

# Frequently Asked Questions

When-Issued K-Deal<sup>®</sup> (WI K-Deal)  
A-M Certificates

---

September 2021



This FAQ is intended to describe the WI K-Deal<sup>®</sup> program in general, not a specific transaction. All statements are preliminary and are subject to change. Before investing in a particular security, each investor should carefully read all of the offering documents and should only make an investment decision after reading the applicable offering documents.

### **1. Are WI K-Deal trust certificates REPO eligible?**

Yes, these bonds are REPO eligible, similar to our other K-Deal securities.

### **2. Where will cashflows for WI K-Deal trust certificates be available?**

These bonds will have Intex, Trepp, and Bloomberg cashflows available, similar to our other K-Deal securities.

### **3. What will be the term of the WI K-Deal trust certificates?**

The term of the WI K-Deal trust certificates is expected to be less than or equal to 10.25 years for 10-year fixed-rate K-Deals and 7.25 years for 7-year fixed-rate K-Deals.

### **4. Will WI K-Deal trust certificates settle in the same month as they are priced?**

Yes, WI K-Deal trust certificates are a funded investment which will settle in the same month, immediately after the WI offering period.

### **5. Are the WI K-Deal trust certificates tradeable?**

Yes, the WI K-Deal trust certificates will have their own CUSIPs and become tradable shortly after pricing.

### **6. Can I see which loans will be in the final K-Deal pool when purchasing the WI K-Deal trust certificates at issuance?**

No, you will not be able to see the corresponding K-Deal pool as there is no collateral information available at the time of WI K-Deal issuance. However, the final K-Deal pool will conform to specified pool parameters as outlined in the WI offering documents.

### **7. Who is the Trustee of the WI K-Deal Trust?**

Freddie Mac will be the Trustee of each WI K-Deal trust.

### **8. What is the payment date for the WI K-Deal trust certificates?**

The payment date for the WI K-Deal trust certificates will be the same as the K-Deal payment date (the 25th day of each month, or the next business day if the 25th is not a business day).

### **9. Will investors earn the same guaranteed payments that they would on A-M bonds?**

Yes, investors will earn the same guaranteed fixed coupon amount as the fixed-rate class coupon of the referenced K-Deal A-M certificates.

### **10. Can investors exchange the WI K-Deal trust certificates for K-Deal A-M bonds?**

Yes, investors will be able to exchange the WI K-Deal trust certificates for K-Deal A-M bonds after the referenced K-Deal settles.

**11. Can investors retain the WI K-Deal trust certificates without exchanging them for K-Deal A-M bonds?**

Yes, investors will be able to retain the WI K-Deal trust certificates through the final payment date of the referenced K-Deal A-M bonds.

**12. Will the CUSIP change if an investor decides to convert their WI K-Deal trust certificates into K-Deal A-M bonds?**

Yes, the WI K-Deal trust certificates and the underlying K-Deal A-M certificates will have different CUSIPs. If an investor chooses to convert their trust certificates into A-M bonds, a new CUSIP will be assigned.

**13. How does the exchange process take place for WI K-Deal trust certificates and K-Deal A-M bonds?**

Please refer to the WI K-Deal offering documents for exchange request notice procedures and other exchange requirements. Fees may be charged to investors for exchanging WI K-Deal trust certificates for the referenced K-Deal A-M bonds.

**14. When exchanging WI K-Deal trust certificates for A-M bonds, can investors exchange partial amounts of their total order?**

Yes, partial exchanges are permitted. The exchange ratio is 1:1 (example: \$1,000 of WI K-Deal trust certificates are exchangeable for \$1,000 of referenced K-Deal A-M certificates).

**15. Are investors allowed to exchange their A-M bonds back to WI K-Deal trust certificates?**

No. The exchange is one-way, so investors may not exchange A-M bonds back for WI K-Deal trust certificates.

**16. How is the issuance size determined?**

The amount offered of WI K-Deal trust certificates will be approximately sized to the referenced K-Deal A-M Class from each contemplated upcoming K-Deal.

**17. Will investors be able to request CRA (Community Reinvestment Act) side letters?**

Yes, investors will be able to request CRA side letters for jurisdictions identified in the preliminary When-Issued CRA blast and finalize their loan requests once the referenced K-Deal CRA blast becomes available via Bloomberg. The preliminary When-Issued CRA blast only reflects the geographic/affordability information of potential mortgages that are being considered for inclusion in the referenced K-Deal transaction and are subject to change. Side letters will be issued once the referenced K-Deal settles and are allocated at the sole discretion of Freddie Mac.