

Summary of Terms

Credit Insurance Risk Transfer (CIRT™)

CIRT 2016-9

Insured	Fannie Mae
Covered Loans	A \$11.7 billion portfolio of fully amortizing 15 and 20-year fixed rate residential mortgage loans that have been delivered to Fannie Mae between January 1, 2015 and December 31, 2015 with original LTVs greater than 75% and less than or equal to 97%
Insurance Coverage	Aggregate Excess of Loss Credit Insurance with a limit of liability of \$205 million (1.75% of the Total Initial Principal Balance) in excess of a retention of \$41 million (0.35% of the Total Initial Principal Balance); the limit of liability may be stepped down initially at the 24 th month following the effective date and each subsequent anniversary (see policy for details)
Reinsurance	Insurance provider to transfer 100% of its risk to a panel of reinsurers
Claim Basis	Actual loss
Effective Date	October 1, 2016
Termination Date	March 31, 2024
Optional Cancellation	<p>On or after the 48th month following the effective date, Fannie Mae may cancel the policy by paying a cancellation fee (see policy for details)</p> <p>Fannie Mae may cancel the policy if the Total Current Principal Balance is reduced to no more than ten percent (10%) of the Total Initial Principal Balance.</p>

Collateral Requirement

Ratings	Collateral %
<ul style="list-style-type: none"> • Standard & Poor's rating equal to AA- or higher, and • A.M. Best Rating equal to A+ or higher 	20%
<ul style="list-style-type: none"> • Standard & Poor's rating equal to A- through A+, and • A.M. Best Rating equal to A- or higher; Or <ul style="list-style-type: none"> • Standard & Poor's rating equal to A- or higher, and • A.M. Best Rating equal to A- through A 	25%
<ul style="list-style-type: none"> • Standard & Poor's rating equal to A- or higher, and • No A.M. Best Rating; Or <ul style="list-style-type: none"> • No Standard & Poor's rating, and • A.M. Best Rating equal to A- or higher 	30%
<ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB through BBB+, and • A.M. Best Rating equal to B or higher; Or <ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB or higher, and • A.M. Best Rating equal to B through B++; Or <ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB through BBB+, and • No A.M. Best Rating Or <ul style="list-style-type: none"> • No Standard & Poor's rating, and • A.M. Best Rating equal to B through B++ 	50% with Premium Capture subject to the Subscribing Reinsurer's Trust Funding Obligations not to exceed 100% of the Subscribing Reinsurer's Aggregate Remaining Limit of Liability
<ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB- or below; Or • A.M. Best Rating equal to B- or below; Or • No Standard & Poor's rating, and • No A.M. Best Rating 	75% with Premium Capture subject to the Subscribing Reinsurer's Trust Funding Obligations not to exceed 100% of the Subscribing Reinsurer's Aggregate Remaining Limit of Liability