

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045

AREA CODE 212-720-5000

August 24, 1990
Clearing Memo #165

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 Gold PCs and Gold REMIC securities in book-entry form in October. In this connection, the Federal Reserve Banks have been named fiscal agent with respect to these securities. The record date for the Gold PCs and Gold REMIC securities will be the last business day of the month and the payment date will be the 15th day of the following month (or the next business day if the 15th is a holiday). As a result, the span between the record date and payment date for the new securities has been shortened to 15 days in contrast to Freddie Mac's existing PCs and REMIC securities where the span between the record date and the payment date is 45 days and 30 days, respectively.

Gold PCs and Gold REMIC securities will be handled by the Federal Reserve Bank of New York's (FRBNY) securities transfer system. Transfers of these obligations will be governed by the same procedures and prices applicable to transfers of other non-Treasury book-entry securities and will be transferable nationwide upon issuance.

A. CUSIP Numbers/Security Description

Each security will be assigned a unique nine character CUSIP number. Although it is expected that Freddie Mac will initially issue only fixed rate Gold PCs and Gold REMIC securities, listed below are the security descriptions for all possible Gold products:

Gold PCs	11.250 FGPC 1400 A
Gold Adjustable Rate PCs	FGAR 605031 G
Gold REMIC	FGRM 00001A 04/11/08

Gold Adjustable Rate REMIC	FGRA 00001A 04/11/08
Gold Manufactured Housing Participation Certificates	FGHF 00001A 04/13/08
Gold Adjustable Rate Manufactured Housing Participation Certificates	FGHA 00001A 04/03/08
Gold Pass-Thru REMIC	FGPT 00028A 01/13/91
Gold Adjustable Rate Pass-Thru REMIC	FGPA 00028B 01/13/91
Gold Collateralized Mortgage Obligations (CMO's)	06.4500 FGMO A 1
Gold Strips - Interest Only	FGST GIO 900001
Gold Strips - Principal Only	FGST GPO 800001
Gold Strips - Recombination	FGST GIP 700001
Gold Fixed Rate Mortgage Cash Flow Obligations	06.4500 FGMO MCF A1

B. Denominations

The minimum and multiple denominations for these securities will be announced with each new issue.

C. Original Issue

On the original issue settlement date, Freddie Mac 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 new "Issuer Gold" subaccount (021033205).

D. Secondary Market Transaction

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 payment for these securities will be automated. The payments will be aggregated such that each subaccount of each DI will receive one type code 8906 message reflecting the total payment (interest and principal) for each securities product (i.e. FGPC, FGRM, etc.) held by that subaccount. Approximately two weeks prior to the

payment date, each DI will receive advice of credit information from FRBNY which will break down the total payment amount by principal and interest for each CUSIP in each subaccount. DIs that receive the advice of credit information on magnetic tape will receive an additional tape for these products. As mentioned previously, the record date for the Gold PCs and Gold REMIC securities is the last business day of each month and the payment date is the 15th day (or the next business day if the 15th is not a business day) of the following month.

F. Conversions

Outstanding PCs and REMIC securities will be eligible for conversion to Gold PCs and Gold REMIC securities once the Gold program begins. Conversion requests should be sent as type code 20 messages to a new Freddie Mac "Conv" subaccount (ABA 021033205) where the requests will be processed by Freddie Mac and the new security will be returned to you from Freddie Mac's new "Issuer Conv" subaccount (ABA 021033205), via a type code 25 message. Additional details regarding the schedule and operating procedures for conversions will be provided by Freddie Mac.

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

Sincerely,



Carol W. Barrett
Vice President