

CORPORATE GOVERNANCE

We are committed to excellence in corporate governance and have taken measures to achieve this goal, as well as to meet the corporate governance requirements of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, the corporate governance regulations of the Office of Federal Housing Enterprise Oversight, or OFHEO, and the listing standards of the exchanges on which our securities are listed, including the NYSE.

Corporate Governance Guidelines

In March 2008, the Board adopted revised Corporate Governance Guidelines, or the Guidelines, which are available on our website at www.freddiemac.com/governance/pdf/gov_guidelines.pdf. Printed copies of the Guidelines also are available to any stockholder upon request to the Corporate Secretary, at the address specified below under “Contacting the Board.”

Director Independence

The non-employee members of the Board have determined that:

- With the exception of Richard F. Syron, our Chief Executive Officer, and Eugene M. McQuade, who was deemed to have resigned as a director effective September 1, 2007, all members of the Board who served as directors in 2007 and all nominees are independent within the meaning of both Section 303A.02 of the NYSE Listed Company Manual and the independence criteria set forth in Section 5 of our Guidelines. Additionally, except as disclosed for Jeffrey M. Peek and Jerome P. Kenney under “Transactions with Institutions Related to Directors” below, no member of the Board who served as a director in 2007 nor any nominee has a material relationship with Freddie Mac.
- All current members of the Audit Committee, the Compensation and Human Resources Committee, or the CHRC, and the Governance, Nominating and Risk Oversight Committee, or the GNROC, are, and members of the Board to be appointed to those committees effective June 6, 2008 will be, independent within the meaning of Section 303A.02 of the NYSE Listed Company Manual and Sections 4 and 5 of our Guidelines. All current members of the Audit Committee also are, and members of the Board to be appointed to the Audit Committee effective June 6, 2008 also will be, independent within the meaning of Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Section 303A.06 of the NYSE Listed Company Manual.

In making the foregoing independence determinations, as required under our Guidelines, the non-employee directors considered the relationship between Freddie Mac and the National Housing Conference, or NHC, where Mr. Retsinas was a member of the board of trustees and the board of governors until December 2007, and between Freddie Mac and the National Housing Endowment, or NHE, where Mr. Retsinas is currently a member of the board of trustees. Freddie Mac made contributions to NHC in 2006 and to NHE in 2004 and 2005 that, in each case, exceeded the greater of \$100,000 or two percent of NHC’s and NHE’s gross revenues, respectively, for those years. The contribution to NHC in 2006 was \$511,000 and the contributions to NHE in 2004 and 2005 were \$200,000 and \$375,000, respectively. Because Freddie Mac’s relationship with NHC and NHE preceded the Board’s initial consideration of Mr. Retsinas as a director candidate, and given the nature of Freddie Mac’s relationship and Mr. Retsinas’ affiliation with both NHC