

Summary of Terms

Credit Insurance Risk Transfer (CIRT™)

CIRT 2016-3

Insured	Fannie Mae
Covered Loans	A \$5.7 billion portfolio of fully amortizing 30-year fixed rate residential mortgage loans delivered to Fannie Mae between May 1, 2015 and June 30, 2015 with original LTVs greater than greater than 60% and less than or equal to 80%
Insurance Coverage	Aggregate Excess of Loss Credit Insurance with a limit of liability of \$142 million (2.5% of the Total Initial Principal Balance) in excess of a retention of \$28.5 million (0.50% of the Total Initial Principal Balance); the limit of liability may be stepped down at the third anniversary of the effective date and each subsequent anniversary depending on loan performance and remaining insured loans (see policy for details)
Claim Basis	Actual loss
Effective Date	March 1, 2016
Termination Date	February 28, 2026
Optional Cancellation	<p>On or after the fifth anniversary of the effective date, the 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; <p>Or</p> <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; <p>Or</p> <ul style="list-style-type: none"> • No Standard & Poor's rating, and • A.M. Best Rating equal to A- or higher 	32.5%
<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; <p>Or</p> <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++; <p>Or</p> <ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB through BBB+, and • No A.M. Best Rating <p>Or</p> <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
<ul style="list-style-type: none"> • Standard & Poor's rating equal to BBB- or below; <p>Or</p> <ul style="list-style-type: none"> • A.M. Best Rating equal to B- or below; <p>Or</p> <ul style="list-style-type: none"> • No Standard & Poor's rating, and • No A.M. Best Rating 	75% with Premium Capture