

Summary of Terms

Credit Insurance Risk Transfer (CIRT™)

CIRT 2019-1

Insured	Fannie Mae
Covered Loans	A \$11.8 billion portfolio of fully amortizing 25 to 30-year fixed rate residential mortgage loans delivered to Fannie Mae between July 1, 2018 and November 30, 2018 with original LTVs greater than 60% and less than or equal to 80%
Insurance Coverage	Aggregate Excess of Loss Credit Insurance with a limit of liability of approximately \$382.3 million (3.25% of the Total Initial Principal Balance) in excess of a retention of approximately \$70.6 million (0.60% of the Total Initial Principal Balance); the limit of liability may be stepped down at the 12 th month following the effective date and at each subsequent month thereafter depending on loan performance and remaining insured loans (see policy for details)
Claim Basis	Actual loss
Effective Date	February 1, 2019
Termination Date	January 31, 2029
Optional Cancellation	<p>On or after the 60th 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+, and • A.M. Best Rating equal to A+ or higher 	22.5%
<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; <p>Or</p> <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 	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 	30%
<ul style="list-style-type: none"> • Standard & Poor's Rating equal to A-, 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- 	40%
<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++; <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++ 	50% with Premium Capture
<ul style="list-style-type: none"> • Standard & Poor's Rating equal to BBB- or lower; <p>Or</p> <ul style="list-style-type: none"> • A.M. Best Rating equal to B+ or lower; <p>Or</p> <ul style="list-style-type: none"> • No Standard & Poor's Rating, and • No A.M. Best Rating 	75% with Premium Capture