

Federal Home Loan Mortgage Corporation

MULTICLASS CERTIFICATES AGREEMENT

AGREEMENT dated as of June 1, 2003 among the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and Holders of REMIC Certificates, MACR Certificates and such other securities as may be issued from time to time pursuant to this Agreement.

Whereas:

(a) Freddie Mac is a corporation duly organized and existing under and by virtue of the Act and has full corporate power and authority to enter into this Agreement and to undertake the obligations undertaken by it herein;

(b) Freddie Mac may from time to time (i) purchase, in accordance with the provisions of the Act, Mortgages and GNMA Certificates, all of which are identified in the records maintained by Freddie Mac, (ii) create PCs backed directly or indirectly by such Mortgages and GNMA-Related Securities backed directly or indirectly by such GNMA Certificates and (iii) guarantee the payment of interest and principal for the benefit of the holders of such PCs and GNMA-Related Securities, all as provided in the applicable PC Agreement or Pass-Through Agreement; and

(c) Freddie Mac may from time to time (i) retain, or reacquire and hold, specified PCs and GNMA-Related Securities, (ii) form one or more REMIC Pools that include Assets consisting of or backed by PCs or GNMA-Related Securities, (iii) create Regular Interests and Residual Interests in such REMIC Pools, (iv) sell and transfer such Regular Interests and Residual Interests to Holders by the sale of REMIC Certificates, (v) form one or more MACR Pools and create and issue MACR Certificates in respect thereof and (vi) guarantee the payment of interest on and principal of such REMIC Certificates and MACR Certificates for the benefit of Holders, all as and to the extent herein more fully provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, it is hereby agreed that the following terms and conditions of this Agreement (including, as to each REMIC Pool and each MACR Pool, the related Terms Supplement) shall govern the creation by Freddie Mac of Regular Interests and Residual Interests in REMIC Pools, the transfer, sale and assignment of such Regular Interests and Residual Interests represented by REMIC Certificates, the creation, transfer, sale and assignment of MACR Certificates and the rights and obligations of Freddie Mac and Holders with respect to the Certificates.

ARTICLE I

Definitions

Whenever used in this Agreement, the following words and phrases shall have the following meanings, unless the context otherwise requires:

Accrual Class: A Class on which interest accrues and is added to its principal amount upon the terms and to the extent provided in the related Terms Supplement.

Accrual Period: Unless otherwise provided in the applicable Terms Supplement, the Accrual Period relating to any Payment Date will be:

(i) for Fixed Rate, Ascending Rate, Descending Rate and Delay Classes that are directly or indirectly backed by Gold PCs or GNMA-Related Securities, the calendar month preceding the month of the Payment Date;

(ii) for Fixed Rate, Ascending Rate, Descending Rate and Delay Classes that are directly or indirectly backed by Original PCs or ARM PCs, the period from the 15th of the second month preceding the month of the Payment Date to the 15th of the month preceding the month of the Payment Date;

(iii) for Floating Rate and Inverse Floating Rate Classes, other than Delay Classes, that are directly or indirectly backed by PCs, the period from the 15th of the month preceding the month of the Payment Date to the 15th of the month of the Payment Date; or

(iv) for Floating Rate and Inverse Floating Rate Classes, other than Delay Classes, that are directly or indirectly backed by GNMA-Related Securities, the period (i) from the 17th of the month preceding the month of the Payment Date to the 17th of the month of the Payment Date (for Classes directly or indirectly backed entirely by GNMA I Certificates) or (ii) from the 20th of the month preceding the month of the Payment Date to the 20th of the month of the Payment Date (for Classes directly or indirectly backed in whole or in part by GNMA II Certificates).

Act: Title III of the Emergency Home Finance Act of 1970, as amended and in effect from time to time.

Aggregate Remaining Balance: For any Payment Date for Multiclass Securities, the aggregate of the remaining principal balances to which the underlying Assets would be reduced in the month in which that Payment Date occurs, based on, in the case of GNMA Certificates, the related “factor” information selected by Freddie Mac or, to the extent such factors have not been reported for a GNMA Certificate, assumed Mortgage amortization schedules that Freddie Mac (or its agent) will create. Such schedules will reflect payment factor information previously reported for such GNMA Certificate and estimated subsequent scheduled amortization on the related Mortgages. In the case of Giant Securities or other Assets that are GNMA-Related Securities but not GNMA Certificates, Freddie Mac will determine the applicable principal balance using the related “factor” information published for those Giant Securities or other Assets.

Agreement: This Multiclass Certificates Agreement (including, with respect to each REMIC Pool and each MACR Pool, the related Terms Supplement), as it may be amended or supplemented from time to time.

Ascending Rate Class: A Class that has a predetermined Class Coupon that increases one or more times on dates determined before issuance.

Asset Group or Group: A group of Assets within a REMIC Pool, identified as such in the related Terms Supplement.

Assets: Any one of the following types of securities that are included in the assets of a REMIC Pool: (i) PCs; (ii) GNMA-Related Securities; (iii) securities representing regular interests in a REMIC, including, in the case of an Upper-Tier REMIC Pool, one or more Mortgage Securities; (iv) MACR Certificates; (v) Funding Notes; (vi) a Callable Class of CPCs; (vii) Freddie Mac Stripped Giant Certificates; or (viii) any other type of securities eligible for inclusion in a REMIC whose payments are derived from PCs or GNMA-Related Securities.

Asset Principal Amount: As to each REMIC Pool and Payment Date, unless otherwise specified in the related Terms Supplement, the net amount of the principal payments required to be made on the related Assets during the applicable Deposit Period or, if such Assets are GNMA-Related Securities, the GNMA Principal Payment Amount for such Assets for such Payment Date.

Book-Entry Rules: The provisions from time to time in effect, presently contained in Title 24, Part 81, Subpart H of the Code of Federal Regulations, setting forth the terms and conditions under which Freddie Mac may issue securities on the Fed System and authorizing a Federal Reserve Bank to act as Freddie Mac’s agent in connection with such securities.

Business Day: A day other than (i) a Saturday or Sunday, (ii) a day on which the offices of the federal government located in the District of Columbia generally are closed, (iii) a day on which the offices of Freddie Mac are closed, (iv) as to Classes maintained on the Fed System, a day on which the Federal Reserve Bank of New York (or other agent acting as Freddie Mac’s fiscal agent) is authorized or obligated by law or executive order to remain closed, (v) as to any Holder of a Certificate maintained on the Fed System, a day on which the Federal Reserve Bank at which such Holder’s account is maintained is authorized or obligated by law or executive order to remain closed, (vi) as to Classes maintained on the DTC System, a day on which DTC is authorized or obligated by law or executive order to remain closed, or (vii) as to Retail, Residual and

certificated Regular Classes, a day on which the Registrar or, in the case of Retail Classes, the Retail Depository is authorized or obligated by law or executive order to remain closed.

Call Class: A Class of CPCs whose Holder has the right to direct Freddie Mac to redeem the related Callable and/or Guaranteed Maturity Class or Classes. A Call Class shall not receive payments of principal or interest and may be held by only one Holder at any time.

Call Right: The right of the Holder of a Call Class to direct Freddie Mac to redeem the related Callable and/or Guaranteed Maturity Class or Classes.

Callable Class: A Class of CPCs, REMIC Certificates or MACR Certificates, as the context requires, that is redeemable, directly or indirectly, at the direction of the holder of the related Call Class.

Callable Pool: A callable pass-through pool that includes one or more Underlying REMIC Classes of the related Series.

Certificates: REMIC Certificates and MACR Certificates.

Class: A REMIC Class, a MACR Class, a Call Class and/or any other class of securities issued hereunder, as the context requires; or, if the context so requires, a Call Class or Callable Class issued under a Pass-Through Agreement.

Class Coupon: The annual rate (which may be zero, may be fixed or may vary) at which interest accrues on a Class, as provided in the applicable Terms Supplement. Interest at the applicable Class Coupon shall be computed on the basis of a 360-day year, each month being assumed to have 30 days.

Class Factor: A truncated eight-digit decimal published or otherwise made available by Freddie Mac, unless otherwise provided in the related Terms Supplement: (i) in the case of Multiclass PCs and related MACR Certificates, on or about the fifth business day of each month or (ii) in the case of Multiclass Securities and related MACR Certificates, on or about the tenth business day of each month. As to each Class having a stated principal amount, the Class Factor for such Class, when multiplied by the original principal amount of a Certificate of that Class (assuming such Certificate was issued on the applicable Startup Day), will equal its remaining principal amount, after giving effect to any payment of (and/or addition to) principal to be made on the Payment Date in the same month or, in the case of a Class directly or indirectly backed by Original PCs or ARM PCs, in the following month; and as to each Interest Only Class having a notional principal amount, the Class Factor for such Class, when multiplied by the original notional principal amount of a Certificate of such Class (assuming such Certificate was issued on the applicable Startup Day), will equal its remaining notional principal amount after the Payment Date occurring in the same month or, in the case of a Class directly or indirectly backed by Original PCs or ARM PCs, in the following month. The Class Factor for a Retail Class applies to such Class as a whole, not to any related Retail Class Units, and disregards any rounding of principal payments.

Code: The Internal Revenue Code of 1986, as amended and in effect from time to time.

COFI: The weighted average cost of funds for member savings institutions of the Eleventh Federal Home Loan Bank District.

COFI Class: A Class bearing interest at a rate determined by reference to COFI.

Collection Account: An account to which payments of principal and interest on Assets consisting of GNMA Certificates and certain other payments received by Freddie Mac in respect of the related REMIC Pool will be credited and from which payments of principal and interest to Holders of the related Multiclass Securities and MACR Certificates will be debited.

CPC: A Freddie Mac Callable Pass-Through Certificate issued under a Pass-Through Agreement or, if so provided in the applicable Terms Supplement, this Agreement.

CUSIP Number: A unique nine-character designation assigned by the CUSIP Service Bureau to each Class.

Delay Class: A Floating Rate, Inverse Floating Rate or WAC Class for which there is a delay of 15 or more days between the end of its Accrual Period and the related Payment Date.

Deposit Period: With respect to each Payment Date, the period beginning immediately following the preceding Deposit Period (or, in the case of the Deposit Period that is applicable to the first Payment Date, beginning on the first day of the month in which such first Payment Date occurs) and ending at the close of business on such Payment Date.

Descending Rate Class: A Class that has a predetermined Class Coupon that decreases one or more times on dates determined before issuance.

DTC: The Depository Trust Company, or any successor selected or approved by Freddie Mac.

DTC Participants: Participants in the DTC System.

DTC System: The book-entry system of DTC.

Federal Reserve Bank: The Federal Reserve Bank of New York and/or such other Federal Reserve Banks as may maintain Certificates on the Fed System, or any successor selected or approved by Freddie Mac.

Fed Participants: Participants in the Fed System.

Fed System: The book-entry system of the Federal Reserve Banks.

Final Payment Date: As to each Class, the Payment Date, determined by Freddie Mac and provided in the related Terms Supplement, on or before which the final payment due on such Class will be made and such Class will be retired.

Floating Rate Class: A Class with a Class Coupon that is reset periodically based on an index and that varies directly with changes in such index.

Funding Note: A debt obligation representing all or a portion of the “regular interest” in a REMIC, which obligation is secured by PCs or GNMA-Related Securities and provides for Freddie Mac to receive payments on such PCs or GNMA-Related Securities in such amounts as are necessary to amortize the principal amount of, and pay accrued interest on, such debt obligation.

Giant PC: A Freddie Mac Giant Certificate created pursuant to a Pass-Through Agreement, representing a beneficial ownership interest in a discrete pool consisting of PCs. Giant PCs include: “Gold Giant PCs,” which represent beneficial ownership interests in discrete pools consisting of specified Gold PCs and/or Gold Giant PCs; “Original Giant PCs,” which represent beneficial ownership interests in discrete pools consisting of specified Original PCs and/or Original Giant PCs; and “ARM Giant PCs,” which represent beneficial ownership interests in discrete pools consisting of specified ARM PCs and/or ARM Giant PCs.

Giant Security: A Freddie Mac Giant Certificate created pursuant to a Pass-Through Agreement, representing a beneficial ownership interest in a discrete pool consisting of GNMA Certificates and/or Giant Securities.

GIFC: A guaranteed investment and fee contract, executed by Freddie Mac in its corporate capacity and pursuant to which payments on the GNMA Certificates in a REMIC Pool are invested with Freddie Mac from the date of receipt by such REMIC Pool at a rate of return guaranteed by Freddie Mac, and investment proceeds are retained by Freddie Mac, to the extent provided in the GIFC, as a fee for its administration of such REMIC Pool.

GNMA: The Government National Mortgage Association.

GNMA Certificates: Mortgage-backed securities that represent ownership interests in Mortgages and are guaranteed as to timely payment of principal and interest by GNMA. GNMA Certificates consist of (i) certificates (“GNMA I Certificates”) guaranteed by GNMA under its GNMA I program, including “Platinum” certificates backed by such certificates, and (ii) certificates (“GNMA II Certificates”) guaranteed by GNMA under its GNMA II program, including “Platinum” certificates backed by such certificates.

GNMA Principal Payment Amount: For any Payment Date, the difference between (i) the Aggregate Remaining Balance of the underlying Assets consisting of GNMA-Related Securities for the preceding month (or their aggregate principal balance on the Startup Day, in the case of the first Payment Date) and (ii) their Aggregate Remaining Balance for the current month.

GNMA-Related Securities: GNMA Certificates and securities (including Giant Securities) that are backed, directly or indirectly, by GNMA Certificates.

Guaranteed Maturity Class: A Regular Class that is identified as such in the related Terms Supplement and issued by a Guaranteed Maturity REMIC Pool.

Guaranteed Maturity REMIC Pool: A REMIC Pool that includes (a) one or more Callable Classes related to Guaranteed Maturity Classes or (b) one or more Regular Interests in a separate Guaranteed Maturity REMIC Pool.

Holder: In the case of (i) a Class maintained on the Fed System, each Fed Participant whose name appears on the books and records of a Federal Reserve Bank as an entity for whose account Certificates of such Class have been deposited; (ii) a Class maintained on the DTC System, DTC or its nominee, (iii) a Retail Class, the Retail Depository or its nominee and (iv) a Residual Class, a Call Class or a certificated Regular Class, each entity or individual appearing on the records of the Registrar as a registered holder of that Class. Freddie Mac or its agent shall be the Holder of (i) any Lower-Tier Classes that constitute Mortgage Securities for an Upper-Tier REMIC Pool, (ii) any interests in Regular Classes that constitute a MACR Pool and (iii) any assets included in a Callable Pool or a Guaranteed Maturity REMIC Pool, unless otherwise provided in the related Terms Supplement.

Interest Only Class: A Class that (i) does not have a principal amount (other than a notional principal amount) and is entitled to payments of interest only or (ii) has only a nominal principal amount and a disproportionately high Class Coupon.

Inverse Floating Rate Class: A Class with a Class Coupon that is reset periodically based on an index and that varies inversely with changes in such index.

LIBOR: The arithmetic mean of the London interbank offered quotations for Eurodollar deposits with a maturity of one month, three months, one year or some other maturity, as specified in the related Terms Supplement.

LIBOR Class: A Class bearing interest at a rate determined by reference to the applicable LIBOR.

Lower-Tier Classes: In the case of a Double-Tier Series, the Classes issued in respect of the related Lower-Tier REMIC Pool(s).

MACR Certificate: A Modifiable and Combinable REMIC Certificate which is created pursuant to this Agreement and which represents a proportionate beneficial ownership interest in the related REMIC Certificates.

MACR Class: All of the MACR Certificates that together represent like proportionate beneficial ownership interests in, and are entitled to receive like proportionate amounts of the cash flow from, the same related Class or Classes of REMIC Certificates. All MACR Certificates issued in respect of a Series that have the same designation and the same CUSIP Number shall constitute a single MACR Class. As to each MACR Pool, the designations, maximum Original Principal Amounts, Class Coupons (if any) and other specific characteristics of each MACR Class shall be as provided in the related Terms Supplement. In the case of MACR Certificates of a MACR Class that are denominated by a notional principal amount, unless the context otherwise requires, references in Article VI, Article VII and Section 8.05 to (i) principal amount shall be regarded as references to such notional principal amount and (ii) specified percentages of outstanding principal amount shall be deemed to refer to such percentages of notional principal amount.

MACR Pool: With respect to any Series that includes MACR Certificates, a discrete pool formed by Freddie Mac consisting of such interests in the related Regular Classes as may be held of record by Freddie Mac, from time to time, as a result of exchanges pursuant to Section 2.06 of this Agreement.

Mortgage: A fixed or adjustable rate residential mortgage or participation therein which either (i) has been acquired by Freddie Mac or (ii) backs a GNMA Certificate, is insured or guaranteed by the Federal Housing Administration, the Department of Veterans Affairs, the Rural Housing Service or the Department of Housing and Urban Development and in which Freddie Mac acquires an ownership interest by its acquisition of such GNMA Certificate or its acquisition of an ownership interest in such GNMA Certificate.

Mortgage Securities: The Lower-Tier Classes that represent Regular Interests in a Lower-Tier REMIC Pool and that constitute Assets of the related Upper-Tier REMIC Pool.

Multiclass PC: A REMIC Certificate created pursuant to this Agreement, which is all or part of either a Regular Class or a Residual Class and which represents all or part of either a Regular Interest or a Residual Interest in a particular REMIC Pool. Multiclass PCs are directly or indirectly backed by PCs.

Multiclass Security: A REMIC Certificate created pursuant to this Agreement, which is all or part of either a Regular Class or a Residual Class and which represents all or part of either a Regular Interest or a Residual Interest in a particular REMIC Pool. Multiclass Securities are directly or indirectly backed by GNMA Certificates.

Offering Circular: Freddie Mac's Multiclass Certificates Offering Circular dated June 1, 2003.

Original Principal Amount: As to each Class, the aggregate of the original principal amounts (or original notional principal amounts) of the REMIC Certificates or MACR Certificates of such Class, as provided in the related Terms Supplement. The Original Principal Amount of a Class may also be referred to as its "Original Balance."

Partial Accrual Class: A Class on which a portion of its accrued interest is paid as interest and the remainder of such accrued interest is added to its principal amount upon the terms and to the extent provided in the related Terms Supplement.

Pass-Through Agreement: Freddie Mac's Pass-Through Certificates Agreement or other agreement governing Giant PCs, Giant Securities, Freddie Mac Stripped Giant Certificates and/or CPCs, as in effect from time to time, including any applicable supplement thereto.

Pass-Through Agreement Default: With respect to any Pass-Through Agreement, an "Event of Default" as defined therein.

Payment Date: Unless otherwise provided in the applicable Terms Supplement, (i) for Multiclass PCs and related MACR Classes, the 15th day (or, if the 15th day is not a Business Day, the next Business Day) of each month commencing in the month specified in the related Terms Supplement, (ii) for Multiclass Securities and related MACR Classes that are backed entirely by GNMA I Certificates, the 17th day (or, if the 17th day is not a Business Day, the next Business Day) of each month commencing in the month specified in the related Terms Supplement, or (iii) for Multiclass Securities and related MACR Classes that are backed entirely or partly by GNMA II Certificates, the 20th day (or, if the 20th day is not a Business Day, the next Business Day) of each month, commencing in the month specified in the related Terms Supplement.

PC: A Freddie Mac Mortgage Participation Certificate (Guaranteed) created pursuant to a PC Agreement, representing an undivided interest in a discrete pool consisting of Mortgages, or a Giant PC. PCs that are not Giant PCs include: "Gold PCs," which represent interests in fixed-rate Mortgages and for which the delay from the first day of their accrual period to the related payment date is approximately 45 days; "Original PCs," which represent interests in fixed-rate Mortgages and for which the delay from the first day their accrual period to the related payment date is approximately 75 days; and "ARM PCs," which represent interests in adjustable rate Mortgages and for which the delay from the first day of their accrual period to the related payment date is approximately 75 days.

PC Agreement: Any of Freddie Mac's Mortgage Participation Certificate Agreements as in effect from time to time, including any applicable supplement thereto.

PC Agreement Default: With respect to any PC Agreement, an "Event of Default" as defined therein.

Prime Rate: The prime or base lending rate of major banks as published in *The Wall Street Journal*.

Prime Rate Class: A Class bearing interest at a rate determined by reference to the Prime Rate.

Principal Only Class: A Class with a Class Coupon of zero.

Registrar: Freddie Mac, or any successor registrar selected or approved by Freddie Mac. The Registrar shall perform any related paying agency and authenticating agency functions.

Regular Class: A REMIC Class, the terms of which have been fixed by Freddie Mac on or prior to the Startup Day, which unconditionally entitles its Holders to receive a principal amount equal to the Original Principal Amount, if not notional, thereof (plus, in the case of an Accrual Class or Partial Accrual Class, any amount added to the Original Principal Amount in respect of accrued and unpaid interest) and interest at the applicable Class Coupon, and which represents a Regular Interest in a REMIC Pool. In the case of REMIC Certificates of a Regular Class that are denominated by a notional principal amount, unless the context otherwise requires, references in Article VI, Article VII and Section 8.05 to (i) principal amount shall be regarded as references to such notional principal amount and (ii) specified percentages of outstanding principal amount shall be deemed to refer to such percentages of notional principal amount.

Regular Interest: A “regular interest” in a REMIC Pool, as defined in the Code, that is represented by a Regular Class.

REMIC: A real estate mortgage investment conduit within the meaning of Section 860D(a) of the Code.

REMIC Certificates: Multiclass PCs and Multiclass Securities.

REMIC Class: All of the REMIC Certificates that together represent one of the Regular Interests in a REMIC Pool or all of the REMIC Certificates that together represent the Residual Interest in a REMIC Pool. All REMIC Certificates issued in respect of a REMIC Pool that have the same designation and the same CUSIP Number shall constitute a single REMIC Class. As to each REMIC Pool, the designations, Original Principal Amounts, Class Coupons (if any) and other specific characteristics of each REMIC Class shall be as provided in the related Terms Supplement.

REMIC Pool: A discrete pool formed by Freddie Mac consisting of Assets and, if so provided in the related Terms Supplement, cash, the rights of such pool under a GIFC or other eligible assets.

Residual Class: A Class of REMIC Certificates representing the Residual Interest in a REMIC Pool. A REMIC Certificate of a Residual Class may be denominated by a principal amount, by the percentage of the Residual Interest that it represents in the related REMIC Pool or by a notional principal amount. In the case of REMIC Certificates of a Residual Class that are denominated by percentage interest or notional principal amount, unless the context otherwise requires, references in Article VI, Article VII and Section 8.05 to (i) principal amount shall be regarded as references to such percentage interest or notional principal amount, (ii) specified percentages of outstanding principal amount shall be deemed to refer to such percentages of the Residual Interest or notional principal amount, and (iii) payments of principal and interest shall be regarded as references to payments of the amounts payable, however designated, on such REMIC Certificates.

Residual Interest: The interest in a REMIC Pool, designated as such in the related Terms Supplement, that is not a Regular Interest and is represented by the Residual Class.

Retail Class: A Class that is designed to be issued and maintained by the Retail Depository in small denominations (\$1,000 “Retail Class Units,” unless otherwise provided in the related Terms Supplement) and that receives payments of principal as set forth in Appendix IV to the Offering Circular or as otherwise provided in the related Terms Supplement.

Retail Depository: The Depository Trust Company, or any successor thereto in the capacity of retail depository selected or approved by Freddie Mac.

Retail Depository Participants: Participants in the Retail Depository System.

Retail Depository System: The book-entry system of the Retail Depository.

Series: A series of REMIC Certificates, or of REMIC Certificates and MACR Certificates, issued pursuant to this Agreement and having the numerical or other designation specified in the related Terms Supplement. In the case of certain Series (each, a “Single-Tier Series”), the REMIC Certificates will represent beneficial ownership interests in a single REMIC Pool (a “Single-Tier REMIC Pool”) or a related Guaranteed Maturity REMIC Pool. In the case of other Series (each, a “Double-Tier Series”), the REMIC Certificates will represent beneficial ownership interests in one of two or more REMIC Pools (one or more “Lower-Tier REMIC Pools” and an “Upper-Tier REMIC Pool”) or a related Guaranteed Maturity REMIC Pool.

Startup Day: With respect to a REMIC Pool, the first day on which REMIC Certificates are issued or, as permitted by applicable law, such other date as Freddie Mac may specify in the related Terms Supplement.

Terms Supplement: An instrument which, as to each REMIC Pool (or related Upper-Tier and Lower-Tier REMIC Pools), any related MACR Pool and any related Callable Pool created for Guaranteed Maturity Classes, supplements the other provisions of this Agreement and identifies and establishes the particular REMIC Pool (or Pools), the particular REMIC Certificates issued in respect thereof, the particular MACR Certificates issued in respect of such MACR Pool and the particular Call and Callable Classes issued in respect of any such Callable Pool. A Terms Supplement may, as to any particular REMIC Pool (or related Upper-Tier and Lower-Tier REMIC Pools) and any related MACR Pool or Callable Pool, modify, amend or supplement the other provisions of this Agreement in any respect whatsoever and may refer to or incorporate by reference provisions of the Offering Circular or any related supplement or supplemental statement prepared by Freddie Mac for the related Series. The Terms Supplement for each Series shall be binding and effective upon formation of the related REMIC Pool or Pools and issuance of the related Classes, whether or not such Terms Supplement is executed, delivered or published by Freddie Mac.

Treasury Index: Either (i) the auction average (investment) yield on three-month or six-month U.S. Treasury bills or (ii) the weekly average yield on U.S. Treasury securities adjusted to a constant maturity of one, three, five, seven, ten or thirty years or to some other constant maturity, in each case as specified in the related Terms Supplement.

Treasury Index Class: A Class bearing interest at a rate determined by reference to the applicable Treasury Index.

Underlying REMIC Class: A Regular Class included in a Callable Pool related to one or more Guaranteed Maturity Classes. On each Payment Date on which Guaranteed Maturity Classes are outstanding, their Holders will receive the principal and interest payments made on the same Payment Date on the related Underlying REMIC Classes.

Upper-Tier Classes: In the case of a Double-Tier Series, the Classes issued in respect of the related Upper-Tier REMIC Pool.

WAC Class: A Class whose Class Coupon represents a blended interest rate that may change from period to period.

ARTICLE II

Conveyance of Interests in REMIC Pools and MACR Pools; MACR Certificates; Guaranteed Maturity Classes

Section 2.01. Sale of REMIC Certificates, MACR Certificates and Call Classes. Sale of a Certificate or a Call Class by Freddie Mac pursuant to this Agreement shall be deemed to occur upon the date of settlement and payment for such Certificate or Class. Sale of a REMIC Certificate shall constitute a sale, assignment, transfer and conveyance by Freddie Mac to the Holder of a beneficial ownership interest in the related REMIC Pool, to the extent of the Regular Interest or Residual Interest represented by such REMIC Certificate. Sale of a MACR Certificate shall constitute a sale, assignment, transfer and conveyance by Freddie Mac to the Holder of a beneficial ownership interest in the related MACR Pool, to the extent of the interest therein represented by such MACR Certificate. Sale of a Call Class shall constitute a sale, assignment, transfer and conveyance by Freddie Mac to the Holder of the related Call Right. Freddie Mac

shall be bound by all of the terms and conditions of this Agreement at such time as a REMIC Certificate, MACR Certificate or Call Class is sold by Freddie Mac to a Holder. Upon settlement of and payment for a REMIC Certificate, MACR Certificate or Call Class, a Holder shall, by virtue thereof, acknowledge, accept and agree to be bound by all of the terms and conditions of this Agreement.

Section 2.02. Identity of the Assets of a REMIC Pool. A REMIC Pool will consist entirely of Assets retained, reacquired or purchased by Freddie Mac and, if so provided in the related Terms Supplement, cash, the rights of such REMIC Pool under a GIFC or other eligible assets. The specific Assets included in each REMIC Pool shall be identified in the related Terms Supplement, in an attachment thereto or by reference therein to some other document.

Section 2.03. Registration of Assets. All Assets that may be maintained on the Fed System or DTC System shall be so maintained. Freddie Mac or its agent shall be the record holder of all Assets.

Section 2.04. Certificates Held or Acquired by Freddie Mac. Certificates of any particular Class held or acquired by Freddie Mac from time to time shall have an equal and proportionate benefit to Certificates of the same Class held by other Holders, without preference, priority or distinction.

Section 2.05. REMIC Election. Freddie Mac hereby declares its intent that each REMIC Pool formed under this Agreement shall constitute, and the affairs of each such REMIC Pool shall be conducted so as to qualify as, a REMIC. The provisions of the Agreement shall be construed so as to carry out this intention of Freddie Mac. In furtherance of such intention, Freddie Mac is authorized to and covenants that it shall (a) prepare and file, or cause to be prepared and filed, REMIC federal tax returns, using the calendar year as the taxable year, for each such REMIC Pool when and as required by the Code, electing on the first REMIC return to have the REMIC Pool treated as a REMIC; (b) conduct the affairs of each REMIC Pool so as to maintain the status thereof as a REMIC under the Code; (c) not knowingly or intentionally take any action or omit to take any action that would cause the termination of the REMIC status of any REMIC Pool; and (d) hold harmless and indemnify the Holders of the Residual Class against any liability on account of any federal tax (including interest and penalties), or any state or local tax (including interest and penalties) incurred by virtue of Freddie Mac's administration of the REMIC Pool in Virginia, imposed on the related REMIC Pool, to the extent that any such tax shall be paid or payable by such Holders or shall be payable out of the assets of the REMIC Pool otherwise payable to the Holders.

Section 2.06. MACR Certificates.

(a) *General.* Certain Series shall provide for the issuance of one or more Classes of MACR Certificates. Each MACR Class shall represent beneficial ownership of a constant percentage of the interest payments and/or a constant percentage of the principal payments with respect to each related Regular Class. In any such Series, the Holders of one or more specified Regular Classes of REMIC Certificates shall be entitled, upon notice and payment of an exchange fee, to exchange all or a portion of such Classes for proportionate interests in one or more related MACR Classes, as provided in the related Terms Supplement. Similarly, the Holders of MACR Classes shall be entitled to exchange all or a portion of such MACR Classes for proportionate interests in the related Classes of REMIC Certificates and, if so provided, in other related MACR Classes. The investors in a MACR Class shall be treated as beneficial owners of proportionate interests in the related REMIC Certificates, to the extent provided in this Agreement and the related Terms Supplement.

In each Series that includes MACR Certificates, Freddie Mac initially shall issue the Classes of REMIC Certificates created in respect of the related REMIC Pool (or Upper-Tier REMIC Pool). Certain of those Classes may be exchanged, in whole or in part, for MACR Classes at any time on or after their date of issuance, unless otherwise provided in the related Terms Supplement. Unless otherwise provided in the related Terms Supplement, the aggregate outstanding principal amount of all the Classes of REMIC Certificates and MACR Classes that are backed by the same Assets, exclusive of any notional principal amount, shall at all times equal the aggregate outstanding principal amount of those Assets.

(b) *Exchanges.* Unless otherwise provided in the related Terms Supplement, exchanges of related Classes within a Series shall be made in accordance with, and subject to the terms and conditions set forth in, Appendix III to the Offering Circular.

