



Thanks for Your Participation

Fannie Mae and Freddie Mac would like to thank everyone that attended and participated in our joint Single Security Conference in New York on Monday May 14th. The conference attendance count reached almost 300, which included representation from U.S. Treasury, FHFA, the GSEs, third party providers, dealers, sellers, and custodians across over 100 unique firms. Conference sessions were focused on providing more clarity around the Single Security Initiative. Additionally, multiple market participants were asked to share their experience with adopting changes to their processes, systems and policies to prepare for the Single Security. These sessions included:

- Keynote Address by GSE leadership: David Benson, EVP and Chief Financial Officer at Fannie Mae and Mike Hutchins, EVP, Investments & Capital Markets at Freddie Mac
- Infrastructure update from critical market service providers
- Industry implementation with Barclays, BlackRock Advisors, Credit Suisse, Citigroup, and Metlife
- Briefing by U.S. Treasury's Craig Philips and FHFA's Bob Ryan
- Industry testing and milestones with the Enterprises and DTCC
- Index provider and pricing vendor updates with Bloomberg, ICE Data Services and FTSE Russell
- Pricing Updates with ICE Data Services, Bloomberg and Thomson Reuters
- Updates on the Gold PC Exchange and a demo of the Dealer Direct web application
- Videos of each session conference have been posted to both [Freddie Mac](#) and [Fannie Mae's](#) Single Security Sites.

Thanks to the level of engagement, the all-day conference was a huge success!

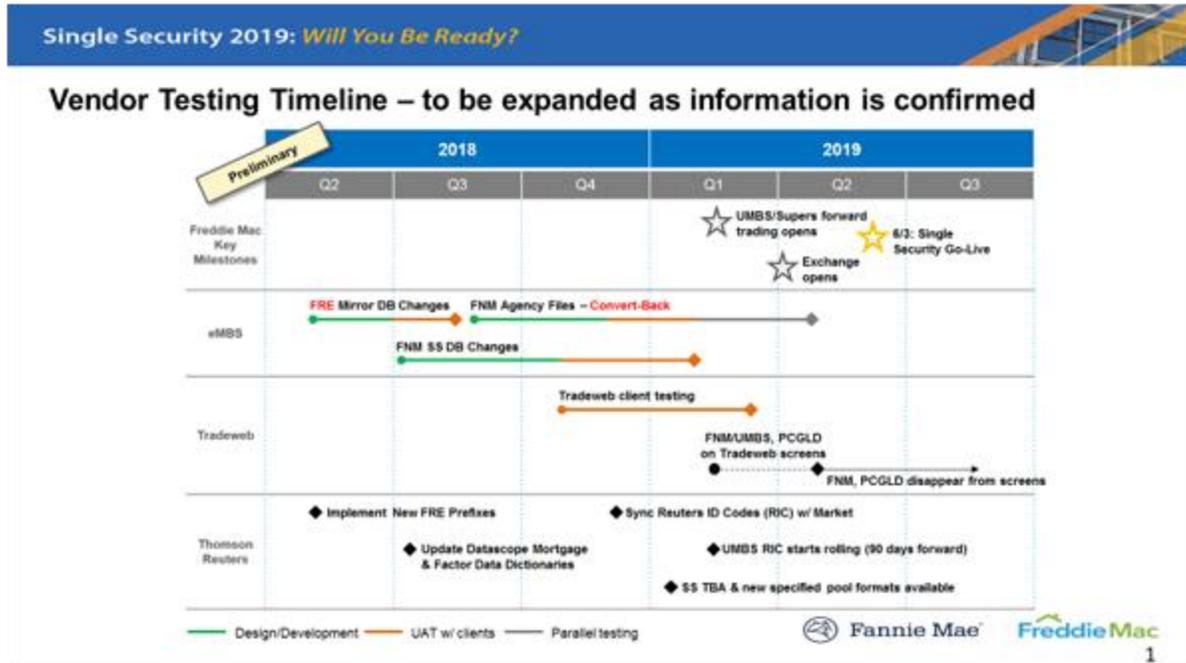
Infrastructure Panel

[Video](#) [Presentation](#)

One of the panels at the Single Security Conference was an Infrastructure Update. The panel featured speakers from the vendors who provide critical services to the industry, including BlackRock Solutions, Bloomberg, Broadridge, eMBS, Tradeweb and The Yield Book. Representatives from each company shared information about their development plans, customer outreach efforts, and change implementation schedules.

As a follow-up, the Enterprises are working to assemble an integrated external timeline

that displays the critical vendor development, testing, and rollout schedules. We shared the version below at the conference, and plan to update it on a regular basis.



Industry Testing and Tabletop Exercise Panel

[Video](#) [Presentation](#)

Fannie Mae, Freddie Mac, and DTCC held a panel discussion on industry testing timelines and preliminary plans to hold a tabletop exercise with key market participants. Industry testing is a critical component to market readiness and some of the key testing opportunities for this year include: exchange process testing, disclosure testing, vendor testing with customers, and the overall Single Security tabletop exercise.

The Single Security tabletop exercise is being developed to inform the market of what is changing, help participants better understand their upstream and downstream impacts, and identify potential issues or fail points which can be shared with the broader industry. Starting in July, the Enterprises' plan to convene a small monthly working group to discuss processes, assess impacts and contribute to the development of the exercise. The live exercise is tentatively planned to be held in NYC in Early 4Q 2018.

Single Security Tabletop Exercise Scenarios	Activities may include:
UMBS Forward Sale/Pool Formation	<ul style="list-style-type: none"> Hedging and Pipeline Management Forward Pricing Forward Sale / Trade Loan Delivery / Pool Formation Forward Trade Settlement
End to end TBA Trade from Price Discovery to Pool Settlement of a 55-day UMBS	<ul style="list-style-type: none"> Price Discovery TBA Trade Comparison TBA Netting Pool Allocation Pool Comparison and Pool Netting Payment/Settlement Fail Trade
End-to-end Exchange process of a Freddie Mac 45-day Gold PC for a new 55-day UMBS (TBA) or Freddie Mac MBS (non-TBA)	<ul style="list-style-type: none"> Using the float compensation tool on Freddiemac.com Booking an Exchange transaction Settling an Exchange transaction Fails, partial settlement and rebooking
Dollar Roll/Swap : exchange of a Freddie Mac 45-day Gold PC for a 55-day UMBS / FRE MBS via a “swap” embedded within a Dollar Roll	<ul style="list-style-type: none"> Investor offers 45-day Gold PCs in the front month, and receives 55-day UMBS / FRE MBS in return in the back month
Formation/Issuance of a Commingled Re-securitization (Supers and REMICs)	<ul style="list-style-type: none"> Eligibility and pooling rules for commingling Formation of commingled Supers Formation of commingled REMIC bonds

A Conversation with Treasury and FHFA

[Video](#)

One of the highlights of the conference was the briefing by Craig Phillips, Counselor to the Secretary, U.S. Department of the Treasury, and Bob Ryan, Special Advisor, FHFA, and Acting Deputy Director, FHFA Division of Conservatorship. Craig Phillips kicked off the session by expressing the Treasury’s “unambiguous support” of the Single Security Initiative. He also made reference to a new FHFA Director in 2019, and stated that the change in leadership will “not be a disruption to this issue” or to the implementation of the Single Security.

Bob Ryan seconded this support and shared FHFA’s commitment and “laser focus” on the June 3, 2019 go-live date for the Single Security. Ryan also explicitly stated the confidence he and FHFA have in the GSEs completing the Common Securitization Platform on time.

Single Security Readiness Survey

Fannie Mae and Freddie Mac recently sent out a brief survey on the market’s readiness for the Single Security Initiative. If you have already responded, we thank you. And if you haven’t, please take a few minutes to complete the survey. Your responses will help us hone our support and the information we are able to provide to the market.



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Freddie Connect

September 23-25,

Chicago, IL

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ABS East

September 23-25,

Miami Beach, FL

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SFIG Residential Mortgage Symposium

October 29-30, New York, NY

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MBA Annual Convention and Expo

October 14-17, Washington, DC

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