Offering Circular dated April 3, 2009

Global Debt Facility

Offered Securities:	Debt Securities, including Medium-Term Notes and Discount Notes, among others.
Reference Securities[SM]:	We will designate some Debt Securities as "Reference Securities[SM]," which are scheduled U.S. dollar denominated issues in large principal amounts.
Amount:	Unlimited.
Maturities:	One day or longer, but not more than one year in the case of Reference Bills® securities and other Discount Notes.
Offering Terms:	We will offer the Debt Securities primarily through Dealers within the United States and internationally on the terms described in this Offering Circular and, except as to Reference Bills® and other Discount Notes, related Pricing Supplements.
Currencies:	U.S. dollars or other currencies specified in the applicable Pricing Supplement.
Priority:	The Debt Securities will be unsecured general obligations of Freddie Mac.
Tax Status:	The Debt Securities are not tax-exempt. Non-U.S. Owners generally will be subject to United States federal income and withholding tax unless they establish an exemption.
Form of Securities:	*U.S. dollar denominated Debt Securities*: Book-entry (U.S. Federal Reserve Banks) or registered (global or definitive).
	Non-U.S. dollar denominated Debt Securities: Registered (global or definitive).

We will provide you with a Pricing Supplement describing the specific terms, pricing information and other information for each issue of Debt Securities, except Reference Bills® and other Discount Notes. The Pricing Supplement for a specific issue of Debt Securities will supplement and may amend this Offering Circular with respect to that issue of Debt Securities. The applicable Pricing Supplement will describe whether principal is payable on the related issue of Debt Securities at maturity or periodically, whether the Debt Securities are redeemable prior to maturity, and whether interest is payable at a fixed or variable rate or if no interest is payable. Pursuant to the rules and regulations of the Luxembourg Stock Exchange, this Offering Circular and any related Pricing Supplement, respectively, should be deemed to constitute a base prospectus and final terms for the sole purpose of the application for admission to trading of Debt Securities on the Euro MTF Market.

We may apply to have some Debt Securities issued under this Offering Circular admitted for trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange. Our application with the Euro MTF Market applies to Debt Securities issued within twelve months of the date of this Offering Circular. We may also issue unlisted Debt Securities and Debt Securities listed on other exchanges under this Facility.

Some Debt Securities are complex financial instruments and may not be suitable investments for you. You should consider carefully the risk factors described beginning on page 13 of this Offering Circular and on page 36 of our Annual Report on Form 10-K for the year ended December 31, 2008. You should not purchase Debt Securities unless you understand and are able to bear these and any other applicable risks. You should purchase Debt Securities only if you understand the information contained in this Offering Circular, any Pricing Supplement for the Debt Securities you are considering purchasing and the documents that we incorporate by reference in this Offering Circular.

Because of applicable U.S. securities law exemptions, we have not registered the Debt Securities with any U.S. federal or state securities commission. No U.S. securities commission has reviewed this Offering Circular.

The Debt Securities are obligations of Freddie Mac only. The Debt Securities, including any interest or return of discount on the Debt Securities, are not guaranteed by, and are not debts or obligations of, the United States or any agency or instrumentality of the United States other than Freddie Mac.

This Offering Circular may only be used for the purposes for which it has been published.

The Index of Defined Terms (Appendix A) shows where definitions of defined terms appear in this Offering Circular.

"Reference Securities[SM]" is a service mark of Freddie Mac. "Reference Bills®" is a registered trademark of Freddie Mac.

The Debt Securities generally will not have an established trading market when issued. Certain Dealers have advised Freddie Mac that they intend to use reasonable efforts to make a secondary market in the Debt Securities that they offer. However, they are not obligated to do so. These Dealers could discontinue their secondary market activities at any time without notice. There is no assurance that a secondary market for any of the Debt Securities will develop or, if such a market develops, that it will continue or will be liquid. Consequently, you may not be able to sell your Debt Securities readily or at prices that will enable you to realize your anticipated yield.

If you intend to purchase Debt Securities, you should rely only on the information in this Offering Circular and in any related Pricing Supplement for those Debt Securities, including the information in any documents we incorporate by reference. We have not authorized anyone to provide you with different information. We are not offering the Debt Securities in any jurisdiction that prohibits their offer. This Offering Circular, any related Pricing Supplements and any incorporated documents speak only as of their dates, regardless of the date you receive these documents or purchase Debt Securities. These documents may not be correct after their dates.

Some jurisdictions may restrict by law the distribution of this Offering Circular or any Pricing Supplement and the offer, sale and delivery of Debt Securities. Persons who receive this Offering Circular or any Pricing Supplement should know and observe these restrictions.

We have not registered the Debt Securities under the Financial Instruments and Exchange Law of Japan (the **"Financial Instruments and Exchange Law"**), and we may not directly or indirectly offer and sell Debt Securities in Japan or to any resident of Japan or to any person for reoffer or resale, directly or indirectly, in Japan or to any resident of Japan except in compliance with, or under an available exemption from, the registration requirements of the Financial Instruments and Exchange Law and in compliance with other relevant laws of Japan.

For a further description of some additional restrictions on offers, sales and deliveries of Debt Securities and on the distribution of the Offering Circular, any Pricing Supplement or any other supplement or amendment, see "Distribution Arrangements — Selling Restrictions," "General Information" and Appendix C.

The Luxembourg Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained or incorporated by reference in this Offering Circular. Admission to trading on the Euro MTF Market (the **"Euro MTF Market"**) and listing on the Official List of the Luxembourg Stock Exchange is not to be taken as an indication of the merits of Freddie Mac or the Debt Securities. No person has been authorized to give any information about Freddie Mac or the Debt Securities other than the information contained in this Offering Circular.

After making all reasonable inquiries as of the date of this Offering Circular, we confirm that this Offering Circular contains all the information about the Debt Securities which, when read together with the applicable Pricing Supplement and the Incorporated Documents, is material, in the context of the initial issue of each offering of the Debt Securities. We also confirm that the information in this Offering Circular, together with the information in such Incorporated Documents, as of their respective dates, is true and accurate in all respects and is not misleading and that there are no facts the omission of which makes this Offering Circular and such Incorporated Documents as a whole or any such information misleading in any material respect.

This Offering Circular has not been drafted in accordance with the provisions of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the **"Prospectus Directive"**) as implemented by Commission Regulation EC 809/2004 dated April 29, 2004, and has not been subject to approval by any home member state's competent authority pursuant to the Prospectus Directive. Accordingly, any Debt Securities offered within the European Union will be subject to the relevant selling restrictions described in Appendix C.

Neither this Offering Circular nor any Pricing Supplement describes all of the risks and investment considerations applicable to Debt Securities, especially those whose principal or interest we pay in or determine by reference to one or more foreign currencies or to one or more interest rate, currency or other indices or formulas. We and the Dealers disclaim any responsibility to advise prospective investors of these risks and investment considerations as they exist at the date of this Offering Circular or any Pricing Supplement or as these risks may change from time to time. Prospective investors should consult their own financial, tax and legal advisors as to the risks and investment considerations arising from an investment in such Debt Securities. The Debt Securities are not an appropriate investment for investors who are unsophisticated regarding debt securities, currency transactions or transactions involving the applicable interest rate, currency, swap or other indices or formulas. See "Risk Factors."

This Offering Circular replaces and supersedes the Global Debt Facility Offering Circular dated July 22, 2008 for issues of Debt Securities priced on and after the date of this Offering Circular. This Offering Circular relates to Debt Securities issued under this Facility and not to any other securities of Freddie Mac.

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* We use defined terms throughout this Offering Circular. Appendix A provides the page locations of the definitions of these terms.

FREDDIE MAC

General

Freddie Mac was chartered by Congress in 1970 under the Federal Home Loan Mortgage Corporation Act (the **"Freddie Mac Act"**) to stabilize the nation's residential mortgage markets and expand opportunities for homeownership and affordable rental housing.

Our statutory mission is to provide liquidity, stability and affordability to the U.S. housing market. We fulfill our mission by purchasing residential mortgages and mortgage-related securities in the secondary mortgage market and securitizing them into mortgage-related securities that can be sold to investors. We purchase single-family and multifamily mortgage-related securities for our mortgage-related investments portfolio. We also purchase multifamily residential mortgages in the secondary mortgage market and hold those loans either for investment or sale. We finance purchases of our mortgage-related securities and mortgage loans, and manage our interest-rate and other market risks, primarily by issuing a variety of debt instruments and entering into derivative contracts in the capital markets.

Although we are chartered by Congress, we alone are responsible for making payments on our securities. Neither the U.S. government nor any agency or instrumentality of the U.S. government other than Freddie Mac guarantees our securities and other obligations.

Our statutory mission as defined in our charter is:

- To provide stability in the secondary market for residential mortgages;
- To respond appropriately to the private capital market;
- To provide ongoing assistance to the secondary market for residential mortgages (including activities related to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return received on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and
- To promote access to mortgage credit throughout the U.S. (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

Conservatorship

The Federal Housing Finance Regulatory Reform Act of 2008 (the **"Reform Act"**) became law on July 30, 2008 and was effective immediately. The Reform Act established the Federal Housing Finance Agency (**"FHFA"**) as an independent agency with general supervisory and regulatory authority over Freddie Mac. FHFA assumed the duties of our former regulators, the Office of Federal Housing Enterprise Oversight and the U.S. Department of Housing and Urban Development (**"HUD"**), with respect to safety, soundness and mission oversight of Freddie Mac. HUD remains our regulator with respect to fair lending matters.

On September 6, 2008, the Director of FHFA placed Freddie Mac into conservatorship and appointed FHFA as the conservator (the **"Conservator"**). Upon its appointment, FHFA, as Conservator, immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to Freddie Mac and its assets. Under the Reform Act, FHFA, as Conservator, may take "such action as may be necessary to put the regulated entity in a sound and solvent condition." We have no control over FHFA's actions or the actions it may direct us to take. The conservatorship has no specified termination date; we do not know when or how it will be terminated or what our business structure will be during or following the conservatorship, including whether we will continue to exist. A copy of the statement issued by FHFA Director James B. Lockhart regarding the placement of Freddie Mac into conservatorship and a copy of a Fact Sheet discussing questions and answers about the conservatorship are available on FHFA's website at www.fhfa.gov.*

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* We are providing this and other Internet addresses solely for the information of prospective investors. We are not using reference to these addresses to incorporate additional information into this Offering Circular or any Pricing Supplement, except as specifically stated in this Offering Circular.

The U.S. Department of the Treasury (**"Treasury"**) and the Board of Governors of the Federal Reserve System (the **"Federal Reserve"**) have announced additional actions that affect us in connection with the conservatorship and the economic and housing crisis. On September 7, 2008, Treasury entered into a senior preferred stock purchase agreement (the **"Purchase Agreement"**) with us pursuant to which Treasury provided us with its commitment to provide up to $100 billion in funding under specified conditions. This agreement was amended and restated on September 26, 2008.

The Purchase Agreement requires Treasury, upon the Conservator's request, to provide funds to us after any quarter in which we have a negative net worth (that is, our total liabilities exceed our total assets, as reflected on our balance sheet prepared in accordance with generally accepted accounting principles) and also provides for Treasury to provide funds to us if the Conservator determines, at any time, that it will be mandated by law to appoint a receiver for us unless we receive funds from Treasury under its commitment. The Purchase Agreement contains covenants that significantly restrict our operations and which are described in more detail in our annual report on Form 10-K for the year ended December 31, 2008 (our **"Annual Report"**), filed with the Securities and Exchange Commission (the **"SEC"**) on March 11, 2009. In exchange for Treasury's funding commitment, we issued to Treasury, as an initial commitment fee, one million shares of our senior preferred stock (with an initial aggregate liquidation preference of $1 billion) and a warrant to purchase, for a nominal price, shares of our common stock equal to 79.9% of our common stock outstanding on a fully diluted basis at the time the warrant is exercised. We did not receive any cash proceeds from Treasury as a result of the initial issuance of the senior preferred stock or the warrant. Treasury also implemented a program to purchase mortgage-related securities issued by us and the Federal National Mortgage Association (**"Fannie Mae"**) until December 31, 2009.

On September 18, 2008, Treasury established a new secured lending credit facility (the **"Lending Agreement"**) that is available to us until December 31, 2009 as a liquidity back-stop. To borrow under the Lending Agreement, we must post collateral in the form of Freddie Mac or Fannie Mae mortgage-related securities to secure all such borrowings under the facility. Treasury is not obligated under the Lending Agreement to make any loan to us.

In November 2008, we received $13.8 billion from Treasury under the Purchase Agreement, and we received an additional $30.8 billion on March 31, 2009. Upon our receipt of the additional $30.8 billion in funding, the aggregate liquidation preference on the senior preferred stock owned by Treasury increased from $14.8 billion as of December 31, 2008 to $45.6 billion.

On November 25, 2008, the Federal Reserve announced a program to purchase up to $100 billion of direct obligations of Freddie Mac, Fannie Mae and the Federal Home Loan Banks and up to $500 billion of mortgage-related securities issued by Freddie Mac, Fannie Mae and the Government National Mortgage Association (**"Ginnie Mae"**). According to the Federal Reserve, the goal of this program is to reduce the cost and increase the availability of credit for the purchase of houses, which, in turn, should support housing markets and foster improved conditions in financial markets more generally. The Federal Reserve began purchasing direct obligations under the program in December 2008. The Federal Reserve has indicated that it expects to complete the purchases of mortgage-related securities by the end of the second quarter of 2009. On March 18, 2009, the Federal Reserve announced that it would increase its purchases of mortgage-related securities under this program by $750 billion to $1.25 trillion. In addition, the Federal Reserve indicated that it expects to purchase up to $300 billion of longer-term Treasury securities in the following six months.

On February 18, 2009, Treasury Secretary Geithner issued a statement outlining further efforts by Treasury to strengthen its commitment to us by increasing the funding available under the Purchase Agreement from $100 billion to $200 billion, affirming Treasury's plans to continue purchasing Freddie Mac mortgage-related securities and increasing the limit on our mortgage-related investments portfolio by $50 billion to $900 billion with a corresponding increase in the amount of allowable debt outstanding.

Details regarding these actions are available on Treasury's website at www.treas.gov.

We are dependent upon the continued support of Treasury and FHFA in order to continue operating our business. Our ability to access funds from Treasury under the Purchase Agreement is critical to keeping us solvent and avoiding appointment of a receiver by FHFA under the statutorily mandated receivership provisions of the Reform Act.

ADDITIONAL INFORMATION

We registered our common stock with the SEC under the Securities Exchange Act of 1934, as amended (the **"Exchange Act"**), effective July 18, 2008. As a result, we now file annual, quarterly and current reports, proxy statements and other information with the SEC. Prior to July 18, 2008, we prepared an annual Information Statement (containing annual financial disclosures and audited consolidated financial statements) and Information Statement Supplements (containing periodic updates to the annual Information Statement).

As described below, we incorporate certain documents by reference in this Offering Circular, which means that we are disclosing information to you by referring you to those documents rather than by providing you with separate copies. We incorporate by reference in this Offering Circular (1) our Annual Report on Form 10-K for the year ended December 31, 2008, filed with the SEC on March 11, 2009; (2) all other reports we have filed with the SEC pursuant to Section 13(a) of the Exchange Act since December 31, 2008, excluding any information "furnished" to the SEC on Form 8-K; and (3) all documents that we file with the SEC pursuant to Sections 13(a), 13(c) or 14 of the Exchange Act after the date of this Offering Circular and prior to the termination of the offering of the related debt securities, excluding any information that we "furnish" to the SEC on Form 8-K. These documents are collectively referred to as the "**Incorporated Documents**" and are considered part of this Offering Circular. You should read this Offering Circular, and any applicable supplements or amendments, in conjunction with the Incorporated Documents. Information that we incorporate by reference will automatically update information in this Offering Circular. Therefore, you should rely only on the most current information provided or incorporated by reference in this Offering Circular and any applicable supplement or amendment.

You may read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at http://www.sec.gov that contains reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

You may also obtain, without charge, copies of any of the Incorporated Documents and any other documents that we make available by contacting us at:

Freddie Mac Debt Operations
1551 Park Run Drive, Mailstop D5N
McLean, Virginia U.S.A. 22102-3110
Telephone: 1-888-882-6275
(571-382-3700 within Washington, D.C. area)
E-Mail: debt_securities@freddiemac.com
www.freddiemac.com

So long as any Debt Securities are admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange, and the rules of such exchange or any relevant authority so require, copies of the Offering Circular (and all Incorporated Documents) will be available free of charge from the principal offices of BGL S.A. in Luxembourg. The Offering Circular (and all Incorporated Documents) and the Pricing Supplements for all Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange will be published and available on the website of the Luxembourg Stock Exchange (http://www.bourse.lu). You may inspect copies of the Fiscal Agency Agreement and the Global Agency Agreement at the principal offices of BGL S.A. in Luxembourg.

In connection with the admission to trading on the Euro MTF Market and the listing of the Debt Securities on the Official List of the Luxembourg Stock Exchange, we have agreed that, so long as any Debt Securities remain outstanding and listed, in the event of any material adverse change in the business or the financial position of Freddie Mac that is not reflected in this Offering Circular as then amended or supplemented (including the Incorporated Documents), we will prepare an amendment or supplement to this Offering Circular or publish a new Offering Circular if we subsequently offer or list Debt Securities. If the terms of the Facility are modified or amended in a manner that would make this Offering Circular, as amended or supplemented, inaccurate or misleading, we will prepare a further amendment to this Offering Circular or a new Offering Circular.

SUMMARY

This Summary contains selected information about the Debt Securities. It does not contain all of the information you should consider before purchasing the Debt Securities. You should refer to the remainder of this Offering Circular and to any related Pricing Supplement for further information. If a Pricing Supplement contains different information from this Offering Circular, you should rely on the Pricing Supplement.

Issuer . . . . . Freddie Mac, a stockholder-owned company chartered by Congress, is the **"Issuer"** of Debt Securities.

Debt Securities . . . . . **"Debt Securities"** are unsecured notes, bonds and other debt securities issued from time to time. We will issue Debt Securities in U.S. dollars or other currencies with maturities of one day or longer. Debt Securities with maturities of more than one year may be called **"Notes"** and those with maturities of more than ten years may be called **"Bonds."** These Debt Securities may be callable or non-callable. We use the phrase **"Term Debt Securities"** to refer to Debt Securities other than Reference Bills and other Discount Notes.

Discount Notes . . . . . A **"Discount Note"** will:

- have a maturity of one year or less from its Issue Date;
- be sold at a discount to its stated principal amount;
- not bear interest; and
- be paid only at maturity.

Medium-Term Notes . . . . . **"Medium-Term Notes"** are Term Debt Securities that will:

- pay principal in one or more of the following methods: (1) only at maturity; (2) periodically until maturity; or (3) upon redemption or repayment before maturity;
- bear interest at a fixed or variable interest rate or bear no interest; and
- have a maturity of one day or more from their Issue Dates.

Reference Securities . . . . . We will designate some Debt Securities as **"Reference Securities,"** which are scheduled U.S. dollar denominated issues in large principal amounts. Reference Bills are U.S. Dollar denominated Discount Notes (**"Reference Bills"**). Reference Notes® securities (**"Reference Notes"**) are U.S. dollar denominated, non-callable Term Debt Securities with maturities of more than one year. Reference Bonds® securities (**"Reference Bonds"**) are U.S. dollar denominated, non-callable Term Debt Securities with maturities of more than ten years. Callable Reference Notes℠ securities (**"Callable Reference Notes"**) are U.S. dollar denominated, callable Term Debt Securities with maturities of more than one year. Issuances may consist of new issues of Reference Securities or the "reopening" of an existing issue.

FreddieNotes® . . . . . FreddieNotes® Securities (**"FreddieNotes"**) are Medium-Term Notes that permit persons acting on behalf of deceased beneficial owners to require us to repay principal prior to their Maturity Date.

Amount . . . . . We may issue an unlimited amount of Debt Securities under this debt facility (the **"Facility"**).

Legal Status . . . . . Unless otherwise specified in the applicable Pricing Supplement, the Debt Securities will be unsecured general obligations having the same priority as all of our other unsecured and

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"Callable Reference Notes℠" is a service mark of Freddie Mac. "Reference Notes®," "Reference Bonds®" and "FreddieNotes®" are registered trademarks of Freddie Mac.

unsubordinated debt and ranking senior to any subordinated debt. **The United States does not guarantee the Debt Securities or any interest or return of discount on the Debt Securities. The Debt Securities are not debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac.**

Pricing Supplements . . . . . We will offer Term Debt Securities by means of **"Pricing Supplements"** that will describe the specific terms, pricing information and other information for each issue of Term Debt Securities. If a Pricing Supplement contains different information from this Offering Circular, you should rely on the Pricing Supplement as to the related issue of Term Debt Securities.

Specified Currencies . . . . . We may denominate and make payments of principal and interest on the Debt Securities in any of the following Specified Currencies or in another currency specified in the applicable Pricing Supplement, subject to compliance with all relevant laws and regulations.

Australian dollars	Japanese yen (**"Yen"**)
British pounds sterling (**"Sterling"**)	Mexican pesos
Canadian dollars	New Zealand dollars
Danish kroner	Singapore dollars
Euros	Swedish kronor
Hong Kong dollars	Swiss francs
	U.S. dollars

Government or monetary authorities or clearing systems may require that Debt Securities denominated in certain currencies or currency units have certain denominations or have minimum or maximum maturities. The current minimum maturity for Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange is seven days.

Denominations . . . . . Unless otherwise indicated in the related Pricing Supplement or otherwise required by law, we will issue and maintain U.S. dollar denominated Debt Securities in minimum principal amounts of U.S. $1,000 and additional increments of U.S. $1,000. The denominations for all non-U.S. dollar denominated Debt Securities will be set forth in the applicable Pricing Supplement.

Any Debt Securities in respect of which either (a) the issue proceeds are received by us in the United Kingdom; or (b) the activity of issuing the Debt Securities is carried on from an establishment maintained in the United Kingdom and which have a maturity of less than one year from the date of issue must (x)(i) have a minimum redemption value of £100,000 (or an amount of equivalent value denominated wholly or partly in another currency) and no part of any such Debt Security may be transferred unless the redemption value of that part is not less than £100,000 (or such equivalent amount), and (ii) be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (y) be issued in other circumstances which do not constitute a contravention of section 19 (the general prohibition) of the Financial Services and Markets Act 2000 (the **"FSMA"**).

Term Debt Securities Redemption and Repayment . . . . . We may have the option to redeem some Term Debt Securities, in whole or in part, before their Maturity Dates. Also, holders of some Term Debt Securities may have the option to require repayment of

Term Debt Securities, in whole or in part, before their Maturity Dates. The Pricing Supplement for an issue of Term Debt Securities will say whether those Term Debt Securities are redeemable at our option or repayable at your option and will describe the redemption or repayment right.

Term Debt Securities Payment Terms . . . . . The related Pricing Supplement will specify the payment terms of Term Debt Securities.

Principal . . . . . Term Debt Securities may provide for payment of principal in several ways, including the following:

Fixed Principal Repayment Amount . . . . . Either (1) an amount equal to 100% of the principal amount of a Term Debt Security, payable on the applicable Maturity Date or date of redemption or earlier repayment; or (2) a specified amount above or below its principal amount, payable on that date.

Variable Principal Repayment Amount . . . . . A principal amount determined by reference to one or more indices, such as interest rate, exchange rate or swap rate indices or other formulas, payable on the applicable Maturity Date or date of redemption or repayment.

Amortizing Principal Repayment Amounts . . . . . Amounts of periodic payments of principal made during the term of a Term Debt Security.

Interest . . . . . Term Debt Securities may bear interest at fixed or variable rates (or a combination of fixed and variable rates), or may bear interest that is indexed by reference to an interest rate, exchange rate or swap rate or in some other manner, or may not bear interest. Term Debt Securities may be described in terms of various interest rate types, including these types:

Fixed Rate . . . . . Term Debt Securities that bear interest at a single fixed rate.

Variable Rate . . . . . Term Debt Securities that bear interest at a variable rate determined by reference to one or more specified indices or otherwise.

Fixed/Variable Rate . . . . . Term Debt Securities that bear interest at a single fixed rate during one or more specified periods and at a variable rate during other periods.

Range Accrual . . . . . Term Debt Securities that may not bear interest during periods when the applicable index is outside a specified range.

Step . . . . . Term Debt Securities that bear interest at different fixed rates during different periods.

Zero Coupon . . . . . Term Debt Securities that do not bear interest and are issued at a discount to their principal amount.

Stripping . . . . . The applicable Pricing Supplement will indicate whether Term Debt Securities may be stripped into interest and principal components.

Form of Debt Securities . . . . . We will issue Debt Securities in either book-entry form or registered form. We will not issue Debt Securities in bearer form.

Fed Book-Entry Debt Securities . . . . . **"Fed Book-Entry Debt Securities"** are Debt Securities denominated and payable in U.S. dollars that are issued in book-entry form on the book-entry system (**"Fed Book-Entry System"**) of the U.S. Federal Reserve Banks (individually, a **"Federal Reserve Bank"** and, collectively, the **"Federal Reserve Banks"**). Debt Securities on the Fed Book-Entry System may be held of record only by entities eligible to maintain book-entry

accounts with a Federal Reserve Bank (**"Fed Participants"**). Holders may not exchange Fed Book-Entry Debt Securities for definitive Debt Securities.

Registered Debt Securities . . . . . **"Registered Debt Securities"** are Debt Securities that are not Fed Book-Entry Debt Securities. We generally will issue Registered Debt Securities in global registered form. Registration will be in the name of the common depository for a clearing system through which investors will maintain ownership interests in Registered Debt Securities in global registered form. Interests in such Debt Securities may be exchanged for definitive Debt Securities only in the limited circumstances described in this Offering Circular. In addition, we may issue Registered Debt Securities in definitive registered form if specified in the applicable Pricing Supplement. See "Description of the Debt Securities — Registered Debt Securities — Exchange for Definitive Debt Securities."

Fiscal Agent. . . . . The Federal Reserve Bank of New York (**"FRBNY"**) will act as fiscal agent for Fed Book-Entry Debt Securities (**"Fiscal Agent"**) under a Uniform Fiscal Agency Agreement (as amended, supplemented or replaced from time to time, the **"Fiscal Agency Agreement"**).

Global Agent . . . . . Citibank, N.A.'s London office (**"Citibank — London"**) is the global agent for Registered Debt Securities (the **"Global Agent"**) under a Global Agency Agreement (as amended, supplemented or replaced from time to time, the **"Global Agency Agreement"**).

Registrar . . . . . Citigroup Global Markets Deutschland AG & Co. KGaA is the Registrar for Registered Debt Securities.

Clearance and Settlement . . . . . Depending on the terms of an issue of Debt Securities and where they are offered, the Debt Securities may clear and settle through one or more of the following:

- the Federal Reserve Banks;
- The Depository Trust Company (**"DTC"**);
- Euroclear;
- Clearstream, Luxembourg; or
- any other designated clearing systems.

Most Debt Securities denominated and payable in U.S. dollars, including all Reference Securities, will clear and settle through the Fed Book-Entry System, if distributed within the United States, and through Euroclear and/or Clearstream, Luxembourg, if distributed outside the United States. Most Debt Securities denominated and payable in a Specified Currency other than U.S. dollars will clear and settle through DTC, if distributed within the United States, and through Euroclear and/or Clearstream, Luxembourg, if distributed outside the United States.

Holders . . . . . The term **"Holders"** means:

- in the case of an issue of Fed Book-Entry Debt Securities, the Fed Participants appearing on the book-entry records of a Federal Reserve Bank as Holders;
- in the case of an issue of Registered Debt Securities in global registered form, the depository or its nominee in whose name the issue is registered on behalf of a related clearing system; or
- in the case of an issue of Registered Debt Securities in definitive form, the persons in whose name such Debt Securities are registered.

A Holder of a Debt Security is not necessarily the beneficial owner of that Debt Security. Investors owning beneficial interests in Debt Securities will typically do so through the Fed Book-Entry System in the case of Fed Book-Entry Securities, or the book-entry facilities of the clearing system that maintains ownership in the case of Registered Debt Securities in global registered form. Therefore, beneficial owners ordinarily will hold Debt Securities through one or more financial intermediaries, such as banks, brokerage firms and other participants in securities clearing organizations. A Holder that is not the beneficial owner of a Debt Security, and each other financial intermediary in the chain between the Holder and the beneficial owner, will be responsible for establishing and maintaining accounts for their respective customers and for remitting payments to those accounts.

See "Description of the Debt Securities — Fed Book-Entry Debt Securities" and "— Registered Debt Securities."

Securities Agreements . . . . . We will issue Term Debt Securities under the Global Debt Facility Agreement, dated the same date as this Offering Circular, among Freddie Mac and the Holders of the Term Debt Securities (**"Global Debt Facility Agreement"**).

We will issue Discount Notes, including Reference Bills, under the Discount Note Agreement, dated the same date as this Offering Circular, among Freddie Mac and the Holders of Discount Notes (**"Discount Note Agreement"**).

We refer to the Global Debt Facility Agreement and the Discount Note Agreement, collectively, as the **"Agreements"** and, individually, as an **"Agreement."**

Method of Payment . . . . . We will make payments on Fed Book-Entry Debt Securities through the FRBNY as our fiscal agent. The FRBNY will credit payments on such Debt Securities to the accounts of Fed Participants. Each Holder, and each other financial intermediary in the chain to the beneficial owner, will be responsible for remitting payments to their customers.

We will make payments on Registered Debt Securities to the applicable clearing system (or its nominee) in the Specified Currency in immediately available funds or, in the case of definitive Registered Debt Securities, to the registered Holders by check unless otherwise arranged.

Governing Law . . . . . The Debt Securities will be governed by the federal laws of the United States. The laws of the State of New York will be deemed to reflect the federal laws of the United States, unless there is applicable precedent under federal law or the application of New York law would frustrate the purposes of the Freddie Mac Act or the applicable Agreement.

Tax Status . . . . . The Debt Securities and income or return of discount derived from the Debt Securities generally are subject to taxation by the United States and generally are not exempt from taxation by other U.S. or non-U.S. taxing jurisdictions. Unless they establish an exemption by filing a Form W-8BEN or otherwise, Non-U.S. Owners generally will be subject to United States federal income and withholding tax. See "Certain United States Federal Tax Consequences — Non-U.S. Owners — Interest."

We will not pay additional interest or other amounts or redeem the Debt Securities prior to maturity if any jurisdiction imposes any withholding or other tax on payments on the Debt Securities. If any particular issue of Debt Securities is "targeted to foreign markets"

under U.S. Treasury regulations (the **"Regulations"**), the applicable Pricing Supplement will describe any special tax considerations that apply.

Listing . . . . . The applicable Pricing Supplement will specify the exchange, if any, on which we will apply to list a particular issue of Debt Securities. We may apply to have some Debt Securities issued under this Facility admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange. Our application with the Euro MTF Market of the Luxembourg Stock Exchange applies to Debt Securities issued within twelve months of the date of this Offering Circular. We may list an issue of Debt Securities on one, both or neither of these exchanges. We may also list an issue of Debt Securities on other exchanges or no exchange at all.

Luxembourg Transfer, Paying and Listing Agent . . . . . BGL S.A. is the **"Luxembourg Transfer, Paying and Listing Agent."**

Method of Distribution . . . . . We generally will sell Term Debt Securities to one or more Dealers acting as principals for resale to investors either at a fixed price or at varying prices determined by the relevant Dealer or Dealers. These sales may be by auction or other methods. The applicable Pricing Supplement will specify the names of the Dealer or Dealers for a particular issuance of Term Debt Securities. Alternatively, we may allow Dealers to solicit purchases of Term Debt Securities on an agency basis or we may sell Term Debt Securities directly to investors.

In general, we will sell Reference Bills and other Discount Notes through Dealers, acting as our agents, or we will sell them directly to investors.

Offering Price . . . . . Term Debt Securities may be offered at fixed prices equal to par, or at a discount to or premium over par, or at varying prices relating to prevailing market prices at the time of resale as determined by the applicable Dealer, as specified in the applicable Pricing Supplement.

Reference Bills and other Discount Notes are offered at a discount to par.

Selling Restrictions . . . . . Some jurisdictions restrict the offers and sales of Debt Securities and the distribution of offering materials. If any particular issue of Debt Securities is "targeted to foreign markets" under the Regulations, the Pricing Supplement for the Debt Securities will describe the selling restrictions that apply. See "Distribution Arrangements — Selling Restrictions" and Appendix C.

RISK FACTORS

This section describes some of the general risks and considerations that you should examine before investing in the Debt Securities. There may be other risks and considerations that are not discussed below or that are discussed in any applicable Pricing Supplement that you should consider. These risks and considerations may vary in importance depending on your particular circumstances and on various economic, interest rate and exchange rate scenarios. Therefore, you should consult your own financial and legal advisors to determine the suitability for you of a particular issue of Debt Securities. In addition, you should review "Risk Factors" in our Annual Report, which describes various risks relevant to investors in our securities.

The Debt Securities May Not Be Suitable For You

The Debt Securities are not suitable investments for all investors. Before investing in a particular issue of Debt Securities, you should:

- possess, either alone or with an investment advisor, the expertise and analytical tools necessary to evaluate, in the context of your financial situation, the particular features of the Debt Securities, the risks and benefits of investing in the Debt Securities and the effect of the Debt Securities on your overall investment portfolio;
- have sufficient financial resources and liquidity to bear the risks associated with the Debt Securities;
- understand the information contained and incorporated in this Offering Circular and any related Pricing Supplement;
- understand the terms of the Debt Securities; and
- understand any applicable legal investment restrictions.

Sophisticated institutional investors generally do not purchase complex Debt Securities as stand-alone investments. Rather, they may invest in certain types of complex Debt Securities to reduce the risk of their overall portfolio or to enhance their yield by adding an appropriate level of risk to their overall portfolio. You should not purchase any Debt Securities unless you understand and are able to bear the associated yield, market, liquidity and structure risks, including risks associated with any redemption provisions, periodic interest rate adjustments and exchange rates and controls. You should decide whether to invest in an issue of Debt Securities based on your own financial needs and the anticipated performance of the Debt Securities under a variety of economic, interest rate and exchange rate scenarios.

Structured Term Debt Securities May Be Complex and Involve Greater Risks

Historically, the majority of the Term Debt Securities we issue have been fixed rate debt obligations, including those that are redeemable at our option prior to their maturity. Although these Term Debt Securities present certain risks to investors, they do not present all of the risks associated with more complex Term Debt Securities.

More complex Term Debt Securities (such as Variable Rate, Variable Principal Repayment Amount, Range Accrual and Amortizing Debt Securities) may involve greater risk. They may have principal or interest payments determined, either directly or inversely, by reference to one or more indices (including interest rate, exchange rate, currency, swap or equity indices or formulas). An investment in such Term Debt Securities entails risks not associated with an investment in a conventional fixed rate debt security. These risks include the possibility that:

- the applicable index or indices may change significantly;
- changes in the applicable index or indices may not correlate with changes in interest rates or currencies generally, nor with changes in other indices;
- changes in the applicable index or indices will be magnified or diminished if the Term Debt Securities' principal or interest formula contains a leverage factor or a deleverage factor;

- the applicable index or indices may be subject to maximum (**"Cap"**) or minimum (**"Floor"**) interest rate or exchange rate limitations;
- the timing of changes in an applicable index or indices may affect your actual yield, even if the average level is consistent with your expectations (in general, the earlier the change in the applicable index or indices, the greater the effect on yield);
- two or more indices or formulas that you may expect to move in tandem or in some other relationship to each other may unexpectedly converge, diverge or otherwise not move as expected;
- currency devaluations may occur or monetary authorities may impose or modify currency exchange controls;
- the resulting interest rate may be less than the interest rate payable on a conventional fixed rate debt security we issued at the same time and, in some cases, may be as low as zero;
- you may receive repayments of principal at times other than you expect;
- you may not receive interest payments or may receive substantially reduced interest payments for extended periods of time;
- you may lose all or a substantial portion of the principal of your Term Debt Security (whether payable at maturity, upon redemption or otherwise); and
- the value of Term Debt Securities with complex formulas or other terms may be volatile.

These risks may depend on a number of interrelated factors that we cannot control, including financial, economic, regulatory and political developments. In the past, certain interest rates, currencies, currency units, exchange rates and swap, equity and other indices have been highly volatile. This volatility may continue in the future. Past fluctuations or relative stability in any particular interest rate, currency, currency unit, exchange rate, swap rate or index do not necessarily indicate the fluctuations that may occur, or the level of stability that may exist, in the future.

You should have knowledge of, and access to, appropriate analytical tools to evaluate quantitatively the effect of the particular features of the Term Debt Securities you are considering purchasing and the resulting effects upon their yields and values.

Exchange Rate Risks and Exchange Controls May Affect the Timing or Amount of Interest and Principal Paid on Your Term Debt Securities

Each issue of Term Debt Securities will be denominated in one or more Specified Currencies in which we will pay principal and any interest. We may determine the amount of principal or interest payments on an issue of Term Debt Securities by reference to one or more Specified Currencies (including exchange rates and swap indices between currencies or currency units) that may be different from the denominated Specified Currency. You may conduct your financial activities in a currency other than the Term Debt Securities' denominated Specified Currencies or other than the Specified Currencies that determine the amount of the Term Debt Securities' principal or interest payments. In those cases, an investment in the Term Debt Securities involves more risks than if the Term Debt Securities were denominated in or indexed solely in relation to your currency. These risks include the possibility that:

- the rate of exchange between the applicable Specified Currency and your currency may change significantly (including changes as a result of devaluation of the Specified Currency or revaluation of your currency);
- changes in exchange rates may decrease the effective yield on the Term Debt Securities and, in certain circumstances, cause you to lose all or a substantial portion of the principal of the Term Debt Securities;
- if the value of your currency appreciates relative to the value of the applicable Specified Currency, the yield on the Term Debt Securities, the value of payments on the Term Debt

Securities and the market value of the Term Debt Securities all would decrease in terms of your currency, while depreciation in the value of your currency relative to the value of the applicable Specified Currency would have the opposite effect; and

- authorities with jurisdiction over the applicable Specified Currency or your currency may impose or modify currency exchange controls.

In the past, certain exchange rates and indices have been highly volatile. This volatility may continue in the future. Past fluctuations or relative stability in any particular exchange rate or index, however, do not necessarily indicate the fluctuations that may occur, or the level of stability that may exist, in the future.

Government and monetary authorities have imposed, and may impose in the future, exchange controls that could affect exchange rates as well as the availability of the applicable Specified Currency when payments of principal or interest are due on an issue of Term Debt Securities. Even in the absence of actual exchange controls, it is possible that when payments on a particular issue of Term Debt Securities are due:

- the government issuing the applicable Specified Currency (or any successor to that Specified Currency) may no longer use the Specified Currency (or any successor currency);
- the international banking community may no longer use the applicable Specified Currency (or any successor currency) to settle transactions; and
- the applicable Specified Currency (or any successor currency) may no longer be available for some other reason.

In these cases, we generally will be entitled to satisfy our obligations on the Term Debt Securities in U.S. dollars. In addition, under certain circumstances, we may make payments in euros for Term Debt Securities originally denominated in currencies replaced by the euro. See "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies — Unavailability."

Various Factors Could Adversely Affect the Trading Value and Yield of Your Debt Securities

Secondary Markets and Market Values

The Debt Securities generally will not have an established trading market when issued. Certain Dealers have advised us that they intend to use reasonable efforts to make a secondary market in the Debt Securities that they offer, but they are not obligated to do so. These Dealers may discontinue any such secondary market making at any time without notice. Consequently:

- a secondary market for any of the Debt Securities may not develop, particularly for those Debt Securities that are especially sensitive to interest rate or market risks or are structured to meet the investment requirements of limited categories of investors; or
- if a secondary market develops, it may not be liquid at all times.

As a result, you may not be able to sell your Debt Securities easily or at prices comparable to similar instruments with a developed secondary market. If you are seeking to purchase or sell very small or very large amounts of Debt Securities, you may not be able to do so at prices comparable to those available to other investors.

The market values of Debt Securities likely will fluctuate over time, perhaps significantly. These fluctuations could cause significant losses to your investment in Debt Securities, especially if you dispose of your Debt Securities prior to their respective maturities. The market prices of instruments issued at either a substantial discount (such as Zero Coupon Debt Securities) or a substantial premium (such as Debt Securities with significantly above-market interest rates) from their principal amount tend to fluctuate more in relation to general changes in interest rates than do the prices of securities with comparable maturities that are not issued at such a discount or premium.

A number of factors may affect any secondary market for, and the market value of, an issue of Debt Securities, including:

- the creditworthiness of Freddie Mac and market perceptions thereof that may result from actual or potential financial, regulatory or legislative developments;
- the value, complexity and volatility of any applicable index or indices;
- the method of calculating principal or interest payments on the Debt Securities;
- the remaining term to maturity of the Debt Securities;
- any redemption or repayment features of the Debt Securities;
- the outstanding amount of the Debt Securities;
- the amount of other securities linked to any applicable index or indices;
- the amount of Debt Securities being sold in any secondary market from time to time;
- the stability of U.S. and non-U.S. currencies;
- any legal restrictions or tax treatment that limits demand for the Debt Securities;
- the availability of comparable securities, including comparable U.S. Treasury securities;
- fluctuations in the spread of the Debt Securities to comparable U.S. Treasury securities; and
- the level, direction and volatility of market interest rates generally.

You should not purchase any Debt Securities unless you understand and can bear the risks that you may not be able to resell them easily, that their value will fluctuate over time and that these fluctuations may be significant and cause significant losses to you. Illiquidity may have a severely adverse effect on the market values of the Debt Securities. These risks of limited liquidity and price volatility are greatest for Debt Securities that are:

- especially sensitive to interest rate, currency or market risks;
- designed for specific investment objectives or strategies;
- structured to meet the investment requirements of limited categories of investors; or
- not held until maturity.

Redeemable Term Debt Securities

We will have the option to redeem Term Debt Securities prior to their maturity, if we so provide in the related Pricing Supplement. The redemption price typically is 100% of the principal amount plus accrued interest, in the case of Term Debt Securities that bear interest, or the accreted value to the redemption date, in the case of Zero Coupon Debt Securities. These optional redemption provisions are likely to restrict the market values that the affected Term Debt Securities would otherwise have. For example, the market price of Term Debt Securities generally will not rise substantially above the redemption price during (and possibly before) any period when we may redeem such Term Debt Securities because of the increased likelihood of redemption. If we redeem a portion of an issue of Term Debt Securities, the market for the Term Debt Securities left outstanding may become less liquid, which may have an adverse effect on the market price of, or your ability to sell, such Term Debt Securities.

In general, we are most likely to redeem Term Debt Securities when prevailing interest rates and our borrowing costs are relatively low and are least likely to redeem Term Debt Securities when prevailing interest rates and our borrowing costs are relatively high. Our decision to redeem or not to redeem an issue of Term Debt Securities may also be affected by any related hedge or derivative position that we hold. If we redeem Term Debt Securities when prevailing interest rates are relatively low, you may not be able to reinvest the redemption proceeds in comparable securities with similar yields.

Some Term Debt Securities may be redeemable at a variable amount determined by reference to one or more interest rate, exchange rate or other indices. The redemption proceeds of those Term Debt Securities will vary depending on the level of the applicable index, and you may receive less than 100% of your original principal amount upon redemption.

Fixed Rate Debt Securities

Fixed Rate Debt Securities, if held to maturity, will provide return of their principal and the certainty of interest payments at a fixed rate. However, the market values of Fixed Rate Debt Securities are likely to fluctuate with changes in prevailing interest rates.

The market values of Fixed Rate Debt Securities generally will rise in a falling interest rate environment and will fall in a rising interest rate environment. This fluctuation creates risk of loss of investment capital if you dispose of these Debt Securities prior to maturity. This effect on market values is generally greater for Debt Securities having relatively long remaining terms to maturity than for Debt Securities having relatively short remaining terms to maturity.

Zero Coupon Debt Securities

An investment in Zero Coupon Debt Securities presents certain risks that are different from an investment in Fixed Rate Debt Securities that pay interest periodically. If you hold the Zero Coupon Debt Securities to maturity, they will provide return of your principal, including return of the discount, but their market value is likely to fluctuate substantially with changes in prevailing interest rates. The market value of the Zero Coupon Debt Securities generally will fall in a rising interest rate environment, creating a risk of loss of your investment capital if your circumstances do not permit you to hold the Zero Coupon Debt Securities to maturity. The market value of the Zero Coupon Debt Securities generally will rise in a falling interest rate environment. The possibility of substantial price volatility, combined with the fact that payments on the Zero Coupon Debt Securities will be made only at maturity, also could affect the secondary market for, and the liquidity of, the Zero Coupon Debt Securities which may have an adverse effect on the market value of, or your ability to sell, such Zero Coupon Debt Securities. Zero Coupon Debt Securities that are redeemable involve certain additional risks. See "Risk Factors — Various Factors Could Adversely Affect the Trading Value and Yield of Your Debt Securities — Redeemable Term Debt Securities."

The market values of Zero Coupon Debt Securities and other Debt Securities issued at substantial discounts tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer their remaining term, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. For example, this effect on market value is generally greater for Term Debt Securities than for Discount Notes because of the generally short terms to maturity of Discount Notes.

Step Debt Securities

Step Debt Securities provide for one or more prescribed increases (or decreases) in their interest rates at specified dates. However, we may have the option to redeem Step Debt Securities at the beginning of or during one or more step periods. Therefore, you should consider the likelihood that we will redeem Step Debt Securities if their subsequent interest rates exceed the interest rates then available to us for comparable borrowings.

Although the interest rate on a Step Debt Security may increase on the specified dates, the increased interest rate may be below the interest rate that you would receive on newly issued but otherwise comparable instruments with the same remaining term to maturity.

Variable Rate Debt Securities

If the interest rate on a Variable Rate Debt Security bears a direct relationship to a specified index or indices, lower than anticipated levels of the index or indices could result in actual yields that are lower than

anticipated. Conversely, if the interest rate on a Variable Rate Debt Security bears an inverse relationship to a specified index or indices, higher than anticipated levels of the index or indices could result in actual yields that are lower than anticipated.

Inverse Variable Rate Debt Securities have an interest rate equal to a fixed rate minus a rate based upon an applicable index. The market values of inverse Variable Rate Debt Securities typically are more volatile than market values of our conventional Variable Rate Debt Securities based on the same applicable index (and with otherwise comparable terms). This is because an increase in the applicable index not only decreases the interest rate of the inverse Variable Rate Debt Security, but also often reflects an increase in prevailing interest rates, which further adversely affects the market value of these Debt Securities.

The indices applicable to Variable Rate Debt Securities are not likely to remain constant at any level. The timing of a change in the level of an applicable index may affect the actual yield you receive, even if the average level is consistent with your expectation. In general, the earlier a change in the level of an applicable index, the greater the effect on your yield, especially for Variable Rate Debt Securities that provide for repayment of principal at one or more times prior to maturity. As a result, the effect on the yield you receive of an index that is lower (or higher) than the rate anticipated during earlier periods is not likely to be offset by a later equivalent increase (or reduction). Moreover, changes in the index applicable to a particular Variable Rate Debt Security may not correlate with changes in interest rates generally or with changes in other indices. Your yield could be either adversely or positively affected if changes in the index applicable to your Variable Rate Debt Security do not reflect changes in interest rates generally.

The interest rate formula for a Variable Rate Debt Security may include a multiplier that is applied to an index in determining the applicable interest rate. In general, a multiplier of greater than one will cause changes in the interest rate of the Variable Rate Debt Security to be more pronounced than changes in the value of the applicable index, while a multiplier of less than one will have the opposite effect. Variable Rate Debt Securities with multipliers of greater than one are **"leveraged,"** and those with multipliers of less than one are **"deleveraged."**

In general, the volatility associated with the level of an applicable index is higher for leveraged Variable Rate Debt Securities and lower for deleveraged Variable Rate Debt Securities. For example, the interest rate of a leveraged Variable Rate Debt Security bearing an inverse relationship to a specified index generally will decline sharply as the value of the applicable index increases. By contrast, the interest rate of a deleveraged Variable Rate Debt Security bearing an inverse relationship to a specified index generally will decline more slowly as the value of the applicable index increases.

Investors in Variable Rate Debt Securities should also consider the effects on their interest rates and yields of any applicable Caps or Floors and of any delays in periodic interest rate adjustments. Some Variable Rate Debt Securities are Range Accrual Debt Securities, which provide for no interest to accrue during periods when the applicable index is outside a specified range. The market values of Variable Rate Debt Securities with Caps or Floors or with such a range feature generally are more volatile than those of Variable Rate Debt Securities linked to the same applicable index or indices without Caps or Floors or a range feature, especially when the applicable index or indices approach or pass the Cap or Floor or an endpoint of the applicable range.

Fixed/Variable Rate Debt Securities

Some Fixed/Variable Rate Debt Securities may bear interest at a rate that converts, or that we may elect to convert, from a fixed rate to a variable rate, or from a variable rate to a fixed rate. The convertibility of the interest rate will affect the secondary market and the market values of such Debt Securities. If the interest rate is convertible at our election, we may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If we convert from a fixed rate to a variable rate, the spread above or below the applicable index or indices may be less favorable than the prevailing spreads on our comparable conventional Variable Rate Debt Securities tied to the same index or indices. In addition, the new variable rate at any time may be lower than the rates on our other Variable Rate Debt Securities. If we

convert from a variable rate to a fixed rate, the fixed rate may be lower than then prevailing rates on our other comparable Fixed Rate Debt Securities.

Debt Securities with Variable or Amortizing Principal Repayment

Term Debt Securities with Variable or Amortizing Principal Repayment Amounts provide for payments of principal or their redemption price to be determined based on one or more indices. Before purchasing such a Term Debt Security you should understand the indices used in calculating payments. These indices may fluctuate independently of other indices. Fluctuations in indices may cause you to receive principal at a different time or in a lesser amount than you anticipate.

Debt Securities Eligible for Stripping

Some issues of Fixed Rate Debt Securities and Step Debt Securities will be eligible to be separated (**"stripped"**) into Interest Components and Principal Components. The related Pricing Supplement will indicate which issues of Debt Securities are eligible to be stripped. The secondary market, if any, for the Interest Components and Principal Components of stripped Debt Securities may be more limited and have less liquidity than the secondary market for Debt Securities of the same issue that have not been stripped. The liquidity of an issue of Debt Securities also may be reduced if a significant portion of the Debt Securities are stripped. See "Description of the Debt Securities — Term Debt Securities — Stripped Debt Securities" for more information on stripping.

Legal Investment Considerations May Restrict Certain Investors

You should consult your own legal advisors in determining whether the Debt Securities are legal investments for you and whether you can pledge the Debt Securities as collateral for various types of borrowings. In addition, if you are a financial institution, you should consult your legal advisors or regulators to determine how to treat Debt Securities under any applicable risk-based capital or similar rules.

Certain legal investment laws and regulations or regulatory authorities may restrict an institution's investment in certain types of Debt Securities or in Debt Securities generally. An institution under the jurisdiction of regulatory agencies should review any applicable regulations, policy statements and guidelines before purchasing or pledging Debt Securities.

Credit Ratings May Not Reflect All Risks

Rating agencies may assign credit ratings to the Debt Securities. Any credit ratings assigned to Debt Securities may not reflect the potential impact of all risks related to structure, yield, market, liquidity and other factors affecting their value. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency.

DESCRIPTION OF THE DEBT SECURITIES

General

The Debt Securities will be issued pursuant to:

- Section 306(a) of the Freddie Mac Act;
- in the case of Term Debt Securities, the Global Debt Facility Agreement and the related Pricing Supplement; and
- in the case of Reference Bills and other Discount Notes, the Discount Note Agreement.

Copies of the Global Debt Facility Agreement and the Discount Note Agreement and any applicable Pricing Supplement are available as described under "Additional Information" above. By receiving and accepting a Debt Security, or an interest in a Debt Security, you agree to be bound by the terms and conditions of the applicable Agreement. See "The Agreements — Binding Effect of the Agreements."

The Debt Securities are obligations of Freddie Mac only. The Debt Securities, including any interest or return of discount on the Debt Securities, are not guaranteed by and are not debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac.

We may issue an unlimited amount of Debt Securities from time to time. The Debt Securities may be issued as Reference Securities, which are U.S. dollar denominated, scheduled issues in large principal amounts. Our current Reference Securities are:

- Reference Bills — U.S. dollar denominated, non-callable Debt Securities with maturities of one year or less
- Reference Notes — U.S. dollar denominated, non-callable Debt Securities with maturities of more than one year
- Callable Reference Notes — U.S. dollar denominated, callable Debt Securities with maturities of more than one year
- Reference Bonds — U.S. dollar denominated, non-callable Debt Securities with maturities of more than ten years

Issuances may consist of new issues of Reference Securities or reopenings of an existing issue.

We may issue other Debt Securities, denominated in U.S. dollars or other currencies, with maturities of one day or longer. These Debt Securities will have various terms, as described in this Offering Circular and any applicable Pricing Supplement, and may be:

- Discount Notes — U.S. dollar denominated non-callable, non-interest-bearing Debt Securities with maturities of one year or less
- Notes — callable or non-callable Term Debt Securities with maturities of more than one day
- Bonds — callable or non-callable Term Debt Securities with maturities of more than ten years

We will issue the Debt Securities in book-entry, global registered or definitive registered form. The FRBNY will act as fiscal agent for Fed Book-Entry Debt Securities under the Fiscal Agency Agreement between Freddie Mac and the FRBNY. Citibank — London will act as Global Agent for Registered Debt Securities under the Global Agency Agreement between Freddie Mac and Citibank, N.A., acting through Citibank — London. Citigroup Global Markets Deutschland AG & Co. KGaA will act as the Registrar for Registered Debt Securities. BGL S.A. will act as the Luxembourg transfer, paying and listing agent for Registered Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange.

Specified Currencies and Specified Payment Currencies

We will denominate and make payment for each Debt Security in one or more currencies or currency units (each, a **"Specified Currency"**) as specified in the applicable Pricing Supplement. Fed Book-Entry Debt Securities will be denominated and payable in U.S. dollars only.

Except under the limited circumstances referred to in "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies — Unavailability," we will make payments of any interest on Debt Securities in the Specified Currency designated for interest payments (the **"Specified Interest Currency"**) and will make payments of principal of Debt Securities in the Specified Currency designated for principal payments (the **"Specified Principal Currency"**). The Specified Interest Currency and Specified Principal Currency together constitute the **"Specified Payment Currency."** See "Description of the Debt Securities — Fed Book-Entry Debt Securities — Payments" and "Description of the Debt Securities — Registered Debt Securities — Payments." However, any amounts we pay to a Holder in the United States on DTC Registered Debt Securities in a Specified Payment Currency other than U.S. dollars will be converted into U.S. dollars as described under "Currency Conversions — Payment

on DTC Registered Debt Securities," unless the Holder elects to receive payments in the Specified Payment Currency.

Government or monetary authorities, applicable laws or stock exchange regulations may prescribe denominations or minimum or maximum maturities for some Debt Securities. We describe some of these requirements in this Offering Circular. We will describe any additional requirements for an issue of Debt Securities in the applicable Pricing Supplement.

European Economic and Monetary Union

The treaty establishing the European Community (the **"EC"**), as amended by the treaty on European Union (as so amended, the **"Treaty"**), contemplated that European economic and monetary union (**"EMU"**) would occur in three stages. On January 1, 1999 the third and final stage of EMU commenced with the irrevocable fixing of the exchange rates of the currencies of the initial 11 participating member states for interbank transfers in a single currency, the **"euro."** Complete replacement of member currencies was completed in 2002. As of the date of this Offering Circular, the participating member states in the European Economic and Monetary Union are Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

Unavailability

Except as set forth below, if a Specified Currency other than U.S. dollars is not available to us for making required payments due to the imposition of exchange controls, its replacement or disuse or other circumstances beyond our control, then we will be entitled to satisfy our obligations to Holders of the Debt Securities by making payments in U.S. dollars on the basis of the noon U.S. dollar buying rate in New York City for cable transfers for the Specified Currency published by the FRBNY on the date of such payment, or, if that currency exchange rate is not available on that date, as of the most recent prior practicable date.

For Debt Securities designated in a Specified Currency that is replaced by the euro as described under "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies — European Economic and Monetary Union" above, however, we may at our option (or will, if so required by applicable law), without the consent of the Holders of the Debt Securities, make payments in euros in lieu of the Specified Currency, in conformity with legally applicable measures taken pursuant to, or by virtue of, the Treaty or other applicable legal or regulatory requirements.

Any payment made in U.S. dollars or in euros as described above where the required payment is in an unavailable or replaced Specified Currency will not constitute an Event of Default under either Agreement.

Denominations

Unless otherwise specified in the applicable Pricing Supplement or otherwise required by law, we will issue and maintain U.S. dollar denominated Debt Securities in minimum denominations of U.S. $1,000 and additional increments of U.S. $1,000. In the case of Zero Coupon Debt Securities, denominations will be expressed in terms of the principal amount payable on the Maturity Date. The denominations for all non-U.S. dollar denominated Debt Securities will be set forth in the applicable Pricing Supplement.

Any Debt Securities in respect of which either (a) the issue proceeds are received by us in the United Kingdom; or (b) the activity of issuing the debt securities is carried on from an establishment maintained in the United Kingdom and which have a maturity of less than one year from the date of issue must (x)(i) have a minimum redemption value of £100,000 (or an amount of equivalent value denominated wholly or partly in another currency) and no part of any such Debt Security may be transferred unless the redemption value of that part is not less than £100,000 (or such an equivalent amount), and (ii) be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or persons who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their

businesses; or (y) be issued in other circumstances which do not constitute a contravention of section 19 (the general prohibition) of the FSMA.

Status of Debt Securities

The Debt Securities will be unsecured general obligations of Freddie Mac. The Agreements do not limit other indebtedness or securities that we may incur or issue and do not contain any financial or similar restrictions on us or any restrictions on our ability to secure indebtedness. We may issue an unlimited amount of Debt Securities under the Agreements.

Term Debt Securities

Maturity, Redemption and Optional Repayment

Each Term Debt Security will mature on a date (the **"Maturity Date"**) one day or longer from the date on which we issue the Debt Security (the **"Issue Date"**), as specified in the applicable Pricing Supplement, unless redeemed earlier at our option or repaid at your option. As of the date of this Offering Circular, the minimum maturity for Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange is seven days. We may issue Term Debt Securities with any minimum or maximum maturities or variable maturities allowed or required from time to time by the relevant regulatory or stock exchange authority or clearing system or any laws or regulations applicable to the Specified Currency.

As provided in the applicable Pricing Supplement, the principal amount payable on the Maturity Date or upon redemption or repayment of a Term Debt Security will be either:

- a fixed amount (the **"Fixed Principal Repayment Amount"**) equal to 100% of the principal amount (*i.e.*, par), or a specified amount above or below that principal amount; or
- an amount (the **"Variable Principal Repayment Amount"**) determined by reference to one or more interest rate, exchange rate or swap rate indices or otherwise.

In addition, we may issue **"Amortizing Debt Securities"** where we make periodic payments of principal during their terms as described in the related Pricing Supplement. Amortizing Debt Securities may bear interest at fixed or variable rates.

The Pricing Supplement will specify whether an issue of Term Debt Securities may be redeemable at our option or repayable at your option, in whole or in part, prior to its Maturity Date. If we so provide in the Pricing Supplement, an issue of Term Debt Securities may be redeemable or repayable before maturity:

- in whole or from time to time in part as applicable;
- on one or more specified dates;
- at any time on or after a specified date; or
- during one or more specified periods of time.

The redemption or repayment price will be determined as described in the applicable Pricing Supplement.

Certain redeemable Term Debt Securities offered for sale in the United Kingdom may be subject to certain restrictions under the FSMA. See "Description of Debt Securities — General — Denominations."

Unless a different notice period is specified in the applicable Pricing Supplement, we will give you notice of optional redemption from five Business Days to 60 calendar days before the redemption date in the manner described under "The Agreements — Notice." Notice provisions relating to Holders' exercise of any option to require repayment will be provided in the related Pricing Supplement.

If we redeem a portion of an issue of Fed Book-Entry Debt Securities, we will redeem a pro rata portion of them. If we redeem a portion of an issue of Registered Debt Securities, the Global Agent will reduce one or more of the Registered Debt Securities in the amount of the redemption, ensuring that the principal

amount of each Registered Debt Security remains in an authorized denomination. The effect of any partial redemption of an issue of Registered Debt Securities on the entities or individuals that beneficially own Debt Securities (each, a **"Beneficial Owner"**) will depend on the procedures of the applicable clearing system and, if applicable, on the procedures of the participants through which the Beneficial Owners hold their interests.

FreddieNotes are a type of Term Debt Securities that are repayable at the option of a representative of a deceased beneficial owner, subject to limits on both the amount of repayments on FreddieNotes owned by one person or estate and the aggregate amount of repayments on FreddieNotes in any calendar year.

Interest Payments

Term Debt Securities may bear interest at one or more fixed rates or variable rates or may not bear interest. The applicable Pricing Supplement will specify whether a Term Debt Security is a Fixed Rate Debt Security, a Step Debt Security, a Variable Rate Debt Security, a Fixed/Variable Rate Debt Security, a Zero Coupon Debt Security or a Range Accrual Debt Security. Each of these types of Term Debt Securities is defined below:

- **"Fixed Rate Debt Securities"** are Term Debt Securities that bear interest at a single fixed rate.
- **"Step Debt Securities"** are Term Debt Securities that bear interest at different fixed rates during different specified periods.
- **"Variable Rate Debt Securities"** are Term Debt Securities that bear interest at a variable rate determined by reference to one or more interest rate or exchange rate indices, or otherwise.
- **"Fixed/Variable Rate Debt Securities"** are Term Debt Securities that bear interest at a fixed rate during one or more periods and at a variable rate during other periods.
- **"Zero Coupon Debt Securities"** are Term Debt Securities that do not bear interest and are issued at a discount to their principal amount payable at maturity.
- **"Range Accrual Debt Securities"** are Variable Rate Debt Securities that provide that no interest will accrue during periods when the applicable index is outside a specified range.

If provided in the applicable Pricing Supplement, the Holder may separate Term Debt Securities into an Interest Component that includes the right to receive all interest payments, or specified portions of interest payments, and a Principal Component that includes the right to receive principal payments only or principal payments and specified portions of interest payments. See "Description of the Debt Securities — Term Debt Securities — Stripped Debt Securities" below.

The applicable Pricing Supplement will specify the frequency with which interest, if any, is payable on the related Term Debt Securities. Interest on Term Debt Securities will be payable in arrears on each date specified in the applicable Pricing Supplement (each, an **"Interest Payment Date"**). Zero Coupon Debt Securities will not bear interest.

Each issue of interest-bearing Term Debt Securities will bear interest (1) from and including the immediately preceding Interest Payment Date or, if no interest has been paid or made available for payment on the issue of Term Debt Securities, from and including the Issue Date or any other date specified in the applicable Pricing Supplement; and (2) to, but excluding, the next succeeding Interest Payment Date or the applicable Principal Payment Date (each such period, an **"Interest Payment Period"**). The Maturity Date or, if applicable, earlier date of redemption or repayment is the **"Principal Payment Date"** for the principal of Term Debt Securities redeemable or repayable on that date. No interest will accrue on the principal of any Term Debt Security on or after the Principal Payment Date.

The Calculation Agent's determination of the interest rate on, or any index in relation to, a Variable Rate Debt Security, and the determination of any payment on any Term Debt Security (or any interim calculation in the determination of any such interest rate, index or payment) will be final and binding on all parties, absent manifest error. See "Description of the Debt Securities — Corrections" below.

Interest on any Term Debt Security accrues on the then outstanding principal amount. Payments on Debt Securities will be rounded, in the case of U.S. dollars, to the nearest cent or, in the case of any other Specified Payment Currency, to the nearest smallest transferable unit (with one-half cent or unit being rounded upwards).

In the event that any jurisdiction imposes any withholding or other tax on any payment made by us (or our agent or any other person potentially required to withhold) with respect to a Debt Security, we (or our agent or such other person) will deduct the amount required to be withheld from such payment and we will not pay additional interest or other amounts, or redeem or repay the Debt Securities prior to maturity, as a result of the imposition of such tax.

Fixed Rate Debt Securities

The applicable Pricing Supplement will specify the single fixed interest rate per annum on a Fixed Rate Debt Security. Unless we otherwise specify in the applicable Pricing Supplement, we compute interest on a Fixed Rate Debt Security on the basis of a 360-day year consisting of twelve 30-day months.

Step Debt Securities

Each Step Debt Security will bear interest from its Issue Date to a specified date at an initial fixed interest rate and then at one or more different fixed interest rates. A Step Debt Security can have one or more step periods. Step Debt Securities may contain provisions giving us the option to redeem them before, at the beginning of, or during a step period. The applicable Pricing Supplement will specify the fixed interest rate payable for each step period from issuance to maturity. Unless we otherwise specify in the applicable Pricing Supplement, we compute interest on a Step Debt Security on the basis of a 360-day year consisting of twelve 30-day months.

Variable Rate Debt Securities

Variable Rate Debt Securities will bear interest at a variable rate determined on the basis of either a direct or an inverse relationship to one or more specified interest rate, exchange rate or swap rate indices, or otherwise. Variable Rate Debt Securities also may bear interest in any other manner described in the applicable Pricing Supplement.

Variable Rate Debt Securities may bear interest determined by reference to one or more indices (1) plus or minus a Spread, if any; or (2) multiplied by one or more Multipliers, if any. We will specify the applicable index and any Spread or Multiplier in the Pricing Supplement for an issue of Variable Rate Debt Securities. A **"Spread"** means a constant or variable number to be added to or subtracted from the relevant index or formula. A **"Multiplier"** means a constant or variable number (which may be greater or less than one) to be multiplied by the relevant index or formula.

Variable Rate Debt Securities also may have either or both of the following:

- a Cap on the rate at which interest may accrue during any Interest Reset Period; and
- a Floor on the rate at which interest may accrue during any Interest Reset Period.

We will specify in the applicable Pricing Supplement the accrual method (*i.e.*, the day count convention) for calculating interest or any other relevant accrual factor on the related Variable Rate Debt Securities and may incorporate one or more of the following defined terms:

- **"Actual/360"** means a calculation on the basis of the actual number of days elapsed in a year of 360 days.
- **"Actual/365 (fixed)"** means a calculation on the basis of the actual number of days elapsed in a year of 365 days, regardless of whether accrual or payment occurs during a calendar leap year.
- **"Actual/Actual"** means, unless otherwise indicated in the applicable Pricing Supplement, a calculation on the basis of (1) the actual number of days elapsed in the Interest Payment Period

divided by 365; or (2) if any portion of the Interest Payment Period falls in a calendar leap year, (A) the actual number of days in that portion divided by 366 plus (B) the actual number of days in the remaining portion, if any, divided by 365. If so indicated in the applicable Pricing Supplement, "Actual/Actual" means a calculation in accordance with the definition of "Actual/Actual" adopted by the International Securities Market Association (**"ISMA"**) (**"Actual/Actual (ISMA)"**), which means that we will calculate payments of interest on the following basis:

(1) where the number of days in the relevant Interest Payment Period is equal to or shorter than the Determination Period during which such Interest Payment Period ends, the number of days in such Interest Payment Period divided by the product of (A) the number of days in such Determination Period, and (B) the number of Interest Payment Dates that would occur in one calendar year; or

(2) where the Interest Payment Period is longer than the Determination Period during which the Interest Payment Period ends, the sum of:

(A) the number of days in such Interest Payment Period falling in the Determination Period in which the Interest Payment Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Payment Dates that would occur in one calendar year; and

(B) the number of days in such Interest Payment Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Payment Dates that would occur in one calendar year;

where **"Determination Period"** means the period from and including one Calculation Date to, but excluding, the next Calculation Date and **"Calculation Date"** means, in each year, each of those days in the calendar year that are specified in the applicable Pricing Supplement as being the scheduled Interest Payment Dates regardless, for this purpose, of whether any such date is in fact an Interest Payment Date and, for the avoidance of doubt, a "Calculation Date" may occur prior to the Issue Date or after the last Principal Payment Date.

We will also specify in the Pricing Supplement (i) how frequently the rate of interest will reset; and (ii) the dates on which a new rate of interest becomes effective (each, a **"Reset Date"**).

If the interest rate will reset within an Interest Payment Period, then:

- the interest rate in effect on the sixth Business Day preceding an Interest Payment Date will be the interest rate for the remainder of that Interest Payment Period; and
- the first day of each Interest Payment Period also will be a Reset Date.

Variable Rate Debt Securities may bear interest prior to the initial Reset Date at an initial interest rate specified in the related Pricing Supplement. If so, then the first day of the initial Interest Payment Period will not be a Reset Date.

Each period beginning on the applicable Reset Date and ending on the calendar day preceding the next Reset Date is an **"Interest Reset Period."** The rate of interest applicable to each Interest Reset Period will be determined as described in Appendix B or as otherwise described in the applicable Pricing Supplement.

If the rate of interest on a Variable Rate Debt Security will reset within an Interest Payment Period, we will calculate accrued interest by multiplying the principal amount of the Variable Rate Debt Security by an accrued interest factor. Unless we otherwise specify in the applicable Pricing Supplement, we will calculate this accrued interest factor by adding the interest factor for each Interest Reset Period in such Interest Payment Period and rounding the sum to nine decimal places. The interest factor for each such Interest Reset Period will be computed by (1) multiplying the number of days in the Interest Reset Period by the interest rate (expressed as a decimal) applicable to that Interest Reset Period; and (2) dividing the product

by the number of days in the year referred to in the accrual method specified in the applicable Pricing Supplement.

If the source of an index changes in format, but the Calculation Agent determines that the index source continues to disclose the information necessary to determine the related interest rate substantially as required, the Calculation Agent will amend the procedure for obtaining information from that source to reflect the changed format.

The Calculation Agent's determination of an index value or interest rate will be final and binding on all parties, absent manifest error. The **"Calculation Agent"** will be Freddie Mac unless we specify otherwise in the applicable Pricing Supplement. See "Description of the Debt Securities — Corrections" below.

Information concerning the current interest rate on an issue of Variable Rate Debt Securities will be available from us by contacting our Debt Securities Marketing Office as shown under "Additional Information" and, if we are not the Calculation Agent, from the Calculation Agent. In addition, if required by any exchange where an issue of Variable Rate Debt Securities is listed, the Calculation Agent will provide the exchange with (1) the interest rate for the applicable Interest Reset Period; (2) the amount of interest on the minimum denomination for the issue that would accrue through the last day of the Interest Reset Period; and (3) the last day of such Interest Reset Period, as required and in no event later than two Business Days after their determination. These interest amounts may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Reset Period.

Indices

Appendix B describes various commonly used indices. We will describe any other index that we use in the applicable Pricing Supplement.

Fixed/Variable Rate Debt Securities

Fixed/Variable Rate Debt Securities will bear interest at a fixed rate for one or more periods and at a variable rate for one or more other periods. Fixed/Variable Rate Debt Securities also may bear interest at a rate that we may elect to convert from a fixed rate to a variable rate or from a variable rate to a fixed rate, as further described in the applicable Pricing Supplement. See "Description of the Debt Securities — Term Debt Securities — Interest Payments."

If we can convert the interest rate on a Fixed/Variable Rate Debt Security from a fixed rate to a variable rate, or from a variable rate to a fixed rate, accrued interest for each Interest Payment Period generally will be calculated using an accrued interest factor in the manner described in the applicable Pricing Supplement.

Zero Coupon Debt Securities

Zero Coupon Debt Securities will not bear interest and will be issued at a price that is less than the principal amount payable on the Maturity Date. As a result, Zero Coupon Debt Securities are issued with original issue discount for U.S. federal income tax purposes. See "Certain United States Federal Tax Consequences — U.S. Owners — Debt Obligations with Original Issue Discount." Some Zero Coupon Debt Securities may be redeemable. If an issue is subject to redemption, the Pricing Supplement will show, in percentage terms, the amount of principal that will be paid upon redemption for each potential redemption date.

Amortizing Debt Securities

Amortizing Debt Securities are those on which we make periodic payments of principal during their terms as described in the related Pricing Supplement. Amortizing Debt Securities may bear interest at fixed or variable rates.

Debt Securities with Variable Principal Repayment Amounts

Debt Securities with Variable Principal Repayment Amounts, or **"Indexed Debt Securities,"** are those on which the amount of principal payable is determined with reference to an index specified in the related Pricing Supplement.

Range Accrual Debt Securities

Range Accrual Debt Securities are those on which no interest may accrue during periods when the applicable index is outside a specified range as described in the related Pricing Supplement.

Stripped Debt Securities

We may designate certain issues of Fed Book-Entry Debt Securities that are Term Debt Securities (the **"Eligible Securities"**) as eligible to be stripped into their separate Interest Components and Principal Components (each, a **"Component"**) on the book-entry records of the FRBNY. The Components of an Eligible Security are:

(1) each future interest payment, or portion of an interest payment (each, an **"Interest Component"**), due on or prior to the Maturity Date or, if the Eligible Security is subject to redemption or repayment prior to the Maturity Date, the first date on which the Eligible Security is subject to redemption or repayment (in either case, the **"Cut-off Date"**); and

(2) the principal payment plus any interest payments that either are due after the Cut-off Date, or are specified as ineligible for stripping in the applicable Pricing Supplement (the **"Principal Component"**).

The initial or final interest payment on a Fed Book-Entry Debt Security will not be an Interest Component if the applicable Interest Payment Period is shorter or longer than other Interest Payment Periods, based on a 360-day year consisting of twelve 30-day months. In such case, the initial or final interest payment will remain with the Principal Component. Each Component of an issue of Eligible Securities will receive a different CUSIP number and ISIN number.

We may designate an issue of Term Debt Securities as Eligible Securities either at the time of original issuance or at any later time prior to the Cut-off Date. We are under no obligation, however, to designate any issue of Term Debt Securities as Eligible Securities.

For an Eligible Security to be stripped into Components, its principal amount must produce an interest payment of $1,000 or a multiple of $1,000 on each Interest Payment Date, based on the stated interest rate of the Eligible Security. The minimum principal amount required to strip an Eligible Security at its original issuance will be specified in the related Pricing Supplement.

You may request that an Eligible Security be stripped into its Components at any time beginning on the date it becomes eligible for stripping until the Cut-off Date. You must make your request to the FRBNY and comply with any requirements and procedures, including payment of any fees, of the FRBNY.

If any modification, amendment or supplement of the terms of an issue of Eligible Securities requires the consent of Holders, only the Holders of Principal Components will be entitled to give or withhold that consent. Holders of Interest Components will have no right to give or withhold such consent. See "The Agreements — Amendment."

Currently, the FRBNY will restore (**"reconstitute"**) the Principal Components and unmatured Interest Components of a stripped Eligible Security at the request of a Holder holding a Principal Component and all applicable unmatured Interest Components. The Holder must pay a reconstitution fee (currently, the FRBNY's fee applicable to on-line book-entry securities transfers). Generally, the Principal Component of an issue of Eligible Securities may be combined with either Interest Components of the same issue or Interest Components from other issues of Eligible Securities that have the same CUSIP number. (Interest Components of two or more issues due on the same date sometimes have the same CUSIP number).

Holders wishing to reconstitute Components into an Eligible Security must also comply with all applicable FRBNY requirements and procedures relating to the stripping and reconstitution of securities.

The preceding discussion is based on our understanding of the way the FRBNY currently strips and reconstitutes securities on the Fed Book-Entry System. The FRBNY may cease stripping or reconstituting Eligible Securities or may change the way this is done or the applicable requirements, procedures or charges at any time without notice.

Reopened Issues

In our discretion and at any time, we may, without the consent of Holders of an existing issue of Term Debt Securities, **"reopen"** such issue by offering additional Term Debt Securities with terms identical (other than Issue Date, interest commencement date and issue price) to those of existing Term Debt Securities for which settlement has previously occurred or been scheduled. The additional and existing Term Debt Securities will be consolidated and will form a single series of Term Debt Securities as specified in the applicable Pricing Supplement.

Discount Notes

Discount Notes will:

- be unsecured general obligations of Freddie Mac;
- be offered on a continuous basis;
- have maturities of one year or less from their Issue Date;
- not bear interest;
- be paid only on their Maturity Dates at their principal amounts; and
- be issued, maintained and transferred in minimum principal amounts and additional increments of $1,000 (in each case expressed in terms of the principal amount payable on the Maturity Date).

We will offer each Discount Note at a fixed price representing a discount from the principal amount payable at maturity. The initial offering price of a Discount Note will be the difference between the face amount of the Discount Note and the amount derived from the following formula:

$$\text{Face Amount} \times \frac{\text{Applicable Discount Expressed as a Decimal} \times \text{Number of Days From Issue Date to Maturity Date}}{360 \text{ days}}$$

We generally will not offer a Discount Note having a Maturity Date that is not a Business Day. If the Maturity Date of a Discount Note should fall on a day that is not a Business Day, its Maturity Date will become the first Business Day following such day. We will pay interest for the days from the original Maturity Date to (but excluding) the revised Maturity Date based on the percentage of discount at which this Discount Note was issued.

We may designate some Discount Notes as Reference Bills, which are regularly scheduled issues auctioned in large principal amounts to or through Dealers.

Corrections

If a principal or interest payment error occurs, we may correct it by adjusting payments to be made on later Interest Payment Dates or Principal Payment Dates (as appropriate) or in any other manner we consider appropriate.

All index values used to determine principal or interest payments are subject to correction within 30 days from the applicable payment. The source of a corrected value must be the same source from which

the original value was obtained. A correction might result in an adjustment on a later date to the amount paid to you or a subsequent investor.

For example, if the index value initially used for determining the rate of interest on an issue of Term Debt Securities is superseded by a corrected value from the original source, the Calculation Agent will use that corrected value to determine the rate of interest payable on such Term Debt Securities on the applicable Interest Payment Date. To illustrate, assume that LIBOR is the applicable interest rate index for determining the rate of interest payable on a Debt Security. If the Calculation Agent obtains LIBOR for a Reset Date from a Designated Reuters Page, only a corrected rate for that Reset Date obtained from the same Designated Reuters Page may supersede that rate. The Calculation Agent will use the corrected rate to determine the rate of interest payable on the Debt Security as of the applicable Interest Payment Date.

We will notify any exchange on which Debt Securities are listed if the Calculation Agent corrects an applicable rate for the Term Debt Securities.

Business Day Convention

Unless otherwise specified in the applicable Pricing Supplement, if the specified payment date is not a Business Day, we will pay interest on or the principal of the Debt Securities on the next Business Day with the same force and effect as if made on the applicable Interest Payment Date or Principal Payment Date. Unless otherwise specified in the applicable Pricing Supplement, no interest on such payment on Term Debt Securities will accrue for the period from the specified payment date to the actual date of the payment.

As used in this Offering Circular, **"Business Day"** means, unless otherwise specified in the applicable Pricing Supplement:

(1) for Fed Book-Entry Debt Securities, any day other than (a) a Saturday, (b) a Sunday, (c) a day on which the FRBNY is closed, (d) as to any Holder of a Fed Book-Entry Debt Security, a day on which the Federal Reserve Bank that maintains the Holder's account is closed or (e) a day on which our offices are closed; and

(2) for Registered Debt Securities, any day other than (a) a Saturday, (b) a Sunday, (c) a day on which banking institutions are closed in (1) the City of New York or (2) if the Specified Payment Currency is other than U.S. dollars or euros, the Principal Financial Center of the country of such Specified Payment Currency, (d) if the Specified Payment Currency is euros, a day on which the TARGET system is not open for settlements, or a day on which payments in euros cannot be settled in the international interbank market as determined by the Global Agent, (e) for any required payment, a day on which banking institutions are closed in the place of payment or (f) a day on which our offices are closed.

Targeted Registered Issues

Certain issues of Registered Debt Securities (**"Targeted Registered Debt Securities"**) may be "targeted to foreign markets" under the Regulations. The Regulations generally do not allow Targeted Registered Debt Securities, in connection with their original issuance, to be offered or sold to persons who are within the United States or its territories or possessions or to or for the account of U.S. Persons. The Regulations also require Holders, and in certain cases Beneficial Owners, of Targeted Registered Debt Securities to comply with certain periodic certification requirements, including certification of non-U.S. beneficial ownership. In addition, the Regulations generally prohibit the delivery of Registered Debt Securities representing Targeted Registered Debt Securities within the United States or its territories or possessions. Only Dealers that have represented and warranted as to those matters summarized under "Distribution Arrangements — Selling Restrictions — Targeted Registered Debt Securities" and certain other matters may offer or sell Targeted Registered Debt Securities.

If we issue Targeted Registered Debt Securities, special provisions applicable to them, including form, selling and transfer restrictions, tax considerations and tax certifications, will be described in the applicable Pricing Supplement. The applicable Pricing Supplement generally may not be distributed in the United

States or to U.S. Persons. Targeted Registered Debt Securities will not be issued as Fed Book-Entry Debt Securities.

Clearance and Settlement

General

Debt Securities may be held through organizations participating in one or more international and domestic clearing systems, principally the systems operated by the Federal Reserve Banks and DTC in the United States, and the Euroclear System (**"Euroclear"**) and Clearstream Banking, société anonyme (**"Clearstream, Luxembourg"**), outside of the United States.

Fed Book-Entry System

The Federal Reserve Banks operate the Fed Book-Entry System that provides book-entry holding and settlement for U.S. dollar denominated securities issued by the U.S. Government, certain of its agencies, instrumentalities and government-sponsored enterprises and international organizations of which the United States is a member. The system enables Holding Institutions to hold, make payments and transfer securities and funds through the Federal Reserve Banks' Fedwire System.

DTC

DTC is a limited-purpose trust company organized under the laws of the State of New York, and is a member of the U.S. Federal Reserve System, a **"clearing corporation"** within the meaning of the New York Uniform Commercial Code and a **"clearing agency"** registered under the provisions of Section 17A of the Exchange Act. DTC holds securities for DTC participants and facilitates the clearance and settlement of transactions between DTC participants through electronic book-entry changes in accounts of DTC participants maintained through DTC's book-entry facilities.

Euroclear

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions for its participants through simultaneous electronic book-entry delivery against payment. Euroclear is operated by Euroclear Bank, S.A./N.V. and all Euroclear securities clearance and cash accounts are with Euroclear Bank, S.A./N.V. They are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law. Euroclear Bank, S.A./N.V. acts only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Clearstream, Luxembourg

Clearstream, Luxembourg holds securities for its participants and facilitates the clearance and settlement of securities transactions between its participants through electronic book-entry changes in accounts of its participants. A participant's overall contractual relations with Clearstream, Luxembourg are governed by the General Terms and Conditions, operating rules and procedures and applicable Luxembourg law. Clearstream, Luxembourg acts only on behalf of its participants and has no record of or relationship with persons holding through its participants.

Other

Any other clearing system which we make available for a particular issue of Debt Securities will be described in the applicable Pricing Supplement.

Electronic notes and payment transfer, processing, depositary and custodial arrangements among these systems and others, either directly or indirectly through custodians and depositaries, may enable certain Debt Securities to be issued, held and transferred among the systems as described below. Special procedures among these systems allow clearance and settlement of certain Debt Securities traded across borders in the secondary market. Cross-market transfers of Debt Securities denominated in certain

Specified Currencies may be cleared and settled using these procedures. However, there can be no assurance that cross-market transfers of any Debt Securities will be possible.

Each relevant system has its own separate operating procedures and arrangements with participants or accountholders that govern the relationship between them and such system and to which we are not and will not be a party. The clearing systems may impose fees for the maintenance and operation of the accounts in which beneficial interests in Debt Securities are maintained.

We expect that:

(1) most Debt Securities denominated and payable in U.S. dollars and distributed within the United States will clear and settle through the Fed Book-Entry System;

(2) most Debt Securities denominated and payable in U.S. dollars and distributed simultaneously within and outside of the United States, including all Reference Securities, will clear and settle, within the United States, through the Fed Book-Entry System and, outside of the United States, through the systems operated by Euroclear, Clearstream, Luxembourg or any other designated clearing system;

(3) Debt Securities denominated or payable in a Specified Currency other than U.S. dollars (and Debt Securities denominated and payable in U.S. dollars that are not cleared and settled in accordance with clauses (1) and (2) above) and distributed solely within the United States will clear and settle through the system operated by DTC;

(4) Debt Securities denominated or payable in a Specified Currency other than U.S. dollars (and Debt Securities denominated and payable in U.S. dollars that are not cleared and settled in accordance with clauses (1) and (2) above) and distributed simultaneously within and outside of the United States will clear and settle through the systems operated by DTC, Euroclear, Clearstream, Luxembourg or any other designated clearing system; and

(5) Debt Securities, irrespective of the Specified Currency in which they are denominated or payable, distributed solely outside of the United States will clear and settle through the systems operated by Euroclear, Clearstream, Luxembourg or any other designated clearing systems and, in some cases, DTC.

Clearance and Settlement Procedures — Primary Distribution

On initial issue, Debt Securities will be credited through one or more of the systems described above or any other system specified in the applicable Pricing Supplement. Payment from the applicable Dealer for Fed Book-Entry Debt Securities will be on a delivery versus payment basis and for Registered Debt Securities will be on a delivery versus payment or free delivery basis, as agreed to by us. Clearance and settlement procedures may vary according to the Specified Currency in which such Debt Securities are denominated or payable. The customary clearance and settlement procedures of certain systems are described below. The clearance and settlement procedures of any other clearing system will be described in the applicable Pricing Supplement.

Federal Reserve Banks

Fed Book-Entry Debt Securities will be issued and settled through the Fed Book-Entry System in same-day funds and will be held by designated Holding Institutions. After initial issue, these designated Holding Institutions will continue to hold all Fed Book-Entry Debt Securities in the Fed Book-Entry System unless arrangements are made for their transfer to another Holding Institution.

DTC

DTC participants acting on behalf of investors holding DTC Registered Debt Securities through DTC will follow the delivery practices applicable to securities eligible for DTC's Same-Day Funds Settlement System. Interests in DTC Registered Debt Securities will be credited to DTC participants' securities accounts following confirmation of receipt of payment to Freddie Mac on the relevant Issue Date.

Euroclear and Clearstream, Luxembourg

Investors holding interests in Other Registered Debt Securities through Euroclear or Clearstream, Luxembourg will follow the settlement procedures applicable to conventional Eurobonds in registered form. We understand that interests in such Other Registered Debt Securities will be credited to Euroclear or Clearstream, Luxembourg participants' securities accounts either on the relevant Issue Date or on the settlement day following the relevant Issue Date against payment in same-day funds (for value on the relevant Issue Date).

Clearance and Settlement Procedures — Secondary Market Transfers

Fed Book-Entry Debt Securities

Transfers of Fed Book-Entry Debt Securities can take place only in book-entry form on the Fed Book-Entry System. Such transfers will occur between Holding Institutions in accordance with the rules of the Fed Book-Entry System.

Registered Debt Securities

Transfers of beneficial interests in Registered Debt Securities within the various systems that may be clearing and settling interests in those Debt Securities will be made in accordance with the usual rules and operating procedures of the relevant system applicable to the Specified Currency in which the Registered Debt Securities are denominated or payable and the nature of the transfer.

General

For issues of Debt Securities that are cleared and settled through more than one system, time zone differences may result in the securities account of an investor in one system being credited during the settlement processing day immediately following the settlement date of the other system. If the Debt Securities are to be settled on a delivery versus payment basis, this may also result in the cash account being credited for value on the settlement date but only being available as of the day following the settlement date.

Although the Fed Book-Entry System, DTC, Euroclear, Clearstream, Luxembourg or any other applicable clearing system may have procedures to facilitate transfers of beneficial interests in Debt Securities among their respective Holding Institutions, participants and accountholders, they are under no obligation to perform or continue to perform such procedures, and these procedures may be modified or discontinued at any time. None of Freddie Mac, the Fiscal Agent, the Global Agent nor any other agent will have any responsibility for the performance by any system (other than the Fiscal Agent for the Fed Book-Entry System) or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Fed Book-Entry Debt Securities

We will issue and maintain Fed Book-Entry Debt Securities only on the Fed Book-Entry System. Fed Book-Entry Debt Securities will not be exchangeable for definitive Debt Securities. Under the Fiscal Agency Agreement between Freddie Mac and the FRBNY, the FRBNY will issue Fed Book-Entry Debt Securities in book-entry form, maintain book-entry accounts for the Fed Book-Entry Debt Securities and make payments, on our behalf, of principal and interest on the Fed Book-Entry Debt Securities in U.S. dollars on the applicable payment dates by crediting Holders' accounts at the Federal Reserve Banks in accordance with the payment systems risk policy of the Federal Reserve. Department of Housing and Urban Development regulations, 24 C.F.R. Part 81, Subpart H (the **"Book-Entry Rules"**), are applicable to Fed Book-Entry Debt Securities, as are such other procedures as may be agreed upon from time to time by Freddie Mac and the FRBNY. The Book-Entry Rules relate primarily to the issuance and recordation of and transfers of interests (including security interests) in Fed Book-Entry Debt Securities. The Book-Entry Rules may be amended, supplemented or otherwise altered without the consent of any Holder of Fed Book-Entry Debt Securities.

The accounts of Holders of Fed Book-Entry Debt Securities on the Fed Book-Entry System are governed by applicable operating circulars and letters of the Federal Reserve Banks.

Title

Fed Book-Entry Debt Securities may be held of record only by entities eligible to maintain book-entry accounts with a Federal Reserve Bank (the **"Holding Institutions"**). The entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities to whose accounts Fed Book-Entry Debt Securities have been deposited are referred to in this Offering Circular as Holders of such Fed Book-Entry Debt Securities.

A Holder is not necessarily the Beneficial Owner of a Fed Book-Entry Debt Security. Beneficial Owners of Fed Book-Entry Debt Securities ordinarily hold Fed Book-Entry Debt Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. For example, an investor may hold a Fed Book-Entry Debt Security through a brokerage firm which, in turn, holds the Fed Book-Entry Debt Security through a Holding Institution. In that case, the investor would be the Beneficial Owner of the Debt Security and the entity that appears as the holder on the records of a Federal Reserve Bank would be the Holder.

A Holder that is not the Beneficial Owner of a Fed Book-Entry Debt Security, and each other financial intermediary in the chain between the Holder and the Beneficial Owner, will be responsible for establishing and maintaining accounts for their respective customers. Beneficial Owners of a Fed Book-Entry Debt Security may exercise their rights against Freddie Mac and the Federal Reserve Banks only through the Holder of the Fed Book-Entry Debt Security. Freddie Mac and the Federal Reserve Banks will have no obligation to a Beneficial Owner of a Fed Book-Entry Debt Security (unless the Beneficial Owner is also the Holder). The Federal Reserve Banks will act only upon the instructions of the Holder in recording transfers of a Fed Book-Entry Debt Security and will effect transfers of interests in Fed Book-Entry Debt Securities only to Holding Institutions. We and the Federal Reserve Banks may treat the Holders as the absolute owners of Fed Book-Entry Debt Securities for the purpose of making payments on Fed Book-Entry Debt Securities and for all other purposes, whether or not the Fed Book-Entry Debt Securities are overdue and notwithstanding any notice to the contrary.

Payments

We will make payments of any principal and interest on Fed Book-Entry Debt Securities in U.S. dollars on the applicable payment dates to Holders as of the end of the day preceding such payment dates. See also "Description of the Debt Securities — Business Day Convention." Payments on Fed Book-Entry Debt Securities will be made by credit of the payment amount to the Holders' accounts at the relevant Federal Reserve Bank in accordance with the payment systems risk policy of the Federal Reserve. All payments to or upon the order of a Holder will be valid and effective to discharge the liability of Freddie Mac and the Fiscal Agent. The Holders and each other financial intermediary holding the Fed Book-Entry Debt Securities directly or indirectly on behalf of the Beneficial Owners are responsible for remitting payments for the accounts of their customers. All payments on Fed Book-Entry Debt Securities are subject to any applicable law or regulation.

Fiscal Agent

The FRBNY will be the Fiscal Agent for Fed Book-Entry Debt Securities. Freddie Mac and the FRBNY may amend, modify or supplement in any respect, or may terminate, substitute or replace, the Fiscal Agency Agreement without the consent of any Holder of Fed Book-Entry Debt Securities.

In acting under the Fiscal Agency Agreement, the FRBNY will act solely as fiscal agent of Freddie Mac and does not assume any obligation or relationship of agency or trust for or with any Holder of a Fed Book-Entry Debt Security.

Registered Debt Securities

We will issue Registered Debt Securities that are either DTC Registered Debt Securities or Other Registered Debt Securities. **"DTC Registered Debt Securities"** are those registered in the name of a nominee of DTC, which will clear and settle through the system operated by DTC. **"Other Registered Debt Securities"** are those registered in the name of the common depositary (or a nominee of the common depositary) for one of the following:

- Euroclear Bank, S.A./N.V. as operator of Euroclear;
- Clearstream, Luxembourg; or
- another clearing system other than DTC, as specified in the applicable Pricing Supplement.

Citibank — London or another designated institution will act as the custodian for DTC Registered Debt Securities and as the **"Common Depositary"** for Other Registered Debt Securities which clear and settle through Euroclear and Clearstream, Luxembourg. Registered Debt Securities will be exchangeable for definitive Debt Securities only under the limited circumstances described under "Description of the Debt Securities — Registered Debt Securities — Exchange for Definitive Debt Securities." The Global Agency Agreement may be amended, supplemented or otherwise altered without the consent of any Holder of Registered Debt Securities if such amendment would not, in the reasonable opinions of Freddie Mac and the Global Agent, adversely affect your interests.

Title

The "Holder" of a Registered Debt Security will be the person in whose name the Registered Debt Security is registered in the register (the **"Register"**) maintained by Citigroup Global Markets Deutschland AG & Co. KGaA as registrar (the **"Registrar"**). We will register DTC Registered Debt Securities in the name of Cede & Co. and Other Registered Debt Securities in the name of Citivic Nominees Limited, or other nominee of DTC or the Common Depositary, as the case may be. Accordingly, Cede & Co., Citivic Nominees Limited and any other such nominee will be the Holders of the related Registered Debt Securities. Beneficial interests in a Registered Debt Security will be represented, and transfers of a Registered Debt Security will be effected, only through book-entry accounts of financial institutions acting on behalf of the Beneficial Owners of such Registered Debt Security, as a direct or indirect participant in the applicable clearing system for such Registered Debt Security. Investors may elect to hold interests in a Registered Debt Security directly through the applicable book-entry system for such Registered Debt Security if they are participants in such system, or indirectly through organizations that are participants in such system.

We, the Registrar and the Global Agent may treat the Holders as the absolute owners of Registered Debt Securities for the purpose of making payments and for all other purposes, whether or not the Registered Debt Securities are overdue and notwithstanding any notice to the contrary. Owners of beneficial interests in a Registered Debt Security are not the owners or Holders of that Registered Debt Security and, except under limited circumstances described under "Description of the Debt Securities — Registered Debt Securities — Exchange for Definitive Debt Securities," will not be entitled to have Debt Securities registered in their names and will not receive or be entitled to receive definitive Debt Securities. Accordingly, any Beneficial Owner must rely on the procedures of the applicable clearing system and, if the Beneficial Owner is not a participant in the applicable clearing system, on the procedures of the participant through which such Beneficial Owner holds its interest, to exercise any rights of a Holder of such Registered Debt Securities.

We understand that, under existing industry practices, if Freddie Mac requests any action of Holders or if the Beneficial Owners desire to give or take any action that a Holder is entitled to give or take, DTC, Euroclear, Clearstream, Luxembourg or any other applicable clearing system, or their respective nominees, as the case may be, as the Holder of the related Registered Debt Security, would authorize the participants through which the relevant beneficial interests are held (or persons holding beneficial interests in the Registered Debt Securities through participants) to give or take such action, and such participants would authorize the Beneficial Owners holding through such participants (or such persons holding

beneficial interests in the Registered Debt Securities through participants) to give or take such action and would otherwise act upon the instructions given to such participants (or such persons) by such Beneficial Owners, in each case in accordance with the relevant rules and procedures of the applicable system.

DTC, Euroclear, Clearstream, Luxembourg or any other applicable clearing system can act only on behalf of their respective participants, who in turn act on behalf of indirect participants. Therefore, the ability of a Beneficial Owner to pledge its interest in the Registered Debt Securities to persons or entities that do not participate in the applicable system, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for the related Debt Security. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a Registered Debt Security.

Payments

We will make payments on the Registered Debt Securities in immediately available funds to DTC, Euroclear, Clearstream, Luxembourg or any other applicable clearing system (or their nominees) as the Holders of those Debt Securities. We will make payments in the Specified Payment Currency (except as described under "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies," or as otherwise described below). For certain currency conversion facilities for DTC Registered Debt Securities, see "Currency Conversions — Payment on DTC Registered Debt Securities." All payments to or upon the order of the Holder of a Registered Debt Security will be valid and effective to discharge our liability in respect of such Registered Debt Security. Normal conventions observed by the system will determine ownership positions within each system. We, the Global Agent and the Registrar will not have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Registered Debt Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

DTC has advised us that, when DTC receives any payment of principal or interest on a DTC Registered Debt Security, it will credit its participants' accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of that DTC Registered Debt Security. Payments by such participants to owners of beneficial interests in a DTC Registered Debt Security held through those participants are the responsibility of those participants, as is now the case with securities held for the accounts of customers registered in "street name." Euroclear and Clearstream, Luxembourg also have advised that payments on Other Registered Debt Securities held through them will be credited to Euroclear participants or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

We will pay interest on a Registered Debt Security on the applicable Interest Payment Date. We will make interest payments to the Holder of a Registered Debt Security as of the close of business on the fifteenth calendar day (each, a **"Record Date"**) preceding the Interest Payment Date. (Owners of beneficial interests in a Registered Debt Security should be aware that the applicable clearing system may apply a different record date for the payment of interest on the Interest Payment Date.) We will make the first payment of interest on any Registered Debt Security originally issued between a Record Date and the related Interest Payment Date on the Interest Payment Date following the next Record Date to the Holder on such next Record Date. We will owe the principal of each Registered Debt Security, together with accrued and unpaid interest on it, on the Principal Payment Date for such Registered Debt Security (subject to the right of its Holder on the related Record Date to receive interest due on an Interest Payment Date that is on or prior to such Principal Payment Date) and will pay the Holder when the Holder presents and surrenders the Registered Debt Security. See "Description of the Debt Securities — Business Day Convention."

All payments on Registered Debt Securities are subject to any applicable law or regulation. If a payment outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions, we may make payments on the related Registered Debt Securities at the office of any paying agent in the United States.

Global Agent

We have appointed Citibank — London as the Global Agent for the Registered Debt Securities. Citibank — London has its corporate trust office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB and may have other business relationships with us through Citibank, N.A.'s principal office in New York.

In acting under the Global Agency Agreement, the Global Agent acts solely as our fiscal agent and does not assume any obligation or relationship of agency or trust for or with any Holder of a Registered Debt Security, except that any moneys held by the Global Agent for payment on a Registered Debt Security shall be held in trust for the Holder as provided in the Global Agency Agreement.

We have appointed the Global Agent as transfer agent and paying agent and have appointed Citigroup Global Markets Deutschland AG & Co. KGaA as Registrar for the Registered Debt Securities. For Registered Debt Securities listed on the Luxembourg Stock Exchange, we have appointed BGL S.A. as paying and transfer agent in Luxembourg. We at any time may vary or terminate the appointment of the Global Agent as transfer agent or paying agent or terminate Citigroup Global Markets Deutschland AG & Co. KGaA as Registrar. We also may appoint additional or other transfer agents or paying agents or approve any change in the office through which the Registrar or any transfer agent or paying agent acts.

Exchange for Definitive Debt Securities

If we issue definitive Debt Securities in exchange for Registered Debt Securities issued in global form under the limited circumstances described below, such definitive Debt Securities will have terms identical to the Registered Debt Securities for which they were exchanged, except as described below.

Issuance of Definitive Debt Securities

Unless we specify otherwise in the applicable Pricing Supplement, a Holder can exchange beneficial interests in Registered Debt Securities issued in global form for definitive Debt Securities only under the following circumstances:

(a) the exchange is permitted by applicable law; and

(b)(1) for a DTC Registered Debt Security, DTC notifies us that it is no longer willing or able to act as depositary or ceases to be a "clearing agency" registered under the Exchange Act, and we cannot find a successor within 90 calendar days of receiving notice from DTC;

(2) for any Other Registered Debt Security, if all of the clearing systems for such Registered Debt Security are closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) or are permanently closed for business or have announced an intention permanently to cease business, and we are unable to find a single successor within 90 calendar days of such closure;

(3) a Holder has instituted a judicial proceeding to enforce its rights under such Registered Debt Security, and counsel has advised the Holder that in connection with such proceeding it is necessary for the Holder to have a definitive Debt Security; or

(4) we, either at a Holder's request and expense or in our own discretion, decide to issue definitive Debt Securities. We intend to grant such requests for definitive Debt Securities under this clause only in exceptional circumstances.

In any of the above circumstances, we will execute and deliver definitive Debt Securities to the Global Agent for delivery to the Holders as soon as practicable (and in any event within 45 calendar days of Freddie Mac's receiving notice of the occurrence of such circumstances). DTC, Euroclear, Clearstream, Luxembourg or another applicable clearing system, or their respective nominees, as the case may be, as Holders of the related Registered Debt Securities, must provide Freddie Mac or the Global Agent with a

written order containing instructions and such other information as we or the Global Agent may require to complete, execute and deliver such definitive Debt Securities in authorized denominations.

Title

The person in whose name a definitive Debt Security is registered in the Register will be the Holder of the definitive Debt Security. We and the Global Agent may treat the Holders as the absolute owners of definitive Debt Securities for the purpose of making payments and for all other purposes, whether or not the definitive Debt Securities are overdue and notwithstanding any notice to the contrary.

Payments

We will pay interest on a definitive Debt Security on the applicable Interest Payment Date. We will pay by check mailed to the Holder as of the close of business on the Record Date preceding the Interest Payment Date at the Holder's address appearing in the Register. We will pay the principal of each definitive Debt Security, together with accrued and unpaid interest, on the Principal Payment Date (subject to the right of the Holder on the related Record Date to receive interest due on an Interest Payment Date that is on or prior to such Principal Payment Date) against presentation and surrender of the definitive Debt Security at the offices of the Global Agent or other paying agent. Payments on the Principal Payment Date will be made by check provided at the appropriate office of the Global Agent or other paying agent or mailed by the Global Agent to the Holder of such definitive Debt Security. We will use a United States bank for checks in U.S. dollars and a bank office located outside the United States for checks in other Specified Payment Currencies. We have appointed BGL S.A. as paying agent in Luxembourg for any issue of Debt Securities admitted for trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange.

The Holder of an aggregate principal amount of at least $10,000,000 (or its equivalent in the Specified Currency) of an issue of Debt Securities of which definitive Debt Securities form a part may elect to receive payments by wire transfer of immediately available funds in the Specified Payment Currency to an account with a bank the Holder designates; provided, that:

- the bank is acceptable to us;
- the bank has appropriate facilities and accepts the transfer; and
- the transfer is permitted by any applicable law or regulation and will not subject us to any liability, requirement or unacceptable charge.

To receive such payments, the Holder must provide the following to the Global Agent or other paying agent at its office:

(1) for interest payments, a written request by the close of business on the related Record Date; or

(2) for payments on the Principal Payment Date, a written request by the close of business 15 days prior to the Principal Payment Date and the definitive Debt Security two Business Days prior to the Principal Payment Date.

The written request must be delivered to the Global Agent or other paying agent by mail, by hand delivery or by tested or authenticated telex. Any such request will remain in effect until the Global Agent or other paying agent receives written notice to the contrary.

All payments on definitive Debt Securities are subject to any applicable law or regulation. If a payment outside the United States is illegal or effectively precluded by exchange controls or similar restrictions, payments on the related definitive Debt Securities may be made at the office of any paying agent in the United States.

Partial Redemption

If we redeem a portion of an issue of definitive Debt Securities, the Global Agent will select the Debt Securities for redemption by lot or in another manner that the Global Agent deems fair and appropriate to ensure that the principal amount of each outstanding definitive Debt Security after a redemption is in an authorized denomination.

Transfer and Exchange

Holders may present definitive Debt Securities for registration of transfer or exchange at the office of the Registrar or any other transfer agent, with transfer documentation completed and payment of any taxes and other governmental charges. We have appointed BGL S.A. as transfer agent in Luxembourg for any issue of Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange.

A transfer or exchange of a definitive Debt Security will be effected upon satisfying the Registrar with regard to the documents and identity of the person making the request and subject to such reasonable regulations as we may from time to time agree with the Registrar. Holders may transfer or exchange definitive Debt Securities in whole or in part only in the authorized denominations of the DTC Registered Debt Securities or Other Registered Debt Securities issued in global form for which they were exchanged. See "Description of the Debt Securities — General — Denominations." In the case of a transfer of a definitive Debt Security in part, the Registrar will issue a new definitive Debt Security for the balance not transferred. In addition, replacement of mutilated, destroyed, stolen or lost definitive Debt Securities also is subject to the conditions discussed above for transfers and exchanges generally. Each new definitive Debt Security to be issued upon transfer of such a definitive Debt Security, as well as the definitive Debt Security issued for the balance not transferred, will be mailed to the address specified in the form or instrument of transfer at the risk of the Holder entitled to it using the customary procedures of the Registrar.

CURRENCY CONVERSIONS

Payment for Debt Securities

Purchasers of Debt Securities must pay for them in the applicable Specified Currency. Each Dealer to whom or through whom Registered Debt Securities are sold may, under certain terms and conditions, arrange to convert the investor's currency into the Specified Currency to enable purchasers to pay for those Registered Debt Securities if purchasers so request not later than the day determined by such Dealer. We will not be involved in any manner in, and will have no responsibility for, any such conversion. Each Dealer will make the conversion subject to the terms, conditions, limitations and charges that the Dealer establishes. The purchaser of the Registered Debt Securities will bear all costs of conversion.

Payment on DTC Registered Debt Securities

Except as described under "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies — Unavailability," we will pay principal and any interest on all Debt Securities in the Specified Payment Currency. At the present time, there are limited facilities in the United States for the conversion of non-U.S. currencies or currency units into U.S. dollars, and commercial banks generally do not offer non-U.S. dollar checking or savings account facilities in the United States. Accordingly, in the case of DTC Registered Debt Securities whose Specified Payment Currency is other than U.S. dollars, the currency exchange bank specified in the applicable Pricing Supplement (the **"Currency Exchange Bank"**) will convert any amounts paid by us in such Specified Payment Currency into U.S. dollars, unless the Holders elect to receive payments in the Specified Payment Currency as described below in this section. We will not be involved in any manner in, and will have no responsibility for, the conversion of the Specified Payment Currency for DTC Registered Debt Securities into U.S. dollars.

For any DTC Registered Debt Security whose payments are to be converted from the Specified Payment Currency into U.S. dollars, the Currency Exchange Bank will determine the U.S. dollar amount

the Holder will receive in the morning of the day that would be considered the date for "spot" settlement of the Specified Payment Currency on the applicable payment date in accordance with market convention (generally, two New York business days prior to the payment date) at the market rate determined by the Currency Exchange Bank to accomplish the conversion on that payment date of the aggregate amount of the Specified Payment Currency payable on DTC Registered Debt Securities scheduled to receive payments converted into U.S. dollars. The Holders of these DTC Registered Debt Securities (and, accordingly, the related Beneficial Owners) will bear all currency exchange costs by deductions from these payments. Holders of DTC Registered Debt Securities are subject to the risk of market disruption and the risk that all or any portion of the Specified Payment Currency will not be convertible into U.S. dollars. In these cases, Holders of such DTC Registered Debt Securities will receive payments in the Specified Payment Currency.

The Holder of a DTC Registered Debt Security to be paid in a Specified Payment Currency other than U.S. dollars will have the option to receive payments of principal and interest on that DTC Registered Debt Security in the Specified Payment Currency by notifying DTC:

- no later than the third New York business day after the related Record Date, in the case of payments on an Interest Payment Date; or
- the date 12 days prior to the Principal Payment Date, in the case of payments on the Principal Payment Date.

We understand that Euroclear and Clearstream, Luxembourg, unless specifically requested not to do so by a participant prior to the 15th day preceding the applicable Interest Payment Date or Principal Payment Date, will elect to receive all payments of principal and interest on DTC Registered Debt Securities held through them in the applicable Specified Payment Currency if it is other than U.S. dollars.

THE AGREEMENTS

The following summary describes certain provisions of the Global Debt Facility Agreement and the Discount Note Agreement not otherwise described in this Offering Circular.

Binding Effect of the Agreements

You and any financial intermediary or Holder acting on your behalf agree that the receipt and acceptance of a Debt Security indicates acceptance of the terms and conditions of the applicable Agreement, as it may be supplemented or amended by its terms.

The Agreements will be binding upon and inure to the benefit of any successor to Freddie Mac.

Various Matters Regarding Freddie Mac

The Agreements provide that Freddie Mac and its directors, officers, employees and agents will not be liable for any action taken or omitted in good faith under the Agreements or for errors in judgment. However, they will not be protected against any liability imposed by reason of willful misfeasance, bad faith or gross negligence or by reason of reckless disregard of obligations and duties.

We may employ agents or independent contractors to perform our responsibilities under the Agreements.

Except upon an Event of Default (as defined below), we will not be subject to the control of Holders in any manner in the discharge of our responsibilities under the Agreements. Except with regard to our payment obligations, we will have no liability to you other than for any direct damage resulting from our failure to exercise that degree of ordinary care which we exercise in the conduct and management of our own affairs. We will have no liability of any nature for consequential damages.

In addition, the Agreements provide that we need not appear in any legal action that is not incidental to our responsibilities under the Agreements and that we believe may result in any expense or liability.

However, we may undertake any legal action that we believe is necessary or desirable in the interests of the Holders in our discretion. We will bear the legal costs of any such action.

Events of Default — Discount Note Agreement

The Discount Note Agreement does not define events of default or specify the remedies available to you in the event of our default.

Events of Default — Global Debt Facility Agreement

An **"Event of Default"** under the Global Debt Facility Agreement will consist of:

- any failure by us to pay principal or interest that continues unremedied for 30 days;
- any failure by us to perform in any material way any other obligation under the Global Debt Facility Agreement if the failure continues unremedied for 60 days after we receive notification by the Holders of at least 25% of the outstanding principal amount or notional principal amount of an issue of Term Debt Securities; or
- specified events of bankruptcy, insolvency or similar proceedings involving us.

The appointment of a conservator (or other similar official) by a regulator having jurisdiction over us, whether or not we consent to such appointment, will not constitute an Event of Default. Any payment made in U.S. dollars or in euros as described under "Description of the Debt Securities — General — Specified Currencies and Specified Payment Currencies — Unavailability" will not constitute an Event of Default.

Any event associated with the EMU (an **"EMU Event"**) will not give rise to an Event of Default. An EMU Event may include one or more of the following:

- the fixing of exchange rates between the currency of a member state of the European Union and euros or between the currencies of member states of the European Union;
- the introduction of euros as lawful currency in a member state of the European Union; or
- the disappearance or replacement of a relevant rate option or other price source for the national currency of any member state of the European Union, or the failure of the agreed sponsor (or a successor sponsor) to publish or display a relevant rate, index, price, page or screen.

Rights Upon Event of Default — Global Debt Facility Agreement

If an Event of Default under the Global Debt Facility Agreement continues unremedied, Holders of not less than 50% of the outstanding principal amount or notional principal amount of an issue of Term Debt Securities to which such Event of Default relates may, by written notice to us, declare such Term Debt Securities due and payable.

No Holder has any right under the Global Debt Facility Agreement to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, or for the appointment of a receiver or trustee, or for any other remedy, unless:

- the Holder previously has given us written notice of an Event of Default and of the continuance thereof;
- the Holders of not less than 50% of the outstanding principal amount or notional principal amount of the same issue of Term Debt Securities have given us written notice of the Event of Default; and
- the Event of Default continues uncured for 60 days following such notice.

You do not have any right under the Global Debt Facility Agreement to disturb or prejudice the rights of any other investor, to obtain or seek to obtain preference or priority over any other investor or to enforce any right under the Global Debt Facility Agreement, except as provided in the Global Debt Facility Agreement and for the ratable and common benefit of all Holders of the applicable Debt Securities.

The Holders of not less than 50% of the outstanding principal amount or notional principal amount of an issue of Term Debt Securities may waive, rescind or annul an Event of Default at any time.

Where the Global Debt Facility Agreement allows the Holders of a specified percentage of the outstanding balance of an issue of Term Debt Securities to take any action (including the making of any demand or request, or the giving of any authorization, notice, consent or waiver), the Holders of that specified percentage may evidence their joining together by a writing, or any number of writings of similar tenor, executed by Holders in person, or by an agent or proxy appointed in writing.

Amendment

We may amend either Agreement and the terms of an issue of Debt Securities without your consent:

- to cure any ambiguity or to correct any provision in that Agreement if the amendment does not materially and adversely affect any Holder;
- to add to our covenants for your benefit or surrender any right or power conferred upon us;
- to evidence the succession of another entity to us and its assumption of our covenants;
- to conform the terms of an issue of Debt Securities to, or cure any ambiguity or discrepancy resulting from any changes in, the Book-Entry Rules;
- to increase the amount of an issue of Debt Securities; or
- in any other manner we may determine that will not adversely affect your interests in any material way.

With (1) the written consent of the Holders of at least 50% of the aggregate outstanding principal amount or notional principal amount of an issue of Debt Securities, or (2) the vote of the Holders of at least 50% of the aggregate outstanding principal amount or notional principal amount of an issue of Debt Securities represented at a meeting of Holders where a quorum was present, we may amend the terms of those Debt Securities, but that amendment may not, without the written consent or affirmative vote of each affected Holder of a Debt Security:

- change the Maturity Date or Interest Payment Date of the Debt Security;
- materially modify the redemption or repayment provisions, if any, relating to the redemption or repayment price of, or any redemption or repayment date or period for, the Debt Security;
- reduce the principal amount of, delay the principal payment of, or materially modify the rate of interest or the calculation of the rate of interest on, the Debt Security;
- in the case of Registered Debt Securities only, change the Specified Payment Currency of the Registered Debt Security; or
- reduce the percentage of Holders whose consent or affirmative vote is necessary to amend the terms of the relevant issue of Debt Securities.

A quorum at any meeting of Holders called to adopt a resolution will be Holders entitled to vote a majority of the aggregate principal amount or notional principal amount of an issue of such Debt Securities at the time outstanding, and called to such meeting and, at any reconvened meeting adjourned for lack of a quorum, 25% of the aggregate principal amount or notional principal amount of such issue of Debt Securities at the time outstanding, in both cases excluding any such Debt Securities owned by us. Holders do not have to approve the particular form of any proposed amendment, as long as they approve the substance of such change. Special rules for determining the “principal amount” of certain Debt Securities are described below.

The **"principal amount,"** for purposes of this section, for a Debt Security that is a Zero Coupon Debt Security or for a Debt Security issued at an "issue price" of 80% or less of its principal amount will be equal to:

(1) the issue price of the Debt Security; plus

(2) the original issue discount that has accrued from the Issue Date of the Debt Security to the OID Determination Date (as defined below); minus

(3) any amount considered as part of the "stated redemption price at maturity" of such Debt Security that has been paid from the Issue Date of the Debt Security to the OID Determination Date.

The **"OID Determination Date"** is the last day of the last accrual period ending prior to the date of the meeting of Holders (or, for consents not at a meeting, prior to a date that we establish). The accrual period will be the same as the accrual period used by us to determine our deduction for accrued original issue discount under the Internal Revenue Code of 1986, as amended to the date of this Offering Circular (the **"Code"**). For a description of original issue discount and definitions of "issue price" and "stated redemption price at maturity," see "Certain United States Federal Tax Consequences — U.S. Owners — Debt Obligations with Original Issue Discount."

If the Specified Principal Currency of a Debt Security is other than U.S. dollars, the principal amount will be the U.S. dollar equivalent, determined on the Issue Date, of the principal amount (or, in the case of the Debt Securities referred to in the preceding paragraph, the amount determined in accordance with the provisions described in that paragraph) of that Debt Security. The principal amount of a Debt Security with principal determined by reference to an index, exchange rate or formula will be described in the applicable Pricing Supplement.

If any modification, amendment or supplement of the terms of an issue of Eligible Securities requires the consent of Holders, only the Holders of Principal Components will be entitled to give or withhold that consent. Holders of Interest Components will have no right to give or withhold such consent.

As provided in the Global Debt Facility Agreement, we may establish a record date for the determination of Holders entitled to vote at any meeting of Holders of Debt Securities, to grant any consent regarding Debt Securities and to notice of any such meeting or consent.

Any instrument given by a Holder on your behalf relating to a consent will be irrevocable once given and will be conclusive and binding on all subsequent Holders of that Debt Security or any substitute or replacement Debt Security, and whether or not notation of any amendment is made upon the Debt Securities. Any amendment of an Agreement or of the terms of Debt Securities will be conclusive and binding on all Holders of those Debt Securities, whether or not they have given such consent or were present at any meeting (unless by the terms of an Agreement a written consent or an affirmative vote of such Holders is required), and whether or not notation of any such amendment is made upon the Debt Securities.

Replacement

We will replace Registered Debt Securities in definitive form that are mutilated, destroyed, stolen or lost at the Holder's expense when the Holder provides evidence of the destruction, theft or loss of the Registered Debt Securities to the Global Agent as well as an indemnity, satisfactory to us and the Global Agent.

Debt Securities Acquired by Freddie Mac

We may, from time to time, repurchase or otherwise acquire (either for cash or in exchange for newly-issued Debt Securities) some or all of any issue of Debt Securities at any price or prices, in the open market or otherwise. We may hold, sell or cancel any Debt Securities that we repurchase. Any Debt Securities we own will have an equal and proportionate benefit under the provisions of the applicable Agreement, without preference, priority or distinction as among those Debt Securities. However, in determining whether the required percentage of Holders of an issue of Debt Securities have given any required demand,

authorization, notice, consent or waiver, Debt Securities we own, directly or indirectly, will be deemed not to be outstanding.

Notice

Any notice, demand or other communication which is required or permitted to be given to a Holder may be given, in the case of a Holder of a Debt Security maintained on DTC, by transmission through the DTC communication system or, in the case of a Holder of a Debt Security maintained on the Fed Book-Entry System, by transmission through the communication system linking the Federal Reserve Banks. The communication will be deemed to have been sufficiently given or made upon mailing or transmission.

As long as Debt Securities are admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices regarding any issue of Debt Securities admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange also will be published in a newspaper of general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (http://www.bourse.lu) or, if such publication is not practical, elsewhere in Europe if the rules of that exchange so require. Any such notice will be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Any notice, demand or other communication which is required or permitted to be delivered to us must be given in writing addressed as follows: Freddie Mac, 8200 Jones Branch Drive, McLean, Virginia 22102, Attention: General Counsel and Secretary. The communication will be deemed to have been sufficiently given or made only upon actual receipt of the writing by us.

Governing Law

The Agreements and the rights and obligations of the Holders and Freddie Mac with respect to the Debt Securities are to be interpreted under the federal laws of the United States. If there is no applicable U.S. federal law precedent, and if the application of New York law would not frustrate the purposes of the Freddie Mac Act or any provision of the applicable Agreement or the transactions governed by that Agreement, then the local laws of the State of New York will be deemed to reflect the federal laws of the United States.

A judgment that may be granted in an action commenced in a United States court based on Debt Securities payable in a Specified Payment Currency other than U.S. dollars may be denominated in U.S. dollars. It is not clear whether, in granting such judgment, the court would use the rate of exchange of the Specified Payment Currency into U.S. dollars in effect on the date of breach, on the date judgment is rendered or on another date.

CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES

Any discussion of tax issues set forth in this Offering Circular and any applicable Pricing Supplement was written to support the promotion and marketing of the transactions described in this Offering Circular and any applicable Pricing Supplement. Such discussion was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any tax penalties that may be imposed on such person. Each investor should seek advice based on its particular circumstances from an independent tax advisor.

The Debt Securities and payments on the Debt Securities generally are not exempt from taxation by the United States or other U.S. or non-U.S. taxing jurisdictions.

The following summary addresses certain U.S. federal tax consequences of an investment in certain Debt Securities (referred to as **"Debt Obligations"** in this section) and is based upon U.S. tax laws, the 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 Debt Obligations held by Owners (as defined below) as capital assets within the meaning of Section 1221 of the Code. It does not discuss all of the tax consequences that may be relevant to an Owner in light of its particular circumstances or to 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, Owners holding Debt Obligations as part of a hedging transaction, straddle, conversion transaction or synthetic security transaction, U.S. Owners (as defined below) whose functional currency (as defined in Section 985 of the Code) is not the U.S. dollar, partnerships or other pass-through entities, tax-exempt persons, or regulated investment companies. Further, the tax consequences arising from the ownership of any Debt Obligations with special characteristics (*e.g.*, Debt Obligations involving multiple currencies, Debt Securities having a Variable Principal Repayment Amount, Targeted Registered Debt Securities, FreddieNotes, Fixed/Variable Rate Debt Securities or Range Accrual Debt Securities) may be set forth in the applicable Pricing Supplement. In all cases, you are advised to consult your own tax advisors regarding the U.S. federal tax consequences to you of purchasing, owning and disposing of Debt Obligations (or of stripped payment rights derived from such Debt Obligations), including the advisability of making any of the elections described below, as well as 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 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. Owner" means a U.S. Person that beneficially owns a Debt Obligation. **"Non-U.S. Owner"** means a beneficial owner of a Debt Obligation that is an individual, a corporation, an estate or a trust that is not a U.S. Person. **"Owner"** means either a U.S. Owner or a Non-U.S. Owner.

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

As a condition to our payment on a Debt Obligation or to the transfer or exchange of a Debt Obligation, we (or our agent or any other person potentially required to withhold with respect to payments on such Debt Obligation) may require the Holder of the Debt Obligation to present a certificate in a prescribed form to enable us (or such person) to determine our (or such person's) duties and liabilities with respect to any taxes or other charges required to be deducted or withheld under United States law or any reporting or other requirements.

U.S. Owners

In General

Income derived from a Debt Obligation by a U.S. Owner is subject to U.S. federal income taxation. In addition, a Debt Obligation owned by an individual who, at the time of death, is a U.S. citizen or domiciliary is subject to U.S. federal estate tax.

The U.S. Internal Revenue Service (the **"IRS"**) has ruled that Freddie Mac is an instrumentality of the United States for purposes of Section 7701(a)(19) of the Code; therefore, domestic building and loan associations and savings banks are permitted to invest in Debt Obligations to meet the percentage of total assets required to be invested in, among other things, stock or obligations of a corporation which is an instrumentality of the United States. Furthermore, Debt Obligations held by a real estate investment trust will constitute "Government securities" within the meaning of Section 856(c)(4)(A) of the Code, and Debt Obligations held by a regulated investment company will constitute "Government securities" within the meaning of Section 851(b)(3) of the Code.

The Freddie Mac Act does not contain any specific exemption from any taxes on the principal of or interest on obligations issued by Freddie Mac imposed by any state or possession of the United States or by any local taxing authority. Purchasers residing in states of the United States that impose intangible property or income taxes should consult their own tax advisors as to the status of the Debt Obligations and interest paid on them under applicable tax laws.

Payments of Interest

Interest paid on a Debt Obligation generally will be taxable to a U.S. Owner as ordinary interest income at the time it accrues or is received in accordance with the U.S. Owner's method of accounting for U.S. federal income tax purposes. Special rules governing the treatment of interest paid on Debt Obligations having original issue discount are described below.

If an interest payment is payable in or determined by reference to a Specified Currency other than U.S. dollars (a **"Non-U.S. Currency"**), the amount of interest income recognized by a cash method U.S. Owner will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted to U.S. dollars. Accrual method U.S. Owners may determine the amount of the income recognized on such interest payments in accordance with one of two methods, in either case regardless of whether the payments are in fact converted into U.S. dollars. Under the first method, the amount of interest income recognized will be based on the average exchange rate in effect during the interest accrual period (or, for an accrual period that spans two taxable years, the average rate for the portion of the period within each taxable year). Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Debt Obligation) payable in or determined by reference to a Non-U.S. Currency, an accrual method U.S. Owner will recognize ordinary exchange gain or loss measured by the difference between the U.S. dollar value of such payment at the exchange rate in effect on the date of receipt and the amount of interest accrued during the payment period at the average exchange rate.

Under the second method, an accrual method U.S. Owner may elect to translate interest income into U.S. dollars at the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, at the exchange rate in effect on the last day of the partial period within each taxable year). Additionally, if a payment of interest is received within five business days of the last day of the accrual period or taxable year, an electing accrual basis U.S. Owner instead may translate such accrued interest into U.S. dollars at the exchange rate in effect on the day the payment is received. Any election to use the second method will apply to all debt instruments held by the U.S. Owner at the beginning of the first taxable year to which the election applies or thereafter acquired by such U.S. Owner, and will be irrevocable without the consent of the IRS.

If interest on a Debt Obligation is payable in a Non-U.S. Currency, but a U.S. Owner thereof receives payment in U.S. dollars as a result of a currency conversion, then the U.S. dollar amount so received might

not be the same as the U.S. dollar amount required to be recognized as interest income under the rules described above. See "Currency Conversions."

Debt Obligations with Original Issue Discount

Debt Obligations that are Zero Coupon Debt Securities will, and other Debt Obligations may, be issued with original issue discount. The Code and Regulations concerning the tax treatment of debt instruments issued with original issue discount (the **"OID Regulations"**) provide that the excess of the "stated redemption price at maturity" of a Debt Obligation over its "issue price" will be **"original issue discount"** unless such excess is *de minimis* (defined below). The **"stated redemption price at maturity"** of a Debt Obligation is generally equal to the sum of all payments on the Debt Obligation other than interest based on a fixed rate (or a variable rate, unless the applicable Pricing Supplement provides otherwise) and payable unconditionally at least annually. The **"issue price"** of a Debt Obligation is the first price at which a substantial amount of the issue of which the Debt Obligation is a part is sold to persons other than those acting as placement agents, underwriters, brokers or wholesalers. The issue price of a Debt Obligation generally includes any pre-issuance accrued interest unless a U.S. Owner excludes such amount from the issue price and treats a portion of the stated interest payable on the first interest payment date as a return of that accrued interest rather than as an amount payable under the Debt Obligation. Original issue discount is considered to be *de minimis* if it is less than one-quarter of one percent of a Debt Obligation's stated redemption price at maturity multiplied by the number of complete years to its maturity (or weighted average maturity if any amount included in the stated redemption price at maturity is payable before maturity). A Debt Obligation having more than a *de minimis* amount of original issue discount is referred to as an **"OID Debt Obligation."** A U.S. Owner of a Debt Obligation with *de minimis* original issue discount will include any *de minimis* original issue discount in income, as capital gain, on a *pro rata* basis as principal payments are made on the Debt Obligation.

Special rules apply to Debt Obligations that are callable by us, including Debt Obligations that are Step Debt Securities and that have an initial fixed interest rate that will change to a different fixed rate on the first day on which such Debt Obligations may be redeemed (**"Step Debt Obligations"**). See "Certain United States Federal Tax Consequences — U.S. Owners — Callable Debt Obligations." Other special rules may apply to Debt Obligations that are Variable Rate Debt Securities, Debt Obligations that provide for a fixed rate and a variable rate in different periods, Debt Obligations with a zero or reduced interest rate for certain periods, and certain other types of Debt Obligations. If any such special rules apply to a particular issue of Debt Obligations, the applicable Pricing Supplement will describe any special tax considerations that apply.

Subject to certain special rules for Debt Obligations having a maturity of one year or less (discussed below), U.S. Owners are required to include as ordinary income original issue discount on OID Debt Obligations as it accrues, which may be before the receipt of the cash attributable to such income, based on a compounding of interest at a constant rate (using the yield to maturity of the Debt Obligation when originally issued). Under these rules, the portion of the original issue discount includible in income generally is lowest in the first accrual period and increases in each successive accrual period. The OID Regulations permit U.S. Owners to use accrual periods of any length up to one year (including daily accrual periods) to compute accruals of original issue discount, provided each scheduled payment of principal or interest occurs either on the first or the last day of an accrual period.

If all the payments on an OID Debt Obligation are payable in or determined by reference to a single Non-U.S. Currency, the accruals of original issue discount are computed in that Non-U.S. Currency. The accruals are then translated into U.S. dollars under the rules described above for accrual method U.S. Owners in "Certain United States Federal Tax Consequences — U.S. Owners — Payments of Interest." These rules are applicable to original issue discount regardless of the U.S. Owner's regular method of accounting.

Callable Debt Obligations

The OID Regulations provide special rules for determining the yield and maturity of debt instruments that are unconditionally callable prior to their final maturity date. Under these rules, we will be presumed to exercise a call right if such exercise would minimize the yield to maturity of the Debt Obligation. If a call right with respect to an OID Debt Obligation is presumed to be exercised but we do not in fact exercise the call right, the Debt Obligation will be treated as retired and then reissued at the adjusted issue price on the call date solely for purposes of determining future accruals of interest and original issue discount. The **"adjusted issue price"** is defined as the sum of the issue price of the Debt Obligation and the aggregate amount of previously accrued but unpaid original issue discount (determined without regard to the acquisition premium rules), less any prior payments of amounts included in its stated redemption price at maturity.

For example, a fixed rate Debt Obligation that is issued at a discount and is callable at par will not be deemed to be called because exercise of the call right will not minimize the yield of such Debt Obligation. A Step Debt Obligation that is issued at par, has interest that increases on specified dates, and is callable at par on the dates specified for increases in interest rates will be deemed to be called on the first step date because the yield to maturity on the Debt Obligation would be lower than if the interest rate were stepped up. If the Step Debt Obligation is not called on that date, or is called only in part, the Step Debt Obligation (to the extent of its remaining outstanding principal amount) will be deemed to be called and retired and then reissued at par. As a result of these special rules, a Step Debt Obligation issued at par and with interest that increases on specified dates will not have any original issue discount and stated interest will be taken into account by a U.S. Owner under its regular method of accounting.

If a principal purpose in structuring a debt instrument is to achieve a result that is unreasonable in light of the purposes of the rules relating to original issue discount, then the OID Regulations provide that the IRS can apply or depart from the OID Regulations, including the rules relating to the exercise of call rights described above, as necessary or appropriate to achieve a reasonable result. We intend to report income on any Step Debt Obligations with the features described above assuming this anti-abuse rule does not apply.

Debt Obligations with a Term of One Year or Less

A Debt Obligation that matures one year or less from the date of its issuance is referred to as a **"Short-Term Debt Obligation."** For purposes of determining whether a Debt Obligation is a Short-Term Debt Obligation, the maturity date of the Debt Obligation is the last possible date it could be outstanding under its terms. For example, a Step Debt Obligation that has a maturity of more than one year but, under the rules described in the previous section, is presumed to be called on a date that is one year or less from the issue date, will not constitute a Short-Term Debt Obligation.

Accrual method U.S. Owners and certain other U.S. Owners described in Section 1281(b) of the Code (for example, certain U.S. Owners that hold stripped Short-Term Debt Obligations), regardless of their method of accounting, are required to include original issue discount and stated interest (if any) with respect to a Short-Term Debt Obligation in income as it accrues. Original issue discount and stated interest must be accrued on a straight-line basis unless the U.S. Owner makes an irrevocable election to accrue such amounts on the basis of the Short-Term Debt Obligation's yield to maturity and daily compounding. U.S. Owners described in this paragraph may irrevocably elect to accrue **"acquisition discount"** (*i.e.*, the excess of the stated redemption price at maturity over the U.S. Owner's basis in the Short-Term Debt Obligation) rather than original issue discount. Such U.S. Owners should consult their own tax advisors before making this election.

Cash method U.S. Owners of a Short-Term Debt Obligation generally include original issue discount and stated interest (if any) in income as payments are received. A cash method U.S. Owner of a Short-Term Debt Obligation described in Section 1281(b) of the Code, however, is subject to the rules described in the preceding paragraph. In addition, a cash method U.S. Owner of a Short-Term Debt Obligation (that is not otherwise required to account for interest or original issue discount on such Short-Term Debt Obligation as it accrues) may nevertheless elect to include in income interest and original issue discount

as they accrue (under the rules discussed above) on all obligations having a maturity of one year or less held by the U.S. Owner in the taxable year of the election and in all subsequent years. This election is irrevocable without the consent of the IRS. In the case of a U.S. Owner that is not required and that does not elect to include interest and original issue discount in income currently, (i) any gain realized upon the sale, exchange or retirement of a Short-Term Debt Obligation will be ordinary income to the extent of accrued interest and original issue discount; and (ii) such U.S. Owner will be required to defer deductions for interest expense on any indebtedness incurred or continued to purchase or carry the Short-Term Debt Obligation, in an amount not exceeding the deferred interest income, until the deferred interest income is recognized.

Acquisition Premium and Market Discount

In the event that a U.S. Owner purchases an OID Debt Obligation at an **"acquisition premium"** (*i.e.*, at a price in excess of its adjusted issue price but less than its remaining stated redemption price at maturity), an adjustment must be made to the amount includible in income in each taxable year as original issue discount. Unless a U.S. Owner makes the accrual method election described below, the original issue discount includible for any taxable year is reduced by the product of the amount of original issue discount otherwise accruing during that taxable year under the rules described above and a constant fraction, the numerator of which is the excess of the purchase price of the Debt Obligation over the adjusted issue price of the Debt Obligation as of the acquisition date and the denominator of which is the remaining original issue discount on the Debt Obligation as of the acquisition date.

A U.S. Owner that purchases a Debt Obligation (other than a Short-Term Debt Obligation) at a **"market discount"** (*i.e.*, at a price less than its stated redemption price at maturity or, in the case of an OID Debt Obligation, its adjusted issue price) will be required (unless such difference is a *de minimis* amount) to treat any principal payments on, or any gain realized in a taxable disposition or retirement of, such Debt Obligation as ordinary income to the extent of the market discount that accrued while such U.S. Owner held such Debt Obligation, unless the U.S. Owner elects to include such market discount in income on a current basis. Market discount is considered to be *de minimis* if it is less than one-quarter of one percent of the Debt Obligation's stated redemption price at maturity multiplied by the number of complete years to maturity (or weighted average maturity if any amount included in the stated redemption price at maturity is payable before maturity) after the U.S. Owner acquired such Debt Obligation. If a Debt Obligation with more than a *de minimis* amount of market discount is disposed of in a transaction that is nontaxable in whole or in part (other than certain transactions described in Section 1276(d) of the Code), accrued market discount will be includible as ordinary income to the U.S. Owner as if such U.S. Owner had sold the Debt Obligation at its then fair market value. Generally, market discount accrues ratably over the number of days from the date of acquisition to the maturity date of the Debt Obligation. A U.S. Owner may, however, elect with respect to any Debt Obligation to use a constant interest method. This election is irrevocable without the consent of the IRS. A U.S. Owner of a Debt Obligation that acquired it at a market discount and that does not elect under Section 1278(b) of the Code to include market discount in income on a current basis also may be required to defer the deduction for a portion of the interest expense on any indebtedness incurred or continued to purchase or carry the Debt Obligation until the deferred income is realized.

If all payments on a Debt Obligation are payable in or determined by reference to a single Non-U.S. Currency, the amount of market discount includible in income will generally be determined by translating the market discount determined in the Non-U.S. Currency into U.S. dollars at the spot rate on the date the Debt Obligation is retired or otherwise disposed of. If the U.S. Owner has elected to accrue market discount currently, then the amount which accrues is determined in the Non-U.S. Currency and then translated into U.S. dollars on the basis of the average rate in effect during such accrual period. A U.S. Owner will recognize ordinary exchange gain or loss with respect to market discount which is accrued currently using the approach described in "Certain United States Federal Tax Consequences — U.S. Owners — Payments of Interest."

Debt Obligations Purchased at a Premium

Except as noted below, a U.S. Owner that purchases a Debt Obligation for an amount in excess of its remaining stated redemption price at maturity will be treated as having premium with respect to such Debt Obligation in the amount of such excess. A U.S. Owner that purchases an OID Debt Obligation at a premium is not required to include in income any original issue discount with respect to such Debt Obligation. If such a U.S. Owner makes an election under Section 171(c)(2) of the Code to treat such premium as **"amortizable bond premium,"** the amount of interest on a Debt Obligation that must be included in such U.S. Owner's income for each accrual period (where such Debt Obligation is not optionally redeemable prior to its maturity date) will be reduced (but not below zero) by the portion of the premium allocable to such period based on the Debt Obligation's yield to maturity. If such Debt Obligation may be called prior to maturity after the U.S. Owner has acquired it, the U.S. Owner generally may not assume that the call will be exercised and must amortize premium to the maturity date. If the Debt Obligation is in fact called, any unamortized premium may be deducted in the year of the call. If a U.S. Owner makes the election under Section 171(c)(2) of the Code, the election also shall apply to all bonds the interest on which is not excludable from gross income (**"Fully Taxable Bonds"**) held by the U.S. Owner at the beginning of, or acquired during, the first taxable year to which the election applies and to all Fully Taxable Bonds thereafter acquired by it. This election is irrevocable without the consent of the IRS. If such an election is not made, such a U.S. Owner must include the full amount of each interest payment in income in accordance with its regular method of accounting and will take the premium into account in computing its gain or loss upon the sale or other disposition or retirement of the Debt Obligation. Thus, the premium may reduce capital gain or increase capital loss realized on the disposition or retirement of the Debt Obligation. See "Certain United States Federal Tax Consequences — U.S. Owners — Disposition or Retirement of Debt Obligations."

If all payments on a Debt Obligation are payable in or determined by reference to a single Non-U.S. Currency, amortizable premium will, if the U.S. Owner so elects, reduce the amount of foreign currency interest income on such Debt Obligation. Such electing U.S. Owner is required to recognize ordinary exchange gain or loss attributable to movements in exchange rates between the time premium is paid to acquire the Debt Obligation and the time it offsets interest income by treating the amount of premium amortized as a return of principal.

Accrual Method Election

Under the OID Regulations, a U.S. Owner of a Debt Obligation is permitted to elect to include in gross income its entire return on a Debt Obligation (*i.e.*, the excess of all remaining payments to be received on the Debt Obligation over the amount paid for the Debt Obligation by such U.S. Owner) based on the compounding of interest at a constant rate (an **"accrual method election"**). If the U.S. Owner has not made an election under Section 171(c)(2) of the Code to amortize bond premium, an accrual method election for a Debt Obligation with amortizable bond premium will result in a deemed election under Section 171(c)(2) of the Code for all of the U.S. Owner's debt instruments with amortizable bond premium held at the beginning of the taxable year and acquired thereafter. Similarly, an accrual method election for a Debt Obligation with market discount by a U.S. Owner that has not made an election under Section 1278(b) of the Code to include market discount in income on a current basis will result in a deemed election under Section 1278(b) of the Code. Such a deemed election will apply to all debt instruments with market discount acquired by the U.S. Owner during the current taxable year and all subsequent years. Neither the bond premium election under Section 171(c)(2) of the Code nor the market discount election under Section 1278(b) of the Code may be revoked without the permission of the IRS.

Disposition or Retirement of Debt Obligations

Upon the sale, exchange or other disposition of a Debt Obligation, or upon the retirement of a Debt Obligation (including by redemption), a U.S. Owner will recognize gain or loss in an amount equal to the difference, if any, between the amount realized upon the disposition or retirement (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. Owner's adjusted tax basis in the Debt

Obligation. The amount realized on a disposition or retirement of a Debt Obligation in exchange for an amount payable in a Non-U.S. Currency (whether or not the U.S. Owner elects to receive payment in the Non-U.S. Currency) is the U.S. dollar value of such amount on the date of disposition or retirement or, in the case of Debt Obligations traded on an established securities market (within the meaning of Treasury Regulation Section 1.988-2(a)(2)(iv)) sold by a cash basis U.S. Owner (or an electing accrual basis U.S. Owner), on the settlement date for the sale. A U.S. Owner's adjusted tax basis in a Debt Obligation for determining gain or loss on the disposition or retirement of a Debt Obligation generally is the U.S. dollar cost of such Debt Obligation to such U.S. Owner, increased by the amount of any original issue discount and any market discount previously included in such U.S. Owner's gross income with respect to such Debt Obligation, and decreased by (i) the amount of any payments on the Debt Obligation that are part of its stated redemption price at maturity; and (ii) the portion of any premium applied to reduce interest payments as described above. The U.S. dollar cost of Debt Obligations purchased with Non-U.S. Currency generally will be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Debt Obligations traded on an established securities market (within the meaning of Treasury Regulation Section 1.988-2(a)(2)(iv)) purchased by a cash basis U.S. Owner (or an electing accrual basis U.S. Owner), on the settlement date for the purchase. If a U.S. Owner purchases a Debt Obligation that is payable in a Non-U.S. Currency by converting U.S. dollars to the Non-U.S. Currency, the U.S. dollar value of the purchase price on the date of the purchase or settlement, as the case may be, may not be the same amount as the U.S. dollar amount converted to the Non-U.S. Currency for that purpose. See "Certain United States Federal Tax Consequences — U.S. Owners— Exchange of Amounts in Non-U.S. Currency."

Gain or loss recognized upon the disposition or retirement of a Debt Obligation will be capital gain or loss, except to the extent the gain represents accrued original issue discount or market discount on the Debt Obligation not previously included in gross income, or to the extent the gain or loss is attributable to changes in exchange rates, to which extent such gain or loss would be treated as ordinary income or ordinary loss, as the case may be. Any capital gain or loss upon the disposition or retirement of a Debt Obligation will be long-term capital gain or loss if at the time of disposition or retirement the U.S. Owner held the Debt Obligation for more than one year. Certain non-corporate U.S. 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. With respect to Step Debt Obligations described above, if a call that is presumed exercised is not in fact exercised, the deemed reissuance of the Debt Obligations for purposes of computing subsequent accruals of interest and original issue discount will not result in a deemed disposition or retirement of the Step Debt Obligations.

Exchange of Amounts in Non-U.S. Currency

Non-U.S. Currency received as interest on a Debt Obligation or on disposition or retirement of a Debt Obligation will have a tax basis equal to its U.S. dollar value at the time such interest is received or at the time of such disposition or retirement. Non-U.S. Currency that is purchased generally will have a tax basis equal to the U.S. dollar value of its cost. Any gain or loss recognized on a sale or other disposition of a Non-U.S. Currency (including its use to purchase Debt Obligations or upon exchange for U.S. dollars) will be ordinary income or loss.

Stripped Debt Obligations

Tax Treatment of Purchasers of Principal or Interest Components

Pursuant to Section 1286 of the Code, the separation of ownership of the right to receive some or all of the interest payments on a debt obligation from ownership of the right to receive some or all of the principal payments results in the creation of "stripped bonds" with respect to principal payments and "stripped coupons" with respect to interest payments. Consequently, a purchaser of a Principal Component or an Interest Component will be considered to own stripped bonds or stripped coupons, respectively.

Section 1286 of the Code treats a stripped bond or a stripped coupon, for purposes of applying the original issue discount rules, as a debt instrument issued with original issue discount on the date that such stripped bond or stripped coupon is purchased. Accordingly, the tax consequences to a purchaser of a

Component are determined as if the Component were an OID Debt Obligation issued on the date of purchase or, in the case of a Component maturing one year or less from the date of purchase, a Short-Term Debt Obligation issued on that date. See "Certain United States Federal Tax Consequences — U.S. Owners — Debt Obligations with Original Issue Discount" and "Certain United States Federal Tax Consequences — U.S. Owners — Debt Obligations with a Term of One Year or Less" and "Certain United States Federal Tax Consequences — Non-U.S. Owners — Interest." The amount of original issue discount is equal to the excess (if any) of the Component's stated redemption price at maturity (in the case of an Interest Component, the amount payable on the due date of such Component), over the purchase price.

If a U.S. Owner purchases in one transaction a pro rata share of the Principal Component and applicable unmatured Interest Components relating to the same Debt Obligation, while the matter is not free from doubt, such U.S. Owner should be treated as purchasing an undivided interest in the Debt Obligation rather than the separate Components. If such Components are purchased in separate transactions, then the U.S. Owner should be treated as purchasing the separate Components for U.S. federal income tax purposes. Such a U.S. Owner must account for taxable income with respect to such Components as described in the preceding paragraph.

Tax Treatment of Person That Strips the Debt Obligation and Disposes of Some of the Components

A U.S. Owner of a Debt Obligation that strips the Debt Obligation into its related Components and disposes of some of such Components will also be subject to the rules of Section 1286 of the Code. On the date of disposition, the U.S. Owner must (i) include in income all interest and market discount accrued on the Debt Obligation and not previously included in income; (ii) increase its basis in the Debt Obligation by the same amount; (iii) allocate its basis in the Debt Obligation among the Principal Component and Interest Components retained and disposed of according to their respective fair market values; and (iv) recognize gain or loss with respect to the Principal Component and Interest Components disposed of. Such U.S. Owner will be treated as having purchased the retained Components for an amount equal to the basis allocable to such Components.

Tax Treatment of Stripping and Reconstitution Transactions

An exchange by a U.S. Owner of a Debt Obligation for the related Components will not constitute a taxable exchange to the U.S. Owner. Similarly, a reconstitution of Components into a single instrument will not constitute a taxable exchange. In either case, the U.S. Owner will be treated as continuing to own for U.S. federal income tax purposes the property that it owned prior to the exchange.

Deemed Debt Exchange Between Certain Holders and Freddie Mac

If a U.S. Owner purchasing certain Debt Obligations (the **"New Debt Obligations"**) from Freddie Mac had previously held certain other Debt Obligations (the **"Old Debt Obligations"**), and such Old Debt Obligations had been repurchased by Freddie Mac in a manner that was conditioned (implicitly or explicitly) upon such U.S. Owner's purchase of the New Debt Obligations, all or a portion of the repurchase and associated purchase may be treated as a "deemed exchange" for U.S. federal income tax purposes.

Significant Modification Test

The U.S. federal income tax treatment of a U.S. Owner participating in a deemed exchange will generally depend on whether the exchange results in a "significant modification" of the terms of the Old Debt Obligations and, if so, whether the deemed exchange will qualify as a recapitalization. The deemed exchange of an Old Debt Obligation for a New Debt Obligation generally will constitute a significant modification of the terms of the Old Debt Obligation if, based on all of the facts and circumstances, the legal rights and obligations under the New Debt Obligation differ from those under the Old Debt Obligation to a degree that is economically significant. The applicable Pricing Supplement for the New Debt Obligations will specify whether a deemed exchange will result in a significant modification, and, if so, whether the deemed exchange will qualify as a recapitalization for U.S. federal income tax purposes.

Deemed Exchange Not Treated as a Significant Modification

U.S. Owners who participate in a deemed exchange that is not treated as resulting in a significant modification of the terms of the Old Debt Obligations will not recognize any gain or loss on the repurchase of the portion of the Old Debt Obligations deemed exchanged. In such case, the U.S. Owner's basis in the New Debt Obligations received in the deemed exchange will equal such U.S. Owner's adjusted tax basis in the Old Debt Obligations surrendered in the deemed exchange. Because of this carryover basis, the U.S. Owner may have market discount or premium on the New Debt Obligations received in the deemed exchange. The U.S. Owner's holding period in the New Debt Obligations received in the deemed exchange will also include its holding period in the related Old Debt Obligations.

Deemed Exchange Treated as a Significant Modification

U.S. Owners who participate in a deemed exchange that is treated as resulting in a significant modification of the terms of the Old Debt Obligations will be required to recognize gain or loss on a deemed exchange unless the exchange qualifies as a recapitalization for U.S. federal income tax purposes.

The deemed exchange of an Old Debt Obligation for a New Debt Obligation will qualify as a recapitalization only if both the Old Debt Obligation and the New Debt Obligation constitute "securities" for this purpose. The U.S. tax rules for determining whether a debt instrument constitutes a "security" for purposes of the recapitalization provisions are not entirely clear. The term "securities" is not defined in the Code or applicable Regulations and has not been clearly defined by court decisions. The determination of whether a debt instrument constitutes a "security" for U.S. federal income tax purposes is based on all the facts and circumstances, including, but not limited to, the term of the debt instrument, the degree of participation and continuing interest in the business, the extent of proprietary interest compared with the similarity of the instrument to a cash payment, and the overall purpose of the advances to which the instrument relates. The term of the debt instrument is usually considered the most significant factor.

Deemed Exchange Qualifying as a Recapitalization

U.S. Owners who participate in a deemed exchange of an Old Debt Obligation for a New Debt Obligation that is treated as a significant modification and that qualifies as a recapitalization will not recognize any loss as a result of the exchange and the amount of any gain recognized will generally equal the lesser of (i) the gain realized on the deemed exchange; or (ii) the sum of the amount of cash and the fair market value of the excess of the principal amount of the New Debt Obligations received over the principal amount of the Old Debt Obligations tendered (other than any cash or the portion of the New Debt Obligations that is attributable to accrued but unpaid interest, which generally would be taxable as interest income to the extent not previously included in income by the U.S. Owner). Any gain recognized generally will be capital gain, except to the extent the gain represents accrued original issue discount or market discount on the Old Debt Obligations not previously included in gross income, or to the extent the gain is attributable to changes in exchange rates, to which extent such gain would be treated as ordinary income. Any capital gain will be long-term capital gain if the U.S. Owner's holding period in the Old Debt Obligations is more than one year. Certain non-corporate U.S. Owners (including individuals) are eligible for preferential rates of U.S. federal income taxation in respect of long-term capital gains.

A U.S. Owner's adjusted tax basis in the New Debt Obligations generally will be equal to such U.S. Owner's adjusted tax basis in the Old Debt Obligations deemed exchanged therefor immediately prior to the deemed exchange, decreased by the amount of cash, if any, such U.S. Owner receives in the deemed exchange in respect of the Old Debt Obligations, and increased by the amount of gain, if any, that such U.S. Owner recognizes. A U.S. Owner's adjusted tax basis in the Old Debt Obligations generally will be computed in the manner described above under "Certain United States Federal Tax Consequences — U.S. Owners — Disposition or Retirement of Debt Obligations." The holding period of a U.S. Owner with respect to the New Debt Obligations will include the holding period for such U.S. Owner's Old Debt Obligations.

U.S. Owners who receive New Debt Obligations and cash in the deemed exchange should consult their own tax advisors regarding possible alternative characterizations of the deemed exchange, including,

but not limited to, the characterization of the exchange as in part a recapitalization and in part a redemption.

Deemed Exchange Not Qualifying as a Recapitalization

U.S. Owners who participate in a deemed exchange of an Old Debt Obligation for a New Debt Obligation that is treated as a significant modification and that does not qualify as a recapitalization generally will recognize taxable gain or loss on the deemed exchange of the Old Debt Obligations for the New Debt Obligations. The gain or loss realized in the deemed exchange will be equal to the difference between the amount realized in the deemed exchange and a U.S. Owner's adjusted tax basis in the Old Debt Obligations. The amount realized will be the sum of cash received, if any, and the "issue price" of the New Debt Obligations (other than the portion of the New Debt Obligations that is attributable to accrued but unpaid interest, which generally would be taxable as interest income to the extent not previously included in income by the U.S. Owner). A U.S. Owner's adjusted tax basis in the Old Debt Obligations generally will be computed in the manner described above under "Certain United States Federal Tax Consequences — U.S. Owners — Disposition or Retirement of Debt Obligations."

Any gain or loss recognized generally will be capital gain or loss, except to the extent the gain represents accrued original issue discount or market discount on the Old Debt Obligations not previously included in gross income, or to the extent the gain or loss is attributable to changes in exchange rates, to which extent such gain or loss would be treated as ordinary income or ordinary loss, as the case may be. Any capital gain or loss will be long-term capital gain or loss if the U.S. Owner's holding period in the Old Debt Obligations is more than one year. Certain non-corporate U.S. 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.

A U.S. Owner's adjusted tax basis in the New Debt Obligations generally will be equal to their issue price, and the U.S. Owner's holding period with respect to the New Debt Obligations will start on the date after the date of the deemed exchange.

Non-U.S. Owners

Interest

Interest (including original issue discount) on a Debt Obligation held by a Non-U.S. Owner 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 Certain Short-Term Obligations

Interest on a Debt Obligation held by a Non-U.S. Owner that is not effectively connected with a trade or business of the Non-U.S. Owner within the United States (or if an income tax treaty applies, such interest is not attributable to a U.S. permanent establishment) will be exempt from U.S. federal income and withholding taxes if the Debt Obligation is payable in full within 183 days after the date of original issue.

Exemption for Portfolio Interest

Interest on a Debt Obligation held by a Non-U.S. Owner that is not effectively connected with a trade or business of the Non-U.S. 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. Owner is not a U.S. Person. A Non-U.S. Owner may provide this certification by providing a properly completed Form W-8BEN or other documentation as may be prescribed by U.S. tax authorities. The appropriate documentation must be effective as to the interest and be provided prior to the payment of such interest. If a change in circumstances makes any information on such documentation incorrect, then the Non-U.S. Owner must report the change, generally within 30 days, and provide new documentation.

The portfolio interest exemption will not apply if: (i) the interest is determined by reference to any receipts, sales or other cash flow of Freddie Mac or a related person, the income or profits of Freddie Mac or a related person, a change in value of any property of Freddie Mac or a related person, or any other item specified in Section 871(h)(4)(A) of the Code; (ii) the Non-U.S. Owner is a bank that receives payments on the Debt Obligations that are described in Section 881(c)(3)(A) of the Code; (iii) the Non-U.S. Owner is a "10-percent shareholder" of Freddie Mac within the meaning of Section 871(h)(3)(B) of the Code; or (iv) the Non-U.S. Owner is a "controlled foreign corporation" related to Freddie Mac within the meaning of Section 881(c)(3)(C) of the Code.

Exemption or Reduced Rate for Non-U.S. Owners Entitled to the Benefits of a Treaty

Interest on a Debt Obligation held by a Non-U.S. 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. Owner provides a properly completed Form W-8BEN or other documentation as may be prescribed by U.S. tax authorities. The appropriate documentation must be effective as to the interest and be provided prior to the payment of such interest. If a change in circumstances makes any information on such documentation incorrect, then the Non-U.S. Owner must report the change, generally within 30 days, and provide new documentation.

Exemption for Non-U.S. Owners with Effectively Connected Income

Interest on a Debt Obligation held by a Non-U.S. Owner will be exempt from the 30-percent U.S. federal 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. Owner establishes this exemption by providing a properly completed Form W-8ECI or other documentation as may be prescribed by U.S. tax authorities. The appropriate documentation must be effective as to the interest and be provided prior to the payment of such interest. If a change in circumstances makes any information on such documentation incorrect, then the Non-U.S. Owner must report the change, generally within 30 days, and provide new documentation. Interest on a Debt Obligation 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. 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. federal withholding tax, generally will be subject to U.S. federal income tax at graduated rates and, in the case of a foreign corporation, may also be subject to U.S. federal branch profits tax.

Disposition or Retirement of Debt Obligations

Except as provided in the discussion of backup withholding below, a Non-U.S. Owner of a Debt Obligation will not be subject to U.S. federal income and withholding taxes on any gain realized on the sale, exchange, retirement or other disposition of a Debt Obligation (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. Owner (and if an income tax treaty applies, such gain is attributable to a U.S. permanent establishment); or (ii) such Non-U.S. Owner is an individual who is present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition and certain conditions are met.

Except as provided in the discussion of backup withholding below, gain on the sale of a Debt Obligation 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. 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. Owner that is a foreign corporation, may also be subject to U.S. federal branch profits tax.

U.S. Federal Estate and Gift Taxes

Debt Obligations owned by an individual who is not a citizen or domiciliary of the United States will not be subject to U.S. federal estate tax if interest paid on the Debt Obligations to such individual at the time of

his or her death would have been exempt from U.S. federal income and withholding taxes as described above under either "Certain United States Federal Tax Consequences — Non-U.S. Owners — Interest — Exemption for Portfolio Interest" (without regard to the requirement that a non-U.S. beneficial ownership statement be received) or "Certain United States Federal Tax Consequences — Non-U.S. Owners — Interest — Exemption for Certain Short-Term Obligations." A Non-U.S. Owner of a Debt Obligation generally will not be subject to U.S. federal gift tax on a transfer of the Debt Obligation.

Reportable Transaction Disclosure Statement

Pursuant to the Regulations, any taxpayer who has participated in a reportable transaction and who is required to file a U.S. federal income tax return generally must attach a disclosure statement disclosing such taxpayer's participation in the reportable transaction to the taxpayer's tax return for each taxable year in which the taxpayer participated in the reportable transaction. **"Reportable transactions"** include transactions that produce a foreign exchange loss of at least $50,000 for taxpayers that are individuals or trusts, or higher amounts for certain other non-individual taxpayers. Owners of a Debt Obligation may be required to report on Form 8886 any disposition or retirement of a Debt Obligation if the Owners recognize a foreign exchange loss that exceeds the applicable threshold amount. Owners are strongly encouraged to consult with their own tax advisors concerning the implications of the reportable transaction disclosure requirements in light of their particular circumstances.

Information Reporting and Backup Withholding

Payments of interest (including original issue discount) on a Debt Obligation to a U.S. Owner (other than a corporation or other exempt recipient) are required to be reported to the IRS and the U.S. Owner. Payments of interest (including original issue discount) on a Debt Obligation to a Non-U.S. Owner (other than interest described above under "Certain United States Federal Tax Consequences — Non-U.S. Owners — Interest — Exemption for Certain Short-Term Obligations") generally will be reported to U.S. tax authorities and the Non-U.S. Owner. Form W-8BEN, Form W-8ECI, or other documentation or information about the Non-U.S. 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 Debt Obligation, as well as a payment of proceeds from the sale of a Debt Obligation, to an Owner (other than a corporation or other exempt recipient), unless the Owner provides certain information. Any amount withheld under these rules will be creditable against the Owner's U.S. federal income tax liability, and if withholding results in an overpayment of taxes, the Owner may apply for a refund from the IRS.

If an Owner (other than a corporation or other exempt recipient) sells a Debt Obligation before the stated maturity to (or through) certain brokers, the broker must report the sale to the IRS and the Owner unless, in the case of a Non-U.S. Owner, the Non-U.S. Owner certifies that it is not a U.S. Person (and certain other conditions are met). The broker may be required to withhold U.S. federal income tax at the applicable rate on the entire sale price unless the Owner provides certain information and, in the case of a Non-U.S. Owner, the Non-U.S. Owner certifies that it is not a U.S. Person (and certain other conditions are met).

THE U.S. FEDERAL TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON AN OWNER'S PARTICULAR SITUATION. OWNERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE DEBT OBLIGATIONS, 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.

APPLICATION OF PROCEEDS

We will use the net proceeds from sales of the Debt Securities for general corporate purposes, including, but not limited to, the purchase and financing of mortgages and mortgage-related securities and the repayment of existing indebtedness.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your own legal advisors to determine whether the Debt Securities constitute legal investments for you and whether the Debt Securities can be used as collateral for borrowings. In addition, financial institutions should consult their legal advisors or regulators to determine the appropriate treatment of the Debt Securities under risk-based capital and similar rules.

If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may be subject to restrictions on investing in certain types of Debt Securities generally. Institutions regulated by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration, Treasury or any other federal or state agency with similar authority should review applicable regulations, policy statements and guidelines before purchasing or pledging Debt Securities.

DISTRIBUTION ARRANGEMENTS

Term Debt Securities

Distribution

We will offer Term Debt Securities to or through Dealers under the terms and conditions set forth in a Master Dealer Agreement (as amended, supplemented or replaced from time to time, the **"Dealer Agreement"**) between us and certain Dealers. **"Dealers"** are firms that engage in the business of dealing or trading in debt securities as agents, brokers or principals. Under the terms of the Dealer Agreement, we may add other securities dealers or banks in connection with the distribution of the Debt Securities or any particular issue of Debt Securities. These securities dealers or banks, together with the initial Dealers with whom Freddie Mac executed the Dealer Agreement, are referred to in this Offering Circular collectively as the "Dealers." The Dealer Agreement also provides that Dealers may be removed from the Facility from time to time.

Sales to Dealers as Principal

We will sell Debt Securities primarily to Dealers as principals, either individually or as part of a syndicate. These sales may be by auction or other methods. Dealers will resell Debt Securities to investors at a fixed offering price or at varying offering prices related to market prices prevailing at the time of resale as determined by such Dealers. Offering prices may be established through negotiations with Dealers, auctions (which may include standard auctions, Dutch auctions or other formats) or otherwise. The Dealer Agreement entitles the Dealers or us to terminate such sale in certain circumstances before payment for the Debt Securities is made to us. Except as noted below for Targeted Registered Debt Securities and under certain other circumstances, any Dealer may sell the Debt Securities it has purchased as principal to other dealers at a concession, in the form of a discount that other Dealers receive. The concession may be all or a portion of the underwriting compensation. There will be no underwriting compensation where such sales are by auction. Dealers will advise us whether an offering is on a fixed price or variable price basis and of any concessions or reallowances that they will provide to other dealers. We will include this information that the Dealers provide in the applicable Pricing Supplement. After the initial offering of any issue of Debt Securities, the offering price (in the case of a fixed price offering), the concession and the reallowance may be changed.

Non-Underwritten Sales

We may authorize some Dealers to solicit customer offers to purchase Debt Securities on a non-underwritten basis as our agents on terms we determine. The Dealer Agreement requires each Dealer severally and not jointly to solicit purchases of the Debt Securities for which it is authorized to solicit offers as agent. Dealers have agreed to use their best efforts when soliciting non-underwritten sales. Dealers also may approach us on behalf of investors and other purchasers with offers to purchase Debt Securities on a non-underwritten basis. We will sell Debt Securities on a non-underwritten basis at 100% of the principal amount, unless we specify otherwise in the applicable Pricing Supplement. These sales may be by auction or other methods. We will pay the Dealers through whom a Debt Security is sold a commission in an amount specified in the applicable Pricing Supplement, except that no commission will be paid on sales of Term Debt Securities where such sales are by auction. The commission will be expressed as a percentage of the principal amount of the Debt Securities (or the initial offering price for Zero Coupon Debt Securities and certain other Debt Securities sold at a discount). We will have the sole right to accept offers to purchase Debt Securities and may reject all or a portion of any offer. Each Dealer will have the right, using reasonable discretion, to reject all or a portion of any offer to purchase Debt Securities solicited on a non-underwritten basis. Each Dealer is acting solely as our agent in soliciting offers to purchase Debt Securities as agent and not as principal, and does not assume any obligation towards or relationship of agency or trust with any purchaser of Debt Securities.

Targeted Registered Debt Securities

No Dealer participating in the distribution of Targeted Registered Debt Securities (whether as principal or agent) may allow any person (including an affiliate) to participate in the distribution of Targeted Registered Debt Securities without our prior written consent and that person having entered into an agreement with us as we may require.

Sales Directly to Investors

We also may sell Debt Securities directly to investors on our own behalf. We will not pay a commission to any Dealer on these direct sales. These sales may be by auction or other methods.

Stabilization and Other Market Transactions

A Dealer acting as a principal for a fixed price offering may, for a limited period, engage in certain transactions that stabilize, maintain or otherwise affect the market price, or that support the market price at a level higher than that which might otherwise prevail, in connection with any offering of Term Debt Securities. A Dealer will be identified in the Pricing Supplement as the **"Stabilizing Manager"** for the syndicate in each syndicated fixed price offering that is underwritten. These transactions may include stabilizing bids or purchases for the purpose of pegging, fixing or maintaining the market price of the Term Debt Securities and the purchase of Term Debt Securities to cover syndicate short positions created in connection with an offering of Term Debt Securities. Any such transactions will be conducted in compliance with all applicable laws, regulations and rules.

A Dealer may create a short position in the Term Debt Securities in connection with the offering by selling Term Debt Securities with a principal amount greater than that set forth on the cover of the applicable Pricing Supplement, and may reduce that short position by purchasing Term Debt Securities in the open market.

The Stabilizing Manager may also impose a penalty bid on the other Dealers. This means that if the Stabilizing Manager purchases Term Debt Securities in the open market to reduce a Dealer's short position or to stabilize the price of the Term Debt Securities, it may reclaim the amount of the selling concession from the Dealer who sold those Term Debt Securities as part of the offering.

In general, purchases of a Term Debt Security for the purpose of stabilization or to reduce a short position could cause the price of the Term Debt Security to be higher than it might be in the absence of such purchases. We and the Dealers make no representation that the Dealers will engage in such transactions

or that such transactions, once commenced, will be continued. Any such transactions must be brought to an end after a limited period of time. A Dealer that engages in such transactions does so on its own behalf and not as our agent. If Dealers commence these transactions, they may discontinue them at any time. Any loss resulting from over-allotment and stabilization shall be borne, and any net profit arising therefrom shall be retained, by the Stabilizing Manager for its own account.

Neither we nor the Dealers make any representation or prediction as to the direction or magnitude of any effect that the transactions described in this section may have on the price of Term Debt Securities.

Discount Notes

We offer Discount Notes for sale through one or a combination of methods, including auction, allocation to selected Dealers for reoffering or placement with investors, and direct placement with Dealers or investors.

Discount Notes generally are offered on a continuous basis for sale to Dealers. The sales may be held on a daily basis and there may be more than one sale on a given day. Current quotations for Discount Notes of varying maturities can be obtained by contacting any Dealer for Discount Notes.

Freddie Mac may compensate Dealers in connection with sales of Discount Notes by allowing a concession to the Dealers. Part of any concession allowed by Freddie Mac may be in the form of a commission payable by Freddie Mac to Dealers that place customer bids during an auction that are subsequently awarded to the Dealer's customer.

Dealer Information

In connection with an issue of Debt Securities, Freddie Mac may enter into a swap or other hedging agreement with a Dealer, one of its affiliates or a third party. Any such agreement may provide for the payment of fees or other compensation or provide other economic benefits (including trading gains or temporary funding) to, and will impose obligations on, the parties, but will not affect the rights of Holders of, or the obligations of Freddie Mac as to, such Debt Securities. The existence of such an agreement may influence our decision to exercise our right of optional redemption, if any, as to such Debt Securities. Counterparties to these hedging agreements also may engage in market transactions involving Debt Securities.

In addition, we may have various other business relationships with Dealers and their affiliates. For example, they may from time to time underwrite, invest in or make markets in Debt Securities or other securities we issue or guarantee, provide financial advice to us, provide money management, consulting or investment banking services to us, purchase financial products from us, sell financial products to us, engage in swap, hedging, forward, dollar roll, repurchase, reverse repurchase and other financial transactions with us, resecuritize mortgage-related securities we have issued, or enter into licensing or other commercial agreements with us. We, the Dealers, their affiliates or other parties may receive compensation, trading gain or other benefits in connection with these transactions. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these transactions also may engage in market transactions involving Debt Securities.

Unless we specify otherwise in the applicable Pricing Supplement, you must pay the purchase price of Debt Securities in immediately available funds. Your payment will be effective upon receipt.

We and the Dealers have agreed to indemnify each other against and contribute toward certain liabilities.

Purchasers of the Debt Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase. Neither we nor any Dealer represent that the Debt Securities may be sold lawfully in the secondary market at any time in compliance with any applicable registration or other requirements in any jurisdiction, or under any available exemption, nor do we or any Dealer assume any responsibility for facilitating these sales.

You can obtain lists of Dealers for Debt Securities by contacting our Investor Relations Department. See “Additional Information” in this Offering Circular.

We may request the Dealers to provide us with information relating to the Debt Securities that they sell, including the identities of investors that have made purchases of Debt Securities.

Trading Markets

We may apply for admission to trading on the Euro MTF Market and may apply to list certain Debt Securities to be issued under the Facility on the Official List of the Luxembourg Stock Exchange. We also may issue unlisted Debt Securities and Debt Securities listed on other or additional exchanges. The Pricing Supplement will identify any exchange to which an initial listing application will be made. We may delist Debt Securities previously listed on an exchange.

When issued, the Debt Securities generally will have no established trading market. We have been advised that certain Dealers for the Debt Securities intend to make a secondary market in the Debt Securities offered by or through them, but such Dealers are not obligated to do so and may discontinue any such secondary market making at any time without notice. There is no assurance that a secondary market for any of the Debt Securities will develop or of the liquidity of such a market if it develops.

Selling Restrictions

General

The Debt Securities may be offered and sold from time to time in one or more issues outside of the United States, within the United States or simultaneously outside of and within the United States, only where it is legal to make such offers and sales.

The Dealers have represented and agreed that they have complied and will comply with all applicable laws and regulations in each jurisdiction in which or from which they may purchase, offer, sell or deliver any Debt Securities or distribute this Offering Circular, any Pricing Supplement or any other offering material. The Dealers also have agreed to comply with certain selling restrictions relating to certain countries.

Appendix C sets forth selling restrictions for various jurisdictions. We may modify these selling restrictions following a change in any relevant law, regulation, government policy or directive, or otherwise. We also may add selling and other restrictions to reflect requirements relating to Specified Currencies or Specified Payment Currencies. Any such modified or added selling or other restrictions will be reflected in the applicable Pricing Supplement.

Targeted Registered Debt Securities

If we issue Targeted Registered Debt Securities, the applicable Pricing Supplement will describe the selling restrictions that apply to the Targeted Registered Debt Securities. Each Dealer has represented and agreed, and each Dealer identified in the applicable Pricing Supplement will have represented and agreed, as follows:

- such Dealer will not offer or sell Targeted Registered Debt Securities during a “restricted period,” as defined in the Regulations, to persons who are within the United States or its territories or possessions (with certain exceptions) or to or for the account of U.S. Persons (with certain exceptions); and
- such Dealer has in effect procedures reasonably designed to ensure that its employees and agents who will be directly engaged in offering or selling the Targeted Registered Debt Securities are aware of these selling restrictions. See “Description of the Debt Securities — Targeted Registered Issues.”

LEGALITY OF THE DEBT SECURITIES

Our General Counsel or one of our Deputy General Counsels will pass upon the legality of the Debt Securities for us. Sidley Austin LLP, New York, New York, will pass upon certain legal matters relating to the Debt Securities for the Dealers.

GENERAL INFORMATION

We may apply to have some Debt Securities issued under this Offering Circular admitted for trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange. As of the date of this Offering Circular, Debt Securities with maturities of less than seven days may not be admitted to trading on the Euro MTF Market.

You may obtain, free of charge, copies of our Annual Report from the Luxembourg Transfer, Paying and Listing Agent so long as any Debt Securities issued under this Offering Circular are admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange. You may also obtain, free of charge, from the Luxembourg Transfer, Paying and Listing Agent, this Offering Circular, any documents we incorporate by reference in this Offering Circular and Pricing Supplements applicable to Debt Securities listed on the Luxembourg Stock Exchange. You may inspect copies of the Fiscal Agency Agreement and the Global Agency Agreement at the Office of the Luxembourg Transfer, Paying and Listing Agent during the term of the Debt Securities.

So long as Debt Securities are admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange, we will maintain in Luxembourg a transfer agent, paying agent and listing agent to respond to your inquiries. BGL S.A. initially has been appointed as the Luxembourg Transfer, Paying and Listing Agent.

In the event we are required under any EU directive or regulation to prepare our consolidated financial statements in accordance with, or reconcile our financial statements to, International Financial Reporting Standards, or make additional narrative or quantitative financial disclosures not made by us in our Annual Report, or financial statements prepared under U.S. generally accepted accounting principles, in order to maintain the continued listing of the Debt Securities on any market or exchange where our Debt Securities may be listed, we may determine that it is unduly burdensome to maintain such listings and may seek to terminate such listings. We would coordinate with the relevant market or exchange concerning the termination of such listings and publish a notice in the event the listing of any Debt Security was terminated. Although there is no assurance as to the liquidity of the Debt Securities as a result of any listing of Debt Securities on any market or exchange, delisting may have a material effect on your ability to resell your Debt Securities in the secondary market.

As of the date of this Offering Circular, except as disclosed in our Annual Report, there is no litigation, actual or pending, that relates to Freddie Mac and to which we are a party or of which we have been notified that we will be made a party that is material in the context of the issuance of the Debt Securities.

Freddie Mac's financial statements are presented in our Annual Report on a consolidated basis. The audited consolidated financial statements and other financial information in our current Annual Report fairly present in all material respects the financial position of Freddie Mac at December 31, 2008, and fairly state in all material respects the financial position of Freddie Mac for the period presented. We are not aware of other matters arising since the publication of our Annual Report that have adversely affected Freddie Mac or the figures in the table that appear under "Capitalization" in a manner that is material in the context of the Facility or the offering and issuance of Debt Securities.

We have given an undertaking in connection with the admission to trading of Debt Securities on the Euro MTF Market and listing of Debt Securities on the Official List of the Luxembourg Stock Exchange to the effect that, so long as any Debt Securities remain outstanding and listed on the Official List of the Luxembourg Stock Exchange, in the event of any material adverse change in our business or financial position that is not reflected in this Offering Circular as then amended or supplemented (including the documents incorporated by reference), we will prepare an amendment or supplement to this Offering

Circular or publish a new Offering Circular for use in connection with any subsequent offering and listing by us of the Debt Securities. If the terms of the Facility are modified or amended in a manner which would make this Offering Circular, as amended or supplemented, inaccurate or misleading, a further amendment to this Offering Circular or a new Offering Circular will be prepared.

CAPITALIZATION

The following table sets forth our capitalization at December 31, 2008. This financial information is summarized from data presented in our Annual Report. We engage in transactions and issue or repurchase debt obligations on an ongoing basis, all of which cause our total capitalization to change. As discussed in our Annual Report, a variety of factors could materially affect the level and volatility of our total stockholders' equity (deficit) in future periods, which in turn will affect our total capitalization. In addition, although the Purchase Agreement substantially limits our ability to engage in transactions in Freddie Mac equity securities, our total stockholders' equity (deficit) will be affected by any changes in the aggregate liquidation preference of our senior preferred stock issued under the Purchase Agreement (including the increase in the aggregate liquidation preference of the senior preferred stock resulting from the $30.8 billion in funding we received from Treasury on March 31, 2009). Therefore, on any date after December 31, 2008, our total capitalization will differ (perhaps substantially) from the figures contained in this capitalization table.

	December 31, 2008 (dollars in millions)
Short-term debt:	
Short-term debt securities	$329,702
Current portion of long-term debt	105,412
Short-term debt	435,114
Long-term debt:	
Senior debt	403,402
Subordinated debt	4,505
Long-term debt	407,907
Total debt	843,021
Total stockholders' equity (deficit)	(30,731)
Total capitalization	$812,290

See "NOTE 8: DEBT SECURITIES AND SUBORDINATED BORROWINGS" and "NOTE 9: STOCKHOLDERS' EQUITY (DEFICIT)" to the consolidated financial statements in our Annual Report for further information.

SELECTED FINANCIAL DATA[1]

	At or for the Year Ended December 31,				
	2008	2007	2006	2005	2004
	(dollars in millions, except share-related amounts)				
Statement of Operations Data					
Net interest income	$ 6,796	$ 3,099	$ 3,412	$ 4,627	$ 8,313
Non-interest income (loss)	(29,175)	(275)	1,679	683	(3,005)
Non-interest expense	(22,190)	(8,801)	(2,809)	(2,780)	(2,096)
Net income (loss) before cumulative effect of change in accounting principle	(50,119)	(3,094)	2,327	2,172	2,603
Cumulative effect of change in accounting principle, net of taxes	—	—	—	(59)	—
Net income (loss)	(50,119)	(3,094)	2,327	2,113	2,603
Net income (loss) available to common stockholders	(50,795)	(3,503)	2,051	1,890	2,392
Per common share data:					
Earnings (loss) before cumulative effect of change in accounting principle:					
Basic	(34.60)	(5.37)	3.01	2.82	3.47
Diluted	(34.60)	(5.37)	3.00	2.81	3.46
Earnings (loss) after cumulative effect of change in accounting principle:					
Basic	(34.60)	(5.37)	3.01	2.73	3.47
Diluted	(34.60)	(5.37)	3.00	2.73	3.46
Cash common dividends	0.50	1.75	1.91	1.52	1.20
Weighted average common shares outstanding (in thousands)[2]:					
Basic	1,468,062	651,881	680,856	691,582	689,282
Diluted	1,468,062	651,881	682,664	693,511	691,521
Balance Sheet Data					
Total assets	$ 850,963	$ 794,368	$ 804,910	$ 798,609	$ 779,572
Short-term debt	435,114	295,921	285,264	279,764	266,024
Long-term senior debt	403,402	438,147	452,677	454,627	443,772
Long-term subordinated debt	4,505	4,489	6,400	5,633	5,622
All other liabilities	38,579	28,911	33,139	31,945	32,720
Minority interests in consolidated subsidiaries	94	176	516	949	1,509
Stockholders' equity (deficit)	(30,731)	26,724	26,914	25,691	29,925
Portfolio Balances[3]					
Mortgage-related investments portfolio[4]	$ 804,762	$ 720,813	$ 703,959	$ 710,346	$ 653,261
Total PCs and Structured Securities issued[5]	1,827,238	1,738,833	1,477,023	1,335,524	1,208,968
Total mortgage portfolio	2,207,476	2,102,676	1,826,720	1,684,546	1,505,531
Non-performing assets	48,385	18,446	9,546	9,673	9,383
Ratios					
Return on average assets[6]	(6.1)%	(0.4)%	0.3%	0.3%	0.3%
Non-performing assets ratio[7]	2.6	1.1	0.6	0.7	0.8
Return on common equity[8]	N/A	(21.0)	9.8	8.1	9.4
Return on total equity[9]	N/A	(11.5)	8.8	7.6	8.6
Dividend payout ratio on common stock[10]	N/A	N/A	63.9	56.9	34.9
Equity to assets ratio[11]	(0.2)	3.4	3.3	3.5	3.8
Preferred stock to core capital ratio[12]	N/A	37.3	17.3	13.2	13.5

(1) See "NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — Recently Adopted Accounting Standards — *Other Changes in Accounting Principles*" to our consolidated financial statements in our Annual Report for more information regarding our accounting policies and adjustments made to previously reported results due to changes in accounting principles. Effective January 1, 2006, we changed our method of estimating prepayments for the purpose of amortizing premiums, discounts and deferred fees related to certain mortgage-related securities. Effective January 1, 2005, we changed the effective interest method of accounting for interest expense related to callable debt.

(2) Includes the weighted average number of shares during the 2008 periods that are associated with the warrant for our common stock issued to Treasury as part of the Purchase Agreement. This warrant is included in basic earnings per share, because it is unconditionally exercisable by the holder at a cost of $.00001 per share.

(3) Represents the unpaid principal balance and excludes mortgage loans and mortgage-related securities traded, but not yet settled. Effective in December 2007, we established a trust for the administration of cash remittances received related to the underlying assets of our Mortgage Participation Certificates, or PCs, and Structured Securities issued. As a result, for December 2007 and each period in 2008, we report the balance of our mortgage portfolios to reflect the publicly-available security balances of our PCs and Structured Securities. For periods prior to December 2007, we report these balances based on the unpaid principal balance of the underlying mortgage loans. We reflected this change as an increase in the unpaid principal balance of our mortgage-related investments portfolio by $2.8 billion at December 31, 2007.

(4) The mortgage-related investments portfolio presented on our consolidated balance sheets differs from the mortgage-related investments portfolio in this table because the consolidated balance sheet caption includes valuation adjustments and deferred balances. See "MD&A — CONSOLIDATED BALANCE SHEETS ANALYSIS — Table 24 — Characteristics of Mortgage Loans and Mortgage-Related Securities in our Mortgage-Related Investments Portfolio" in our Annual Report for more information.

(5) Includes PCs and Structured Securities that are held in our mortgage-related investments portfolio. See "MD&A — OUR PORTFOLIOS — Table 50 — Total Mortgage Portfolio and Segment Portfolio Composition" in our Annual Report for the composition of our total mortgage portfolio. Excludes Structured Securities for which we have resecuritized our PCs and Structured Securities. These resecuritized securities do not increase our credit-related exposure and consist of single-class Structured Securities backed by PCs, REMICs, and principal-only strips. The notional balances of interest-only strips are excluded because this line item is based on unpaid principal balance. Includes other guarantees issued that are not in the form of a PC, such as long-term standby commitments and credit enhancements for multifamily housing revenue bonds.

(6) Ratio computed as annualized net income (loss) divided by the simple average of the beginning and ending balances of total assets.

(7) Ratio computed as non-performing assets divided by the simple average of the beginning and ending unpaid principal balances of mortgage loans held by us and those underlying our total PCs and Structured Securities issued.

(8) Ratio computed as annualized net income (loss) available to common stockholders divided by the simple average of the beginning and ending balances of stockholders' equity (deficit), net of preferred stock (at redemption value). Ratio is not computed for periods in which stockholders' equity (deficit) is less than zero.

(9) Ratio computed as annualized net income (loss) divided by the simple average of the beginning and ending balances of stockholders' equity (deficit). Ratio is not computed for periods in which stockholders' equity (deficit) is less than zero.

(10) Ratio computed as common stock dividends declared divided by net income available to common stockholders. Ratio is not computed for periods in which net income (loss) available to common stockholders was a loss.

(11) Ratio computed as the simple average of the beginning and ending balances of stockholders' equity (deficit) divided by the simple average of the beginning and ending balances of total assets.

(12) Ratio computed as preferred stock (excluding senior preferred stock), at redemption value divided by core capital. Senior preferred stock does not meet the statutory definition of core capital. Ratio is not computed for periods in which core capital is less than zero. See "NOTE 10: REGULATORY CAPITAL" to our consolidated financial statements in our Annual Report for more information regarding core capital.

INDEX OF DEFINED TERMS

Each term listed below is defined or explained in the Offering Circular on the page indicated opposite such term. This reference guide is intended merely as a convenience and may not be complete. Certain other terms not listed below may be defined in the Offering Circular.

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DESCRIPTIONS OF INDICES

The Pricing Supplement will specify the applicable interest rate index for an issue of Variable Rate Debt Securities. The provisions set forth below under the heading of the specific interest rate index will apply to the related Variable Rate Debt Securities.

Prime Rate

The **"Prime Rate"** means, with respect to any Reset Date (in the following order of priority):

(1) the rate for the Prime Rate Determination Date, as published in the daily update of H.15 (519), available on the website of the Federal Reserve at http://www.federalreserve.gov/releases/h15/update, or any successor site or publication (**"H.15 Daily Update"**) opposite the caption "Bank prime loan";

(2) if the above rate is not published by 5:00 p.m. on the Reset Date, the rate for the Prime Rate Determination Date as published by the Federal Reserve in "Statistical Release H.15 (519), Selected Interest Rates," or any successor publication of the Federal Reserve available on its website at http://www.federalreserve.gov/releases/h15/ or any successor site (**"H.15 (519)"**) opposite the caption "Bank prime loan";

(3) if the rate is not published in either H.15 (519) or the H.15 Daily Update by 5:00 p.m. on the Reset Date, then the Prime Rate will be the arithmetic mean, determined by the Calculation Agent, of the rates (after eliminating certain rates, as described below in this clause (3)) that appear, at 11:00 a.m. on the Prime Rate Determination Date, on Reuters USPRIME1 Page as the U.S. dollar prime rate or base lending rate of each bank appearing on that page; provided, that at least three rates appear. In determining the arithmetic mean:

- if 20 or more rates appear, the highest five rates (or in the event of equality, five of the highest) and the lowest five rates (or in the event of equality, five of the lowest) will be eliminated,
- if fewer than 20 but 10 or more rates appear, the highest two rates (or in the event of equality, two of the highest) and the lowest two rates (or in the event of equality, two of the lowest) will be eliminated, or
- if fewer than 10 but five or more rates appear, the highest rate (or in the event of equality, one of the highest) and the lowest rate (or in the event of equality, one of the lowest) will be eliminated;

(4) if fewer than three rates so appear on Reuters USPRIME1 Page pursuant to clause (3) above, then the Calculation Agent will request five major banks in the City of New York selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide a quotation of such banks' U.S. dollar prime rates or base lending rates on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date. If at least three quotations are provided, then the Prime Rate will be the arithmetic mean, determined by the Calculation Agent, of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest));

(5) if fewer than three quotations are so provided pursuant to clause (4) above, the Calculation Agent will request five banks or trust companies organized and doing business under the laws of the United States or any state, each having total equity capital of at least U.S. $500,000,000 and being subject to supervision or examination by federal or state authority, selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent), to provide a quotation of such banks' or trust companies' U.S. dollar prime rates or base lending rates on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date. In making such selection of five banks or trust companies, the Calculation Agent

will include each bank, if any, that provided a quotation as requested in clause (4) above and exclude each bank that failed to provide a quotation as requested in clause (4). If at least three quotations are provided, then the Prime Rate will be the arithmetic mean, determined by the Calculation Agent, of the quotations obtained; and

(6) if fewer than three quotations are so provided pursuant to clause (5) above, then the Prime Rate will be the Prime Rate determined for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, then the Prime Rate will be the rate determined pursuant to clause (1) or (2) for the most recent New York Banking Day preceding the Reset Date for which such rate was published in H.15 (519) or H.15 Daily Update.

The following definitions apply to the preceding description of Prime Rate:

- **"Prime Rate Determination Date"** means the New York Banking Day preceding the applicable Reset Date.
- **"Reuters USPRIME1 Page"** means the display designated as page "USPRIME1" (or any successor page) provided by Reuters Group PLC or any successor service (**"Reuters"**).

All times in the Prime Rate description refer to New York City time.

Treasury Rate

The **"Treasury Rate"** means, with respect to any Reset Date (in the following order of priority):

(1) the rate for the Treasury Determination Date of direct obligations of the United States (**"Treasury Bills"**) having the Index Maturity, as published in H.15 Daily Update under the caption "U.S. government securities/Treasury bills/(secondary market)";

(2) if the rate described in clause (1) above does not appear in H.15 Daily Update by 5:00 p.m. on the Reset Date, then the rate for the Treasury Rate Determination Date of Treasury Bills having the Index Maturity, as published in the H.15 (519), or other recognized electronic source used for the purpose of displaying that rate under the caption "U.S. government securities/Treasury bills(secondary market)";

(3) if the rate described in clause (2) above is not so published by 5:00 p.m. on the Reset Date, then the rate from the auction held on the Treasury Rate Determination Date (the **"Treasury Auction"**) of Treasury Bills, having the Index Maturity, as that rate appears under the caption "INVEST RATE" on the display on Reuters USAUCTION10 Page or Reuters USAUCTION11 Page;

(4) if the rate described in clause (3) above is not published by 5:00 p.m. on the Reset Date, then the auction average rate obtained from the Treasury Auction of the applicable Treasury Bills as announced by Treasury in the form of a press release under the heading "Investment Rate";

(5) if the rate described in clause (4) above is not so announced by 5:00 p.m. on the Reset Date, then the auction average rate obtained from the Treasury Auction of the applicable Treasury Bills as otherwise announced by Treasury by 5:00 p.m. on the Reset Date as determined by the Calculation Agent;

(6) if the rate described in clause (5) above is not so announced by Treasury by 5:00 p.m. on the Reset Date, the Calculation Agent will request five leading primary United States government securities dealers in the City of New York selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide a quotation of such dealers' secondary market bid yields, as of 3:00 p.m. on the Treasury Rate Determination Date, for Treasury Bills with a remaining maturity closest to the Index Maturity (or, in the event that the remaining maturities are equally close, the longer remaining maturity). If at least three quotations are provided, then the Treasury Rate will be the arithmetic mean, determined by the Calculation Agent, of the quotations obtained; and

(7) if fewer than three quotations are so provided pursuant to clause (6) above, then the Treasury Rate for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date,

then the auction average rate for Treasury Bills having the Index Maturity from the most recent auction of Treasury Bills prior to the Treasury Rate Determination Date for which such rate was announced by Treasury in the form of a press release under the heading "Investment Rate."

The rate (including the auction average rate) for Treasury Bills and the secondary market bid yield for Treasury Bills will be obtained and expressed as a bond equivalent yield on the basis of a year of 365 or 366 days, as applicable (or, if not so expressed, will be converted by the Calculation Agent to such a bond equivalent yield).

The following definitions apply to the preceding description of Treasury Rate:

"Treasury Rate Determination Date" will be the day of the week in which the Reset Date falls on which Treasury Bills would normally be auctioned or, if no auction is held for a particular week, the first Business Day of that week. Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday; provided, however, that if an auction is held on the Friday of the week preceding the Reset Date, the Treasury Rate Determination Date will be that preceding Friday; and provided, further, that if the Treasury Rate Determination Date would otherwise fall on the Reset Date, that Reset Date will be postponed to the next succeeding Business Day.

"Reuters USAUCTION10 Page" means the display designated as "USAUCTION10" (or any successor page) provided by Reuters.

"Reuters USAUCTION11 Page" means the display designated as "USAUCTION11" (or any successor page) provided by Reuters.

All times in the Treasury Rate description refer to New York City time.

CMS Rate

The **"CMS Rate"** means, with respect to any Reset Date:

(1) the most recent rate for U.S. dollar swap transactions for the applicable Index Currency and applicable Index Maturity, as specified in the applicable Pricing Supplement for the Debt Securities, expressed as a percentage, which appears on the Reuters page "ISDAFIX1" (or such other page that may replace that page on that service or a successor service) at 11:00 a.m. (New York City time) on the applicable CMS Determination Date;

(2) if the most recent CMS Rate as described in clause (1) above was first available prior to ten calendar days before the applicable CMS Determination Date, then the CMS Rate will be determined by the Calculation Agent on the basis of the mid-market semi-annual swap rate quotations provided by the five leading swaps dealers in the New York City interbank market (which may include Dealers and their affiliates), and for this purpose, "mid-market semi-annual swap rate" means the arithmetic mean of the bid and offered rate quotations for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollars denominated interest rate swap transaction with the applicable Index Currency and Index Maturity, as specified in the applicable Pricing Supplement for the Debt Securities, commencing on the Reset Date for the relevant Interest Period, and for a relevant representative amount in the relevant market at the relevant time, with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.) with a designated maturity of three months. The Calculation Agent will request the principal New York City office of each of the five leading swaps dealers selected by the Calculation Agent to provide a quotation of its rate. If at least five quotations are provided, the rate for that CMS Determination Date will be the arithmetic mean of the quotations, eliminating the

highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest);

(3) if two, three or four (and not five) of such swaps dealers are quoting as described in clause (2) above, then the CMS Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor lowest of such quotations will be eliminated; and

(4) if fewer than two rate quotations are provided, then the CMS Rate for the Reset Date will be the CMS Rate in effect on the preceding Reset Date. If the applicable Reset Date is the first Reset Date, the interest rate payable for the new Interest Reset Period will be the initial interest rate.

The following definition applies to the preceding description of CMS Rate:

"CMS Determination Date" means the second Business Day preceding the applicable Reset Date.

CMT Rate

The **"CMT Rate"** means, with respect to any Reset Date (in the following order of priority):

(1) for any CMT Determination Date, the daily rate for the Index Maturity that appears on page "FRBCMT" on Reuters (or any other page that replaces the FRBCMT page on that service or any successor service) under the heading "...Treasury Constant Maturities. Federal Reserve Board Release H.15...Mondays Approximately 3:45 p.m.";

(2) if the applicable rate described in clause (1) is not displayed on Reuters page FRBCMT at 3:45 p.m., New York City time, on the CMT Determination Date, then the CMT Rate will be the Treasury constant maturity rate for the Index Maturity applicable for the CMT Determination Date as published in H.15 (519);

(3) if the CMT Rate is not determined pursuant to clause (1) and the applicable rate described in clause (2) does not appear in H.15 (519) at 3:45 p.m., New York City time, on the CMT Determination Date, then the CMT Rate will be the Treasury constant maturity rate, or other U.S. Treasury rate, applicable to an Index Maturity with reference to the CMT Determination Date, that:

- is published by the Board of Governors of the Federal Reserve System or the U.S. Department of the Treasury; and
- we have determined to be comparable to the applicable rate formerly displayed on Reuters page 7051 and published in H.15 (519);

(4) if the CMT Rate is not determined pursuant to clause (1) or (2) and the rate described in clause (3) above does not appear at 3:45 p.m., New York City time, on the CMT Determination Date, then the CMT Rate will be the yield to maturity of the arithmetic mean of the secondary market offered rates for U.S. Treasury securities with an original maturity of approximately the Index Maturity and a remaining term to maturity of no more than one year shorter than the Index Maturity, and in a Representative Amount, as of approximately 3:45 p.m., New York City time, on the CMT Determination Date, as quoted by three primary U.S. government securities dealers in New York City that we select. In selecting these offered rates, we will request quotations from five primary dealers and will disregard the highest quotation or, if there is equality, one of the highest and the lowest quotation or, if there is equality, one of the lowest. If two U.S. Treasury securities with an original maturity longer than the Index Maturity have remaining terms to maturity that are equally close to the Index Maturity, we will obtain quotations for the U.S. Treasury security with the shorter remaining term to maturity;

(5) if the CMT Rate is not determined pursuant to clause (1), (2) or (3) and fewer than five but more than two primary dealers are quoting offered rates as described in clause (4), then the CMT Rate for the CMT Determination Date will be based on the arithmetic mean of the offered rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded;

(6) if the CMT Rate is not determined pursuant to clause (1), (2), (3) or (4) and two or fewer primary dealers are quoting offered rates as described in clause (5), then the CMT Rate will be the

yield to maturity of the arithmetic mean of the secondary market offered rates for U.S. Treasury securities having an original maturity longer than the Index Maturity and a remaining term to maturity closest to the Index Maturity, and in a Representative Amount, as of approximately 3:45 p.m., New York City time, on the CMT Determination Date, as quoted by three primary U.S. government securities dealers in New York City that we select. In selecting these offered rates, we will request quotations from five primary dealers and will disregard the highest quotation, or, if there is equality, one of the highest and the lowest quotation or, if there is equality, one of the lowest;

(7) if the CMT Rate is not determined pursuant to clauses (1) through (6) above and fewer than five but more than two primary dealers are quoting offered rates as described in clause (6), then the CMT Rate for the CMT Determination Date will be based on the arithmetic mean of the offered rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded; and

(8) if we obtain fewer than three quotations of the kind described in clause (6), the CMT Rate in effect for the new Interest Reset Period will be the CMT Rate in effect for the prior Interest Rate Period or, if the applicable Reset Date is the first Reset Date, the rate of interest payable for the new Interest Reset Period will be the initial interest rate.

The following definitions apply to the preceding description of CMT Rate:

- **"CMT Determination Date"** means the second New York Banking Day preceding the applicable Reset Date.
- **"Representative Amount"** means a principal amount of not less than U.S. $1,000,000 (or, if the Index Currency is other than U.S. dollars, a principal amount not less than the equivalent in such Index Currency) that, in the Calculation Agent's sole judgment, is representative for a single transaction in the relevant market at the relevant time.

In the absence of clear error, our determination of the CMT Rate will be final and binding.

Federal Funds Rate (Daily)

The **"Federal Funds Rate (Daily)"** means, with respect to any Reset Date:

(1) the rate for the Business Day preceding the Federal Funds Rate (Daily) Determination Date for U.S. dollar federal funds, as published in the latest H.15 Daily Update opposite the caption "Federal funds (effective)";

(2) if the rate specified in clause (1) is not published by 5:00 p.m. on the Federal Funds Rate (Daily) Determination Date, then the Federal Funds Rate (Daily) will be the rate for that Federal Funds Rate (Daily) Determination Date as published in the H.15 (519), or other recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption "Federal funds (effective)";

(3) If the rate specified in clause (2) is not published by 5:00 p.m. on the Federal Funds Rate (Daily) Determination Date, the Calculation Agent will request five leading brokers (which may include the related Dealers or their affiliates) of federal funds transactions in the City of New York selected by the Calculation Agent (after consultation with Freddie Mac, if Freddie Mac is not then acting as Calculation Agent) each to provide a quotation of the broker's effective rate for transactions in overnight federal funds arranged by the broker settling on the Business Day preceding the Federal Funds Rate (Daily) Determination Date. If at least two quotations are provided, then the Federal Funds Rate (Daily) will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest));

(4) if fewer than two quotations are so provided pursuant to clause (3) above, then the Calculation Agent will request five leading brokers (which may include the related Dealers or their affiliates) of federal funds transactions in the City of New York selected by the Calculation Agent (after consultation with Freddie Mac, if Freddie Mac is not then acting as Calculation Agent) each to provide a quotation of the broker's rates for the last transaction in overnight federal funds arranged by

the broker as of 11:00 a.m. on the Business Day preceding the Federal Funds Rate (Daily) Determination Date. If at least two quotations are provided, then the Federal Funds Rate (Daily) will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)); and

(5) if fewer than two quotations are so provided pursuant to clause (4) above, then the Federal Funds Rate (Daily) as of such Federal Funds Rate (Daily) Determination Date will be the Federal Funds Rate (Daily) determined for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, the rate of interest payable for the new Interest Reset Period will be the initial interest rate.

The following definition applies to the preceding description of Federal Funds Rate (Daily):

> **"Federal Funds Rate (Daily) Determination Date"** means the applicable Reset Date; provided, however, that if the Reset Date is not a Business Day, then the Federal Funds Rate (Daily) Determination Date means the Business Day immediately following the applicable Reset Date.

Federal Funds Rate (Weekly Average)

The **"Federal Funds Rate (Weekly Average)"** means, with respect to any Reset Date:

(1) the most recent rate published in the latest H.15 (519) available by 5:00 p.m. on the Reset Date, opposite the caption "Federal funds (effective)" and under the caption "Week Ending" for the Friday immediately preceding the Reset Date. (As described in the footnotes to the H.15 (519), the rate shown for the week ending on a Friday preceding a Reset Date actually will be the rate for the week ending on (and including) the Wednesday preceding the Reset Date (the **"Seven-Day Period"**));

(2) if a rate is not so published pursuant to clause (1) above, then the Federal Funds Rate (Weekly Average) will be the arithmetic mean determined by the Calculation Agent of the rate, determined in the manner described in subclauses (y) and (z) below (as applicable), for each day in the Seven-Day Period (each a **"Day Rate"**), provided that the Calculation Agent determines a Day Rate for each day in the Seven-Day Period;

> (y) The Day Rate for a Business Day will be the rate that is published, by 5:00 p.m. on the Reset Date, in the H.15 (519) or the H.15 Daily Update or other recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption "Federal funds (effective)" for that Business Day. If a rate for that Business Day does not appear on H.15 (519) or the H.15 Daily Update by 5:00 p.m. on the Reset Date, the Calculation Agent will request five leading brokers (which may include the related Dealers or their affiliates) of federal funds transactions in the City of New York selected by the Calculation Agent (after consultation with Freddie Mac, if Freddie Mac is not then acting as Calculation Agent) each to provide a quotation of the broker's rate for the last transaction in overnight federal funds arranged by the broker as of 11:00 a.m. on that Business Day. If at least two quotations are provided, then the Day Rate will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)); and
>
> (z) The Day Rate for a day other than a Business Day will be the rate for the preceding Business Day, whether or not the Business Day falls within the relevant Seven-Day Period, determined in accordance with the provisions of subclause (y) above; and

(3) if the Day Rate for each day in the Seven-Day Period is not so determined pursuant to clause (1) or (2) above, then the Federal Funds Rate (Weekly Average) as of such Reset Date will be the Federal Funds Rate (Weekly Average) determined for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, then the rate of interest payable for the new Interest Reset Period will be the initial interest rate.

You should note that the Federal Funds Rate (Weekly Average) as published in the H.15 (519) is a weekly average, while the Federal Funds Rate (Weekly Average) as calculated under clause (2) is based on an average of daily rates.

All times in the Federal Funds Rate (Daily) and Federal Funds Rate (Weekly Average) descriptions refer to New York City time.

LIBOR

"LIBOR" means the daily average of the London interbank offered rates for Deposits in the Index Currency having the Index Maturity, as determined by the Calculation Agent. If we specify LIBOR as the interest rate for Variable Rate Debt Securities, LIBOR for any Reset Date will be determined as follows (in the following order of priority):

(1) LIBOR will be the rate that appears, at 11:00 a.m. (London time) on the LIBOR Determination Date, on the Designated Reuters Page for Deposits in the Index Currency having the Index Maturity;

(2) if that rate is not displayed, pursuant to clause (1) above the Calculation Agent will request the principal London offices of four leading banks in the London interbank market selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide such banks' offered quotations to prime banks in the London interbank market for Deposits in the Index Currency having the Index Maturity at 11:00 a.m. (London time) on the LIBOR Determination Date and in a Representative Amount. If at least two quotations are provided, LIBOR will be the arithmetic mean (if necessary, rounded upwards) of those quotations;

(3) if fewer than two quotations are provided as requested in clause (2) above, the Calculation Agent will request four major banks in the Principal Financial Center selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide such banks' offered quotations to leading European banks for a loan in the Index Currency for a period of time corresponding to the Index Maturity, at approximately 11:00 a.m. in the Principal Financial Center on the LIBOR Determination Date and in a Representative Amount. If at least two quotations are provided, LIBOR will be the arithmetic mean (if necessary, rounded upwards) of those quotations; and

(4) if fewer than two quotations are provided as requested in clause (3) above, LIBOR will be LIBOR as determined for the immediately preceding Reset Date or, in the case of the first Reset Date, will be the rate for Deposits in the Index Currency having the Index Maturity at 11:00 a.m. (London time) on the most recent London Banking Day preceding the LIBOR Determination Date for which the rate was displayed on the Designated Reuters Page for deposits starting on the second London Banking Day following such date (or, if the Index Currency is Sterling, commencing on that date).

The following definitions apply to the preceding description of LIBOR:

- **"Designated Reuters Page"** means the display of British Bankers' Association interest settlement rates for Deposits in the Index Currency on Reuters Page LIBOR01 (or where the Index Currency is Australian dollars, Swiss francs or Yen, Page LIBOR02), or any successor page or such other page (or any successor page) on that service or any successor service specified in the applicable Pricing Supplement.

- **"LIBOR Determination Date"** means the second London Banking Day preceding the applicable Reset Date unless the Index Currency is Sterling, in which case it means the applicable Reset Date.

- **"London Banking Day"** means any day on which commercial banks are open for business (including dealings in foreign exchange and deposits in the Index Currency) in London.

- **"Principal Financial Center"** means (1) with respect to U.S. dollars, Sterling, Yen and Swiss francs, the City of New York, London, Tokyo and Zurich, respectively; or (2) with respect to any other Index Currency, the city specified in the related Pricing Supplement.

- **"Representative Amount"** means a principal amount of not less than U.S. $1,000,000 (or, if the Index Currency is other than U.S. dollars, a principal amount not less than the equivalent in such Index Currency) that, in the Calculation Agent's sole judgment, is representative for a single transaction in the relevant market at the relevant time.

EUR-LIBOR

"EUR-LIBOR" means the daily average of the London interbank offered rates for Deposits in euros having the Index Maturity, as determined by the Calculation Agent. If we specify EUR-LIBOR as the interest rate for Variable Rate Debt Securities, EUR-LIBOR for any Reset Date will be determined as follows (in the following order of priority):

(1) EUR-LIBOR will be the rate that appears at 11:00 a.m. (London time) on the EUR-LIBOR Determination Date, on the Designated EUR-LIBOR Reuters Page for Deposits in euros having the Index Maturity;

(2) if that rate is not displayed pursuant to clause (1) above, the Calculation Agent will request the principal London offices of four leading banks in the London interbank market selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide such banks' offered quotations to prime banks in the London interbank market for Deposits in euros having the Index Maturity at 11:00 a.m. (London time) on the EUR-LIBOR Determination Date and in a Euro Representative Amount. If at least two quotations are provided, EUR-LIBOR will be the arithmetic mean (if necessary rounded upwards) of those quotations;

(3) if fewer than two quotations are provided as requested in clause (2) above, the Calculation Agent will request four major banks in London selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide such banks' offered quotations to leading European banks for loans in euros for a period of time corresponding to the Index Maturity, at approximately 11:00 a.m. (London time) on the EUR-LIBOR Determination Date and in a Euro Representative Amount. If at least two quotations are provided, EUR-LIBOR will be the arithmetic mean (if necessary, rounded upwards) of those quotations; and

(4) if fewer than two quotations are provided as requested in clause (3) above, EUR-LIBOR will be EUR-LIBOR as determined for the immediately preceding Reset Date or, in the case of the first Reset Date, will be the rate for Deposits in euros having the Index Maturity at 11:00 a.m. (London time) on the most recent TARGET Business Day preceding the EUR-LIBOR Determination Date for which such rate was displayed on the Designated EUR-LIBOR Reuters Page for deposits starting on the second TARGET Business Day following such date.

The following definitions apply to the preceding description of EUR-LIBOR:

- **"Designated EUR-LIBOR Reuters Page"** means the display of rates for deposits in euros on Reuters Page LIBOR01, or any successor page or such other page (or any successor page) on that service or any successor service specified in the applicable Pricing Supplement.

- **"EUR-LIBOR Determination Date"** means the second TARGET Business Day preceding the applicable Reset Date.

EURIBOR

"EURIBOR" means the rate for deposits in euros designated as such and sponsored jointly by the European Banking Federation and ACI — the Financial Market Association (or any company established by the joint sponsors for purposes of compiling and publishing such rates). If we specify EURIBOR as the

interest rate for Variable Rate Debt Securities, EURIBOR for any Reset Date will be determined as follows (in the following order of priority):

(1) EURIBOR will be the rate that appears, at 11:00 a.m. (Brussels time) on the EURIBOR Determination Date, on the Designated EURIBOR Reuters Page for Deposits in euros having the Index Maturity;

(2) if that rate is not displayed pursuant to clause (1) above, the Calculation Agent will request the principal offices of four major banks in the Euro-Zone selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent) to provide such banks' offered quotations to prime banks in the Euro-Zone interbank market for Deposits in euros having the Index Maturity at 11:00 a.m. (Brussels time) on the EURIBOR Determination Date and in a Euro Representative Amount. If at least two quotations are provided, EURIBOR for that date will be the arithmetic mean (if necessary, rounded upwards) of the quotations;

(3) if fewer than two quotations are provided as requested in clause (2) above, EURIBOR will be the arithmetic mean (if necessary, rounded upwards) of the rates quoted by four major banks in the Euro-Zone, selected by the Calculation Agent (after consultation with Freddie Mac, if we are not then acting as Calculation Agent), at approximately 11:00 a.m. (Brussels time) on the EURIBOR Determination Date for loans in euros to leading European banks for a period of time corresponding to the Index Maturity and in a Euro Representative Amount. If at least two quotations are provided, EURIBOR for that date will be the arithmetic mean (if necessary, rounded upwards) of the quotations; and

(4) if fewer than two quotations are provided as requested in clause (3) above, EURIBOR will be EURIBOR as determined for the immediately preceding Reset Date or, in the case of the first Reset Date, the interest rate payable for the new Interest Reset Period will be the initial interest rate.

The following definitions apply to the preceding description of EURIBOR:

- **"Designated EURIBOR Reuters Page"** means the display of rates for deposits in euros on Reuters Page EURIBOR01, or any successor page or such other page (or any successor page) on that service or any successor service specified in the applicable Pricing Supplement.
- **"EURIBOR Determination Date"** means the second TARGET Business Day preceding the applicable Reset Date, unless EURIBOR is determined in accordance with paragraph (3) above, in which case it means the applicable Reset Date.
- **"Euro-Zone"** means the region consisting of Member States that adopt the single currency in accordance with the Treaty.

Additional Definitions

For the preceding descriptions of EUR-LIBOR and EURIBOR:

- **"Euro Representative Amount"** means a principal amount of not less than the equivalent of U.S. $1,000,000 in euros that, in the Calculation Agent's sole judgment, is representative for a single transaction in the relevant market at the relevant time.
- **"TARGET Business Day"** means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (**"TARGET"**) system or its successor is operating.

For the preceding descriptions of LIBOR, EUR-LIBOR and EURIBOR:

- **"Deposits"** means deposits commencing on the applicable Reset Date.
- **"Determination Date"** means the date as of which the rate of interest applicable to an Interest Reset Period is determined.

For the preceding descriptions of Treasury Rate, CMS Rate, CMT Rate, LIBOR, EUR-LIBOR and EURIBOR:

- **"Index Maturity"** means the maturity specified in the related Pricing Supplement as to which the Treasury Rate, CMS Rate, CMT Rate, LIBOR, EUR-LIBOR or EURIBOR, as the case may be, will be calculated.
- All rates will be obtained from sources expressed as a percentage rate per annum.

For the preceding descriptions of CMS Rate and LIBOR:

- **"Index Currency"** means the currency or currency unit specified in the related Pricing Supplement as to which the CMS Rate or LIBOR, as the case may be, will be calculated; provided, however, that, if euros are substituted for such currency or currency unit, the Index Currency will be euros and, with respect to LIBOR, the determination provisions for EUR-LIBOR will apply. If no currency or currency unit is specified in the related Pricing Supplement, the Index Currency will be U.S. dollars.

For the preceding descriptions of Prime Rate and CMT Rate:

- **"New York Banking Day"** means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which banking institutions in the City of New York are required or permitted by law or executive order to close or (d) a day on which the FRBNY is closed.

SELLING RESTRICTIONS

General

Debt Securities may be offered or sold only where it is legal to do so. The Dealers have represented and agreed that they have complied and will comply with all applicable laws and regulations in each jurisdiction outside of the United States in which they may conduct an offering of Debt Securities.

The Offering Circular does not constitute an offer to sell or buy or a solicitation of an offer to buy or sell any Debt Securities in any jurisdiction or in any other circumstance in which such an offer or solicitation is unlawful or not authorized.

For European Investors Only

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **"Relevant Member State"**), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **"Relevant Implementation Date"**) it has not made and will not make an offer of Debt Securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Debt Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Debt Securities to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized, or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) in any other circumstances which do not require the publication by Freddie Mac of a prospectus pursuant to Article 3 of the Prospectus Directive;

provided that no such offer of Debt Securities shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Debt Securities to the public" in relation to any Debt Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Debt Securities to be offered so as to enable an investor to decide to purchase or subscribe the Debt Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Australia

Each Dealer acknowledges that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia) (the **"Corporations Act"**) in relation to the Debt Securities has been

lodged with the Australian Securities and Investments Commission (the **"ASIC"**). Each Dealer has represented and agreed that it:

(a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Debt Securities in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Offering Circular or any Pricing Supplement, advertisement or other offering material relating to the Debt Securities in Australia,

unless:

(i) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in any other currency, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Part 6D.2 of the Corporations Act;

(ii) the offer or the issuance of the Debt Securities does not constitute an offer to a "retail client" for the purposes of Chapter 7 of the Corporations Act;

(iii) such action complies with all applicable laws and directives; and

(iv) such action does not require any document to be lodged with the ASIC.

Belgium

Belgium has implemented the Prospectus Directive and the section headed "For European Investors Only" on page C-1 is applicable. This Offering Circular or any Pricing Supplement have not been submitted for approval to the Belgian Banking, Finance and Insurance Commission. Accordingly, Debt Securities that have a maturity of less than 12 months and qualify as money market instruments (and that therefore fall outside the scope of the Prospectus Directive) may not be distributed in Belgium by way of a public offering, as defined for the purposes of the law of June 16, 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.

Canada

Each Dealer has represented, warranted and agreed that:

(a) the sale and delivery of any Debt Securities to any purchaser who is a resident of Canada or otherwise subject to the laws of Canada or who is purchasing for a principal who is a resident of Canada or otherwise subject to the laws of Canada (each such purchaser or principal, a **"Canadian Purchaser"**) by such Dealer shall be made so as to be exempt from the prospectus filing requirements and exempt from, or in compliance with, the dealer registration requirements of all applicable securities laws, regulations, rules, instruments, rulings and orders, including those applicable in each of the provinces and territories of Canada (as defined in this section, the **"Securities Laws"**);

(b) (i) the Dealer is a fully registered dealer as defined in the Regulation to the Securities Act (Ontario) (as defined in this section, the **"Regulation"**); or (ii) any sale and delivery of any Debt Securities to a Canadian Purchaser that is a resident of, or otherwise subject to the Securities Laws of, the province of Ontario, will be made through an affiliate of the relevant Dealer that is a registered investment dealer, international dealer or limited market dealer, and otherwise in compliance with the representations, warranties, and agreements set out herein;

(c) each Canadian Purchaser is entitled under the Securities Laws to acquire the Debt Securities without a prospectus qualified under the Securities Laws, and: (i) for a purchaser resident in a province other than Ontario or Newfoundland and Labrador, without the dealer having to be registered; (ii) for a purchaser resident in the province of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia or Prince Edward Island, such purchaser is an

"accredited investor" as defined in section 1.1 of NI 45-106; and (iii) for a purchaser resident in Ontario or Newfoundland and Labrador, such purchaser, (A) is an "accredited investor," other than an individual, as defined in NI 45-106 and is a person to which a dealer registered as an international dealer in Ontario or Newfoundland and Labrador may sell the Debt Securities, or (B) is an "accredited investor," including an individual, as defined in NI 45-106 who is purchasing the Debt Securities from a registered investment dealer or limited market dealer;

(d) it will ensure that each Canadian Purchaser purchasing from it (i) has represented to it that such Canadian Purchaser is resident in Canada; (ii) has represented to it which categories set forth in the relevant definition of "accredited investor" in NI 45-106 correctly describes such Canadian Purchaser; and (iii) consents to disclosure of all required information about the purchase to the relevant Canadian securities regulators or regulatory authorities;

(e) it has not provided and will not provide to any Canadian Purchaser any document or other material that would (i) constitute an offering memorandum (other than this Offering Circular with respect to the private placement of the Debt Securities in Canada) within the meaning of the Securities Laws; or (ii) disclose (A) for a purchaser resident in a province other than Ontario, future-orientated financial information within the meaning of the Securities Laws, or (B) for a purchaser resident in the province of Ontario, any forward-looking information, future-orientated financial information or financial outlook, each within the meaning of NI 51-102, unless such forward-looking information, future-orientated financial information or financial outlook complies with the requirements of OSC Rule 45-501, including the disclosure required under NI 51-102 or is contained in an offering memorandum delivered by or on behalf of dealers which have been granted exemptive relief from such requirements by the Ontario Securities Commission;

(f) it has not made and it will not make any written or oral representations to any Canadian Purchaser:

(i) that any person will resell or repurchase the Debt Securities purchased by such Canadian Purchaser;

(ii) that the Debt Securities will be freely tradeable by the Canadian Purchaser without any restrictions or hold periods;

(iii) that any person will refund the purchase price of the Debt Securities; or

(iv) as to the future price or value of the Debt Securities; and

(g) it will inform each Canadian Purchaser that:

(i) we are not a "reporting issuer" and are not, and may never be, a reporting issuer in any province or territory of Canada and there currently is no public market in Canada for any of the Debt Securities, and one may never develop;

(ii) the Debt Securities will be subject to resale restrictions under applicable Securities Law; and

(iii) such Canadian Purchaser's name and other specified information will be disclosed to the relevant Canadian securities regulators or regulatory authorities and may become available to the public in accordance with applicable laws.

France

Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly Debt Securities to the public in France and that offers and sales of Debt Securities in France will be made only to providers of investment services relating to portfolio management for the account of third parties and/or to qualified investors (*investisseurs qualifiés*), as defined in Articles L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier,* but excluding individuals referred to in Article D.411-1 II 2°.

In addition, each Dealer has represented and agreed that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in France this Offering Circular, any Pricing Supplement or any other offering material relating to the Debt Securities, other than to investors to whom offers and sales of Debt Securities in France may be made as described above.

Hong Kong

Each Dealer has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Debt Securities other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Debt Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Debt Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

India

This Offering Circular does not constitute an offer to sell or a solicitation of an offer to buy any Debt Securities described herein from any person other than the persons to whom this Offering Circular is specifically addressed. This Offering Circular is not and should not be construed as a prospectus and will not be circulated or distributed, directly or indirectly, to the public or any members of the public in India. The Debt Securities are not being offered for sale or subscription, but may be privately placed with a limited number of prospective investors. Prospective investors must seek legal advice as to whether they are entitled to subscribe to the Debt Securities and must comply with all relevant Indian laws in this respect.

Indonesia

The Debt Securities have not been and will not be registered with The Capital Markets and Financial Institutions Supervisory Agency (locally known as *Badan Pengawas Pasar Modal dan Lembaga Keuangan* or BAPEPAM — LK) and this Offering Circular, any Pricing Supplement or any other offering material relating to the Debt Securities may not be distributed or passed on within the territory of the Republic of Indonesia or to persons who are citizens of the Republic of Indonesia (wherever they are domiciled or located) or entities or residents in the Republic of Indonesia. The Debt Securities may not be offered or sold, directly or indirectly, within the territory of the Republic of Indonesia or to Indonesian citizens (wherever they are domiciled or located), entities or residents in the Republic of Indonesia in a manner which constitutes a public offering of the Debt Securities under Law No. 8 of 1995 regarding Capital Markets and its implementing regulations.

Italy

The offering of the Debt Securities has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, except as set out below, it has not offered or sold, and will not offer or sell, any Debt Securities in Italy in a solicitation to the public and that sales of the Debt Securities in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Accordingly, each Dealer has represented and agreed that it will not offer, sell or deliver any Debt Securities or distribute copies of this Offering Circular, any Pricing Supplement and any other document relating to the Debt Securities in Italy except:

(1) to "Qualified Investors," as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (**"Decree No. 58"**), which includes natural persons and small and medium sized enterprises, as defined by Directive 2003/71/EC of 4 November 2003.

(2) that it may offer, sell or deliver Debt Securities or distribute copies of any prospectus relating to such Debt Securities in a solicitation to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to *Commissione Nazionale per la Società e la Borsa* (**"CONSOB"**), all in accordance with the Prospectus Directive, as implemented in Italy under Decree No. 58 and CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time (**"Regulation No. 11971"**), and ending on the date which is 12 months after the date of publication of such prospectus; and

(3) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Debt Securities or distribution of copies of the Offering Circular or any other document relating to the Debt Securities in Italy must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of September 1, 1993 as amended from time to time, Decree No. 58, Regulation No. 16190 of October 29, 2007 and any other applicable laws and regulations; and

(b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Provisions Relating to the Secondary Market in Italy. Investors should also note that, in any subsequent distribution of the Debt Securities in Italy, Article 100-*bis* of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Debt Securities are placed solely with qualified investors and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Debt Securities who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorized person at whose premises the Debt Securities were purchased, unless an exemption provided for under Decree No. 58 applies.

Japan

The Debt Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any of the Debt Securities in Japan or to or for the benefit of any resident of Japan (which term means any person having his place of domicile or residence in Japan, any corporation or other legal entity organized under the laws of Japan except for its branches or other offices located outside Japan and, with respect to any corporation or other legal entity organized under the laws of a jurisdiction other than Japan, its branches and offices located in Japan) or to any person for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except under an exemption from the registration requirements of and in compliance with the Financial Instruments and Exchange Law of Japan and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea

The Debt Securities have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Business and Capital Markets Act. The Debt Securities may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person

for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Financial Investment Business and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The Debt Securities may not be resold to Korean residents unless the purchaser of the Debt Securities complies with all applicable regulatory requirements (including but not limited to governmental requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the Debt Securities.

Luxembourg

The Debt Securities may not be offered or sold to the public within the territory of the Grand-Duchy of Luxembourg unless:

(a) a prospectus has been duly approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") if Luxembourg is the home member state as defined in the Luxembourg Prospectus Law dated July 10, 2005 on prospectuses for securities (the "**Luxembourg Prospectus Law**") and implementing the Prospectus Directive; or

(b) if Luxembourg is not the home member state, the CSSF has been notified by the competent authority in the home member state that a prospectus in relation to the Debt Securities has been duly approved in accordance with the Prospectus Directive; or

(c) the offer of Debt Securities benefits from an exemption to, or constitutes a transaction not subject to, the requirement to publish a prospectus pursuant to the Luxembourg Prospectus Law.

Malaysia

The prior permission of the Securities Commission under the Capital Markets and Services Act 2007 has not and will not be obtained for the issue, offer or making available of the Debt Securities in Malaysia. This Offering Circular and any Pricing Supplement have not been registered as a prospectus with the Securities Commission under the Capital Markets and Services Act 2007. Accordingly, in connection with the initial offer of the Debt Securities, the Debt Securities may not be made available, offered for subscription and no invitation to subscribe for the Debt Securities may be made, directly or indirectly, to persons in Malaysia and this Offering Circular, any Pricing Supplement and any other documents relating to the Debt Securities may not be circulated or distributed directly or indirectly to any person in Malaysia. In connection with the resale of existing Debt Securities in the secondary market, the existing Debt Securities may not be offered or purchased and no invitation to purchase the existing Debt Securities may be made in the secondary market, directly or indirectly, to persons in Malaysia except that secondary trades of Debt Securities in Malaysia may be effected between corporations (including offshore companies under the Offshore Companies Act 1990 in Labuan) with total net assets exceeding RM10 million or its equivalent in foreign currencies, high net worth individuals with total net personal assets exceeding RM3 million or its equivalent in foreign currencies and principals that enter into transactions of a minimum value of RM250,000 or its equivalent in foreign currencies for each transaction subject to compliance with the capital markets services licensing requirements of the Capital Markets and Services Act 2007. Each Dealer has represented and agreed that it has not made, and will not make, any offers, promotions, marketing or solicitations for sales of or for, as the case may be, any Debt Securities in Malaysia (including in the secondary market), except where permitted under the laws of Malaysia including as above mentioned and that it has complied with and will comply with the capital markets services licensing requirements of the Capital Markets and Services Act 2007 and all other applicable laws in Malaysia with respect to anything done by it in relation to the Debt Securities in Malaysia.

New Zealand

No prospectus in relation to the Debt Securities has been lodged with the Companies Office in New Zealand. Each Dealer has represented and agreed that it has not offered or sold and agrees it will not offer

or sell any Debt Securities in New Zealand or distribute or publish any offering material or advertisement in relation to any offer of Debt Securities in New Zealand other than:

(a) to any or all of the following persons only: (i) persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; (ii) persons who are each required to pay a minimum subscription price of at least NZ$500,000 for the Debt Securities before the allotment of those Debt Securities; or (iii) any other person who in all circumstances can properly be regarded as having been selected otherwise than as a member of the public; or

(b) in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand.

Norway

Each Dealer has represented and agreed that it has not made and will not make an offer of Debt Securities to the public in Norway prior to the publication of a prospectus in relation to the Debt Securities which has been approved by the competent authority in Norway or, where appropriate, approved in another Relevant Member State and notified to the competent authority in Norway, all in accordance with the Prospectus Directive, except that it may make an offer of Debt Securities to the public in Norway at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized, or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43,000,000; and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts, provided that the legal entity has registered with the Oslo Stock Exchange as a professional investor; or

(c) in any other circumstances which do not require the publication by Freddie Mac of a prospectus pursuant to Article 3 of the Prospectus Directive and the Securities Trading Act chapter 7.

For the purposes of this provision, the expression an "offer to the public" means the communication in any form and by any means of sufficient information of the terms of the offer so as to enable an investor to decide to purchase or subscribe the instruments offered, and the expression Prospectus Directive means Directive EC/2003/71.

People's Republic of China

The Dealers and investors have acknowledged that this Offering Circular, or the Debt Securities or any material or information contained or incorporated by reference herein relating to the Debt Securities, has not been, and will not be submitted, approved/verified or registered under the relevant laws of the People's Republic of China (the **"PRC"**) (for the purpose of this Offering Circular or the Debt Securities, excluding Hong Kong, Macau and Taiwan). Accordingly the Debt Securities may not be offered or sold directly or indirectly in the PRC and the Offering Circular may not be supplied to the public in the PRC or used in connection with any offer for subscription or sale of the Debt Securities in the PRC directly or indirectly. The material or information contained or incorporated by reference herein relating to the Debt Securities does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The Debt Securities may only be offered or sold to PRC investors that are authorised to engage in the purchase of Debt Securities of the type being offered or sold.

Each Dealer has represented, warranted and agreed to and with Freddie Mac that it has not made, and will not make, any offers, promotions, solicitations for sales of or for, as the case may be, any Debt Securities in the PRC, except where permitted by the China Securities Regulatory Commission and other competent authorities or where the activity otherwise is permitted under the laws of the PRC. PRC investors should note that they themselves are responsible for obtaining all relevant government regulatory approvals/licenses, verifications and/or registrations from all relevant governmental authorities

(including but not limited to the State Administration of Foreign Exchange, the China Securities Regulatory Commission and/or the China Banking Regulatory Commission), and complying with all the applicable PRC regulations, including but not limited to any relevant PRC foreign exchange regulations and/or foreign investment regulations.

Philippines

Under Republic Act No. 8799, otherwise known as the Securities Regulation Code (the **"Philippine Code"**), and its implementing rules, securities, such as the Debt Securities, are not permitted to be sold or offered for sale or distribution within the Philippines unless such securities are approved for registration by the Philippine Securities and Exchange Commission or are otherwise exempt securities under Section 9 of the Philippine Code or sold pursuant to an exempt transaction under Section 10 of the Philippine Code.

THE DEBT SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FURTHER OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE SECURITIES REGULATION CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

Russia

The Debt Securities have not been and will not be offered or sold or otherwise transferred as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation except in compliance with Russian law.

Singapore

The Dealers have acknowledged that this Offering Circular and any Pricing Supplement have not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Cap. 289 of Singapore (the **"SFA"**). Accordingly, each of the Dealers has represented and agreed that it will neither offer nor sell the Debt Securities pursuant to an offering nor make the Debt Securities the subject of an invitation for subscription or purchase, nor will it circulate or distribute this Offering Circular, a Pricing Supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Debt Securities, whether directly or indirectly, to any person in Singapore other than under exemptions provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA.

Investors should note that any subsequent sale of the Debt Securities acquired pursuant to an offer in this Offering Circular and a Pricing Supplement made under exemptions (a) or (b) above within a period of six months from the date of initial acquisition is restricted to (i) institutional investors (as defined in Section 4A of the SFA); (ii) relevant persons as defined in Section 275(2) of the SFA; and (iii) persons pursuant to an offer referred to in Section 275(1A) of the SFA.

Each Dealer has also represented and agreed to notify (whether through the distribution of this Offering Circular, a Pricing Supplement or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Debt Securities or otherwise) each of the following

relevant persons specified in Section 276 of the SFA which has subscribed or purchased Debt Securities from and through Freddie Mac or one of the Dealers, namely a person who is:

(A) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(B) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Debt Securities pursuant to an offer made under Section 275 of the SFA except: (1) to an institutional investor (as defined in Section A of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets and further for corporations, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

Spain

The Debt Securities may not be offered, sold or distributed in the Kingdom of Spain save in accordance with the requirements of Law 24/1988, of July 28, on the Securities Market (*Ley 24/1988, de 28 de Julio, del Mercado de Valores*), as amended and restated (the **"LMV"**), and Royal Decree 1310/2005, of November 4, which develops the Spanish Securities Market Act in relation to public offerings and the prospectus required for such purposes (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) and the decrees and regulations made thereunder. Neither the Debt Securities nor this Offering Circular have been verified or registered in the administrative registries of the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Debt Securities may only be offered, sold or distributed in the Kingdom of Spain in circumstances which do not constitute a public offering of securities in Spain or in other circumstances which do not require the publication of a prospectus and only by entities which are duly authorized to provide investment services in the Kingdom of Spain in compliance with the LMV and the decrees and regulations made thereunder.

Sweden

This Offering Circular and any Pricing Supplement are for the intended recipients only and may not in any way be forwarded to the public in Sweden, except in accordance with the relevant exemptions under the Swedish Financial Instruments Trading Act (SW: *lagen (1991:980) om handel med finansiella instrument*). Accordingly, each Dealer has represented, warranted and agreed that it has not offered or sold and will not offer or sell Debt Securities in Sweden in a manner that would require the registration of a prospectus by the Swedish Financial Supervisory Authority (SW: *Finansinspektionen*) according to the Financial Instruments Trading Act and this document is not a prospectus in accordance with the prospectus requirements provided for in the Swedish Financial Instruments Trading Act or in any other Swedish laws or regulations. Neither the Swedish Financial Supervisory Authority nor any other Swedish public body has examined, approved or registered this document.

Switzerland

The Debt Securities may not be offered or sold directly or indirectly in Switzerland, except in circumstances which will not result in a public offering in Switzerland within the meaning of art. 652a and art. 1156 of the Swiss Code of Obligations. This Offering Circular is personal to each recipient thereof and does not constitute an offer to any other person. This Offering Circular may only be used by the

persons to whom it has been handed out in connection with the offering described herein and may not be distributed (directly or indirectly) or made available to other persons without the express consent of Freddie Mac. It may not be used in connection with any other offer and shall in particular not be copied, distributed and/or otherwise made available to other persons in Switzerland. This document does not constitute an issue prospectus pursuant to art. 652a or art. 1156 of the Swiss Code of Obligations.

Some of the Debt Securities may qualify as structured products within the meaning of Art. 5 of the Swiss Federal Act on Collective Schemes (the **"CISA"**) and do not constitute a collective investment scheme subject to the CISA. They are not subject to authorization and/or registration with the Swiss Financial Market Supervisory Authority. Investors do not benefit from the specific investor protection under the CISA. This Offering Circular does not constitute a simplified prospectus within the meaning of the CISA. Accordingly, the Debt Securities may not be publicly offered in or from Switzerland and neither this Offering Circular nor any other offering materials relating to the Debt Instruments may be made available through a public offering in or from Switzerland. The Debt Securities qualifying as structured products within the meaning of the CISA may only be offered and this Offering Circular may only be distributed in or from Switzerland to qualified investors (as defined in the CISA and its implementing ordinance). Investors should further be aware that the value of the Debt Securities is not solely dependent on the performance of the investment but also on the creditworthiness of the issuer and the guarantor.

Taiwan

The Debt Securities may be made available for purchase outside Taiwan by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

United Kingdom

Each Dealer has represented and agreed that:

(a) in relation to any Debt Securities having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell the Debt Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Debt Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (**"FSMA"**);

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the issue or sale of the Debt Securities in circumstances in which section 21(1) of FSMA does not apply to Freddie Mac; and

(c) it has complied, and will comply, with all applicable provisions of FSMA with respect to anything done by it in relation to the Debt Securities in, from or otherwise involving the United Kingdom.

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