

Letter Agreement for Securities Custodial Account for Tax-Exempt Bond Transactions



Instructions

Page 1 of this form is to be completed by a Servicer that either (1) is not a depository institution whose deposits are insured by the FDIC or the NCUSIF or maintained in a Federal Reserve Bank or Federal Home Loan Bank or (2) is a federally insured depository, but does not maintain its Freddie Mac Cap Fee Reserve, Hedge Fee Reserve, or Principal Reserve Fund custodial account in-house. Page 2 is to be completed by the Mutual Fund Service Agent.

Letter Agreement

Identify funds account is established to hold:

- Principal Reserve Fund
 Cap Fee Reserve or Hedge Fee Reserve

To:

Typed Name of Mutual Fund Service Agent	Typed Name of Mutual Fund Company
Typed Address of Mutual Fund Service Agent	

The depositor/Servicer named below ("Servicer") hereby authorizes the mutual fund service agent named above ("Mutual Fund Service Agent") to establish, and requests that said Mutual Fund Service Agent establish, a securities account consisting of the Participant Class shares (the "Shares") of _____ (the "Fund"), representing the funds invested in connection with all cap fee Reserve, hedge fee Reserve or principal reserve fund monies received by Servicer with respect to Mortgages serviced by the Servicer for Freddie Mac (the "Securities Account").

The Securities Account shall be maintained in the name of " _____ ,¹ as trustee for Freddie Mac."

All Shares of the Fund in such Securities Account shall be subject to redemption pursuant to written orders and instructions signed by the Servicer and shall also be subject to redemption pursuant to written orders and instructions signed by Freddie Mac, and in accordance with the terms of the Fund's then current prospectus. The Mutual Fund Service Agent is authorized to pay to Freddie Mac at any time the entire amount then invested in the Securities Account, which shall be the net asset value of the Shares held in the Securities Account as of the date of the request, if received in accordance with the terms of the Fund's then current prospectus or any lesser amount specified, upon its presentation of a written redemption request, including a photocopy or facsimile copy thereof, by an authorized officer or a director- or manager-level employee of Freddie Mac, designated as such in a Certificate of Incumbency substantially in the form of Freddie Mac Form 1061A, including a photocopy or facsimile copy thereof.

The above authorizations and agreements have been made by the Servicer to induce Freddie Mac to rely on them, and constitute part of the basis of the bargain for Freddie Mac's agreement to permit the Servicer to service Mortgages for Freddie Mac. The Servicer agrees that this Letter Agreement is not and shall not be revocable or subject to rescission by the Servicer, without the express written consent of Freddie Mac. In the event of a conflict of instructions between Freddie Mac and the Servicer with respect to the Securities Account, the Mutual Fund Service Agent shall act in accordance with instructions provided by Freddie Mac and shall be indemnified and relieved of all liability for doing so.

Please execute the certification on Page 2 and return it to the Servicer with this Letter Agreement, thereby acknowledging the existence of the Securities Account, and your undertakings and agreements with respect to the Securities Account, so that we may present this Letter Agreement and the certification to Freddie Mac.

Typed Name of Depositor (Servicer)	Seller/Servicer Number
By (Signature)	Typed Name and Title
	Dated

¹ Type complete legal name of depositor (Servicer)

Mutual Fund Service Agent Certification

The Mutual Fund Service Agent certifies to Freddie Mac that the Securities Account identified above is in existence in this institution as Account No. _____¹ and agrees with the Servicer and with Freddie Mac to honor any written redemption request from Freddie Mac, including a photocopy or facsimile thereof, presented by an authorized officer or a director- or manager-level employee of Freddie Mac, designated as such in a Certificate of Incumbency substantially in the form of Freddie Mac Form 1061A, including a photocopy or facsimile copy thereof.

The Mutual Fund Service Agent hereby agrees that it will submit to Freddie Mac copies of such Securities Account records as account statements, which shall include detailed balances, transaction history and complete reconciliations, as well as supporting documentation of such records, as Freddie Mac, in its sole discretion, may request.

The Mutual Fund Service Agent acknowledges its understanding that its undertakings and agreements set forth above have been made for the purpose of inducing Freddie Mac to rely on them. The Mutual Fund Service Agent agrees that this Letter Agreement is not and shall not be revocable or subject to rescission by the Mutual Fund Service Agent without the express written consent of Freddie Mac.

Typed Address of Mutual Fund Service Agent	
By (Signature)	Typed Name and Title
	Dated

Reason for Execution of Letter Agreement (choose all that apply)

- Establish original securities account
- Replace original securities account

Replaces _____ at _____
type old account number type name of Mutual Fund Service Agent

- Establish additional securities account
- Replace Letter Agreement due to:
 - Seller/Servicer name change
 - Mutual Fund Service Agent name change
 - Other _____

¹ Type account number