



Glossary of Market Terminology for REMICs

The following chart identifies and generally defines most categories of Classes of Multiclass Certificates (REMICs):

AD (Accretion Directed)	Classes that are designed to receive principal payments primarily from the interest that accrues on specified accrual or partial accrual classes. These classes also may receive principal payments from principal paid on the underlying assets.
AS (Accelerated Security)	Shifting payment percentage classes that are generally expected to receive principal payments more rapidly than the related non-accelerated securities in earlier periods.
AFC (Available Funds)	<p>When describing the principal type, classes that may receive as principal, in addition to other amounts, a portion of the funds received as interest on the underlying assets, the extent such funds remain available after accrued interest due on the same or related classes has been paid.</p> <p>When describing the interest type, classes whose entitlement to be paid accrued interest is subject to the availability of funds received as interest and/or principal payments on the underlying assets. In the event such funds are insufficient, the amount of the deficiency may, if so provided in the applicable supplement, be carried forward to subsequent payment dates (and may itself accrue interest) until sufficient funds are available to provide for the payment of the deficiency. Any deficiency that remains unpaid after the underlying assets are retired will not owe or be paid and will not be covered by Freddie Mac's guarantees.</p>
ARB (Ascending Rate)	Classes that have predetermined class coupons that increase one or more times on dates determined before issuance.
CALL (Call)	Classes whose holders have the right to direct Freddie Mac to redeem the related callable class or classes, as provided in the applicable offering circular supplement.
CALLABLE (Callable)	Classes that are redeemable, directly or indirectly, at the direction of the holder of the related call class, as provided in the applicable offering circular supplement.
CPT (Component)	Classes consisting of components. The components of a component class may have different principal and/or interest payment characteristics but together constitute a single class. Each component of a component class may be identified as falling into one or more of the categories of this chart.
DLY (Delay)	A floating rate, inverse floating rate or WAC class for which there is a delay of 15 or more days from the end of its accrual period to the related payment date.
DRB (Descending Rate)	Classes that have predetermined class coupons that decrease one or more times on dates determined before issuance.
EXE (Excess)	Classes that receive any principal and interest paid on the underlying assets in excess of the amount of the prescribed principal and interest required to be paid on all classes in the series. Excess classes sometimes have specified principal amounts but no specified class coupon.

Glossary of Market Terminology for REMICs

FIX (Fixed Rate)	Classes with class coupons that are fixed throughout the life of the class.
FLT (Floating Rate)	Classes with class coupons that are reset periodically based on an index and that vary directly with changes in the index.
GMC (Guaranteed Maturity Class)	Class that have a final payment date earlier than the latest date by which those classes could be retired by payments on their underlying assets. Typically, holders of a guaranteed maturity class receive payments up to their final payment date from payments made on a related underlying REMIC class. On its final payment date, however, holders of an outstanding guaranteed maturity class will be entitled to receive the entire outstanding principal balance of their certificates, plus interest at the applicable class coupon accrued during the related accrual period, even if the related underlying REMIC class has not retired.
IDC (Index Differential)	Classes with class coupons that are reset periodically based on the difference (or other specified relationship) between two or more designated indices.
INV (Inverse Floating Rate)	Classes with class coupons that are reset periodically based on an index and that vary inversely with changes in the index.
IO (Interest Only)	Classes that receive some or all of the interest payments made on the underlying assets and little or no principal. Interest only classes have either a nominal or a notional principal amount. A nominal principal amount represents actual principal that will be paid on the class. It is referred to as nominal since it is extremely small compared to other classes. A notional principal amount is the amount used as a reference to calculate the amount of interest due on an interest only class that is not entitled to any principal.
JMP (Jump)	Classes whose principal payment priorities change upon the occurrence of multiple “trigger” or other priority-changing conditions. This category includes classes whose priority-changing conditions fail to satisfy the requirements for the non-sticky jump or sticky jump designation.
NAS (Non-Accelerated Security)	Shifting payment percentage classes that are generally expected to receive principal payments more slowly than the related accelerated securities in earlier periods. On each payment date or beginning on a specified payment date, however, each class of non-accelerated securities is entitled to a prescribed allocation of scheduled principal payments and prepayments on the underlying mortgages that may change over time.
NPR (No Payment Residual)	When describing the principal type, residual classes that are designed to receive no payments of principal. When describing the interest type, residual classes that are designed to receive no payments of interest.
NSJ (Non-Sticky Jump)	Classes whose principal payment priorities change temporarily upon the occurrence of a single “trigger” or priority-changing condition. A non-sticky jump class “jumps” or is “jumped” (changes its principal payment priority to its new priority) on each payment date when the condition is met and reverts to its original priority (does not “stick” to the new priority) on each payment date when the condition is not met.

Glossary of Market Terminology for REMICs

NTL (Notional)	Classes having only a notional principal amount. A notional principal amount is the amount used as a reference to calculate the amount of interest due on an interest only class that is not entitled to any principal. The offering circular supplements typically indicate parenthetically the type of class with which a notional class will reduce or how a notional class will reduce with respect to its underlying assets. For example, "NTL (PAC)" may designate a notional class whose notional principal amount will reduce based on principal reductions of one or more PAC classes, and "NTL(PT)" or "NTL(STP)" may designate a notional class whose notional principal amount will reduce proportionately with principal reductions of the related assets.
PAC (PAC or Planned Amortization Class)	Classes that are designed to receive principal payments using a predetermined schedule derived by assuming two constant prepayment rates (a "Structuring Range") for the underlying mortgages. A PAC schedule generally will reflect a structuring range at least 30% PSA (or 2% CPR) above and at least 30% PSA (or 2% CPR) below the pricing speed for the related series. PAC classes will always have one or more related support classes. The PAC classes in any series may include two or more "Types." The PAC class or classes within any type paying from the same asset group generally have a single structuring range. The different types have different structuring ranges and/or different principal payment priorities. In cases where there is more than one type, the PAC classes may be assigned such designations as Type I PAC Classes, Type II PAC Classes and so forth (standard abbreviations: PAC I, PAC II and so forth).
PEC (Payment Exchange Certificates)	Classes whose class coupons vary, in whole or in part, based upon payments of interest made to or from one or more related classes.
PO (Principal Only)	Classes that do not receive any interest.
PT (Pass-Through)	Classes which receive all or a specified portion of the principal payments on the underlying assets (or designated portion of the assets) and that are not designated as strip or sequential pay classes.
PZ (Partial Accrual)	Classes that accrete a part of their interest, which is added to the outstanding principal balance, and receive payments of the remainder as interest.
RTL (Retail)	Classes designated for sale to retail investors. Retail assets typically are issued in small retail class units and may receive principal payments in accordance with special priorities and allocation procedures.
SC (Structured Collateral)	Classes that receive payments from one or more previously issued REMIC or MACR classes. In some cases, a structured collateral class also may have the designation of its underlying class; in other cases, a structured collateral class also may have a designation based on the principal payment priorities in its series. For example, "SC/PAC" may designate a structured collateral class whose underlying class is a PAC class or a structured collateral class which is designed as a PAC class in its own series. Some or all of the classes which support a structured collateral class designated as a PAC, scheduled or TAC class based on the designation of its underlying class may be supporting classes in the underlying series.

Glossary of Market Terminology for REMICs

SCH (Scheduled)	<p>Classes that are designed to receive principal payments using a predetermined schedule or a specified monthly dollar amount, but that are not designated as PAC or TAC classes. Scheduled classes may include, among others, the following” • “High/Low Scheduled Classes” are designed to receive principal payments using two or more predetermined schedules, each of which is derived using either a single constant prepayment rate (“Structuring Rate”) or a structuring range for the underlying mortgages. • “Absolute Maturity Scheduled Classes” are designed to receive principal payments using a predetermined schedule (typically based on a percentage of the remaining principal balance of the underlying assets) such that they will be retired by the last date of such schedule under all mortgage prepayment scenarios, including a scenario in which no prepayments occur. • “Limited Range Scheduled Classes” are designed to receive principal payments using a predetermined schedule derived from a structuring range that is less than 30% PSA above or less than 30% PSA below the pricing speed for the related series. • “Component Scheduled Classes” are classes consisting of PAC and TAC components, PAC and scheduled components or scheduled and TAC components.</p> <p>Scheduled classes will always have one or more related support classes. The scheduled classes in any series may include two or more “Types.” The scheduled class or classes within any type paying from the same asset group generally have a single structuring range. The different types have different structuring ranges and/or different principal payment priorities. In cases where there is more than one type, the scheduled classes may be assigned such designations as Type I Scheduled Classes, Type II Scheduled Classes and so forth (standard abbreviations: SCH I, SCH II and so forth).</p>
SEG (Segment)	<p>A class which, together with one or more other classes, constitutes one or more principal payment “segments.”</p>
SEQ (Sequential Pay)	<p>Classes that receive principal payments in a prescribed sequence, that do not have predetermined schedules and that, in most cases, receive payments of principal continuously from the first payment date on which they receive principal until they are retired. Sequential pay classes may receive principal payments concurrently with one or more other sequential pay classes. A single class that receives principal payments before, after or concurrently with all other classes in the same series may be identified as a sequential pay class.</p>
SJ (Sticky Jump)	<p>Classes whose principal payment priorities change permanently upon the occurrence of one or more “trigger” or other priority-changing conditions. A sticky jump class “jumps” or is “jumped” (changes its principal payment priority to its new priority) on the first payment date when the condition is met and retains (“sticks” to) that priority until retired.</p>
SPP (Shifting Payment Percentage)	<p>Classes that receive principal attributable to prepayments on the underlying mortgages in a different manner than principal attributable to scheduled payments and/or in shifting proportions over time.</p>
STP (Strip)	<p>Classes that receive a constant proportion, or “strip,” of the principal payments on the underlying assets (or designated portion of the assets).</p>
S (Structured Formula)	<p>Floating rate and inverse floating rate classes with class coupons that are periodically reset using a formula other than an index (without any multiplier) plus a constant, in the case of floating rate classes, or a constant minus an index (without any multiplier), the case of inverse floating rate classes.</p>

Glossary of Market Terminology for REMICs

SUP (Support)	Classes that receive principal payments from the underlying assets on any payment date only if scheduled payments have been made on specified PAC, TAC or scheduled classes.
T (Toggle)	Floating rate or inverse floating rate classes with class coupons that change significantly as a result of very small changes in the applicable index. The change in class coupon is not a continuous function of changes in the index; rather, a change in the index will result in a “shift” from a predetermined rate to a different predetermined rate.
TAC (TAC or Targeted Amortization Class)	Classes that are designed to receive principal payments using a predetermined schedule derived from a single structuring rate for the underlying mortgages. TAC classes will always have one or more related support classes. The TAC classes in any series may include two or more “types.” The different types have different principal payment priorities and/or have schedules that are derived from different structuring rates. In cases where there is more than one type, the TAC classes may be assigned such designations as Type I TAC Classes, Type II TAC Classes and so forth (standard abbreviations: TAC I, TAC II and so forth).
W (WAC or Weighted Average Coupon)	Classes whose class coupons represent a blended interest rate that may change from period to period. WAC classes may consist of components with different interest rates or may be backed by assets with different interest rates.
XAC (Index Allocation Class)	Classes whose principal payment allocations are based on the value of an index.
Z (Accrual)	Classes that accrete all of their interest, which is added to their outstanding principal balance. This accretion may continue until the class begins receiving principal payments, until some other event has occurred or until the class is retired.

For additional information about Freddie Mac REMICs, visit Freddie Mac’s Web site at <http://www.FreddieMac.com/mbs/html/product/remics.html> or contact Investor Inquiry at (800) 336-3672.