP, U.S. federal tax counsel to Freddie Mac, although the matter is not free from doubt, the Notes are treated as indebtedness for U.S. federal income tax purposes. Furthermore, Freddie Mac takes the position that, for U.S. federal income tax purposes, the principal and interest write-down contingencies with respect to each series of Notes is remote. Accordingly, while the matter is unclear, Freddie Mac does not tax account for the Notes in the manner described in the Regulations governing contingent payment debt instruments (“*CPDI Regulations*”). This summary assumes that the Notes are properly so treated.

Beneficial Owners should be aware that there is no authority that directly addresses the U.S. federal income tax treatment of the Notes, and we have received no ruling from the Internal Revenue Service (“*IRS*”) in connection with the prior issuance of the Notes or the Offer. No assurance can be given that the IRS will not take a position contrary to the following summary. U.S. Beneficial Owners should consult their own tax advisors regarding the tax consequences relating to the Offer in light of their own circumstances.

## **U.S. Beneficial Owners**

### *Sale of a Note Pursuant to the Offer*

Upon the sale of a Note pursuant to the Offer, a U.S. Beneficial Owner will recognize gain or loss in an amount equal to the difference, if any, between the amount realized upon the disposition (including, as discussed below, any Early Tender Payment that is treated as additional consideration paid for such Note but not including any amount attributable to accrued but unpaid interest, which will be taxable separately as ordinary interest income to the extent not previously included in gross income) and the U.S. Beneficial Owner’s adjusted tax basis in the Note.

A U.S. Beneficial Owner’s adjusted tax basis in a Note for determining gain or loss on the disposition of a Note generally is the U.S. Beneficial Owner’s purchase price of the Note, increased by the amount of any original issue discount (“*OID*”) and any market discount previously included in such U.S. Beneficial Owner’s gross income with respect to such Note, and decreased (but not below zero) by (i) the amount of any payments on the Note that are part of its stated redemption price at maturity (i.e., payments other than qualified stated interest); and (ii) the portion of any premium applied to reduce interest payments.

As discussed above, while the matter is unclear, Freddie Mac does not tax account for the Notes as contingent payment debt instruments. Assuming this treatment is correct, gain or loss recognized upon the disposition of a Note will be capital gain or loss, except to the extent the gain represents accrued market discount on such Note not previously included in gross income, to which extent such gain would be treated as ordinary income. Any capital gain or loss upon the disposition of such Note will be long-term capital gain or loss if at the time of disposition the U.S. Beneficial Owner held the Note for more than one year. Certain noncorporate U.S. Beneficial Owners (including individuals) are eligible for preferential rates of U.S. federal income taxation in respect of long-term capital gains. The deductibility of capital losses is subject to limitations under the Code.

In the event that a Note is treated as a contingent payment debt instrument for U.S. federal income tax purposes, the CPDI Regulations provide special rules that generally would treat any taxable gain on such Note as ordinary income. Any taxable loss generally would be ordinary to the extent of the U.S. Beneficial Owner’s ordinary income inclusions with respect to such Note, and any excess would generally be treated as capital loss. U.S. Beneficial Owners should consult their own tax advisors regarding the U.S. federal income tax treatment of a disposition of the Notes pursuant to the Offer.

### *Market Discount*

A U.S. Beneficial Owner that purchased a Note at a “market discount” (i.e., at a price less than its stated redemption price at maturity or, for an obligation issued with OID, its adjusted issue price) will be required

(unless such difference is a *de minimis* amount) to treat any gain realized on the taxable disposition of such Note pursuant to the Offer as ordinary income to the extent of the market discount that accrued while such U.S. Beneficial Owner held such Note, unless the U.S. Beneficial Owner elected to include such market discount in income on a current basis.

#### *Early Tender Payment*

The U.S. federal income tax treatment of the Early Tender Payment is unclear because there are no authorities that directly address the treatment of such payment. The Early Tender Payment may be treated as additional consideration received in exchange for the relevant Notes, in which case such payment would be taken into account in determining the amount of gain or loss recognized on the disposition, as described above under “—Sale of a Note Pursuant to the Offer.” Alternatively, the Early Tender Payment may be treated as a separate fee, in which case it generally would be taxable as ordinary income. Accordingly, while the matter is unclear, Freddie Mac intends to treat the Early Tender Payment as additional consideration paid for the relevant Notes. The IRS could disagree with this treatment and require U.S. Beneficial Owners to recognize income with respect to the Early Tender Payment based on a different treatment, in which case the amount and character of income recognized by a U.S. Beneficial Owner with respect to the Early Tender Payment could be materially different than under the method that Freddie Mac intends that is described above. U.S. Beneficial Owners should consult their own tax advisors regarding the treatment of the Early Tender Payment for U.S. federal income tax purposes.

### **Non-U.S. Beneficial Owners**

#### *Sale of a Note Pursuant to the Offer*

Except as provided in the discussion of backup withholding below, a Non-U.S. Beneficial Owner tendering a Note pursuant to the Offer will not be subject to U.S. federal income and withholding taxes on any gain realized on the sale of the Note (other than amounts attributable to accrued interest) unless (i) such gain is, or is deemed to be, effectively connected with a trade or business in the United States of the Non-U.S. Beneficial Owner (and if an income tax treaty applies, such gain is attributable to a U.S. permanent establishment); or (ii) such Non-U.S. Beneficial Owner is an individual who is present in the United States for 183 days or more in the taxable year of the sale and certain conditions are met.

Except as provided in the discussion of backup withholding below, gain on the sale of a Note that is, or is deemed to be, effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Beneficial Owner (and if an income tax treaty applies, such gain is attributable to a U.S. permanent establishment), although exempt from U.S. withholding tax, generally will be subject to U.S. federal income tax at graduated rates, and in the case of a Non-U.S. Beneficial Owner that is a foreign corporation, may also be subject to U.S. federal branch profits tax.

#### *Accrued but Unpaid Interest*

Amounts paid to a Non-U.S. Beneficial Owner pursuant to the Offer that are attributable to accrued but unpaid interest (including accrued but unpaid OID) on the Notes will be subject to a 30-percent U.S. federal income and withholding tax, unless an exemption applies. An exemption generally exists in the following circumstances:

*Exemption for Portfolio Interest.* Amounts paid that are attributable to accrued but unpaid interest on a Note held by a Non-U.S. Beneficial Owner that is not effectively connected with a trade or business of the Non-U.S. Beneficial Owner within the United States (or if an income tax treaty applies, such interest is not attributable to a U.S. permanent establishment) generally will be exempt from U.S. federal income and withholding taxes if the person otherwise required to withhold receives, in the manner provided by U.S. tax authorities, a certification that the Non-U.S. Beneficial Owner is not a U.S. Person. A Non-U.S. Beneficial Owner may provide this certification by providing a properly completed Form W-8BEN, Form W-8BEN-E or other documentation as may be prescribed by U.S. tax authorities. The portfolio interest exemption will not apply if: (i) the Non-U.S. Beneficial Owner is a bank that receives payments on the Notes that are described in Section 881(c)(3)(A) of the Code; (ii) the Non-U.S. Beneficial Owner is a “10-percent shareholder” of Freddie Mac within the meaning of Section 871(h)(3)(B) of the Code; or (iii) the Non-U.S. Beneficial Owner is a “controlled foreign corporation” related to Freddie Mac within the meaning of Section 881(c)(3)(C) of the Code.

In addition, the portfolio interest exemption will not apply to amounts paid that are attributable to accrued but unpaid interest on a Note if the interest payable on a Note is “contingent interest” within the meaning of Section 871(h)(4)(A) of the Code. Although the matter is not free from doubt, Shearman & Sterling LLP is of the opinion that interest payable on the Notes is not contingent interest for this purpose.

*Exemption or Reduced Rate for Non-U.S. Beneficial Owners Entitled to the Benefits of a Treaty.* Amounts paid that are attributable to accrued but unpaid interest on a Note held by a Non-U.S. Beneficial Owner may be exempt from U.S. federal income and withholding taxes (or subject to such tax at a reduced rate) under an income tax treaty between the United States and a foreign jurisdiction. In general, the exemption (or reduced rate) applies only if the Non-U.S. Beneficial Owner provides a properly completed Form W-8BEN, Form W-8BEN-E or other documentation as may be prescribed by U.S. tax authorities.

*Exemption for Non-U.S. Beneficial Owners with Effectively Connected Income.* Amounts paid that are attributable to accrued but unpaid interest on a Note held by a Non-U.S. Beneficial Owner will be exempt from the 30-percent U.S. withholding tax if it is effectively connected with the conduct of a trade or business within the United States (and if an income tax treaty applies, such interest is attributable to a U.S. permanent establishment) and the Non-U.S. Beneficial Owner establishes this exemption by providing a properly completed Form W-8ECI or other documentation as may be prescribed by U.S. tax authorities. Amounts paid that are attributable to accrued but unpaid interest on a Note that is, or is deemed to be, effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Beneficial Owner (and if an income tax treaty applies, such interest is attributable to a U.S. permanent establishment), although exempt from the 30-percent U.S. withholding tax, generally will be subject to U.S. federal income tax at graduated rates and, in the case of a Non-U.S. Beneficial Owner that is a foreign corporation, may also be subject to U.S. federal branch profits tax.

#### *Early Tender Payment*

As discussed above under “U.S. Beneficial Owners—Early Tender Payment,” the U.S. federal income tax treatment of the Early Tender Payment is unclear because there are no authorities that directly address the treatment of such payment. The Early Tender Payment may be treated as additional consideration received in exchange for the relevant Notes, in which case such payment would be taken into account in determining the amount of gain or loss recognized on the disposition, as described above under “—Sale of a Note Pursuant to the Offer.” Alternatively, the Early Tender Payment may be treated as a separate fee, in which case such payment may be subject to U.S. federal income and withholding tax. Accordingly, while the matter is unclear, Freddie Mac intends to treat the Early Tender Payment as additional consideration paid for the relevant Notes. However, in light of the uncertainty regarding the U.S. federal income tax treatment of the Early Tender Payment, there can be no assurance that the IRS or an applicable withholding agent will treat the Early Tender Payment as additional consideration paid for the relevant Notes.

Non-U.S. Beneficial Owners should consult their own tax advisors regarding the treatment of the Early Tender Payment for U.S. federal income tax purposes.

### **Information Reporting and Backup Withholding**

Payments made pursuant to the Offer to a U.S. Beneficial Owner (other than certain corporations or other exempt recipients) are required to be reported to the IRS and the U.S. Beneficial Owner. Payments made pursuant to the Offer may be reported to U.S. tax authorities. Form W-8BEN, Form W-8BEN-E, Form W-8ECI or other documentation or information about the Non-U.S. Beneficial Owner may be provided to U.S. tax authorities.

Backup withholding of U.S. federal income tax at the applicable rate may apply to a payment made in respect of a Note pursuant to the Offer to a Beneficial Owner (other than certain corporations or other exempt recipients), unless the Beneficial Owner provides certain information. Any amount withheld under these rules will be creditable against the Beneficial Owner’s U.S. federal income tax liability, and if withholding results in an overpayment of taxes, the Beneficial Owner may apply for a refund from the IRS. Backup withholding may be required at the applicable rate on the entire payment made in respect of a Note pursuant to the Offer unless the Beneficial Owner provides certain information and, in the case of a Non-U.S. Beneficial Owner, the Non-U.S. Beneficial Owner certifies that it is not a U.S. Person (and certain other conditions are met).

## **FATCA Withholding**

Investors should be aware that under legislation and related administrative guidance (commonly known as FATCA), certain payments in respect of the Notes received by a non-U.S. entity may be subject to withholding of U.S. federal income tax at a rate of 30% if such non-U.S. entity fails to take the required steps to provide certain information regarding its “United States accounts” or its direct or indirect “substantial U.S. owners.” The required steps and the information to be provided will depend on whether the non-U.S. entity is considered a “foreign financial institution” for this purpose, and if an intergovernmental agreement exists between the United States and an applicable foreign country that may modify the applicable requirements. Investors should consult their tax advisors regarding the potential application and impact of the FATCA withholding rules based on their particular circumstances, including the applicability of any intergovernmental agreement modifying these rules.

In the event that a withholding tax under FATCA is imposed on any payment on a Note made pursuant to the Offer, Freddie Mac has no obligation to pay additional interest or other amounts as a consequence thereof.

THE U.S. FEDERAL TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A BENEFICIAL OWNER’S PARTICULAR SITUATION. BENEFICIAL OWNERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE OFFER, INCLUDING THE TAX CONSEQUENCES UNDER THE TAX LAWS OF THE UNITED STATES, STATES, LOCALITIES, COUNTRIES OTHER THAN THE UNITED STATES AND ANY OTHER TAXING JURISDICTIONS AND THE POSSIBLE EFFECTS OF CHANGES IN SUCH TAX LAWS.

## **STATE, LOCAL AND FOREIGN TAX CONSEQUENCES**

In addition to the U.S. federal income tax consequences described above, Beneficial Owners should consider the potential United States state and local tax consequences of the disposition of the Notes pursuant to the Offer and the tax consequences of the law of any non-United States jurisdiction in which they reside or do business. State, local and foreign tax law may differ substantially from the corresponding U.S. federal tax law, and the discussion above does not purport to describe any aspect of the tax law of any state or other jurisdiction. Beneficial Owners should consult their own tax advisors with respect to such matters.

## **CERTAIN ERISA CONSIDERATIONS**

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and Section 4975 of the Code, prohibit certain transactions (“*prohibited transactions*”) involving the assets of (i) an employee benefit plan that is subject to the prohibited transaction provisions of Title I of ERISA or a plan subject to Section 4975 of the Code (including individual retirement accounts, Keogh plans and other plans described in Section 4975(e)(1) of the Code) and (ii) entities whose underlying assets are considered to include “plan assets” of any such employee benefit plan, plan, account or arrangement by virtue of the investment of such employee benefit plan, plan, account or arrangement in the entity (each of the foregoing described in clauses (i) and (ii) being referred to herein as a “*Plan*”) and certain persons who are “parties in interest” (within the meaning of ERISA) or “disqualified persons” (within the meaning of the Code) with respect to the Plan.

The Company, the Dealer Managers, the Tender Agent and the Information Agent, and certain of their respective affiliates (the “*Transaction Parties*”) may be considered a party in interest or a disqualified person with respect to many Plans, and, accordingly, prohibited transactions might arise if Notes are tendered by or on behalf of a Plan unless the Notes are tendered in accordance with an available exemption. In this regard the U.S. Department of Labor (the “*DOL*”) has issued prohibited transaction class exemptions that may apply to the tendering of the Notes. These exemptions include transactions effected on behalf of a Plan by a “qualified professional asset manager” (prohibited transaction exemption 84-14) or an “in-house asset manager” (prohibited transaction exemption 96-23), transactions involving insurance company general accounts (prohibited transaction exemption 95-60), transactions involving insurance company pooled separate accounts (prohibited transaction exemption 90-1), and transactions involving bank collective investment funds (prohibited transaction exemption 91-38). In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that

neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan receives no less and pays no more than “adequate consideration” (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code). There can be no assurance that all of the conditions of any such exemptions or any other exemption will be satisfied with respect to the tender of the Notes and even if the conditions specified in one or more of these exemptions or other exemption are met, the scope of the relief provided may or may not cover all acts that could be construed as prohibited transactions.

Governmental plans, certain church plans and non-U.S. plans may not be subject to the prohibited transaction provisions of ERISA or the Code but may be subject to provisions under applicable Federal, state, local, non-U.S. or other laws or regulations that are similar to the provisions of Title I of ERISA or to Section 4975 of the Code (“*Similar Laws*”). Fiduciaries of any such plans should consult with counsel before deciding whether or not to tender the Notes.

Because of the foregoing, the person making the decision on behalf of a Plan or a governmental, church or non-U.S. plan will be deemed, by tendering the Notes, to represent on behalf of itself and the Plan, governmental, church or foreign plan, that the tendering of the Notes will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code, in the case of a governmental, church or non-U.S. plan subject to Similar Law, a violation of any Similar Law.

None of the Transaction Parties are undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the tendering of the Notes by or on behalf of, any Plan or governmental, church or non-U.S. plan subject to Similar Law.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering the offering or continued holding of the Notes on behalf of, or with the assets of, any Plan or governmental, church or non-U.S. plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such decision and whether an exemption would be applicable to the offering of the Notes.

#### **DEALER MANAGERS; TENDER AGENT AND INFORMATION AGENT**

We have retained Barclays Capital Inc. and BofA Securities, Inc. to act as Dealer Managers in connection with the Offer. The contact information of the Dealer Managers appears on the back cover of this Offer to Purchase. Each of the Dealer Managers may contact Holders regarding the Offer and may request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes.

We have agreed to pay the Dealer Managers a fee for their services in connection with the Offer. In addition, we will reimburse the Dealer Managers for certain agreed-upon reasonable out-of-pocket expenses. We have also agreed to indemnify the Dealer Managers against certain liabilities in connection with their services, including liabilities under the federal securities laws. Subject to applicable law, at any given time, the Dealer Managers and their respective affiliates may trade the Notes or other securities of ours and our affiliates for their own accounts or for the accounts of their respective customers and, accordingly, may hold a long or short position in the Notes. The Dealer Managers and their respective affiliates may also tender the Notes that they may hold or acquire, but are under no obligation to do so.

In the ordinary course of business, the Dealer Managers and their respective affiliates have provided and may in the future continue to provide investment banking, commercial banking and other financial services to us and our affiliates for which they have received and will receive customary compensation.

Global Bondholder Services Corporation has been appointed the Tender Agent and the Information Agent for the Offer. All deliveries and correspondence sent to the Tender Agent or the Information Agent should be directed to the address set forth on the back cover of this Offer to Purchase. Requests for additional copies of documentation may be directed to the Information Agent at the address set forth on the back cover of this Offer to Purchase. We have agreed to pay the Tender Agent and the Information Agent reasonable and customary fees for its services and to reimburse the Tender Agent and the Information Agent for its reasonable out-of-pocket

expenses in connection therewith. We have also agreed to indemnify the Tender Agent and the Information Agent for certain liabilities, including liabilities under the federal securities laws.

#### **NO OFFER IF NOT IN COMPLIANCE WITH LAW**

We are not aware of any jurisdiction where the Offer is not in compliance with the laws of such jurisdiction. If we become aware of any jurisdiction where the Offer would not be in compliance with such laws, we will make a good faith effort to comply with any such laws or may seek to have such laws declared inapplicable to the Offer. If, after such good faith effort, we cannot comply with any such applicable laws, we will not make the Offer to the Holders of Notes residing in each such jurisdiction.

#### **NOTICE TO UNITED KINGDOM INVESTORS**

##### **Financial Promotion Regime**

The communication of this Offer to Purchase and any other document in connection with the Tender Offers is directed only to persons who: (i) are outside of the United Kingdom; (ii) have professional experience in matters relating to investments and are persons falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (iii) are persons falling within Article 49(2) of the Order or are persons to whom this Offer to Purchase or any other such document may otherwise lawfully be issued or passed on; or (iv) are any other persons to whom it may otherwise lawfully be communicated or directed (all such persons together being referred to as “Relevant Persons”). A person who is not a Relevant Person should not act or rely on this Offer to Purchase or any of its contents. Any investment or investment activity to which this Offer to Purchase relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

Relevant Persons should note that all, or most, of the protections offered by the United Kingdom regulatory system do not apply to an investment in the Notes and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.



In order to tender Notes in the Offer, a Holder should send or deliver a properly completed and signed Letter of Transmittal and any other required documents to the Tender Agent at the address set forth below or tender pursuant to DTC's Automated Tender Offer Program.

**The Tender Agent for the Offer is:**

**Global Bondholder Services Corporation**

By Regular, Registered or Certified Mail; Hand or  
Overnight Delivery:

Global Bondholder Services Corporation  
65 Broadway – Suite 404  
New York, New York 10006  
Attn: Corporate Actions

By Facsimile Transmission:  
(212) 430-3775  
(for eligible institutions only)

To confirm receipt of facsimile by telephone:  
(212) 430-3774

Any questions regarding procedures for tendering Notes or requests for additional copies of this Offer to Purchase or the Letter of Transmittal should be directed to the Information Agent at the address and telephone numbers set forth below:

**The Information Agent for the Offer is:**

**Global Bondholder Services Corporation**

65 Broadway – Suite 404  
New York, New York 10006  
Attn: Corporate Actions

Banks and Brokers call: (212) 430-3774 or  
Call Toll Free: (866) 924-2200  
Email: [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com)

Any questions regarding the terms of the Offer should be directed to the Dealer Managers at the addresses and telephone numbers set forth below:

**The Dealer Managers for the Offer are:**

**Barclays Capital Inc.**  
745 Seventh Avenue, 5th Floor  
New York, New York 10019  
Attention: Liability Management Group  
Collect: (212) 412-5780  
Toll Free: (800) 438-3242  
Email: [us.lm@barclays.com](mailto:us.lm@barclays.com)

**BofA Securities, Inc.**  
One Bryant Park, 11th Floor  
New York, New York 10036  
Attention: Mortgage Finance  
Phone: (646) 855-1160  
Email: [dg.tender\\_offer@bofa.com](mailto:dg.tender_offer@bofa.com)