August 25, 1989
Clearing Memo #155

Memorandum to Institutions Maintaining
Direct Wire Facilities with the Federal Reserve
Bank of New York For Securities Transfer:

RE: Expansion of Book-Entry Services for the Federal
Home Loan Mortgage Corporation

The Federal Home Loan Mortgage Corporation (Freddie Mac)
will begin issuing fixed rate notes, floating rate notes, zero
coupon notes and amortizing notes in the immediate future. The
Federal Reserve Banks have been named fiscal agent with respect
to these securities.

The Freddie Mac transactions will be handled by FRBNY's
securities transfer system. Transfers of Freddie Mac
obligations will be governed by the same procedures and prices
applicable to transfers of other non-Treasury book-entry
securities. The obligations will be transferable nationwide
upon issuance.

A. CUSIP Number/Security Description

Each security will be assigned a unique nine
character CUSIP number. The security description field
(line 8 of the Securities message) for each security type
will be as follows:

Fixed Rate notes will include the interest rate, the
alpha mnemonic (FMNT), the series and the month and year
of maturity. An example of this is "9.500 FMNT A 12/89".

Floating Rate notes will include the alpha mnemonic
(FMFR), floating rate reference instrument (e.g., 03TB, 3
month Treasury Bill), the series and year of maturity.
An example of this is "FMFR 03TB A 12/01/89".
Zero Coupon notes will include the alpha mnemonic (FMZC) and the maturity date. An example of this is "FMZC 12/01/89".

Amortizing notes will include the interest rate, the alpha mnemonic (FMSF), the series and the month and year of maturity. An example of this is "9.500 FMSF A 12/89".

B. Denominations
The minimum and multiple denominations for these notes will be $10,000 and $5,000 respectively.

C. Original Issue
On the original issue settlement date, Freddie Mac (using its on-line link to FRBNY) will transmit the securities through the securities transfer system to depository institutions (DIS). The original issue will be effected by sending a type code 25 message (Reversal code 2502) which will transfer the securities against payment to the purchaser's account from Freddie Mac's issuer account.

D. Secondary Market Transactions
These transfers will be effected using the standard type code 20 message, and will be governed by the same procedures and prices applicable to transfers of other non-Treasury book-entry securities.

E. Principal and Interest Payments
The principal and/or interest payments for each security type will be automated. On the payment date, the FRBNY will wire the proceeds, via type codes 89 and 8906 respectively, to book-entry account holders. The procedures for processing these payments will be the same as those presently in place for effecting payments for other book-entry non-Treasury securities.

Questions regarding this announcement should be directed to Patricia Hill-Lupack, Manager, Securities Transfer Department, on (212) 720-5379.

Sincerely,

[Signature]
Carol W. Barrett
Vice President