

# FEDERAL HOME LOAN MORTGAGE

Rating Analysis - 5/2/17

Debt: \$2.0Tr, Cash: \$22.2B

\*EJR Sen Rating(Curr/Prj) A-/ N/A

\*EJR CP Rating: A1

EJR's 3 yr. Default Probability: 1.7%

EJR 3 yr. Recov. Rate: 66.5%

Federal Home Loan Mortgage Corporation ( FMCC) is in the govt supported firms sector and its operating income were \$7.4B for the quarter ending Dec' 2016 vs \$3.2B for the prior year. Net Income for Q4 '16 was \$4.8B vs the prior year's \$2.2B income.

For 4Q'16, FMCC's net interest income increased by \$239M seq. to \$3.9B, primarily reflecting higher amortization income driven by increased liquidations. Guarantee and fee income was also higher by \$144M reflecting higher avg multifamily guarantee portfolio balances due to an increase in issuances of K and SB Certificates in 2016. Provision for credit losses rose by \$213M with higher total interest rate concessions due to the longer expected life of certain modified loans resulting from rising mortgage rates in the 4Q'16. Comprehensive income of \$3.9B was achieved driven by solid business results and \$2.3B of market related gains due to a significant higher longer-term interest rates. Mkt Cap is \$1.6B vs net debt of \$1.98T. Affirming.

Others might take pos. actions.

## CREDIT POSITION

	Annual Ratios		Ratios for 4 Rolling Quarters				
	Dec-16	PDec18	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Fixed Chg Cov(x)	1.2		1.2	1.2	1.1	1.2	1.2
Return on Equity (%)	154.0		216.9	549.8	108.9	146.0	154.0
PT Ret. on Avg Assets(%)	0.6		0.5	0.4	0.2	0.4	0.6
Ret on Perm Cap (%)	0.6		0.5	0.4	0.2	0.4	0.6
T Debt/Cap(w Debt)(%)	99.7		99.9	99.9	99.9	99.8	99.7
Short Term Debt/ Total Debt (%)	3.6		8.7	4.4	3.8	4.8	3.6
Implied Sen. Rating	BBB+		BBB+	BBB+	BBB+	BBB+	BBB+

## INDUSTRY RATIOS

	AA	A	BBB	BB	B	CCC
Fixed Chg Cov(x)	2.3	1.8	1.3	0.9	0.7	0.5
Return on Equity (%)	4.5	4.0	3.5	3.0	2.5	2.0
PT Ret. on Avg Assets(%)	6.0	4.0	2.0	0.0	-2.0	-4.0
Ret on Perm Cap (%)	20.0	10.0	7.0	4.0	2.0	-2.0
T Debt/Cap(w Debt)(%)	85.0	90.0	95.0	97.0	98.2	100.0
Short Term Debt/ Total Debt (%)	47.5	62.2	75.3	84.9	90.7	94.2

PEER RATIOS	Other NRSRO Sen.	Fixed Charge Cov(x)	Return on Avg Assets ROE(%)	Return on Perm Cap(%)	Ratio- T Debt/ Cap(%)	Implied Rating
Federal National Mortgage Association	AAA	1.2	202.8	0.6	99.8	BB+
Federal Home Loan Mortgage Corporation	AAA	1.2	154.0	0.6	99.7	BBB-
Countrywide Financial Corp.	BBB+	1.1	-4.8	-0.6	88.7	BB+
Doral Financial Corporation		0.4	0.0	-1.0	78.2	B
Advanta CL B		0.3	0.0	0.7	42.3	B+

Note, annual and quarterly implied sen. ratings are smoothed using EJR's prior rating if any. Peers' implied ratings are not smoothed.

Rating Change Anticipator (1 is best, 100 worst): 43.7 Last EJR Sen.: A- Other NRSROs: AAA/-+

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## REVENUE & PROFITABILITY

The Company's revenues declined at an average annual rate of 4.6% over the last five years while operating margin fell to 6.88% for the fiscal year ending December 2016, below the 4,575.80% average over the prior four years. Return on Assets fell to 0.39%, below the 0.47% average for the prior years.

	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	PDec17	PDec18
Interest Income (bill \$)	85	73	69	67	65	59	53
Growth Rate (%)		(14.18)	(4.43)	(3.44)	(2.87)	(10.00)	(10.00)
Net Interest Income/Total Interest Income (%)	22.22	23.28	20.96	22.62	22.36	13.73	4.71
Loan Loss Coverage(%)	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Pretax Return On Avg Assets (%)	0.47	1.28	0.56	0.47	0.58	0.27	(0.01)
Oper Return/ Earning Assets (%)	4,349.04	9,712.70	3,309.23	5,501.14	6.88	3.91	0.21
Non-Interest Inc/Revs (%)	0.4	5.3	1.4	(4.30)	(2.76)	(2.93)	(3.13)
Efficiency Ratio(%)	32.5	0.2	59.7	42.45	12.33	22.29	144.99
Return on Assets (%)	0.6	2.5	0.4	0.32	0.39	0.17	(0.02)

## LEVERAGE & ASSET LIQUIDITY

The Quick Asset Ratio has become stronger recently, rising to 1.5:1 for the FYE December 2016, and Quick Assets/ ST Dep & Debt increased.

	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	PDec17	PDec18
Quick Asset Ratio(%)	1.8	1.6	1.5	1.4	1.5	1.7	1.8
Quick Assets/ ST Dep & Debt(%)	15.7	14.5	21.0	16.2	43.8	46.9	50.2
LT Debt/ Capital (%)	99.5	99.3	99.9	99.8	99.7	100.0	100.4
T Debt/Cap(w Debt)(%)	99.6	99.3	99.9	99.9	99.7	100.0	100.4

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## ASSUMPTIONS FOR FINANCIALS

### Valuation Driver: Interest Income Growth:

Federal Home Loan Mortgage has seen a decline in interest income at 2.9% per annum in the last fiscal year which is disappointing. We expect Company's revenues will decline by approximately 10.0% per annum over the next couple of years and 0.5% per annum for the next couple of years thereafter.

### Valuation Driver: Net Interest Margin:

The Company's net interest margin has been more than its peers and we assumed a 8.5% growth in net interest margin over the next two years.

Income Statement	Peer Median	Co. Avg.	Assumptions	
			Yr 1&2	Yr 3,4,5
Interest Income Growth%	(2.1)	(2.9)	<b>(10.0)</b>	<b>0.5</b>
Interest Expense (% of outstanding debt)	5.1	2.5	<b>2.5</b>	<b>2.5</b>
Net Interest Margin (% of earning assets)	2.3	8.3	<b>8.5</b>	<b>7.7</b>
Provisions for Loan Losses(% of earning assets)	0.8	(0.5)	<b>(0.5)</b>	<b>(0.5)</b>
Trading Account Profit Growth%	(7.6)	(7.6)	<b>2.0</b>	<b>2.2</b>
Commissions & Fees Earned Growth%	0.0	0.0		
Other Operating Income Growth%	(28.4)	(49.7)	<b>(10.0)</b>	<b>(10.0)</b>
Non-Interest Expense Growth%	0.0	(70.0)	<b>(10.0)</b>	<b>(10.0)</b>
Net Non-Operating Loss Growth%	(68.8)	(24.4)		
Income Tax Rate%	26.4	31.8	<b>31.8</b>	<b>28.6</b>
Special Items (billion \$)	0.0			
Cash & Near Cash Growth%	10.4	10.4	<b>8.0</b>	<b>8.0</b>
Accounts & Notes Receivable Growth%	0.0	15.4	<b>5.0</b>	<b>5.0</b>
Marketable Secs. & ST Investments Growth%	0.0	144.2	<b>2.0</b>	<b>2.0</b>
Loans & Mortgages Growth%	0.0	0.0		
Real Estate Investments Growth%	0.0	0.0		
Other Long-Term Investments Growth%	(2.9)	(8.1)	<b>(10.0)</b>	<b>(10.0)</b>
Long-Term Investments before Reserves Growth%	2.2	(8.1)	<b>(8.1)</b>	<b>(8.1)</b>
Loan Loss Reserves (% of Earn. Assets.)	0.9	0.0	<b>5.0</b>	<b>5.0</b>
Loans Net of Reserves Growth%	0.0			
Net Fixed Assets Growth%	(3.2)	0.0		
Other Assets Growth%	0.0	0.0		
Demand Deposits Growth%	0.0			
Short-Term Borrowings Growth%	(52.7)	(58.5)	<b>0.5</b>	<b>0.5</b>
Customer Deposits Growth%	8.0	0.0		
Other ST Liabilities Growth%	0.0	0.0		
Long-Term Borrowings Growth%	7.4	7.4	<b>7.4</b>	<b>7.4</b>
Deferred Tax Liability Growth%	0.0	0.0		
Other Long-Term Liabilities Growth%	15.2	28.5	<b>12.0</b>	<b>12.0</b>
Shares sold (% of shares out.)	0.0	(0.0)	<b>(0.0)</b>	<b>(0.0)</b>
Additional ST debt (1st year)(billions \$)	0.0	0.0		

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## ANNUAL INCOME STATEMENTS

Below are Federal Home Loan Mortgage 's annual income statements with the projected years based on the assumptions listed on page 3.

### ANNUAL INCOME STATEMENTS (BILLIONS \$, EXCEPT PER SHARE AMOUNTS)

	Dec-13	Dec-14	Dec-15	Dec-16	PDec17	PDec18
Interest Income	72.7	69.5	67.1	65.2	58.6	52.8
Interest Expense	55.8	54.9	51.9	50.6	50.6	50.3
Net Interest Income	16.9	14.6	15.2	14.6	8.1	2.5
Provisions for Loan Losses	0.0	0.0	-2.7	-0.8	-0.8	-0.7
Trading Account Profit	0.0	-0.2	-0.9	-0.8	-0.8	-0.8
Commissions & Fees Earned	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Income	4.1	1.2	-1.9	-1.0	-0.9	-0.8
Non-Interest Expense	0.0	9.3	5.3	1.6	1.4	1.3
Operating Income	21.0	6.3	9.8	12.0	5.8	0.3
Net Non-Operating Loss	-4.4	-4.7	0.5	0.4	0.4	0.4
Income Tax Expenses	-23.3	3.3	2.9	3.8	2.0	0.2
Income Before XO Items	48.7	7.7	6.4	7.8	3.4	-0.3
Extraordinary Item Net of Tax	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interests	0.0	0.0	0.0	0.0	0.0	0.0
Consolidated Net Income	<u>48.7</u>	<u>7.7</u>	<u>6.4</u>	<u>7.8</u>	<u>3.4</u>	<u>-0.3</u>
Total Cash Preferred Dividends	52.2	10.0	6.4	7.7	7.7	7.7
Net Income	-3.5	-2.3	0.0	0.1	-4.3	-8.1
Common Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenues	76.8	70.5	64.3	63.4	57.0	51.2
Comprehensive Income per Share	0.00	0.00	0.00	0.00		
Basic EPS Before Abnormal Items	0.00	0.00	0.00	0.00	0.00	
Basic EPS Before XO Items	0.00	0.00	0.00	0.00	0.00	0.00
Basic EPS	0.00	0.00	0.00	0.00	0.00	0.00
EBITDA						

### REVENUE & PROFITABILITY

Interest Income (bill \$)	72.7	69.5	67.1	65.2	58.6	52.8
Growth Rate (%)	-14.2	-4.4	-3.4	-2.9	-10.0	-10.0
Net Interest Income/Total Interest Income (%)	23.3	21.0	22.6	22.4	13.7	4.7
Loan Loss Coverage(%)	0.0	0.0	0.0	0.0	0.0	0.0
Pretax Return On Avg Assets (%)	1.3	0.6	0.5	0.6	0.3	0.0
Oper Return/ Earning Assets (%)	9,712.7	3,309.2	5,501.1	6.9	3.9	0.2
Non-Interest Inc/Revs (%)	5.3	1.4	-4.3	-2.8	-2.9	-3.1
Efficiency Ratio(%)	0.2	59.7	42.4	12.3	22.3	145.0
Return on Assets (%)	2.5	0.4	0.3	0.4	0.2	0.0

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## ANNUAL BALANCE SHEETS

Below are Federal Home Loan Mortgage 's balance sheets with the projected years based on the assumptions listed on page 3. As of Dec18, the Company's total cash is assumed to increase from \$22B to \$26B while its total debt is assumed to decline from \$2.0T to \$2.0T.

### ANNUAL BALANCE SHEETS

(BILLIONS \$, EXCEPT PER SHARE AMOUNTS)

#### Base Case

#### ASSETS

	Dec-13	Dec-14	Dec-15	Dec-16	PDec17	PDec18
Cash & Near Cash	23.5	19.5	20.1	22.2	24.0	25.9
Accounts & Notes Receivable	10.5	11.0	9.7	11.2	11.8	12.4
Marketable Secs. & ST Investments	0.0	0.0	0.0	0.1	0.1	0.1
Loans & Mortgages	0.0	0.0	0.0	0.0	0.0	0.0
Real Estate Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Long-Term Investments	215.8	189.7	178.2	163.7	147.4	132.6
Long-Term Investments before Reserves	215.8	189.7	178.2	163.7	147.4	132.6
Loan Loss Reserves	0.0	0.0	0.0	0.0	0.0	0.0
Loans Net of Reserves	215.8	189.7	178.2	163.7	147.4	132.6
Net Fixed Assets	0.0	0.0	0.0	0.0	0.0	0.0
Other Assets	0.0	0.0	0.0	0.0	1,826.1	1,826.1
Additional Assets	1,717.2	1,725.4	1,777.9	1,826.1	0.0	0.0
Total Assets	<u>1,967.0</u>	<u>1,945.5</u>	<u>1,986.1</u>	<u>2,023.4</u>	<u>2,009.3</u>	<u>1,997.1</u>
Earning Assets	0.2	0.2	0.2	175.0	147.5	132.7

#### LIABILITIES

Demand Deposits	0.0	0.0	0.0	0.0	0.0	0.0
Short-Term Borrowings	219.8	134.6	172.3	71.5	71.5	71.5
Customer Deposits	0.0	0.0	0.0	0.0	0.0	0.0
Other ST Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Long-Term Borrowings	1,720.9	1,794.9	1,798.1	1,930.6	1,918.9	1,912.5
Deferred Tax Liability	0.9	0.0	0.0	0.0	0.0	0.0
Other Long-Term Liabilities	12.5	13.3	12.7	16.3	18.3	20.4
Other Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Total Liabilities	<u>1,954.2</u>	<u>1,942.9</u>	<u>1,983.1</u>	<u>2,018.3</u>	<u>2,008.6</u>	<u>2,004.4</u>
Total Preferred Equity	86.4	86.4	86.4	86.4	86.4	86.4
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0
Share Capital & APIC	0.0	0.0	0.0	0.0	0.0	0.0
Retained Earnings & Other Equity	-73.6	-83.8	-83.5	-81.4	-85.7	-93.7
Total Shareholders' Equity	<u>12.8</u>	<u>2.7</u>	<u>2.9</u>	<u>5.1</u>	<u>0.8</u>	<u>-7.3</u>
Total Liabilities & Equity	<u>1,967.0</u>	<u>1,945.5</u>	<u>1,986.1</u>	<u>2,023.4</u>	<u>2,009.3</u>	<u>1,997.1</u>
Shares Outstanding	0.0	0.0	3,235.0	3,234.0	3,233.7	3,233.3

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## Comments on the Difference between the Model and Assigned Rating

In this case, there has been little change in the recent results and therefore we have used our best judgement in making adjustments which are reflected in the results for the projected ratings. We have assigned a rating of "A-" whereas the ratio-implied rating for the most recent period is "BBB+"; the median rating for the peers is significantly higher than the Company's implied rating.

## Comments on Industry Ratios

We have not made any adjustment in the industry ratios at this time.

## CUSIPs and EJR rating

3137EADQ9 rated A-; 3137EADN6 rated A-; 3137EADL0 rated A-; 3137EADJ5 rated A-; 3137EADH9 rated A-; 3137EADF3 rated A-; 3137EADD8 rated A-; 3137EADC0 rated A-; 3137EADA4 rated A-; 3137EACZ0 rated A-; 3137EACY3 rated A-; 3137EACX5 rated A-; 3137EACW7 rated A-; 3137EACV9 rated A-; 3137EACU1 rated A-; 3137EACT4 rated A-; 3137EACR8 rated A-; 3137EACM9 rated A-; 3137EACL1 rated A-; 3137EACH0 rated A-; 3137EACD9 rated A-; 3137EACB3 rated A-; 3137EABX6 rated A-; 3137EABS7 rated A-; 3137EABM0 rated A-; 3137EABA6 rated A-; 3137EAAY5 rated A-; 3137EAAS8 rated A-; 3137EAAM1 rated A-; 3137EAAJ8 rated A-; 3137EAAG4 rated A-; 3137EAAD1 rated A-; 3134G4BB3 rated A-; 3134G4BA5 rated A-; 3134G4B49 rated A-; 3134G4B23 rated A-; 3134G4AZ1 rated A-; 3134G4AV0 rated A-; 3134G4AT5 rated A-; 3134G4AP3 rated A-; 3134G4AN8 rated A-; 3134G4AL2 rated A-; 3134G4AJ7 rated A-; 3134G4AH1 rated A-; 3134G4AC2 rated A-; 3134G4AB4 rated A-; 3134G4A81 rated A-; 3134G4A40 rated A-; 3134G47L6 rated A-; 3134G46W3 rated A-; 3134G46G8 rated A-; 3134G46A1 rated A-; 3134G45U8 rated A-; 3134G45L8 rated A-; 3134G45A2 rated A-; 3134G44R6 rated A-; 3134G44N5 rated A-; 3134G44M7 rated A-; 3134G44F2 rated A-; 3134G43Y2 rated A-; 3134G43U0 rated A-; 3134G43S5 rated A-; 3134G43R7 rated A-; 3134G43P1 rated A-; 3134G43E6 rated A-; 3134G42Z0 rated A-; 3134G42Y3 rated A-; 3134G42V9 rated A-; 3134G42Q0 rated A-; 3134G42N7 rated A-; 3134G42M9 rated A-; 3134G42L1 rated A-;

**SEC Rule 17g-7(a) Disclosure**

Below are the disclosures as required by Paragraph (a) of Rule 17g-7.

**1. The symbol in the rating scale used to denote the credit rating categories and notches within categories and the identity of the obligor, security, or money market instrument as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7:**

For the issuer FEDERAL HOME LOAN MORTGAGE with the ticker of FMCC we have assigned the senior unsecured rating of A-. There are three notches in our rating categories (e.g., A-, A, and A+) other than those deep into speculative grade; for CC, C, and D there are no notches.

**2. The version of the procedure or methodology used to determine the credit rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7:**

We are using the methodology available in our Form NRSRO Exhibit #2 dated Feb. 24, 2017 available via [egan-jones.com](http://egan-jones.com) under the tab at the bottom of the page "Methodologies".

**3. The main assumptions and principles used in constructing the procedures and methodologies used to determine the credit rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7:**

The credit rating assigned reflects our judgement regarding the future credit quality of the issuer. Regarding the specific assumptions used, please refer to page 3 of this Rating Analysis Report.

**4. The potential limitations of the credit rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7:**

Our rating pertains solely to our view of current and prospective credit quality. Our rating does not address pricing, liquidity, or other risks associated with holding investments in the issuer.

**5. Information on the uncertainty of the credit rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7:**

Our rating is dependant on numerous factors including the reliability, accuracy, and quality of the data relied used in determining the credit rating. The data is sourced from publicly-available 10Q and 10K statements, quarterly reports, 8K filings, earnings reports, and other similar sources. In some cases, the information is limited because of issues such as short operating histories, the lack of reported data, a delay in reporting data, restatements, inaccurate accounting, and other issues. Such shortcomings are not always readily apparent. EJR aims to identify such shortcomings and make adjustments using its best judgement.

**6. Whether and to what extent third-party due diligence services have been used in taking the rating action as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7:**

EJR does not utilize third-party due diligence services.

**7. How servicer or remittance reports were used, and with what frequency, to conduct surveillance of the credit rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7:**

Servicer or remittance reports normally pertain to structured finance issuers; this report does not pertain to a structured finance issuer (EJR is not an NRSRO for structured finance or sovereigns/ municipal issuers). Regarding surveillance, the minimum time period for corporation issuers is normally one year.

**8. A description of the data that were relied upon for the purpose of determining the credit rating as required by Paragraph (a)(1)(ii)(H) of Rule 17g-7:**

EJR uses 10Q and 10K statements, quarterly reports, 8K filings, earnings reports, and other similar sources for ratings on publicly-traded issuers. In the case of private issuers, EJR relies on information provided mainly by issuers.

**9. A statement containing an overall assessment of the quality of information available and considered in the credit rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7: The information is generally high quality and readily avail.****10. Information relating to conflicts of interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7:**

EJR is not paid to determine this credit rating.

# FEDERAL HOME LOAN MORTGAGE

Rating Analysis - 5/2/17  
Debt: \$2.0Tr, Cash: \$22.2B  
Page 8

\*EJR Sen Rating(Curr/Prj) A-/ N/A  
\*EJR CP Rating: A1  
EJR's 3 yr. Default Probability: 1.7%  
EJR 3 yr. Recov. Rate: 66.5%

### 11. An explanation or measure of the potential volatility of the credit rating as required by Paragraph (a)(1)(ii)(K) of Rule 17g-7:

Our rating aims to assess the probability of the payment of obligations in full and on-time. Factors which affect such probability, and in turn our rating, include changes in the operating performance of the issuer, changes in capital structure, and merger and acquisition events.

### 12. Information on the content of the credit rating as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7:

Regarding the historical performance of the credit rating, our rating transition matrix is available in our Form NRSRO, exhibit 1. The expected probability of default and the expected loss in the event of default is listed on the first page of this report.

### 13. Information on the sensitivity of the credit rating to assumptions as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7:

Below is a summary of the impact of the 5 assumptions which independently would have the greatest impact on our "ratio-implied rating":

	Assumptions			Resulting Ratio-Implied Rating		
	Base	Optimistic	Pessimistic	Base	Optimistic	Pessimistic
Interest Income Growth%	(10.0)	(6.0)	(14.0)	BBB	BBB	BBB
Interest Expense (% of outstanding debt)	2.5	(0.5)	5.5	BBB	BBB-	BB
Provisions for Loan Losses(% of earning assets)	(0.5)	(3.5)	2.5	BBB	BBB	BBB
Commissions & Fees Earned Growth%		0.1	2.0	BBB	BBB	BBB
Loan Loss Reserves (% of Earn. Assets.)	5.0	3.0	7.0	BBB	BBB	BBB

### 14. If the credit rating is assigned to an asset-backed security, a description of: (i) the representations, warranties, and enforcement mechanisms available to investors; and (ii) how they differ from the representations, warranties, and enforcement mechanisms in issuances of similar securities, as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7:

This credit rating is not assigned to an asset-backed security.

## ATTESTATION FORM

In compliance with the US Securities and Exchange Commission (SEC) Rule 17g-7(a), the Egan-Jones analyst who published the report is responsible for the rating action and to the best knowledge of the person:

- 1) No part of the credit rating was influenced by any other business activities,
- 2) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated, and
- 3) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

**Analyst Signature:**

**Today's Date**

May 02, 2017

Kristine Catanghal  
Senior Rating Analyst

**Reviewer Signature:**

**Today's Date**

May 02, 2017

Caroline Ding  
Rating Analyst