

# OFFERING CIRCULAR



## Universal Debt Facility

### Debt Securities with maturities of one day or longer

Fannie Mae may offer an unlimited amount of Debt Securities with maturities of one day or longer from time to time under our Universal Debt Facility, including:

**Benchmark Bills<sup>®</sup>**  
**Benchmark Bonds<sup>®</sup>**  
**Benchmark Notes<sup>®</sup>**  
**Short-Term Notes**  
**Notes**  
**Bonds**

The Debt Securities will have various terms, as described in this Offering Circular and any applicable Pricing Supplement. You should read this Offering Circular and any applicable Pricing Supplement carefully before you invest.

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**The Debt Securities, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.**

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state or other securities commission has approved or disapproved the Debt Securities or determined if this Offering Circular, any Pricing Supplement, or any other supplement or amendment hereto or thereto is truthful or complete. Any representation to the contrary is a criminal offense.

An investment in the Debt Securities involves certain risks, and the Debt Securities may not be a suitable investment for all investors. See the "Risk Factors" beginning on page 14 of this Offering Circular for a discussion of certain risks that should be considered in connection with an investment in the Debt Securities.

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We may sell Debt Securities to or through one or more Dealers as principal or otherwise, or directly to institutional investors. We cannot assure you that there will be a secondary market for the Debt Securities or how liquid the market will be if one develops.

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*This Offering Circular replaces and supersedes the Offering Circular, dated November 3, 2017, for issues pricing on or after November 18, 2024.*

**The date of this Offering Circular is November 8, 2024.**

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"Benchmark Bills", "Benchmark Bonds" and "Benchmark Notes" are registered trademarks of Fannie Mae.

## **Stabilization**

In connection with any issue of Debt Securities, a Dealer identified as stabilizing manager in the applicable Pricing Supplement may, subject to applicable laws and regulations, overallocate or effect transactions which stabilize or maintain the market price of the Debt Securities of such issue at a level above that which might otherwise prevail in the open market. Such transactions may be effected on any exchange on which the Debt Securities may be listed, in an over-the-counter market or otherwise. Such stabilization, if commenced, may be discontinued at any time.

## **Prohibition of Sales to EEA Retail Investors**

The Debt Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Debt Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Debt Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## **Prohibition of Sales to UK Retail Investors**

The Debt Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA3; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA8. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Debt Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Debt Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

## **Selling Restrictions**

We are not required to register the offer and sale of the Debt Securities under the U.S. Securities Act of 1933, as amended. Accordingly, we have not filed a registration statement with the SEC with respect to the Debt Securities. The Debt Securities are “exempted securities” within the meaning of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”).

For a further description of restrictions on offers, sales and deliveries of the Debt Securities and on the distribution of this Offering Circular, any Pricing Supplement, or any other supplement hereto or thereto, see “Plan of Distribution—Selling Restrictions” and Appendix E.

The distribution of this Offering Circular, any Pricing Supplement, or any other supplement and the offer, sale, and delivery of Debt Securities in certain jurisdictions may be restricted by law. Persons who come into possession of this Offering Circular, any Pricing Supplement or any other supplement hereto or thereto must inform themselves about and observe any applicable restrictions. This Offering Circular, any related Pricing Supplement, any other supplement hereto or thereto and any incorporated documents speak only as of their respective

dates, regardless of the date you received the documents or purchased the Debt Securities, and may not be correct after their specified date. We undertake no obligation to update any such documents as a result of new information, future events, or otherwise, except as required by the federal securities laws.

This Offering Circular, any Pricing Supplement, or any other supplement is not an offer to sell or a solicitation of an offer to buy any securities other than the Debt Securities or an offer to sell or a solicitation of an offer to buy Debt Securities in any jurisdiction or in any other circumstance in which an offer or solicitation is unlawful or not authorized.

### **Pricing Supplements Relating to Specific Debt Securities**

When we offer Debt Securities other than Benchmark Bills or Short-Term Notes, we will provide you with a “Pricing Supplement” describing the terms of the specific issue of Debt Securities, including the offering price. A Pricing Supplement also may amend or supplement this Offering Circular with respect to a specific issue of Debt Securities. You should read a Pricing Supplement and any other applicable supplement together with this Offering Circular.

### **Forward-Looking Statements**

This Offering Circular contains or incorporates by reference statements that constitute forward-looking statements within the meaning of Section 21E of the Exchange Act. In addition, our senior management may from time to time make forward-looking statements orally to analysts, investors, the news media and others. Forward-looking statements often include words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “forecast,” “project,” “would,” “should,” “could,” “likely,” “may,” “will” or similar words.

Forward-looking statements reflect our management’s current expectations, forecasts or predictions of future conditions, events or results based on various assumptions and management’s estimates of trends and economic conditions in the markets in which we are active and otherwise impact our business plans. Forward-looking statements are not guarantees of future performance. By their nature, forward-looking statements are subject to risks and uncertainties and changes in circumstances. Our actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. There are a number of factors that could cause actual conditions, events or results to differ materially from those described in the forward-looking statements contained or incorporated by reference in this Offering Circular, including, but not limited to, the following: factors that will affect future economic conditions, including the persistence of inflationary pressures and the risk of financial market disruptions; growth, deterioration and the overall health and stability of the U.S. economy, including U.S. gross domestic product (“GDP”), unemployment rates, personal income, inflation and other indicators thereof; the timing and level of, as well as regional variation in, home price changes; the volume of mortgage originations; the size and our share of the U.S. mortgage market and the factors that affect them, including population growth and household formation; changes in fiscal or monetary policy of the U.S. or other countries, and the impact of such changes on domestic and international financial markets; domestic, regional and global political risks and uncertainties, including the impact of conflict in the Middle East, the Russian war in Ukraine, and tensions between China and Taiwan; the impact of stress in the banking sector on the financial condition and business activities of our counterparties, including stress on regional banks and on banks with significant exposure to commercial real estate; future interest rates and credit spreads; developments that may be difficult to predict, including: market conditions that result in changes in our deferred guaranty fee income or changes in net interest income from our portfolios; fluctuations in the estimated fair value of our derivatives and other financial instruments that we mark to market through our earnings; and developments that affect our loss reserves, such as changes in interest rates, home prices or accounting standards; disruptions or instability in the housing and credit markets; changes in the demand for mortgage-backed securities issued by Fannie Mae (“Fannie Mae MBS”), Debt Securities or our credit risk transfer securities, in general or from one or more major groups of investors; constraints on our entry into new credit risk transfer transactions; a decrease in our credit ratings; limitations on our ability to access the debt capital markets; the size, composition, quality and performance of our guaranty book of business and retained mortgage portfolio; how long loans in our guaranty book of business remain outstanding; our and our competitors’ future guaranty fee pricing and the impact of that pricing on our competitive environment and guaranty fee revenues; the competitive environment in which we operate, including the impact of legislative,

regulatory or other developments on levels of competition in our industry and other factors affecting our market share; significant challenges we face in retaining and hiring qualified executives and other employees; our conservatorship, including any changes to or termination (by receivership or otherwise) of the conservatorship and its effect on our business; the investment by United States Department of the Treasury (“Treasury”), including the impact of past or potential future changes to the terms of our senior preferred stock purchase agreement with Treasury, and their effect on our business, including restrictions imposed on us by the terms of the senior preferred stock purchase agreement, the senior preferred stock and the warrant held by Treasury, as well as the extent that these or other restrictions on our business and activities are applied to us through other mechanisms even if we cease to be subject to these agreements and instruments; uncertainty regarding our future, our exit from conservatorship, our ability to raise or earn the capital needed to meet our capital requirements, and our ability to achieve long-term return targets; the impact of the enterprise regulatory capital framework, as well as future legislative and regulatory requirements or changes, governmental initiatives, or executive orders affecting us, such as the enactment of housing finance reform legislation, including changes that limit our business activities or our footprint, impose new mandates on us, or affect our ability to change our pricing; the possibility that changes in leadership at the Federal Housing Finance Agency (“FHFA”) or the Administration may result in changes that affect our company or our business; actions we may be required to take by FHFA, in its role as our conservator or as our regulator, such as changes in the type of business we do, or actions relating to uniform mortgage-backed securities (“UMBS”) or our resecuritization of Freddie Mac-issued securities; limitations on our business imposed by FHFA, in its role as our conservator or as our regulator; adverse effects from activities we undertake to support the mortgage market and help borrowers, renters, lenders and servicers, including actions we may take to reach additional underserved borrowers or address barriers to sustainable housing opportunities and advance equity in housing finance; our reliance on Common Securitization Solutions LLC (“CSS”) and the common securitization platform CSS operates for a majority of our single-family securitization activities; provisions in the CSS limited liability company agreement that permit FHFA to add members to the CSS Board of Managers, which may limit the ability of Fannie Mae and Freddie Mac to control decisions of the CSS Board of Managers; and changes FHFA may require in our relationship with or in our support of CSS; actions by FHFA, Treasury, the Federal Reserve, the Office of the Comptroller of the Currency (“OCC”), the Federal Deposit Insurance Corporation (“FDIC”), the Commodity Futures Trading Commission (“CFTC”), the Department of Housing and Urban Development (“HUD”), the Consumer Finance Protection Bureau (“CFPB”), the SEC or other regulators, Congress, the Executive Branch, or state or local governments that affect our business; changes in the structure and regulation of the financial services industry; a default by the United States government on its obligations; a shutdown of the United States government; the potential impact of a change in the corporate income tax rate, which we expect would affect our net income in the quarter of enactment; significant changes in forbearance, modification and foreclosure activity; the volume and pace of any future nonperforming and reperforming loan sales and their impact on our financial results and serious delinquency rates; changes in borrower behavior; actions we may take to mitigate losses, and the effectiveness of our loss mitigation strategies, management of our real estate owned (“REO”) inventory and pursuit of contractual remedies; natural disasters, environmental disasters, terrorist attacks, widespread health emergencies or pandemics, infrastructure failures, or other disruptive or catastrophic events; severe weather events, fires, floods or other climate change events or impacts, including those for which we may be uninsured or under-insured or that may affect our counterparties, and other risks resulting from climate change and efforts to address climate change and related risks; defaults by one or more of our counterparties; resolution or settlement agreements we may enter into with our counterparties; our need to rely on third parties to fully achieve some of our corporate objectives, including our reliance on mortgage servicers; the effectiveness of our risk management processes and related controls, including those relating to climate risk and model risk; the effectiveness of our business resiliency plans and systems; the stability and adequacy of the systems and infrastructure that impact our operations, including ours and those of CSS, our other counterparties and other third parties; the impact of interdependence between the single-family mortgage securitization programs of Fannie Mae and Freddie Mac in connection with UMBS; operational control weaknesses; our reliance on models and future updates we make to our models, including the data and assumptions used by these models; cyber-attacks or other information security breaches or threats impacting us or the third parties with which we do business; changes in U.S. generally accepted accounting principles (“GAAP”), guidance by the Financial Accounting Standards Board (“FASB”) and changes to our accounting policies; changes in the fair value of our assets and liabilities; and the other factors described in the “Risk Factors” section of this Offering Circular, our 2023 Form 10-K, our First Quarter 10-Q, our Second Quarter 10-Q, our Third Quarter 10-Q, and any other documents or reports incorporated by reference in this Offering Circular.

Investors are cautioned not to unduly rely on the forward-looking statements we make and to place these forward-looking statements into proper context by carefully considering the factors identified or incorporated by reference in the relevant document. Forward-looking statements are representative only as of the date they are made, and we undertake no obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under the federal securities laws.

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## ADDITIONAL INFORMATION

You should read this Offering Circular together with:

- Our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 15, 2024 (the “2023 10-K”);
- our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024, filed with the SEC on April 30, 2024 (the “First Quarter 10-Q”);
- our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024, filed with the SEC on July 30, 2024 (the “Second Quarter 10-Q”);
- our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, filed with the SEC on October 31, 2024 (the “Third Quarter 10-Q”);
- all Current Reports on Form 8-K from December 31, 2023 until (and including) the date of this Offering Circular, excluding any information “furnished” to the SEC on Form 8-K; and
- proxy soliciting materials that we file with the SEC, and all documents and other reports that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act, after the date of this Offering Circular and prior to the termination of the applicable offering of Debt Securities, excluding any information we “furnish” to the SEC on Form 8-K.

This Offering Circular incorporates these documents by reference, which means that we are disclosing information to you by referring to these documents rather than by providing you with separate copies. They are considered part of this Offering Circular and you should read them before you consider an investment in our Debt Securities. You should rely only on the most up-to-date information, including in the documents incorporated by reference or included in the applicable Pricing Supplement or other supplements or amendments.

Our common stock is registered with the SEC under the Exchange Act, and we file quarterly and annual reports with the SEC based upon the end of our fiscal year, which occurs on December 31 of each year. Our SEC filings are available on our website at [www.fanniemae.com](http://www.fanniemae.com) and on the SEC’s website at [www.sec.gov](http://www.sec.gov). We are referring these websites to you for your reference only, and we are not incorporating in this Offering Circular any of the information available on these websites other than as specifically stated herein. You should rely only on the information included or incorporated by reference or deemed to be incorporated by reference in this Offering Circular in deciding whether or not to invest in our Debt Securities. We have not authorized anyone to provide you with any different or additional information.

You can obtain paper copies of this Offering Circular and the documents incorporated by reference herein without charge by contacting our Fixed-Income Marketing and Investor Relations Group, Fannie Mae, 1100 15<sup>th</sup> Street, NW, Washington D.C. 20005, telephone: (202) 752-7115. You may obtain copies of the documents we file with or furnish to the SEC by accessing the SEC’s website at [www.sec.gov](http://www.sec.gov).

You may obtain copies of this Offering Circular and any supplements or amendments from Dealers where it is lawful to do so. In connection with the initial distribution of an issue of Debt Securities other than Benchmark Bills and Short-Term Notes, you also should obtain the applicable Pricing Supplement from the Dealers for the issue.

This Offering Circular, Pricing Supplements and current interest rate information on variable rate Debt Securities is also available on our website at [www.fanniemae.com](http://www.fanniemae.com), or by calling Fannie Mae’s securities hotline toll-free at (800) 232-6643, or for international callers, at (202) 752-7115.

## SUMMARY

*This summary highlights information contained elsewhere or incorporated by reference in this Offering Circular, including in the Appendices. It does not contain all of the information you should consider before investing in the Debt Securities. You also should read the more detailed information in this Offering Circular and any applicable supplement, including any Pricing Supplement for a particular issue of Debt Securities. This Offering Circular sets forth the general terms of the Debt Securities; the applicable Pricing Supplement or other supplement will describe the particular terms of any issue of Debt Securities (other than Benchmark Bills and Short-Term Notes), and the extent, if any, that any of the general terms will not apply to particular Debt Securities. You should read Appendix B for more specific information regarding Benchmark Bills and Short-Term Notes. A discussion of certain risks that should be considered in connection with an investment in Debt Securities is set forth in the “Risk Factors” section beginning on page 14 of this Offering Circular.*

### Fannie Mae

Fannie Mae is a government-sponsored, stockholder-owned corporation, chartered by the U.S. Congress to provide liquidity and stability to the U.S. housing market and to promote access to mortgage credit. We primarily do this by buying residential mortgage loans that are originated by lenders, placing these loans into trusts, and issuing Fannie Mae MBS that global investors buy from us. We do not originate mortgage loans or lend money directly to borrowers.

Fannie Mae has been in conservatorship, with FHFA as our conservator, since 2008. FHFA, as conservator, succeeded to all rights, titles, powers and privileges of Fannie Mae and of any shareholder, officer or director of the company with respect to the company and its assets. The conservatorship has no specified termination date.

Our regulators include FHFA, the SEC, HUD, and Treasury. Although we are a corporation chartered by Congress, and although our conservator is a U.S. government agency, and Treasury owns our Variable Liquidation Preference Senior Preferred Stock, Series 2008-2 (the “Senior Preferred Stock”) and a warrant to purchase 79.9% of our common stock (the “Warrant”), and Treasury has made a commitment under a Senior Preferred Stock Purchase Agreement with us (the “PSPA”) to provide us with funds under specified conditions to maintain a positive net worth, the Debt Securities, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.

Our common stock is traded in the over-the-counter market and quoted on the OTCQB under the symbol “FNMA.”

### Description of the Debt Securities

Issuer.....	Fannie Mae
Benchmark Securities.....	We may issue Benchmark Securities, which are U.S. dollar denominated issues in large principal amounts, in the form of Benchmark Bills, Benchmark Notes, and Benchmark Bonds. Issuances may consist of new issues of Benchmark Securities or the “reopening” of an existing issue.
Other Debt Securities.....	We plan to issue other Debt Securities from time to time denominated in U.S. dollars or other currencies with maturities of one day or longer. We will issue these Debt Securities as Short-Term Notes, Notes or Bonds.



Pricing Supplement.....	We will describe in a Pricing Supplement or other supplement specific terms, pricing information and other information for each issue of Debt Securities other than Benchmark Bills or Short-Term Notes.
Amount.....	We may issue an unlimited amount of Debt Securities.
Specified Currencies.....	Debt Securities may be denominated in, and principal and interest on Debt Securities may be paid in, U.S. dollars and other currencies or currency units that we determine. Government or monetary authorities may require that debt securities denominated in certain currencies or currency units have certain denominations or have minimum or maximum maturities.
Denomination.....	We will issue U.S. dollar denominated Debt Securities in minimum denominations of U.S. \$1,000 and additional increments of U.S. \$1,000, unless otherwise specified in the applicable Pricing Supplement. We will issue non-U.S. dollar denominated Short-Term Notes in the denominations listed in Appendix B (each a “Specified Currency”).
Principal Amount.....	The principal amount payable at maturity may be a fixed amount, which may be par or a specified discount to or premium over par. The principal amount payable at maturity also may be a variable amount determined by reference to one or more indices, such as interest or exchange rate indices, or other formulas. The principal may be amortized through periodic payments during the term of the Debt Securities.
Interest.....	Debt Securities may bear interest at fixed or variable rates (or a combination of fixed and variable rates), or may bear interest that is indexed by reference to an interest or currency exchange rate or in some other manner, or may not bear interest.
Offering Price.....	Debt Securities will be offered at fixed prices equal to par, or a discount to or premium over par, or at varying prices relating to prevailing market prices at the time of resale as determined by the applicable Dealer.
No Acceleration Rights.....	The Debt Securities will not contain any provisions permitting the Holders to accelerate the maturity of the Debt Securities if a default or other event occurs.
Form.....	We will issue Debt Securities in book-entry form either through the U.S. Federal Reserve Banks (“Fed Book-Entry Securities”) or through another depository. Except in the limited circumstances described in this Offering Circular, we will not issue Debt Securities in definitive form.
Eligibility for Stripping.....	The applicable Pricing Supplement will indicate whether Fed Book-Entry Securities will be eligible to be separated (“stripped”) into their separate interest and principal components on the book-entry records of the Federal Reserve Bank of New York.

Status.....

The Debt Securities will be unsecured general obligations of Fannie Mae issued under Section 304(b) of the Federal National Mortgage Association Charter Act, 12 U.S.C. §1716 *et. seq.* (the “Charter Act”). The Debt Securities, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.

Redemption.....

The Pricing Supplement for a particular issue of Debt Securities will specify whether the Debt Securities are subject to mandatory or optional redemption, in whole or in part, prior to maturity and, if redeemable, will describe terms applicable to the redemption. Benchmark Bills and Short-Term Notes will not be redeemable prior to maturity.

Governing Law.....

Fed Book-Entry Securities (including rights and obligations) will be governed by, and construed in accordance with, regulations adopted by FHFA, as they may be amended or supplemented from time to time (the “FHFA Book-Entry Regulations”) or any other U.S. governmental body or agency that are applicable to the Fed Book-Entry Securities, and, to the extent that these regulations do not apply, the laws of the State of New York, U.S.A. Global Book-Entry Securities will be governed by, and construed in accordance with, the laws of the State of New York, U.S.A.

Tax Status.....

The Debt Securities and payments thereon generally are subject to taxation by the United States and generally are not exempt from taxation by other U.S. or non-U.S. taxing jurisdictions. Non-U.S. Persons generally will be subject to U.S. income and withholding tax unless they provide required certifications or statements.

Listing.....

The applicable Pricing Supplement relating to each issue of Debt Securities will indicate the exchange, if any, on which we will list or apply to list the Debt Securities.

#### **Clearance and Settlement**

Clearance and Settlement.....

Depending on the terms of an issue of Debt Securities and where those Debt Securities are to be offered, Debt Securities may clear and settle through one or more of the following:

- the U.S. Federal Reserve Banks;
- The Depository Trust Company (“DTC”);
- Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”);
- Clearstream Banking *societe anonyme* (“Clearstream”);  
or
- other designated clearing systems.

We expect most issues of Debt Securities denominated and payable in U.S. dollars, including all Benchmark Securities, to clear and settle through the Fed Book-Entry System. These Debt Securities generally may be held indirectly through other clearing systems, such as the systems operated by DTC, Euroclear and/or Clearstream.

We expect issues of Debt Securities denominated or payable in a Specified Currency other than U.S. dollars (and Debt Securities denominated and payable in U.S. dollars not cleared and settled through the Fed Book-Entry System) to clear and settle through the systems operated by DTC for the accounts of its participants, which may include Euroclear and Clearstream. We expect issues of Debt Securities distributed solely outside of the United States to clear and settle through the systems operated by Euroclear, Clearstream, or other designated clearing systems and, in some cases, DTC, irrespective of the Specified Currency in which the Debt Securities are denominated or payable.

**Fiscal and Global Agents**

Fiscal Agents.....	The Federal Reserve Bank of New York will act as fiscal agent for Benchmark Bills and for Short-Term Notes that are Fed Book-Entry Securities. The U.S. Federal Reserve Banks will act as fiscal agent for other Fed Book-Entry Securities.
Global Agent.....	The Bank of New York Mellon will act as global agent for Global Book-Entry Securities.

**Distribution of Debt Securities**

Method of Distribution/Dealers....	We generally will sell Debt Securities to Dealers acting as principal, whether individually or in a syndicate, for resale to investors either at a fixed price or at varying prices determined by the Dealers. Alternatively, Debt Securities may be sold through Dealers on a non-underwritten basis or may be sold by us directly to institutional investors.
Selling Restrictions.....	Restrictions exist in certain jurisdictions on the Dealers' offer, sale and delivery of Debt Securities and the distribution of offering materials relating to the Debt Securities.
Secondary Market Information....	Dealers have agreed to provide, for Benchmark Securities, indicative pricing information.

## FANNIE MAE

Fannie Mae is a leading source of financing for residential mortgages in the United States. Fannie Mae is a government-sponsored, stockholder-owned corporation, chartered by Congress to provide liquidity and stability to the U.S. housing market and to promote access to mortgage credit. Fannie Mae primarily does this by buying residential mortgage loans that are originated by lenders. Fannie Mae places these loans into trusts and issues Fannie Mae MBS to global investors. Fannie Mae does not originate mortgage loans or lend money directly to borrowers.

Fannie Mae supports both single-family and multifamily housing. Fannie Mae's Single-Family business provides financing for properties that have four or fewer residential units, and its Multifamily business provides financing for residential buildings with five or more units. Fannie Mae provides a guaranty on the MBS that it issues. If a borrower fails to make a payment on a mortgage loan that is included in a Fannie Mae MBS, Fannie Mae will pay the shortfall amount to the MBS investor. In exchange for providing this guaranty, Fannie Mae receives a guaranty fee, which is the primary source of our revenue.

Because Fannie Mae assumes the credit risk for mortgage loans in its guaranteed MBS, its earnings are affected by the credit performance of these loans. Credit risk management is therefore key to Fannie Mae's business and financial results. To help manage its mortgage credit risk exposure, and in response to capital requirements, Fannie Mae transfers some of its credit risk exposure to third parties through credit risk transfer transactions and mortgage insurance.

In September 2008, FHFA was appointed as Fannie Mae's conservator pursuant to authority provided by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended (the "GSE Act"). Conservatorship is a statutory process designed to preserve and conserve assets and property and put Fannie Mae in a sound and solvent condition. During conservatorship, Fannie Mae's Board of Directors has no fiduciary duties to the company or its stockholders, as the Board owes their fiduciary duties of care and loyalty solely to FHFA as conservator. Conservatorship and Fannie Mae's agreements with the Treasury significantly restrict both Fannie Mae's business activities and Fannie Mae stockholder rights, and the conservatorship has no specified termination date.

FHFA, as conservator, succeeded to (i) all rights, titles, powers and privileges of Fannie Mae, and of any stockholder, officer or director of Fannie Mae with respect to Fannie Mae and its assets; and (ii) title to the books, records and assets of any other legal custodian of Fannie Mae. As conservator, FHFA has the authority to exercise broad powers over Fannie Mae, including (a) directing Fannie Mae to enter into contracts or entering into contracts on Fannie Mae's behalf, and (b) transferring or selling our assets or liabilities. FHFA has broad latitude over Fannie Mae's business while it is in conservatorship, including authority to rehabilitate the company in a way that, while not in Fannie Mae's best interests, is beneficial to FHFA and, by extension, the public it serves.

As conservator, FHFA has issued an order authorizing Fannie Mae's Board of Directors to exercise specified functions and authorities, and instructions regarding matters for which conservator decision or notification is required. The conservator retains the authority to amend or withdraw its order and instructions at any time.

The conservator has suspended stockholder meetings since conservatorship, and Fannie Mae's common stockholders are not empowered to vote on directors or any other matters. The conservator also eliminated dividends on Fannie Mae's common and preferred stock (other than dividends on the senior preferred stock issued to Treasury) during the conservatorship.

FHFA, as conservator, entered into the PSPA with Treasury on Fannie Mae's behalf in September 2008. In connection with the PSPA, Fannie Mae issued the Senior Preferred Stock and the Warrant to Treasury. The PSPA and the terms of the Senior Preferred Stock have been amended multiple times since 2008 by FHFA (acting on Fannie Mae's behalf) and Treasury.

Under the PSPA, on a quarterly basis, Fannie Mae may draw funds from Treasury to cover the amount that its total liabilities exceed its total assets for the applicable fiscal quarter (referred to as the "deficiency amount"), up to the amount of remaining funding commitment under the agreement. As of the date of this Offering Circular,

\$113.9 billion of this funding commitment from Treasury remains. The terms of the PSPA generally may be amended or waived; however, no such amendment or waiver may decrease Treasury's aggregate funding commitment or add conditions to Treasury's funding commitment that would adversely affect in any material respect the holders of Fannie Mae's debt or guaranteed MBS.

Holders of Fannie Mae debt securities (including Debt Securities purchased under this Offering Circular) or Fannie Mae MBS (collectively, "Holders") may file a claim in the United States Court of Federal Claims seeking relief if Fannie Mae defaults on its payment obligations on those securities and:

- Fannie Mae and the conservator fail to exercise all rights under the PSPA to draw on Treasury's funding commitment, or
- Treasury fails to perform its obligations under its PSPA funding commitment and Fannie Mae and/or the conservator are not diligently pursuing remedies for Treasury's failure.

Fannie Mae's principal office is located at 1100 15<sup>th</sup> Street, NW, Washington, D.C. 20005 (telephone: (800) 232-6643).

## RISK FACTORS

This section describes the principal risks with respect to an investment in the Debt Securities. The risks described in this section are current as of the date of this Offering Circular, and there may be other risks not discussed below or discussed in a supplement to this Offering Circular or a document incorporated by reference in this Offering Circular that you should consider.

You should consult with your own financial and legal advisors about the risks related to an investment in a particular issue of Debt Securities, the appropriate tools and metrics to analyze that investment, and the suitability of that issue of Debt Securities to your particular circumstances. You should only purchase Debt Securities if you have read and understand the information contained or incorporated by reference in this Offering Circular, including the “Risk Factors” section of our 2023 10-K, our First Quarter 10-Q, our Second Quarter 10-Q, our Third Quarter 10-Q, this “Risk Factors” section, the applicable Pricing Supplement, any other supplement for Debt Securities, and the documents incorporated by reference in this Offering Circular.

The realization of any of these risks could materially adversely affect our business, financial condition, results of operations, liquidity and net worth, and could cause our actual results to differ materially from our past results or the results contemplated by any forward-looking statements we make. We believe the risks described below and incorporated by reference in this Offering Circular are the most significant risks we face; however, these are not the only risks facing Fannie Mae. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, results of operations, liquidity and net worth.

### Risks Relating to our Business

#### *The future of our company is uncertain.*

Fannie Mae faces an uncertain future, including how long we will continue to exist in our current form, the extent of our role in the market, the level of government support of our business, how long we will be in conservatorship, what form we will have, what ownership interest, if any, our current common and preferred stockholders will hold in us after the conservatorship is terminated, and whether we will continue to exist following conservatorship. The conservatorship has been in place since 2008, is indefinite in duration, and the timing, conditions and likelihood of our emerging from conservatorship are uncertain. Our conservatorship could terminate through a receivership. Termination of the conservatorship, other than in connection with a receivership, requires Treasury’s consent under the PSPA; unless (1) all currently pending significant litigation relating to the conservatorship and the August 2012 amendment to PSPA has been resolved, and (2) for two or more consecutive quarters, our common equity tier 1 capital, together with any other stockholder equity that we may issue in a public offering, equals or exceeds 3% of our adjusted total assets (as defined in the enterprise regulatory capital framework).

We believe that the returns on our current book of business are not sufficient to attract private investors in our equity securities, which we believe would limit our options for exiting conservatorship. Increasing our returns to a level sufficient to attract private investors may require substantial increases in our pricing or changes in other aspects of our business that would likely affect our competitive position, our loan acquisition volumes and market share, the mix of loans that we acquire or the type of business we do, including the level of support we provide to low- and moderate-income borrowers and renters. Our ability to increase our returns may be limited given our business model and role in the U.S. housing market. In addition, we believe that Treasury’s potential additional substantial equity ownership in our company, along with restrictions imposed on our business and future dividends and fees we will be required to pay to Treasury under the current terms of the PSPA, reduces our attractiveness to potential equity investors.

If we exit conservatorship, specified regulatory exemptions that currently apply to us or our securities would no longer apply, such as the rule implementing the Dodd-Frank Act’s credit risk retention requirement and the Federal Reserve Board’s single-counterparty credit limits rule. The expiration of these exemptions could result in significant changes to our business and materially adversely affect our financial results and condition.

The Administration and Congress may consider housing finance reforms or legislation that could result in significant changes in our structure and role in the future, including proposals that would result in Fannie Mae's liquidation or dissolution. Congress may consider legislation, or federal agencies such as FHFA may consider regulations or administrative actions, to increase the competition we face, reduce our market share, further restrict our ability to change our loan pricing, further expand our obligations to provide funds to Treasury, further constrain our business operations, or subject us to other obligations or restrictions that may adversely affect our business. We cannot predict the timing or content of housing finance reform legislation or other legislation, regulations or administrative actions that will impact our activities, nor can we predict the extent of such impact.

***We are significantly undercapitalized and may be unable to achieve full capitalization. Our higher capital requirements relative to our primary competitor could materially negatively affect our business.***

Our current capital levels are negative and are significantly below the levels required under the enterprise regulatory capital framework. In addition, we may be unable to achieve full capitalization under the enterprise regulatory capital framework, as dividends to Treasury on the senior preferred stock may resume before we reach full capitalization. Our efforts to build capital to meet our requirements can be significantly affected by the amount, type and pricing of our new loan acquisitions, which can drive increases in our required capital that offset or even outpace increases in our available capital.

We have higher capital requirements than our primary competitor, Freddie Mac, driven primarily by the larger size of our guaranty book of business. These higher capital requirements relative to Freddie Mac could materially negatively affect our ability to compete with Freddie Mac for the acquisition of mortgage loans, our market share, and the profitability and credit characteristics of the loans we acquire.

***FHFA, as our conservator, controls our business activities. We may be required to take actions that are difficult to implement, reduce our profitability or expose us to additional risk.***

In conservatorship, our business is not managed with a strategy to maximize stockholder value. Our directors owe their fiduciary duties of care and loyalty solely to the conservator. Thus, while we are in conservatorship, the Board has no fiduciary duties to the company or its stockholders. The Supreme Court has interpreted FHFA's authority as conservator expansively, noting that "when the FHFA acts as a conservator, it may aim to rehabilitate the regulated entity in a way that, while not in the best interests of the regulated entity, is beneficial to the Agency and, by extension, the public it serves." As conservator, FHFA can direct us to enter into contracts or enter into contracts on our behalf, and generally has the power to transfer or sell any of our assets or liabilities.

Our strategic direction is subject to FHFA review and approval. FHFA also requires us to meet specified annual corporate performance objectives referred to as the conservatorship scorecard. We face a variety of different, and sometimes competing, business objectives and FHFA-mandated activities, such as the initiatives we have been pursuing under the conservatorship scorecards. FHFA has and may require us to undertake activities that are costly or difficult to implement and that increase our operational risk. FHFA also has required us to make changes to our business that have adversely affected our financial results and could require us to make additional changes at any time. For example, FHFA may require us to undertake some activities that: reduce our profitability; expose us to additional credit, market, funding, operational, and other risks; or provide additional support for the mortgage market that serves our mission, but adversely affects our financial results.

FHFA can prevent us from engaging in business activities or transactions that we believe would benefit our business and financial results, and from time to time has done so. For example, because FHFA can direct us to make changes to our guaranty fee pricing and can prevent us from making changes to our guaranty fee pricing, our ability to address changing market conditions, pursue certain strategic objectives, or manage the mix of loans we acquire is constrained.

With FHFA's broad powers as conservator, changes in leadership at FHFA, including those resulting from a change in the Administration, could result in significant changes to the goals FHFA establishes for us and could have

a material impact on our business and financial results. The President has the power to remove the Director of FHFA for any reason.

***Our regulator is authorized or required to place us into receivership under specified conditions, which would result in our liquidation. Amounts recovered by our receiver may not be sufficient to pay claims outstanding against us, repay the liquidation preference of our preferred stock or to provide any proceeds to common stockholders.***

The Director of FHFA is required to place us into receivership if they make a written determination that our assets are less than our obligations or if we have not been paying our debts as they become due, in either case, for a period of 60 days after the SEC filing deadline for any of our Form 10-Ks or Form 10-Qs. Although Treasury committed to providing us funds in accordance with the terms of the PSPA, if we need funding from Treasury to avoid triggering FHFA's obligation to place us into receivership, Treasury may not be able to provide sufficient funds to us within the required 60 days if it has exhausted its borrowing authority, if there is a government shutdown, or if the funding we need exceeds the amount available to us under the agreement. In addition, we could be put into receivership at the discretion of the Director of FHFA at any time for the reasons set forth in the GSE Act, including if our Board or stockholders consent to the appointment of a receiver or, if under the definitions in the GSE Act, we are undercapitalized with no reasonable prospect of becoming adequately capitalized or we are critically undercapitalized. Under the GSE Act, FHFA succeeded to all of the rights, titles, powers and privileges of our board of directors and stockholders.

A receivership would terminate our conservatorship. In addition to the powers FHFA has as our conservator, the appointment of FHFA as our receiver would terminate all rights and claims that our stockholders and creditors may have against our assets or under our charter arising from their status as stockholders or creditors, except for their right to payment, resolution or other satisfaction of their claims as permitted under the GSE Act.

***We are limited in our ability to diversify our business and undertake activities that management believes would benefit our business.***

As a federally chartered corporation, we are subject to the limitations imposed by the Charter Act, extensive regulation, supervision and examination by FHFA, and regulation by other federal agencies, including Treasury, HUD and the SEC. The Charter Act defines our permissible business activities. For example, we may not originate mortgage loans or purchase single-family loans in excess of the conforming loan limits, and our business is limited to the U.S. housing finance sector. FHFA, as our regulator, may impose and has imposed additional limitations on our business. For example, the GSE Act requires us to obtain prior approval from FHFA for new products and to provide advance notice to FHFA of new activities. We are also subject to a number of limitations on the guaranty fees we are permitted to charge, which is our primary source of revenue. In addition, our business activities are subject to significant restrictions as a result of the conservatorship and the PSPA.

The limitations on our business have and are expected to continue to delay or prevent us from undertaking some new business activities management believes would benefit our business. Further, as a result of the limitations on our ability to diversify our operations, our financial condition and results of operations depend almost entirely on conditions in a single sector of the U.S. economy, specifically, the U.S. housing market. Weak or unstable conditions in the U.S. housing market can therefore have a significant adverse effect on our business that we cannot mitigate through diversification.

## **Liquidity, Funding, and Market Risk**

***Limitations on our ability to access the debt capital markets could have a material adverse effect on our ability to fund our operations, and our liquidity contingency plans may be difficult or impossible to execute during a sustained liquidity crisis.***

Our ability to fund our business depends in part on our ongoing access to the debt capital markets, including by issuing Debt Securities under this Offering Circular. Market concerns about matters such as the extent of



government support for our business and securities, the future of our business (including future profitability, future structure, regulatory actions and our status as a government-sponsored enterprise) and the creditworthiness of the U.S. government could cause a severe negative effect on our access to the unsecured debt markets, particularly for long-term debt issued under this Offering Circular. We believe that our ability in recent years to issue debt securities of varying maturities at attractive pricing resulted from federal government support of our business. As a result, we believe that our status as a government-sponsored enterprise and continued federal government support are essential to maintaining our access to debt funding. Changes or perceived changes in federal government support of our business, the Debt Securities, or our status as a government-sponsored enterprise could materially and adversely affect our ability to fund our business. There can be no assurance that the government will continue to support our business or the Debt Securities, or that our current level of access to debt funding will continue. If the PSPA with Treasury is amended to reduce its support for the Debt Securities issued after such amendment, it could materially increase our borrowing costs or materially adversely affect our access to the debt capital markets.

Our Debt Securities are considered a high quality liquid asset because they can be easily and immediately converted into cash at little or no loss of value. Any changes by investors in how they view our Debt Securities or regulatory changes causing our Debt Securities to no longer be considered a high quality liquid asset could significantly increase our debt funding costs or reduce our ability to issue Debt Securities.

Future changes or disruptions in the financial markets could significantly change the amount, mix and cost of funds we obtain, as well as our liquidity position. If we are unable to issue a sufficient amount of short- and long-term Debt Securities at attractive rates, it could interfere with the operation of our business and have a material adverse effect on our liquidity, results of operations, financial condition and net worth.

Our liquidity contingency plans may be difficult or impossible to execute during a sustained market liquidity crisis. If the financial markets experience substantial volatility in the future similar to or more intensely than in 2020, it could significantly adversely affect the amount, mix and cost of funds we obtain, as well as our liquidity position. If we cannot access the unsecured debt markets, our ability to repay maturing indebtedness and fund our operations could be significantly impaired. In this event, our alternative source of liquidity, our corporate liquidity portfolio, may not be sufficient to meet our liquidity needs.

***A decrease in the credit ratings on our Debt Securities could increase our borrowing costs and have an adverse effect on our ability to issue Debt Securities on reasonable terms, particularly if such a decrease were not based on a similar action on the credit ratings of the U.S. government. A decrease in our credit ratings also could require that we post additional collateral for our derivatives contracts.***

A reduction in our credit ratings could materially adversely affect our liquidity, our ability to conduct our normal business operations, our financial condition and our results of operations. Credit ratings on our Debt Securities, as well as the credit ratings of the U.S. government, are primary factors that could affect our borrowing costs and our access to the debt capital markets. Credit ratings on our Debt Securities are subject to revision or withdrawal at any time by the rating agencies. Actions by governmental entities impacting the support our business or the Debt Securities receive from Treasury could adversely affect the credit ratings on our Debt Securities. If the PSPA is amended to reduce its support for the Debt Securities issued after such amendment, it could result in a downgrade in the credit ratings on our senior unsecured debt.

Because we rely on the U.S. government for capital support, in recent years, when a rating agency has taken an action relating to the U.S. government's credit rating, they have taken a similar action relating to our ratings at approximately the same time. S&P Global Ratings ("S&P"), Moody's Investors Service ("Moody's") and Fitch Ratings ("Fitch") have all indicated that they would likely lower their ratings on the Debt Securities and certain other government-related entities if they were to lower their ratings on the U.S. government. As a result, if a future government shutdown, a default by the United States government on its obligations, or other event or circumstance results in downgrades of the government's credit rating, we expect our credit ratings would be similarly downgraded. For example, in August 2023, Fitch downgraded some of our credit ratings following Fitch's downgrade of the U.S. government's long-term issuer default rating. We currently cannot predict the potential impact of a future credit ratings downgrade on demand for our securities or on our business.

***Changes in interest rates or our loss of the ability to manage interest-rate risk successfully could materially adversely affect our financial results and condition, and increase our interest-rate risk.***

Fannie Mae is subject to interest-rate risk, which is the risk that movements in interest rates will adversely affect the value of our assets or liabilities or our future earnings or capital. Our exposure to interest-rate risk primarily arises from two sources: (1) our “net portfolio,” which we define as: our retained mortgage portfolio assets, our corporate liquidity portfolio, outstanding debt of Fannie Mae used to fund the retained mortgage portfolio assets and corporate liquidity portfolio, mortgage commitments and risk management derivatives; and (2) our consolidated MBS trusts. Changes in interest rates affect both the value of our mortgage and other assets and prepayment rates on our mortgage loans, which could have a material adverse effect on our financial results and condition, as well as our liquidity.

Our ability to manage interest-rate risk depends on our ability to issue Debt Securities with a range of maturities and other features, including call provisions, at attractive rates and to engage in derivatives transactions. We must exercise judgment in selecting the amount, type and mix of debt and derivative instruments that will most effectively manage our interest-rate risk. The amount, type and mix of financial instruments that are available to us may not offset possible future changes in the spread between our borrowing costs and the interest we earn on our mortgage assets. We mark to market changes in the estimated fair value of our derivatives through our earnings on a quarterly basis, but we do not similarly mark to market changes in some of the financial instruments that generate our interest-rate risk exposures. As a result, changes in interest rates, particularly significant changes, can have an adverse effect on our earnings and net worth, depending on the nature of the changes and the derivatives and short-term investments we hold at that time. Decreasing interest rates would likely reduce the amounts that we earn on our corporate liquidity portfolio, as we tend to earn lower yields on this portfolio in a declining interest rate environment.

We have experienced significant fair value losses in some periods due to changes in interest rates. Our hedge accounting program is specifically designed to address the volatility of our financial results associated with changes in fair value related to changes in the benchmark interest rates. As such, earnings variability driven by other factors, such as spreads or the timing of when we recognize deferred guaranty fee income, remains. In addition, our ability to effectively reduce earnings volatility is dependent on having the right mix and volume of interest-rate swaps available. As our portfolio of interest-rate swaps varies over time, our ability to reduce earnings volatility through hedge accounting may vary as well.

Changes in interest rates also can affect our credit losses. When interest rates increase, our credit losses from loans with adjustable payment terms may increase as borrower payments increase at their reset dates, which increases the borrower’s risk of default. Rising interest rates may also reduce the opportunity for these borrowers to refinance into a fixed-rate loan. Similarly, many borrowers may have additional debt obligations, such as home equity lines of credit and second liens, that also have adjustable payment terms. If a borrower’s payment on his or her other debt obligations increases due to rising interest rates or a change in amortization, it increases the risk that the borrower may default on a loan we own or guarantee. Rising interest rates also typically reduce expected future loan prepayments, which tends to lengthen the expected life of our loans and therefore generally increases the probability of default on the loans and therefore our loss reserves.

Increases in interest rates may also reduce the ability of multifamily borrowers to refinance their loans, which often have balloon balances at maturity. In addition, in a rising interest rate environment, multifamily borrowers with adjustable-rate mortgages may have difficulty paying higher monthly payments if property operating income is not increasing at a similar pace. While we generally require multifamily borrowers with adjustable-rate mortgages to purchase an interest rate cap to protect against large movements in interest rates, purchasing or replacing these required interest rate caps, especially those with longer terms and/or lower strike rates, becomes more expensive as interest rates rise.

Changes in interest rates also typically affect our business volume. A higher interest rate environment generally results in lower business volumes, as fewer loans may benefit from refinancing and the higher cost of borrowing reduces affordability, driving lower purchase mortgage volumes.

***Changes in spreads could materially impact our results of operations, net worth and the fair value of our net assets.***

Spread risk is the risk from changes in an instrument's value that relate to factors other than changes in interest rates. We can experience losses from changes in the spreads between our mortgage assets, including mortgage purchase and sale commitments, and the debt securities and derivatives we use to hedge our position. Changes in market conditions, including changes in interest rates, liquidity, prepayment and default expectations, and the level of uncertainty in the market for a particular asset class may cause fluctuations in spreads. Changes in mortgage spreads have contributed to significant volatility in our financial results in certain periods, due to fluctuations in the estimated fair value of the financial instruments that we mark to market through our earnings, and this could occur again in a future period. Changes in mortgage spreads could cause significant fair value losses, and could adversely affect our near-term financial results and net worth. We do not actively manage or hedge our spread risk after we purchase mortgage assets, other than through asset monitoring and disposition.

***Our business and financial results are affected by general economic conditions, including home prices and employment trends, and changes in economic conditions or financial markets may materially adversely affect our business and financial condition. Volatility or uncertainty in global, regional or domestic political conditions also can significantly affect economic conditions and financial markets.***

In general, a prolonged period of slow growth in the U.S. economy or any deterioration or volatility in general economic conditions or financial markets could materially adversely affect our results of operations, net worth and financial condition. Our business is significantly affected by the status of the U.S. economy, including home prices and employment trends, as well as economic output levels, interest rates and inflation rates. A reduction in our business volume can reduce our net interest income and adversely affect our financial results.

Stress in the banking sector led to some bank failures in 2023. Additional stress on the banking system—particularly on U.S. regional banks and on banks with significant exposure to commercial real estate—due to a recession or other economic developments, could negatively affect U.S. economic conditions, including further tightening of bank credit conditions, dampened consumer and business confidence, and reduced consumer spending, business investment and hiring activity.

Global economic conditions can also adversely affect our business and financial results. Changes or volatility in market conditions resulting from deterioration in or uncertainty regarding global economic conditions can adversely affect the value of our assets, which could materially adversely affect our results of operations, net worth and financial condition. To the extent global economic conditions negatively affect the U.S. economy, they also could negatively affect the credit performance of the loans in our book of business.

Volatility or uncertainty in global, regional or domestic political conditions also can significantly affect economic conditions and financial markets. Global, regional or domestic political unrest also could affect growth and financial markets. For example, the conflict in the Middle East and the Russian war in Ukraine may further impact the global economy and financial markets, which could further increase inflationary pressure and interest rates, as well as negatively affect economic growth and result in disruptions and volatility in the financial markets.

Future changes, disruptions or volatility in financial markets as a result of global, regional or domestic economic or political conditions could significantly change the amount, mix and cost of funds we obtain, as well as our liquidity position.

## **Risks Relating to our Debt Securities**

### ***Credit Ratings May Not Reflect All Risks***

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Debt Securities. Credit

ratings may not reflect the potential impact of all risks related to the structure of, or the market for, the Debt Securities, or the additional factors discussed herein and other factors that may affect the value of the Debt Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time and each rating agency's rating should be evaluated independently of any other rating agency's rating.

***The Debt Securities May Not Be a Suitable Investment for You.***

The Debt Securities are not suitable investments for all investors. As a potential investor in the Debt Securities, you must determine the suitability of that investment in light of your own circumstances.

- You should have sufficient knowledge and experience to make a meaningful evaluation of Fannie Mae, the Debt Securities, the merits and risks of investing in the Debt Securities and the information contained or incorporated by reference in this Offering Circular or any applicable supplement.
- You should have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of your particular financial situation, an investment in the Debt Securities and the impact the Debt Securities will have on your overall investment portfolio.
- You should have sufficient financial resources and liquidity to bear all of the risks of an investment in the Debt Securities, including Debt Securities with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from your currency.
- You should understand thoroughly the terms of the Debt Securities and be familiar with the behavior of relevant indices and financial markets.
- You should be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate, and other factors that may affect your investment and your ability to bear the applicable risks.

Sophisticated investors generally do not purchase securities such as the Debt Securities as stand-alone investments. Rather, they may invest in certain types of Debt Securities to reduce the risk of their overall portfolio or to enhance their yield by adding risk to their overall portfolio. You should not purchase the Debt Securities unless you understand and are able to bear the associated yield, market, liquidity, and other possible risks, including risks associated with any redemption provisions, periodic interest rate adjustments and exchange rates and controls. You should decide whether to invest in an issue of Debt Securities based on your own financial needs and the anticipated performance of the Debt Securities under a variety of economic, interest rate, and exchange rate scenarios.

***Structured Debt Securities May Be Complex and Involve Greater Risks than Conventional Debt Securities.***

*Debt Securities with Principal or Interest Linked to an Index or Formula May Fluctuate in Value Based on a Variety of Factors*

We may issue Debt Securities with principal or interest determined by reference to one or more interest rate indices, currencies or currency units, or other indices or formulas (each, an "Applicable Index"). You should be aware that:

- the market price of a Debt Security may be very volatile,
- the resulting interest rate paid on a security may be less than the interest rate payable on a conventional fixed-rate security we issued over the same period, and you may receive no interest at all,
- the Applicable Index may be subject to a maximum (a "cap") or minimum (a "floor") that may impact the value of the Debt Security,
- payment of principal may occur at a different time than you expect,
- you may lose all or a substantial portion of your principal,
- an Applicable Index may be subject to significant fluctuations that may not correlate with changes in

interest rates, currencies or other indices,

- two or more indices or formulas that you may expect to move in tandem or in some other relationship to each other may unexpectedly converge, diverge, or otherwise not move as expected,
- if an Applicable Index is applied to Debt Securities in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Applicable Index on principal or interest payable likely will be magnified,
- the timing of changes in an Applicable Index may affect your actual yield, even if the average level is consistent with your expectations. In general, the earlier the change in the Applicable Index, the greater the effect on yield, and
- the past performance of an Applicable Index may not be indicative of its future performance.

An Applicable Index may be subject to allegations of manipulation or fraud, and this risk is heightened if the Applicable Index is calculated based on information and data submitted by third party market participants. Actual or alleged manipulation of an Applicable Index could materially and adversely affect the value of Debt Securities in a number of ways, including:

- the rate generated from the Applicable Index may be artificially lower or higher than it otherwise would have been if the information used to calculate the Applicable Index had been accurately submitted,
- actual or alleged manipulation or fraud may lead to reforms or modifications to the means by which the Applicable Index is calculated, which could impact the value of Debt Securities linked to the Applicable Index, and
- actual or alleged manipulation or fraud could lead to uncertainty as to the future popularity or use of an Applicable Index, which could impact the value of Debt Securities linked to the Applicable Index.

Further, in certain circumstances such as an Applicable Index being discontinued or no longer published in the market, the Calculation Agent may substitute the Applicable Index for an issue of Debt Securities with an alternative index rate. If the Calculation Agent makes a determination to change the Applicable Index for a Debt Security, there can be no assurance that the alternative index will yield the same or similar economic results as the original Applicable Index.

***Various Factors Could Adversely Affect the Trading Value and Yield of Debt Securities.***

*The Secondary Market Generally*

Debt Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. In addition, the liquidity of the Debt Securities may decline if we reduce the amount of the Debt Securities we issue. Therefore, you may not be able to sell your Debt Securities at prices that will provide you with a yield comparable to similar investments that have a developed secondary market, if at all. This is particularly the case for Debt Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Debt Securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a material adverse effect on the market value of Debt Securities.

Other factors, such as the actual or perceived credit strength of Fannie Mae or any successor; the outstanding amount of an issue of Debt Securities in the market; the availability in the market of comparable debt securities, including Treasury securities; the level of participation of dealers of our Debt Securities in the secondary market; fluctuations in the spread of our Debt Securities relative to comparable Treasury securities; and the overall stability of the United States financial markets, may also impact the trading value, yield, and liquidity of our Debt Securities.

### *Variable Rate Securities with a Multiplier or Other Leverage Factor*

Variable Rate Securities can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than comparable securities that do not include those features.

### *Inverse Variable Rate Securities*

Inverse Variable Rate Securities have an interest rate equal to a fixed rate minus a rate based upon an Applicable Index. The market values of Inverse Variable Rate Securities typically are more volatile than market values of our conventional variable rate debt securities based on the same Applicable Index (and with otherwise comparable terms). Inverse Variable Rate Securities are more volatile because an increase in the Applicable Index not only decreases the interest rate of the Debt Security, but also reflects an increase in prevailing interest rates, which further adversely affects the market value of these Debt Securities.

### *Fixed/Variable Rate Securities*

Fixed/Variable Rate Securities may bear interest at a rate that may convert or we may elect to convert from a fixed rate to a variable rate, or from a variable rate to a fixed rate. The ability to convert an interest rate will affect the secondary market and the market value of the Debt Securities since the converted rate may produce a lower overall cost of borrowing. If converted from a fixed rate to a variable rate, the Spread on the fixed/variable rate securities may be less favorable than then prevailing spreads on our comparable variable rate debt securities tied to the same Applicable Index. In addition, the new variable rate at any time may be lower than the rates on other Debt Securities. If converted from a variable rate to a fixed rate, the fixed rate may be lower than then prevailing rates on our Debt Securities.

### *Debt Securities Subject to Optional Redemption by Fannie Mae May Fluctuate in Value Based on Prevailing Interest Rates*

An optional redemption feature of Debt Securities is likely to limit their market value. During any period when we may elect to redeem Debt Securities, the Debt Securities' market value generally will not rise substantially above the price at which we can redeem the Debt Securities. This also may be true prior to any redemption period.

We may be expected to redeem Debt Securities when our cost of borrowing is lower than the interest rate on the Debt Securities. Our decision to redeem or not redeem an issue of Debt Securities may also be impacted by any related hedge or derivative positions that we hold. If we decide to redeem an issue of Debt Securities, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the Debt Securities being redeemed. The reinvestment may be at a significantly lower rate. You should consider reinvestment risk in light of other investments available at that time.

If we partially redeem an issue of Debt Securities, the trading market for the remaining outstanding Debt Securities may become less liquid, which may have an adverse effect on the market price for such securities and an investor's ability to sell such securities.

### *Debt Securities Eligible for Stripping*

Some issues of Fixed Rate Securities and Step Rate Securities will be eligible to be separated ("stripped") into Interest Components and Principal Components. The secondary market, if any, for the Components may be more limited and be less liquid than the secondary market for Debt Securities of the same issue that have not been stripped. The liquidity of an issue of Debt Securities also may be reduced if a significant portion of the Debt Securities are stripped. See "Description of the Debt Securities—Eligibility for Stripping of Fed Book-Entry Securities" for more information on stripping.

### *Debt Securities Issued at a Substantial Discount or Premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to

conventional interest-bearing securities with comparable maturities. The market values of Benchmark Bills, most Short-Term Notes, Zero-Coupon Securities, Interest Components and some Principal Components would be expected to behave this way.

#### *Step Rate Securities*

Step Rate securities are Debt Securities where the specified interest rate increases or decreases on specified dates or intervals. We typically have the option to redeem Step Rate securities at the beginning of one or more of these periods. Therefore, you should anticipate the likelihood that the securities may be redeemed if the resulting interest rates exceed the prevailing interest rates for comparable issuances of Debt Securities. Also, you should be aware that a future increase (or decrease) of the applicable interest rates in these securities may result in the specified interest rate on such securities being below the prevailing interest rates for comparable issuances of Debt Securities.

#### ***Legal Investment Considerations May Restrict Certain Investors.***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. You should consult your legal advisors to determine whether and to what extent (i) Debt Securities are legal investments for you, (ii) Debt Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to your purchase or pledge of any Debt Security. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Debt Securities under any applicable risk-based capital or similar rules.

If you are subject to the jurisdiction of agencies of a governmental agency of the United States or any jurisdiction outside the United States with similar authority (for example, central banks), you should review and consider that regulator's rules, guidelines, regulations and policy statements prior to purchasing or pledging Debt Securities.

#### ***An Investment in the Debt Securities is Subject to Foreign Currency Risks.***

We may issue Debt Securities denominated in or whose principal and interest is payable in a currency other than U.S. dollars. We refer to these securities as "Non-U.S. Dollar-Denominated Securities." If you intend to invest in any Non-U.S. Dollar-Denominated Securities, you should consult your own financial and legal advisors as to the currency risks related to your investment. The Non-U.S. Dollar-Denominated Securities are not an appropriate investment for you if you are not knowledgeable about the significant terms and conditions of the Non-U.S. Dollar-Denominated Securities or financial matters in general. The information in this Offering Circular is directed primarily to investors who are U.S. residents. Investors who are not U.S. residents should consult their own financial and legal advisors about currency-related risks arising from their investment.

Non-U.S. Dollar-Denominated Securities have significant risks that are not associated with a similar investment in Debt Securities that are payable solely in U.S. dollars. These risks include possible significant changes in rates of exchange between the U.S. dollar and the specified currency and the imposition or modification of foreign exchange controls or other conditions by either the United States or non-U.S. governments. These risks generally are influenced by factors over which we have no control, such as economic and political events and the supply of and demand for the relevant currencies in the global markets.

#### *Currency Exchange Rates*

Exchange rates between the U.S. dollar and other currencies can be highly volatile. This volatility can continue and can spread to other currencies at any time. Fluctuations in any particular currency exchange rate that have occurred in the past, however, are not necessarily indicative of fluctuations in the exchange rate that may occur during the term of the Debt Securities you hold. Fluctuations in currency exchange rates could materially and adversely affect an investment in the Non-U.S. Dollar-Denominated Securities. Depreciation of the specified currency against the U.S. dollar could result in a decrease in the U.S. dollar equivalent value of payments on the Non-U.S. Dollar-Denominated Securities. That in turn could cause the market value of the Non-U.S. Dollar-Denominated Securities to fall.

### *Changes in Foreign Currency Exchange Rates*

Except as described in this Offering Circular or in a Pricing Supplement, we will not make any adjustment in or change to the terms of the Non-U.S. Dollar-Denominated Securities for changes in the foreign currency exchange rate for the specified currency, including any devaluation, revaluation, or imposition of exchange or other regulatory controls or taxes, or for other developments affecting the specified currency, the U.S. dollar, or any other currency. Consequently, you will bear the risk that your investment may be affected adversely by these types of events.

### *Government Policy*

Foreign currency exchange rates either can float or be fixed by sovereign governments. Governments or governmental bodies, including the European Central Bank, may intervene in their economies to alter the exchange rate or exchange characteristics of their currencies. For example, a central bank may intervene to devalue or revalue a currency or to replace an existing currency. In addition, a government may impose regulatory controls or taxes to affect the exchange rate of its currency. As a result, the yield or payout of a Non-U.S. Dollar-Denominated Security could be affected significantly and unpredictably by governmental actions. Changes in exchange rates could affect the value of the Non-U.S. Dollar-Denominated Securities as participants in the global currency markets move to buy or sell the specified currency or U.S. dollars in reaction to these developments. If a governmental authority imposes exchange controls or other conditions, such as taxes on the transfer of the specified currency, there may be limited availability of the specified currency for payment on the Non-U.S. Dollar-Denominated Securities at their maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

### *Payments in U.S. Dollars*

The terms of any Non-U.S. Dollar-Denominated Securities may provide that we may have the right to make a payment in U.S. dollars instead of the specified currency, if at or about the time when the payment on the Non-U.S. Dollar-Denominated Securities comes due, the specified currency is subject to convertibility, transferability, market disruption, or other conditions affecting its availability because of circumstances beyond our control. These circumstances could include the imposition of exchange controls or our inability to obtain the specified currency because of a disruption in the currency markets for the specified currency. The exchange rate used to make payment in U.S. dollars may be based on limited information and would involve significant discretion on the part of our exchange rate agent. As a result, the value of the payment in U.S. dollars may be less than the value of the payment you would have received in the specified currency if the specified currency had been available. The exchange rate agent will generally not have any liability for its determinations.

### *Court Judgments*

Any Non-U.S. Dollar-Denominated Securities typically will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on the Non-U.S. Dollar-Denominated Debt Securities would be required to render the judgment in the specified currency. In turn, the judgment would be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on the Non-U.S. Dollar-Denominated Securities, you would bear currency exchange risk until judgment is entered, which could be a long time. In courts outside of New York, you may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on Non-U.S. Dollar-Denominated Securities in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of the specified currency into U.S. dollars will depend on various factors, including which court renders the judgment.



*Information About Foreign Currency Exchange Rates*

If we issue a Non-U.S. Dollar-Denominated Security, we may include in the applicable Pricing Supplement information about historical exchange rates for the relevant non-U.S. dollar currency or currencies. Any information about exchange rates that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future.

## DESCRIPTION OF THE DEBT SECURITIES

*The description set forth below contains general provisions that apply to all Debt Securities, except as otherwise specified in this Offering Circular or a supplement to it. You should read Appendix B for a detailed description of Benchmark Bills and Short-Term Notes in particular for those provisions that, as noted below, differ from the following provisions. We will not prepare a Pricing Supplement for Benchmark Bills and other Short-Term Notes.*

**The Debt Securities, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.**

### General

We may issue an unlimited amount of Debt Securities from time to time under the Universal Debt Facility. The Debt Securities may be issued as:

- Benchmark Securities, which are U.S. dollar denominated issues in large principal amounts. See Appendix A for a general description of our Benchmark Securities program. Our current Benchmark Securities are:
  - Benchmark Bills — non-callable Debt Securities with maturities of one year or less and sold at a discount or premium from their principal amount payable at maturity;
  - Benchmark Notes — non-callable Debt Securities with maturities of one to ten years; and
  - Benchmark Bonds — non-callable Debt Securities with maturities of more than ten years.

We may issue other Debt Securities, denominated in U.S. dollars or other currencies, with maturities of one day or longer. These Debt Securities will have various terms, as described in this Offering Circular and any applicable Pricing Supplement, and will be:

- Short-Term Notes — non-callable Debt Securities with maturities of one year or less which may be sold at a discount or premium from their principal amount payable at maturity or may be interest-bearing;
- Notes — callable or non-callable Debt Securities with maturities of one to ten years; and
- Bonds — callable or non-callable Debt Securities with maturities of more than ten years.

We will sell the Debt Securities in one or more issues having (as applicable) the same interest rate or formula, Interest Payment Dates, Maturity Date, redemption provisions, amortization provisions, denominations and other variable terms referred to below.

We will issue Debt Securities in book-entry form:

- on the book-entry system of the U.S. Federal Reserve Banks (“Fed Book-Entry Securities”); or
- in registered global form (“Global Book-Entry Securities”).

Except under the limited circumstances described under “Description of the Debt Securities— Exchange of Global Book-Entry Securities for Definitive Debt Securities,” Debt Securities will not be available in definitive form. We will establish terms of issues of Fed Book-Entry Securities pursuant to a “Statement of Terms.”

Fed Book-Entry Securities will be issued under the Fiscal Agency Agreement dated as of July 20, 2006, as it may further be amended or supplemented, between us and the U.S. Federal Reserve Banks, collectively acting as the Fiscal Agent. Global Book-Entry Securities will be issued under the Global Agency Agreement, dated as of December 21, 1999, as amended, as it may be further amended or supplemented, between us and The Bank of New York Mellon, as global agent and successor global agent to JP Morgan Chase Bank, N.A. Statements under this heading and in Pricing Supplements are subject to the detailed provisions of (1) any applicable Statement of Terms or other document establishing the terms of an issue of Fed Book-Entry Securities and the Fiscal Agency Agreement or (2) the Global Book-Entry Securities and the Global Agency Agreement.

You can review copies of any applicable Statement of Terms or other document establishing the terms of

an issue of Fed Book-Entry Securities and the Fiscal Agency Agreement at our principal office in Washington, D.C. You also can review a copy of the Fiscal Agency Agreement at the Federal Reserve Bank of New York, 33 Liberty Street, New York, New York 10045. You can review a copy of the Global Agency Agreement at our principal office in Washington, D.C., and the principal U.S. corporate trust office of the Global Agent at 101 Barclay Street, New York, New York 10286. You can review a copy of the terms of any Global Book-Entry Securities at the same corporate trust office of the Global Agent.

### **Specified Currencies and Specified Payment Currencies**

Fed Book-Entry Securities will be denominated and payable only in U.S. dollars. Appendix B contains provisions relating to Short-Term Notes denominated and payable in a Specified Currency. We will set forth in the applicable Pricing Supplement any provisions relating to any non-U.S. dollar currency or currency unit (each a “Specified Currency”) in which any other Debt Security may be denominated or in which payments on such Debt Security may be made.

Except as described below, we will make interest payments in the Specified Currency designated for interest payments and principal payments in the Specified Currency designated for principal payments. (We refer to the specified interest currency and specified principal currency collectively in this Offering Circular as the “Specified Payment Currency.”) However, for Global Book-Entry Securities issued through DTC that are denominated and payable in a Specified Payment Currency other than U.S. dollars, we will make arrangements for the conversion of any payment in a non-U.S. dollar currency into U.S. dollars unless a Holder elects to receive payments in the Specified Payment Currency. We understand that Euroclear and, Clearstream, unless specifically requested not to do so 15 days before the applicable Interest Payment Date or Principal Payment Date, will receive all payments of principal and interest for such Global Book-Entry Securities held through them in the applicable Specified Payment Currency if it is other than U.S. dollars. See “—Currency Conversions—Payment for Debt Securities.”

It is possible that the Specified Payment Currency for a particular Debt Security may no longer be used by the government issuing the Specified Payment Currency or used for settlement of transactions by public institutions of or within the international banking community, or that the Specified Payment Currency may not be available for any other reason, when payments on the Debt Security are due. If the government that previously issued the Specified Payment Currency has issued a new legal currency, we will make payments in that new legal currency. If there is no new legal currency or the Specified Payment Currency is unavailable due to circumstances beyond our control, such as exchange controls, we will make payments in U.S. dollars.

If no Specified Currency is indicated in a Pricing Supplement with respect to an issue of Debt Securities, the Specified Currency will be U.S. dollars.

### **Denomination**

We will issue U.S. dollar denominated Debt Securities in minimum denominations of U.S. \$1,000 and additional increments of U.S. \$1,000, unless otherwise specified in the applicable Pricing Supplement. We will issue non-U.S. dollar denominated Short-Term Notes in the denominations listed in Appendix B. We will express denominations of Zero-Coupon Securities in terms of the principal amount payable on the Maturity Date.

Any Debt Securities in respect of which the issue proceeds are received by us in the United Kingdom and which have a maturity of less than one year from the date of issue must (a)(i) have a minimum denomination of £100,000 (or an amount of equivalent value denominated wholly or partly in another currency) and no part of any such Debt Security may be transferred unless the denomination of that part is not less than £100,000 (or such equivalent amount) and (ii) be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Debt Securities would not constitute a contravention of Section 19 (the general prohibition) of the FSMA by Fannie Mae or (b) be issued in other circumstances which do not otherwise constitute a contravention of Section 19 (the general prohibition) of the FSMA by Fannie Mae.

### **Reopenings**

We may issue additional Debt Securities with the same terms as previously issued Debt Securities (other than the date of issuance, interest commencement date and offering price, which may vary) that will form a single issue

with the previously issued Debt Securities. This type of offering often is referred to as a “reopening”. We may issue additional Debt Securities in this manner from time to time and without notice to or the consent of any Holder of a Debt Security.

## **Maturity**

Each Debt Security will mature on a date (the “Maturity Date”) one day or longer from its issue date, unless redeemed prior to that date. The Maturity Date for any Benchmark Bill or Short-Term Note will be one year or less from the date of its issuance. We will specify the Maturity Date for other Debt Securities in the applicable Pricing Supplement.

The principal amount payable on the Maturity Date of a Debt Security will be either:

- a fixed principal repayment amount equal to 100% of the outstanding principal amount, or a specified amount above or below the principal amount; or
- a variable principal repayment amount determined by reference to one or more interest rate or exchange rate indices, or otherwise.

## **Interest**

Benchmark Bills and most Short-Term Notes will not bear interest but will be issued at a discount or premium to their principal amount payable at maturity. Other Debt Securities may bear interest at one or more fixed rates or variable rates or may not bear interest. We will specify in the applicable Pricing Supplement whether these other Debt Securities are Fixed Rate Securities, Step Rate Securities, Variable Rate Securities, Fixed/Variable Rate Securities, Zero-Coupon Securities or Range Accrual Debt Securities.

- “Fixed Rate Securities” are Debt Securities that bear interest at a fixed rate.
- “Step Rate Securities” are Debt Securities that bear interest at specified fixed rates for specified periods.
- “Variable Rate Securities” are Debt Securities that bear interest at a variable rate determined by reference to one or more interest rate indices, or otherwise. A detailed discussion of how rates are calculated is set forth below under “—Variable Interest Rates.”
- “Fixed/Variable Rate Securities” are Debt Securities that bear interest at a fixed rate for one or more periods and at a variable rate for one or more other periods or Debt Securities that bear interest at a rate that we may elect to convert from a fixed rate to a variable rate or from a variable rate to a fixed rate.
- “Zero-Coupon Securities” are Debt Securities that do not bear interest and are issued at a discount or premium to their principal amount payable at maturity.
- “Range Accrual Debt Securities” are Variable Rate Securities that provide that no interest will accrue during periods when an applicable index is outside a specified range.

You can obtain the current interest rate on Variable Rate Securities and Fixed/Variable Rate Securities from Fannie Mae by accessing our website at [www.fanniemae.com](http://www.fanniemae.com) or calling the Fannie Mae fixed-income securities hotline at (800) 232-6643 (for international callers, (202) 752-7115). We may discontinue providing this information at any time without notice.

Descriptions of interest rate indices that may be used with respect to Variable Rate Securities, Fixed/Variable Rate Securities, or Range Accrual Debt Securities are contained in Appendix D to this Offering Circular.

We will specify in the applicable Pricing Supplement when interest will be paid on the related Debt Securities. We will pay interest in arrears on the Interest Payment Dates specified for the Debt Securities (each

an “Interest Payment Date”) and on the Principal Payment Date.

Each issue of interest-bearing Debt Securities will bear interest from and including the most recent Interest Payment Date or, if no interest has been paid or made available for payment on that issue of Debt Securities, from and including the issue date of the Debt Securities (or any other date we may specify for the Debt Securities) to but excluding the next applicable Interest Payment Date or the applicable Principal Payment Date. In this Offering Circular, we refer to each of these periods as an “Interest Period.”

In this Offering Circular, we refer to the Maturity Date or any earlier date of redemption or principal repayment of an issue of Debt Securities as the “Principal Payment Date” with respect to the principal repayable on that date. No interest on the principal repaid will accrue on or after the Principal Payment Date.

Interest on any Debt Security accrues on the then outstanding principal amount. Payments on Debt Securities will be rounded, in the case of U.S. dollars, to the nearest cent or, in the case of a Specified Payment Currency other than U.S. dollars, to the nearest smallest transferable unit (with one-half cent or unit rounded upwards). We may issue securities where interest does not accrue under certain circumstances.

If any jurisdiction imposes a withholding or other tax on a payment on any Debt Security, we will not be obligated to pay additional interest or other amounts, or to redeem the Debt Securities prior to maturity.

Interest rates or yields with respect to Debt Securities may differ depending upon, among other things, the principal amount of Debt Securities the applicable Dealer expects to sell to an investor in a single transaction and the price at which the Dealer purchases the Debt Securities from us (or, in connection with sales on a non-underwritten basis, the Dealer’s commission).

### ***Variable Interest Rates***

Debt Securities that have a variable interest rate component may bear interest at a variable rate determined by reference to one or more interest rate indices, or otherwise, (1) plus or minus a Spread, if any, or (2) multiplied by a Multiplier, if any. We will specify the applicable interest rate index and any Spread or Multiplier in the Pricing Supplement for an issue of Debt Securities with a variable interest rate component. Debt Securities also may bear interest in any other manner described in the applicable Pricing Supplement.

“Spread” means a constant or variable amount to be added to or subtracted from the relevant index. “Multiplier” means a constant or variable number (which may be greater or less than 1) by which the relevant index will be multiplied. “Index Maturity” means the period to maturity of the instrument or obligation as to which the relevant index will be calculated.

Debt Securities with a variable interest rate component also may have either or both of the following:

- a maximum interest rate limitation, or “cap,” on the rate at which interest may accrue during any Interest Reset Period; and
- a minimum interest rate limitation, or “floor,” on the rate at which interest may accrue during any Interest Reset Period. Unless otherwise specified in the applicable Pricing Supplement, Debt Securities that have a variable interest rate component will not accrue interest at a negative rate; accordingly, all such Debt Securities have a minimum interest rate limitation of 0%.

We may issue securities where the applicable interest rate may change, and/or no interest may accrue, based on the performance of one or more interest rate or exchange rate indices or otherwise.

We will specify in the applicable Pricing Supplement how frequently the rate of interest will reset, which may be daily, weekly, monthly, quarterly, semiannually, annually or any other frequency. We also will specify in the applicable Pricing Supplement the effective dates for new rates of interest, subject to the following sentence (each a “Reset Date”). If the interest rate will reset within an Interest Period, then:

- the interest rate in effect on the sixth Business Day preceding an Interest Payment Date or the Principal Payment Date will be the interest rate for the remainder of that Interest Period; and

- the first day of each Interest Period also will be a “Reset Date.” (Debt Securities may bear interest prior to the initial Reset Date at an initial interest rate specified in the applicable Pricing Supplement. If so, then the first day of the initial Interest Period will not be a Reset Date.)

Each period beginning on the applicable Reset Date and ending on the day preceding the next Reset Date is an “Interest Reset Period.” During each Interest Reset Period:

- If the Treasury Bill Rate is an applicable interest rate index for a Debt Security, the rate of interest for each day in an Interest Reset Period will be determined as of a date indicated in Appendix D under “Treasury Bill Rate.”
- If SOFR is an applicable interest rate index for a Debt Security, the rate of interest for each day in an Interest Reset Period will be determined as of a date indicated in Appendix D under “SOFR.”
- For all other interest rate indices, the rate of interest for each day in an Interest Reset Period will be determined as of the applicable Determination Date. The “Determination Date” will be:
  - for the Federal Funds Rate (Daily), the Federal Funds Rate (Daily) Determination Date (Following Reset), the Federal Funds Rate (Daily) Determination Date (Prior Reset), or the Federal Funds Rate (Daily) Determination Date (Same Day Reset);
  - for the Prime Rate, the Prime Rate Determination Date; and
  - for the CMT Rate, the CMT Determination Date.

If the rate of interest will reset within an Interest Period, accrued interest will be calculated by multiplying the principal amount of the Debt Security by an accrued interest factor. This accrued interest factor will be computed by totaling the interest factors calculated for all days in the Interest Period. The interest factor for each day will be computed by dividing the interest rate for that day by the number of days in the year referred to in the applicable accrual method.

*Example.* An interest rate of 3.12345% would be expressed in decimal format as .0312345. Assuming a year of 360 days, the applicable interest rate would be calculated by dividing .0312345 by 360 resulting in an interest factor of .0000868 for one day.

In calculating the interest rate, all numbers will be expressed as a decimal and rounded to the seventh digit after the decimal point. (If the eighth digit to the right of the decimal point is five or greater, the seventh digit will be rounded up by one.)

*Example.* 3.123445% would be expressed as 0.03123445, which would be rounded to 0.0312345 (which is equivalent to 3.12345%).

Numbers subject to this rounding convention include all value inputs into indexing formulas, intermediate calculations, numbers resulting from any calculation, interest rates, interest factors and accrued interest factors.

If the format of a page, screen, display, press release or other source related to an index to be used in determining the rate of interest on a Debt Security changes but, in the discretion of the Calculation Agent, the source continues to disclose the information necessary to determine the rate substantially as described in this section or in the applicable Pricing Supplement, then the procedure for obtaining information from the source shall be deemed to be amended as determined by the Calculation Agent.

We will specify the applicable interest rate index in the Pricing Supplement for an issue of Debt Securities. Only the provisions contained in Appendix D under the heading of the specified interest rate index will apply to the related Debt Securities.

The Calculation Agent’s determination of the interest rate will be final and binding on all parties, absent

manifest error. The “Calculation Agent” will be Fannie Mae or a bank or broker-dealer that we designate. We will be the initial Calculation Agent unless we specify otherwise in the applicable Pricing Supplement.

### **Amortizing Securities**

We may issue Debt Securities on which there are periodic payments of principal during the term of the Debt Securities (“Amortizing Securities”). Amortizing Securities may bear interest at fixed or floating rates. We will describe in the Pricing Supplement for an Amortizing Note how interest will be calculated and how principal will be paid.

### **Indexed Securities**

We may issue Debt Securities on which the amount of principal or interest (or both) payable will be determined by reference to the price or prices of specified commodities or securities, to the exchange rate of one or more currencies or currency units (including swap indices between currencies or currency units) relative to one or more other currencies or currency units, to other prices or exchange rates, or in any other manner described in the Pricing Supplement (“Indexed Securities”). The Pricing Supplement will describe the method for determining the amount of principal and interest, if any, payable on Indexed Securities.

### **Accrual Methods**

Each interest-bearing Debt Security will have an accrual method (*i.e.*, day count convention) for calculating interest or any other relevant accrual factor on the related Debt Securities, which may incorporate one or more of the following methods. The numbers in the denominators of each term refer to the number of days in a year or an assumed year, as applicable.

- “30/360” means a calculation on the basis of a 360-day year consisting of twelve 30-day months using the International Swaps and Derivatives Association (“ISDA”) day count convention.
- “Actual/360” means a calculation on the basis of the actual number of days elapsed divided by 360.
- “Actual/365 (Fixed)” means a calculation on the basis of the actual number of days elapsed divided by 365, regardless of whether accrual or payment occurs during a leap year.
- “Actual/Actual (Accrual Basis)” means a calculation on the basis of the actual number of days elapsed divided by 365, or 366 if the day for which interest is being calculated falls in a leap year.
- “Actual/Actual (Payment Basis)” means a calculation on the basis of the actual number of days elapsed divided by 365, or 366 if the applicable Interest Payment Date falls in a leap year.

The accrual method for Fixed-Rate Securities, Step Rate Securities and the fixed-rate component of Fixed/Variable Rate Securities will be “30/360” unless we specify otherwise in the applicable Pricing Supplement. We will specify the accrual method for other Debt Securities in the applicable Pricing Supplement.

### **Business Day Convention**

If an Interest Payment Date or Principal Payment Date is not a Business Day, we will pay the interest or principal on the next Business Day. In that case, you will receive no interest on the delayed interest or principal payment for the period from and after the scheduled Interest Payment Date or Principal Payment Date to the actual date of payment.

For Fed Book-Entry Securities, “Business Day” means any day other than:

- a Saturday,
- a Sunday,
- a day on which the Federal Reserve Bank of New York is closed, or

- with respect to any required payment, a day on which the U.S. Federal Reserve Bank maintaining the book-entry account relating to the Fed Book-Entry Security is closed.

For Global Book-Entry Securities, “Business Day” means any day other than:

- a Saturday,
- a Sunday,
- a day on which banking institutions are closed in New York, New York,
- a day on which banking institutions are closed in the Principal Financial Center of the country issuing the Specified Payment Currency (in the case where the Specified Payment Currency is other than U.S. dollars or Euro), or
- a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (“TARGET2”) System is not operating (in the case where the Specified Currency is Euro, whether or not pursuant to redenomination).

“Principal Financial Center” means the capital city of the country issuing the Specified Payment Currency, except that with respect to U.S. dollars, Australian dollars, British pounds sterling, Canadian dollars, Hong Kong dollars and Swiss francs, the “Principal Financial Center” will be The City of New York, Sydney, London, Toronto, Hong Kong and Zurich, respectively.

#### **No Rights of Acceleration**

The Debt Securities will not contain any provisions permitting Holders to accelerate maturity of the Debt Securities upon the occurrence of any default or other event.

#### **Limitation of Damages**

Fannie Mae will not be liable for incidental, indirect, special, consequential, or punitive damages of a Holder upon the occurrence of any default or other event.

#### **Book-Entry Systems**

We will issue and maintain Debt Securities as either Fed Book-Entry Securities, which will be held only on the book-entry system of the U.S. Federal Reserve Banks (the “Fed Book-Entry System”), or Global Book-Entry Securities, which will be held through the facilities of one or more other depositories.

##### ***Fed Book-Entry System***

The U.S. Federal Reserve Banks, as fiscal agents for Fannie Mae, will issue Fed Book-Entry Securities in book-entry form, maintain book-entry accounts with respect to the Fed Book-Entry Securities and make payments, on our behalf, of principal and interest on the Fed Book-Entry Securities in U.S. dollars on the applicable payment dates by crediting Holders’ accounts at the U.S. Federal Reserve Banks.

The FHFA Book-Entry Regulations govern the use of the Fed Book-Entry System for our securities issued in book-entry form and the pledging and transfer of interests in the securities and are contained in 12 CFR Part 1249. The FHFA Book-Entry Regulations may be modified, amended, supplemented, superseded, eliminated or otherwise altered without the consent of any Holder of Fed Book-Entry Securities. The accounts of Holders of Fed Book-Entry Securities also are governed by applicable operating circulars and letters of the U.S. Federal Reserve Banks.



### ***Other Book-Entry Systems***

We will issue Global Book-Entry Securities that are either registered in the name of a nominee of The Depository Trust Company (“DTC”) in New York, New York, or registered in the name of the common depository (or a nominee of the common depository) for one of the following:

- Euroclear Bank S.A./N.V. (“Euroclear Bank”), as operator of the Euroclear System (“Euroclear”);
- Clearstream Banking, société anonyme (“Clearstream”); or
- another clearing system specified in the applicable Pricing Supplement.

The Bank of New York Mellon will act as the custodian for Global Book-Entry Securities held by DTC and as the “Common Depository” for Global Book-Entry Securities held by Euroclear and Clearstream. We will exchange Global Book-Entry Securities for definitive Debt Securities only under the limited circumstances described under “Description of the Debt Securities—Exchange of Global Book-Entry Securities for Definitive Debt Securities.”

### **Eligibility for Stripping of Fed Book-Entry Securities**

We may designate specific issues of Fed Book-Entry Securities that are Fixed Rate Securities or Step Rate Securities (the “Eligible Securities”) as eligible to be separated (“stripped”) into their separate Interest Components and Principal Components on the Fed Book-Entry System. We may designate Fed Book-Entry Securities as Eligible Securities either at the time of original issuance or at any other time during the period in which the securities may be stripped. We have no obligation, however, to designate any issue of Fed Book-Entry Securities as eligible to be stripped into Components.

The “Components” of an Eligible Security are:

- each future interest payment due on or prior to the Maturity Date or, if the Eligible Security is subject to redemption or principal repayment prior to the Maturity Date, the first date on which the Eligible Security is subject to redemption or repayment (in either case, the “Cut-off Date”) (each an “Interest Component”); and
- the principal payment plus any interest payments due after the Cut-off Date (the “Principal Component”).

After the last redemption date of an issue subject to redemption on one or more specified dates, if we do not redeem the issue, the Principal Component may be further stripped into Interest Components of each future interest payment due on or prior to the Maturity Date and a Principal Component of the principal payment due on the Maturity Date. The initial or final interest payment on a Fed Book-Entry Security will not be an Interest Component if the applicable Interest Period is shorter or longer than other Interest Periods, based on a 360-day year consisting of twelve 30-day months. In that case, the initial or final interest payment will remain with the Principal Component. Each Component will receive a CUSIP number.

To be stripped into Components, the principal amount of the Eligible Security must be in an amount that, based on the stated interest rate of the Eligible Security, will produce an interest payment of \$1,000 or an integral multiple thereof on each Interest Payment Date for the Fed Book-Entry Security. You currently may find out the minimum principal amount required to strip an Eligible Security by calling the Fannie Mae fixed-income securities hotline at (800) 232-6643 (for international callers (202) 752-7115). If a Fed Book-Entry Security is eligible to be stripped upon original issuance, we generally will disclose in the applicable Pricing Supplement the minimum principal amount required to strip the Fed Book-Entry Securities.

In some cases, Interest Components of two or more issues of Fed Book-Entry Securities may be due on the same day. These Interest Components may have the same or different CUSIP numbers. We currently expect that most Interest Components due on the same day (regardless of Fed Book-Entry Security issue) will have the same CUSIP number. However, we may designate them to receive different CUSIP numbers. We also may designate

at any time that Interest Components of issues of Fed Book-Entry Securities originally issued on or after a specified time receive CUSIP numbers different than Interest Components of issues of Fed Book-Entry Securities originally issued prior to that time.

A Holder of an Eligible Security currently may request that the Fed Book-Entry Security be separated into its Components at any time from the date it becomes eligible to be stripped. The Holder must make a request for separation to the FRBNY and comply with any requirements and procedures, including payment of applicable fees, if any, of the FRBNY then in effect. It can take ten Business Days or longer from the date a Holder of an Eligible Security makes a request for a security to be separated for new CUSIP numbers to be assigned and the new Components to appear on the Fed Book-Entry System.

The Components may be maintained and transferred on the Fed Book-Entry System in integral multiples of \$1,000. Payments on Components will be made in U.S. dollars on the applicable payment dates (or the following Business Day if payment on the related Fed Book-Entry Security is or would be made on the following Business Day as described above in “—Business Day Convention” and below in “—Payments”) by credit to the account at a U.S. Federal Reserve Bank of the Holding Institutions whose names appear on the book-entry records of the U.S. Federal Reserve Banks as the entities to whose account the Components have been deposited (“Component Holders”).

If any modification, amendment or supplement of the terms of an issue of Fed Book-Entry Securities requires any consent of Holders, the consent for Fed Book-Entry Securities that have been stripped will be provided by the Component Holders of Principal Components. Component Holders of Interest Components will have no right to give or withhold consent. See “—Modification and Amendment.”

Currently, at the request of a Component Holder holding a Principal Component and all applicable unmatured Interest Components, the FRBNY will restore (“reconstitute”) the Principal Components of a stripped Fed Book-Entry Security and the applicable unmatured Interest Components (all in appropriate amounts) to the Fed Book-Entry Security in fully constituted form. The FRBNY charges a fee to reconstitute Fed Book-Entry Securities. Generally, for purposes of reconstituting a Debt Security, the Principal Component of an issue of Fed Book-Entry Securities may be combined with either Interest Components of that issue or Interest Components, if any, with the same CUSIP numbers from other issues of Fed Book-Entry Securities. Component Holders wishing to reconstitute Components into a Fed Book-Entry Security also must comply with all applicable requirements and procedures of the FRBNY relating to the stripping and reconstitution of securities.

The preceding discussion is based on our understanding of the way the FRBNY currently strips and reconstitutes securities on the Fed Book-Entry System. The FRBNY may cease stripping or reconstituting Eligible Securities or may change the way this is done or the applicable requirements, procedures or charges at any time without notice.

## **Status**

The Debt Securities will be unsecured general obligations of Fannie Mae issued under Section 304(b) of the Charter Act. All Short-Term Notes and other Debt Securities will be issued under Section 304(b) of the Charter Act unless we specify otherwise in the applicable Pricing Supplement. The Debt Securities will not limit other indebtedness or securities that we may incur or issue. The Debt Securities will not contain any financial or similar restrictions on us or any restrictions on our ability to secure other indebtedness.

**The Debt Securities, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.**

Debt Securities will not be issued under an indenture. There will be no trustee with respect to the Debt Securities.

## **Redemption**

We may not redeem Debt Securities prior to maturity, unless we specify otherwise in the applicable Pricing Supplement. We will not redeem Benchmark Bills or Short-Term Notes prior to maturity.

The most common form of redemption is redemption at our option. If we specify redemption at our option in the applicable Pricing Supplement, we may redeem all the Debt Securities or a portion of the Debt Securities

from time to time. We may have the option to redeem the Debt Securities on one or more specified dates, at any time on or after a specified date, or during one or more specified periods of time. The applicable Pricing Supplement will contain the redemption price, or describe the method of determining the redemption price. Holders will receive accrued and unpaid interest on the principal amount redeemed to the date fixed for redemption.

If we elect to redeem an issue of Debt Securities, we will give notice to Holders of the Debt Securities not less than 10 days prior to the date of redemption in the manner described under “—Notices.”

We may specify in the applicable Pricing Supplement that an issue of Debt Securities will be subject to mandatory redemption by us, in whole or in part, from time to time upon terms and at prices described in the Pricing Supplement. We will give no notice to Holders of a mandatory redemption.

If we redeem a portion of an issue of Fed Book-Entry Securities, we will redeem a pro rata portion of the then outstanding principal amount of each Fed Book-Entry Security of the issue. If we redeem a portion of an issue of Global Book-Entry Securities, the Global Agent will reduce the principal amount of one or more Global Book-Entry Securities by an aggregate amount equal to the amount of the redemption, ensuring that the principal amount of each Global Book-Entry Security of the issue remains in an authorized denomination. The actual impact of our redeeming a portion of an issue of Global Book-Entry Securities on the beneficial owners will depend on the procedures of the applicable clearing system. If the beneficial owner is not a participant with that clearing system, the effect also will depend on the procedures of the participant through which the beneficial owner owns its interest in the Global Book-Entry Security.

We also may issue Debt Securities that are redeemable at the option of the Holders upon terms and procedures described in the applicable Pricing Supplement.

### **Corrections**

All value inputs into indexing formulas, intermediate calculations, numbers resulting from any calculation, interest rates, interest factors, accrued interest factors, principal amounts or components used to determine principal or interest payable on an issue of Debt Securities are subject to correction within 30 days from the applicable Interest Payment Date or Principal Payment Date. The source of a corrected value input must be the same page, screen, display, press release or other source from which the previously-used value input was to be obtained. A correction might result in an adjustment to an amount paid to a Holder.

*Example.* Assume that the applicable Pricing Supplement for a Variable Rate Security specifies SOFR as the applicable interest rate index for determining the rate of interest on the Debt Security. If SOFR is obtained from the FRBNY’s website for a specified U.S. Government Securities Business Day in accordance with Appendix D, the rate may be superseded only by a corrected rate for that U.S. Government Securities Business Day obtained from the FRBNY’s website. The corrected rate would be used to determine the rate of interest payable in respect of the Variable Rate Security as of the applicable Interest Payment Date.

### **Repurchases**

We may purchase Debt Securities at any price or prices, in the open market or otherwise, at any time. We may hold, sell or cancel any Debt Securities that we repurchase.

### **Ownership of Debt Securities**

#### ***Fed Book-Entry Securities***

The Fed Book-Entry Securities may be held of record only by entities eligible to maintain book-entry accounts with a U.S. Federal Reserve Bank (the “Holding Institutions”). The entities whose names appear on the book-entry records of a U.S. Federal Reserve Bank as the entities to whose accounts Fed Book-Entry Securities have been deposited are referred to as “Holders” of the Fed Book-Entry Securities. A Holder is not necessarily the beneficial owner of the Fed Book-Entry Security. Beneficial owners ordinarily hold Fed Book-Entry Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing

organizations. A Holder that is not the beneficial owner, and each other financial intermediary holding one or more Fed Book-Entry Securities directly or indirectly on behalf of the beneficial owner, will have the responsibility of establishing and maintaining accounts for their respective customers.

Beneficial owners of Fed Book-Entry Securities may exercise their rights with respect to Fannie Mae and the U.S. Federal Reserve Banks only through the Holders of the Fed Book-Entry Securities. Fannie Mae and the U.S. Federal Reserve Banks will have no obligation to a beneficial owner of a Fed Book-Entry Security (unless the beneficial owner is also the Holder). The U.S. Federal Reserve Banks will act only upon the instructions of Holders in recording transfers of interests in Fed Book-Entry Securities and will effect transfers of interests in Fed Book-Entry Securities only to Holding Institutions. Fannie Mae and the U.S. Federal Reserve Banks may treat the Holders as the absolute owners of Fed Book-Entry Securities for the purpose of making payments on the Fed Book-Entry Securities and for all other purposes, whether or not the Fed Book-Entry Securities are overdue and notwithstanding any notice to the contrary.

### ***Global Book-Entry Securities***

The person in whose name a Global Security is registered in the “Register” maintained by the Global Agent as registrar (in this capacity, the “Registrar”) will be the “Holder” of the Global Security. We will register Global Book-Entry Securities to be held by DTC in the name of Cede & Co. and Global Book-Entry Securities to be held by the Common Depository in the name of The Bank of New York Depository (Nominees) Limited, or other nominee of DTC or the Common Depository, as the case may be. Accordingly, Cede & Co. and The Bank of New York Depository (Nominees) Limited will be the Holders of the related Global Book-Entry Securities. Beneficial interests in a Global Book-Entry Security will be represented, and transfers thereof will be effected, only through book-entry accounts of financial institutions acting on behalf of the beneficial owners of that Global Book-Entry Security, as a direct or indirect participant in the applicable clearing system for that Global Book-Entry Security.

We and the Global Agent may treat the Holders as the absolute owners of Global Book-Entry Securities for the purpose of making payments and for all other purposes. Owners of beneficial interests in a Global Book-Entry Security are not the owners or Holders of that Global Book-Entry Security and, except under limited circumstances described under “Description of the Debt Securities—Exchange of Global Book-Entry Securities for Definitive Debt Securities,” are not entitled to have Debt Securities registered in their names or to receive definitive Debt Securities. Accordingly, any beneficial owner must rely on the procedures of the applicable clearing system or on the procedures of the participant through which the beneficial owner owns its interest, to exercise any rights of a Holder of the Global Security.

We understand that, if we request any action of Holders or if beneficial owners desire to take any action that a Holder is entitled to take, DTC, Euroclear or Clearstream, or their respective nominees, as the Holder of the related Global Book-Entry Security, would authorize the participants through which the relevant beneficial interests are held to take the action. The participants in turn would authorize beneficial owners owning through the participants to take the relevant action, in each case in accordance with the rules and procedures of the applicable system.

DTC, Euroclear and Clearstream can act only on behalf of their respective participants, who in turn act on behalf of indirect participants. Therefore, the ability of a beneficial owner to pledge its interest in the Global Book-Entry Securities to persons or entities that do not participate in the applicable system, or otherwise take actions in respect of that interest, may be limited by the lack of a definitive certificate. If the laws of a jurisdiction require that certain purchasers of securities take physical delivery of their securities in definitive form, this also may impair your ability to transfer beneficial interests in a Global Book-Entry Security.

## **Payments**

### ***Fed Book-Entry Securities***

We will make payments of principal and interest on Fed Book-Entry Securities in U.S. dollars on the applicable payment dates to Holders as of the end of the Business Day preceding the payment dates. See also “—Business Day Convention.” Payments on Fed Book-Entry Securities will be made by credit of the payment

amount to the Holders' accounts at the U.S. Federal Reserve Banks. All payments to or upon the order of a Holder will be valid and effective to discharge the liability of Fannie Mae and the Fiscal Agent. The Holders and each other financial intermediary holding Fed Book-Entry Securities directly or indirectly on behalf of beneficial owners will have the responsibility of remitting payments for the accounts of their customers. All payments on the Fed Book-Entry Securities are subject to any applicable law or regulation.

### ***Global Book-Entry Securities***

We will make payments on the Global Book-Entry Securities to DTC, Euroclear, Clearstream, and any other applicable clearing system (or their nominees) as the Holders thereof. We will make payments in the Specified Payment Currency (except as described under “—Specified Currencies and Specified Payment Currencies”). For certain currency conversion facilities with respect to Global Securities held by DTC see “—Currency Conversions—Payment on Debt Securities”. All payments to or upon the order of the Holder of a Global Book-Entry Security will be valid and effective to discharge our liability in respect of that Global Book-Entry Security. Normal conventions observed by the system will determine ownership positions within each system. Neither we nor the Global Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Book-Entry Security or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

DTC has advised us that, when DTC receives any payment of principal of or interest on a Global Book-Entry Security held by it, it will credit its participants' accounts with payments proportionate to their respective beneficial interests in the principal amount of that Global Book-Entry Security. Payments by participants to owners of beneficial interests in that Global Book-Entry Security held through those participants are the responsibility of the participants, as is now the case with securities held for the accounts of customers registered in “street name.” Euroclear and Clearstream also have advised us that payments on Global Book-Entry Securities held through them will be credited to Euroclear participants or Clearstream participants in accordance with the applicable system's rules and procedures.

We will pay interest on Global Book-Entry Securities on the applicable Interest Payment Date. We will make interest payments to the Holder of each Global Book-Entry Security at the close of business on the fifteenth day (whether or not a Business Day) (each, a “Record Date”) preceding the Interest Payment Date. (Owners of beneficial interests in a Global Book-Entry Security should be aware that the applicable clearing system may apply a different record date for the payment of interest to its participants on an Interest Payment Date.) We will make the first payment of interest on any Global Book-Entry Security originally issued between a Record Date and the related Interest Payment Date on the Interest Payment Date following the next Record Date to the Holder on the next Record Date. We will owe the principal of each Global Book-Entry Security, together with accrued and unpaid interest thereon, on the Principal Payment Date for the Global Book-Entry Security (subject to the Holder's right on the related Record Date to receive interest due on an Interest Payment Date that is on or prior to the Principal Payment Date) and will pay the Holder when the Holder presents and surrenders the Global Book-Entry Security. See also “—Business Day Convention.”

All payments on Global Book-Entry Securities are subject to any applicable law or regulation. If a payment outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions, we will make payments on the related Global Book-Entry Securities at the office of any paying agent in the United States.

All money paid by us to the Global Agent or to any paying agent for principal and interest payments on any Global Book-Entry Security that remains unclaimed or undistributed at the end of one year after the principal or interest is due and payable will be subject to applicable escheat laws.

Additional provisions related to payments on non-U.S. dollar denominated Debt Securities appear under “—Currency Conversions.”

## **Modification and Amendment**

### ***Fed Book-Entry Securities***

We may modify, amend or supplement the Statement of Terms which would modify, amend or supplement

the terms of Fed Book-Entry Securities without the consent of Holders of any Fed Book-Entry Securities, in any manner that we determine will not adversely affect in any material way the interests of the Holders of Fed Book-Entry Securities, including:

- to cure, correct or supplement any ambiguous or defective provision in the Statement of Terms or to make any other provision with respect to the issue of Fed Book-Entry Securities that is not inconsistent with the provisions of the Statement of Terms,
- to conform the Statement of Terms to, or to cure any ambiguity or discrepancy due to changes in, the FHFA Book-Entry Regulations or the Fiscal Agency Agreement or any regulation or document that the FHFA Book-Entry Regulations or the Fiscal Agency Agreement make applicable to our book-entry securities, or
- to increase the amount of the issue of Fed Book-Entry Securities.

In addition, with either the written consent, or the affirmative vote at a meeting, of the Holders of at least a majority of the aggregate then outstanding principal amount of an issue of Fed Book-Entry Securities, we may modify, amend or supplement the Statement of Terms of such issue to add any provisions or change in any manner or eliminate any provisions of those Fed Book-Entry Securities or modify in any manner the rights of the Holders. However, without the written consent or affirmative vote of the Holder of the principal amount of that Fed Book-Entry Security, no modification, amendment or supplement may:

- change the Maturity Date of, or the due date of any installment of interest on, the Fed Book-Entry Security,
- materially modify any redemption provisions relating to the redemption price of, or any redemption date or period for, the Fed Book-Entry Security,
- reduce the principal amount of, or materially modify the rate of interest or the calculation of the rate of interest on, the Fed Book-Entry Security, or
- reduce the percentage of the then outstanding principal amount of the Fed Book-Entry Securities of which the Fed Book-Entry Security forms a part, the consent or affirmative vote of the Holders of which is necessary to modify, amend or supplement the related Statement of Terms.

Holders entitled to vote a majority of the then outstanding aggregate principal amount of an issue of Fed Book-Entry Securities will constitute a quorum at any meeting of Holders. Fed Book-Entry Securities that we own may not be counted toward establishing a quorum, or consenting to or voting for any matter presented to Holders.

Any instrument given by or on behalf of any Holder of a Fed Book-Entry Security in connection with any consent to a modification, amendment or supplement will be irrevocable once given and will be conclusive and binding on all subsequent Holders of that Fed Book-Entry Security. Except as set forth above, any modification, amendment or supplement of the terms of Fed Book-Entry Securities will be conclusive and binding on all Holders of Fed Book-Entry Securities, whether or not they have given consent or were present at any meeting.

### ***Global Book-Entry Securities***

We and the Global Agent may modify, amend or supplement the Global Agency Agreement and the terms of one or more issues of Global Book-Entry Securities without the consent of Holders of any Global Book-Entry Securities, in any manner that we and the Global Agent determine will not adversely affect in any material way the interests of the Holders, including:

- to cure, correct or supplement any ambiguous or defective provision in the Global Agency Agreement or to make any other provision with respect to the issue of Global Book-Entry Securities consistent with the provisions of the Global Book-Entry Securities, or
- to increase the amount of the issue of Global Book-Entry Securities.

In addition, with the written consent, or the affirmative vote at a meeting, of the Holders of at least a majority

of the aggregate then outstanding principal amount of Global Book-Entry Securities or an issue of Global Book-Entry Securities, we may modify, amend or supplement the Global Agency Agreement or the terms of an issue of Global Book-Entry Securities, respectively, to add any provisions or change in any manner or eliminate any provisions of Global Book-Entry Securities or modify in any manner the rights of the Holders. However, without the written consent or affirmative vote of the Holder of a Global Book-Entry Security, no modification, amendment or supplement may:

- change the Maturity Date of, or the due date of any installment of interest on, the Global Book-Entry Security,
- materially modify any redemption provisions relating to the redemption price of, or any redemption date or period for, the Global Book-Entry Security,
- reduce the principal amount of, or materially modify the rate of interest or the calculation of the rate of interest on, the Global Book-Entry Security, or
- reduce the percentage of the then outstanding principal amount of the Global Book-Entry Securities of which the Global Book-Entry Security forms a part, the consent or affirmative vote of the Holders of which is necessary to modify, amend or supplement the Global Agency Agreement or the terms of the related Global Book-Entry Securities.

Holders entitled to vote a majority of the aggregate principal amount of the Global Book-Entry Securities or applicable issue of Global Book-Entry Securities at the time outstanding will constitute a quorum at any meeting of Holders, except that at any reconvened meeting adjourned for lack of a quorum, 25% in aggregate principal amount of the Global Book-Entry Securities or applicable issue of Global Book-Entry Securities entitled to vote shall constitute a quorum. Global Book-Entry Securities that we own may not be counted toward establishing a quorum, or consenting to or voting for any matter presented to any Holder.

Special rules for determining the “principal amount” of Global Book-Entry Securities in specific circumstances are described below.

The “principal amount,” for purposes of this section, for a Global Book-Entry Security that is a Zero-Coupon Security or was issued at an “issue price” of 80% or less of its principal amount will be calculated as provided in the Global Agency Agreement by adding the “issue price” of the Global Book-Entry Security, plus the “original issue discount” that has accrued since the issue date of the Global Book-Entry Security, minus any part of the “stated redemption price at maturity” of the Global Book-Entry Security that has been paid since the issue date of the Global Book-Entry Security. See “United States Taxation—U.S. Persons—Debt Securities Issued at a Discount” for an explanation of terms used in this paragraph.

The “principal amount,” for purposes of this section, of a Global Book-Entry Security whose Specified Principal Currency is other than U.S. dollars will be the U.S. dollar equivalent, determined on the issue date, of the principal amount of the Global Book-Entry Security.

The “principal amount” of a Global Book-Entry Security with principal determined by reference to an index, exchange rate or formula will be described in the applicable Pricing Supplement.

As provided in the Global Agency Agreement, we may establish a record date for the determination of Holders entitled to vote at any meeting of Holders of Global Book-Entry Securities, to grant any consent in respect of Global Book-Entry Securities and to receive notice with respect to any meeting or consent of Holders.

Any instrument given by or on behalf of any Holder of a Global Book-Entry Security in connection with any consent to a modification, amendment or supplement will be irrevocable once given and will be conclusive and binding on all subsequent Holders of the Global Book-Entry Security. Except as set forth above, any modification, amendment or supplement of the terms of Global Book-Entry Securities will be conclusive and binding on all Holders of Global Book-Entry Securities, whether or not they have given consent or were present at any meeting.

## Notices

Any notice, demand or other communication which is required or permitted to be given to a Holder may be

given or served in writing by deposit thereof, postage prepaid, in the mail, addressed to such Holder as such Holder's name and address may appear in the records of Fannie Mae, a U.S. Federal Reserve Bank, or the Registrar, as the case may be.

We will give notices to Holders of Fed Book-Entry Securities by broadcast through the communication system of the U.S. Federal Reserve Banks, and to Holders of a Debt Security maintained on DTC by transmission through the DTC communication system. Notice by broadcast or transmission will be considered given on the date broadcasted or transmitted or, if broadcasted or transmitted more than once, on the date of first broadcast or transmission. Instead of notice by broadcast transmission, we may give notices to Holders in any reasonable manner that we determine. Notice by another manner will be considered given on the date of dissemination or, if disseminated more than once, on the date of first dissemination.

We, or the Global Agent, will give notices to Holders of Global Book-Entry Securities by mail to the addresses of the Holders as they appear in the Register. Notices by mail will be considered given on the date of mailing.

Failure to give notice or a defect in a notice to one Holder will not affect the validity of notice to other Holders.

### **Exchange of Global Book-Entry Securities for Definitive Debt Securities**

If we issue definitive Debt Securities in exchange for Global Book-Entry Securities as described below, the definitive Debt Securities will have the same terms as the Global Book-Entry Securities for which they were exchanged, except as described below.

*Issuance of Definitive Debt Securities.* A Holder can exchange beneficial interests in a Global Book-Entry Security for definitive Debt Securities only under the following circumstances:

- (1) the exchange is permitted by applicable law; and
- (2) either:
  - in the case of a Global Book-Entry Security held through DTC, DTC notifies us that it is no longer willing or able to act as a depository or ceases to be a "clearing agency" registered under the Exchange Act, and we cannot find a successor within 90 days after we receive notice;
  - in the case of Global Book-Entry Securities held through another depository, if all of the clearing systems for those Global Book-Entry Securities are closed for business for 14 consecutive days, or are permanently closed and we cannot find a successor within 90 days;
  - Holder has initiated a judicial proceeding to enforce the Holder's rights under the Global Security in court, and counsel has advised the Holder that it is necessary to have a definitive Debt Security; or
  - we, either at a Holder's request and expense or otherwise, in our own discretion, decide to issue definitive securities. Notwithstanding the foregoing, we have agreed that our right (in our discretion) to elect to issue definitive securities in exchange for a Global Book-Entry Security will be suspended for so long as such election is inconsistent with DTC's rules and procedures.

In any of the above circumstances, we will execute and deliver definitive Debt Securities to the Global Agent for their delivery to the Holders as soon as practicable.

*Title.* The person in whose name a definitive Debt Security is registered in the Register will be the "Holder" of the definitive Debt Security. We and the Global Agent may treat the Holders as the absolute owners of definitive Debt Securities for the purpose of making payments and for all other purposes whether or not any payments on the definitive Debt Securities are overdue.



*Payments.* We will pay interest on a definitive Debt Security on each applicable Interest Payment Date. We will pay by check mailed to the Holder at the close of business on the Record Date preceding the Interest Payment Date at the Holder's address appearing in the Register. We will pay the principal of each definitive Debt Security, together with accrued and unpaid interest, on the Principal Payment Date against presentation and surrender of the definitive Debt Security by check at the appropriate office of the Global Agent or other paying agent or mailed by the Global Agent to the Holder of the definitive Debt Security. We will use a United States bank for checks in U.S. dollars and a bank office located outside the United States for checks in other Specified Payment Currencies. See "—Notices" for a description of how we will notify the Holders of definitive Debt Securities of the appointment and location of the paying agent.

The Holder of an aggregate principal amount of at least \$10,000,000 (or the equivalent in the Specified Currency) of an issue of Debt Securities of which definitive Debt Securities form a part may elect to receive payments by wire transfer of immediately available funds in the Specified Payment Currency to an account with a bank designated by the Holder that is acceptable to us. In order for the Holder to receive the payments, the Global Agent or other paying agent, if applicable, must receive the following by mail, hand or telex at its principal U.S. corporate trust office or its specified office, respectively:

- for interest payments, a written request by the close of business on the related Record Date
- for payments on the Principal Payment Date, a written request by the close of business 15 days prior to the Principal Payment Date and the definitive Debt Security two Business Days prior to the Principal Payment Date

All payments on definitive Debt Securities are subject to any applicable law or regulation. If a payment outside the United States is illegal or effectively precluded by exchange controls or similar restrictions, payments in respect of the related definitive Debt Securities may be made at the office of any paying agent in the United States.

*Partial Redemption.* If we redeem a portion of an issue of definitive Debt Securities, the Global Agent will select by lot, or in any other manner that the Global Agent deems fair and appropriate, those definitive Debt Securities to be redeemed, ensuring that the principal amount of each outstanding definitive Debt Security after the redemption is in an authorized denomination.

*Transfer and Exchange.* Holders may present definitive Debt Securities for transfer or exchange at the office of the Registrar or any other transfer agent, with transfer documentation completed and payment of any taxes and other governmental charges.

Holders may transfer or exchange definitive Debt Securities in whole or in part only in the authorized denominations of the Global Book-Entry Securities for which they were exchanged. See "—Denomination." In the case of a transfer of a definitive Debt Security in part, the Registrar will issue a new definitive Debt Security for the balance not transferred.

## **Currency Conversions**

### ***Payment for Debt Securities***

Purchasers of Debt Securities must pay for the Debt Securities in the applicable Specified Currency. Dealers to whom or through whom Debt Securities are sold may arrange for the conversion of the investor's currency into the Specified Currency to enable purchasers to pay for the Debt Securities if purchasers so request no later than the day determined by that Dealer. We will not be involved in any manner in, and will have no responsibility for, that conversion. Each Dealer will make the conversion on terms and subject to any conditions, limitations and charges that the Dealer may establish. The purchasers of the Debt Securities will bear all costs of conversion.

### ***Payment on Debt Securities***

Except as described above, we must make payments of principal of and any interest on all Debt Securities in the Specified Payment Currency. At the present time, there are limited facilities in the United States for the

conversion of foreign currencies or currency units into U.S. dollars, and commercial banks generally do not offer non-U.S. dollar checking or savings account facilities. Accordingly, in the case of Global Book-Entry Securities whose Specified Payment Currency is other than U.S. dollars, the currency exchange bank specified in the applicable Pricing Supplement (the “Currency Exchange Bank”), for the Holders of the Global Book-Entry Securities, will convert any amounts paid by us in the Specified Payment Currency into U.S. dollars, unless the Holders elect to receive payments in the Specified Payment Currency as hereinafter described. We will not be involved in any manner in, and will have no responsibility for, the conversion of the Specified Payment Currency for the Global Book-Entry Securities into U.S. dollars.

The U.S. dollar amount to be received by a Holder of a Global Book-Entry Security in respect of which payments are to be converted from the Specified Payment Currency into U.S. dollars will be determined by the Currency Exchange Bank in the morning of the day that would be considered the date for “spot” settlement of the Specified Payment Currency on the applicable payment date in accordance with market convention (generally two New York business days prior to the payment date) at the market rate determined by the Currency Exchange Bank to accomplish the conversion on the payment date of the aggregate amount of the Specified Payment Currency payable in respect of Global Book-Entry Securities scheduled to receive payments converted into U.S. dollars. All currency exchange costs will be borne by the Holders of the Global Book-Entry Securities (and, accordingly, by the related beneficial owners) by deductions from the payments. Holders of Global Book-Entry Securities are subject to the risk of market disruption and the risk that all or any portion of the Specified Payment Currency will not be convertible into U.S. dollars. In those cases, Holders of the Global Book-Entry Securities will receive payment in the Specified Payment Currency.

The Holder of a Global Book-Entry Security held through DTC to be paid in a Specified Payment Currency other than U.S. dollars will have the option to receive payments of the principal of and any interest on the Global Book-Entry Security in the Specified Payment Currency by notifying DTC no later than the third New York business day after the related Record Date, in the case of payments on an Interest Payment Date, or the date 12 days prior to the Principal Payment Date, in the case of payments on the Principal Payment Date. We understand that Euroclear and Clearstream, unless specifically requested not to do so by a participant prior to the 15th day preceding the applicable Interest Payment Date or Principal Payment Date, will elect to receive all payments of principal and interest in respect of Global Book-Entry Securities held through them in the applicable Specified Payment Currency if it is other than U.S. dollars.

## **Governing Law and Judgments**

### ***Fed Book-Entry Securities***

The Fed Book-Entry Securities (including our rights and obligations with respect to the Fed Book-Entry Securities) will be governed by, and construed in accordance with, (1) regulations adopted by FHFA or any other U.S. governmental body or agency, as from time to time in effect, that apply to our Fed Book-Entry Securities, currently the FHFA Book-Entry Regulations, and (2) to the extent the regulations identified in clause (1) do not apply, the laws of the State of New York, U.S.A.

### ***Global Book-Entry Securities***

The Global Book-Entry Securities will be governed by, and construed in accordance with, the laws of the State of New York, U.S.A. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than U.S. dollars. New York law currently provides, however, that a judgment or decree based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation and converted into U.S. dollars at a rate of exchange prevailing on the date of the entry of the judgment or decree. As a result, the Holder of a Global Book-Entry Security would be subject to exchange rate fluctuations between the date of entry of the judgment or decree and the time the foreign currency judgment or decree is paid to the Holder in U.S. dollars (whether or not the Holder then converts any amounts paid into the Specified Payment Currency).

## **Fiscal Agent and Global Agent**

### ***Other Fed Book-Entry Securities***

The U.S. Federal Reserve Banks will be the fiscal agents for Fed Book-Entry Securities. The U.S. Federal Reserve Banks currently act as Fiscal Agent under the Fiscal Agency Agreement with Fannie Mae, dated as of July 20, 2006, as it may further be amended and supplemented. Fannie Mae and the U.S. Federal Reserve Banks may amend, modify or supplement in any respect, or may terminate, substitute or replace, the Fiscal Agency Agreement without the consent of any Holder of Fed Book-Entry Securities. Where we refer in this Offering Circular to the “Fiscal Agency Agreement,” we mean the agreement in effect from time to time under which the U.S. Federal Reserve Banks act as the Fiscal Agent for the Fed Book-Entry Securities. We have engaged in, and in the future may engage in, other business relationships with them.

In acting under the Fiscal Agency Agreement, the Fiscal Agent acts solely as our fiscal agent and does not assume any obligation or relationship of agency or trust for or with any Holder.

### ***Global Book-Entry Securities***

We have appointed The Bank of New York Mellon (as successor global agent to JP Morgan Chase Bank, N.A.) as the global agent for the Global Book-Entry Securities. The Bank of New York Mellon acts as Global Agent under an agreement with Fannie Mae, dated as of December 21, 1999, as amended, as it may be further amended and supplemented. The Bank of New York Mellon, which has its principal U.S. corporate trust office at 101 Barclay Street, New York, NY 10286, is the fiscal agent under some of our debt securities and has other business relationships with us.

In acting under the Global Agency Agreement, the Global Agent acts solely as our fiscal agent and does not assume any obligation or relationship of agency or trust for or with any Holder of a Global Book-Entry Security, except that any moneys held by the Global Agent for payment on a Global Book-Entry Security will be held in trust for the Holder (as provided in the Global Agency Agreement).

We have appointed the Global Agent as Registrar, Transfer Agent and Paying Agent for the Global Book-Entry Securities. We may vary or terminate the appointment of the Global Agent as the Registrar, Transfer Agent or Paying Agent or appoint additional or other transfer agents or paying agents or approve any change in the office through which the Registrar or any transfer agent or paying agent acts.

## CLEARANCE AND SETTLEMENT

### General

Debt Securities may be held through organizations participating in one or more international and domestic clearing systems, principally the systems operated by the U.S. Federal Reserve Banks and DTC, in the United States, and Euroclear and Clearstream, in Europe. Electronic securities and payment transfer, processing, depository and custodial arrangements among these systems and others, either directly or indirectly through custodians and depositories, may enable Debt Securities to be issued, held and transferred among the systems as described below. Special procedures among these systems allow clearance and settlement of certain Debt Securities traded across borders in the secondary market. Cross-market transfers of Debt Securities denominated in some Specified Currencies may be cleared and settled using these procedures. However, there can be no assurance that cross-market transfers of any Debt Securities will be possible at any particular point in the future.

Each relevant system has its own separate operating procedures and arrangements with participants or accountholders that govern the relationship between them and the system and in respect of which we are not and will not be a party. The clearing systems may impose fees for the maintenance and operation of the accounts in which beneficial interests in the Debt Securities are maintained.

We expect that:

(1) most Debt Securities denominated and payable in U.S. dollars will clear and settle through the Fed Book-Entry System and indirectly through other clearing systems, such as Euroclear or Clearstream,

(2) Debt Securities denominated or payable in a Specified Currency other than U.S. dollars (and Debt Securities denominated and payable in U.S. dollars that are not cleared and settled in accordance with clause (1) above) will clear and settle through the system operated by DTC and indirectly through other clearing systems, such as Euroclear or Clearstream, and

(3) Debt Securities, irrespective of the Specified Currency in which they are denominated or payable, distributed solely outside of the United States will clear and settle through the systems operated by Euroclear, Clearstream, or other clearing system indicated in the applicable Pricing Supplement and, in some cases, DTC.

### The Clearing Systems

*Fed Book-Entry System.* The U.S. Federal Reserve Banks operate a book-entry system, which provides book-entry holding and settlement for U.S. dollar denominated securities issued by the U.S. government, some of its agencies and instrumentalities and international organizations of which the United States is a member. The system enables Holding Institutions to hold, make payments and transfer securities and funds through the U.S. Federal Reserve Banks' Fedwire system.

*DTC.* DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for securities that DTC participants deposit with the DTC. DTC also facilitates post-trade settlement among DTC Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between DTC Participants' accounts. This eliminates the need for physical movement of securities certificates. DTC Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"), which is the holding company for DTC, the National Securities Clearing Corporation and the Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to other financial intermediaries, such as both U.S. and non-U.S. securities

brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. The DTC rules applicable to DTC Participants are on file with the SEC.

*Euroclear and Clearstream.* Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment. Euroclear is operated by Euroclear Bank S.A./N.V., as operator of the Euroclear System, and all Euroclear securities clearance and cash accounts are with Euroclear Bank, S.A./N.V. They are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law. Euroclear Bank, S.A./N.V. acts only on behalf of Euroclear participants and has no record of, or relationship with, persons holding through Euroclear participants. Clearstream is incorporated under the laws of Luxembourg as a limited company. A participant's overall contractual relations with Clearstream are governed by the General Terms and Conditions, related operating rules and procedures and applicable Luxembourg law. Clearstream acts only on behalf of its participants and has no record of, or relationship with, persons holding through its participants.

Clearstream and Euroclear each hold securities for their participants and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer in their participant accounts. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

*Other.* We will describe in the applicable Pricing Supplement or other supplement any other clearing system that is available for a particular issue of Debt Securities.

#### **Clearance and Settlement Procedures—Primary Distribution**

Upon original issuance, Debt Securities will be credited through one or more of the systems described above or any other system specified in the applicable Pricing Supplement. Payment from the applicable Dealer for Fed Book-Entry Securities will be on a delivery versus payment basis and for Global Book-Entry Securities will be on a delivery versus payment or free delivery basis, as agreed to by us. Clearance and settlement procedures may vary according to the Specified Currency in which the Debt Securities are denominated or payable. The customary clearance and settlement procedures of certain systems are described below.

*U.S. Federal Reserve Banks.* Fed Book-Entry Securities will be issued and settled through the Fed Book-Entry System in same-day funds and will be held by designated Holding Institutions. After initial issue, all Fed Book-Entry Securities will continue to be held by those Holding Institutions in the Fed Book-Entry System unless arrangements are made for the transfer thereof to another Holding Institution.

*DTC.* DTC participants acting on behalf of investors holding Global Book-Entry Securities through DTC will follow the delivery practices applicable to securities eligible for DTC's Same-Day Funds Settlement System. Global Book-Entry Securities held through DTC will be credited to DTC participants' securities accounts following confirmation of receipt of payment to us on the relevant issue date.

*Euroclear and Clearstream.* Investors holding Global Book-Entry Securities through Euroclear and Clearstream will follow the settlement procedures applicable to conventional eurobonds. These Global Book-Entry Securities will be credited to Euroclear and Clearstream participants' securities clearance accounts either on the relevant issue date or on the settlement day following the relevant issue date against payment in same-day funds, for value on the relevant issue date.

#### **Clearance and Settlement Procedures—Secondary Market Transfers**

*Fed Book-Entry Securities.* Transfers of Fed Book-Entry Securities can take place only in book-entry form on the Fed Book-Entry System. These transfers will occur between Holding Institutions in accordance with the rules of the Fed Book-Entry System.

*Global Book-Entry Securities.* Transfers of beneficial interests in Global Book-Entry Securities within the

various systems that may be clearing and settling interests therein will be made in accordance with the usual rules and operating procedures of the relevant system applicable to the Specified Currency in which the Global Book-Entry Securities are denominated or payable and the nature of the transfer.

*General.* For issues of Debt Securities that are cleared and settled through more than one system, time zone differences may result in the securities account of an investor in one system being credited during the settlement processing day immediately following the settlement date of the other system and the cash account being credited for value on the settlement date but only being available as of the day following the settlement date.

Although the U.S. Federal Reserve Banks, DTC, Euroclear, Clearstream and other clearing systems have procedures to facilitate transfers of beneficial interests in Debt Securities among their respective Holding Institutions, participants and accountholders, they are under no obligation to perform or continue to perform those procedures, and those procedures may be modified or discontinued at any time. None of us, the Fiscal Agent, the Global Agent or any other agent will have any responsibility for the performance by any system (other than the Fiscal Agent with respect to the Fed Book-Entry System) or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

## UNITED STATES TAXATION

The Debt Securities and payments thereon generally are subject to taxation. Therefore, you should consider the tax consequences of owning a Debt Security, Interest Component or Principal Component before acquiring one.

We have engaged Katten Muchin Rosenman LLP as special tax counsel to review the following discussion. They have given us their opinion that the discussion correctly describes the principal U.S. federal income tax consequences to beneficial owners of Debt Securities.

The following discussion is general and may not apply to your particular circumstances for any of the following (or other) reasons:

- This summary is based on federal tax laws in effect as of the date of this Offering Circular. Changes to any of these laws after this date may affect the tax consequences described below.
- This summary discusses only Debt Securities acquired by beneficial owners at original issuance and held as capital assets (within the meaning of federal tax law). It does not discuss all of the tax consequences that may be relevant to beneficial owners subject to special rules, such as banks, thrift institutions, real estate investment trusts, regulated investment companies, tax-exempt organizations, brokers and dealers in securities or currencies, certain securities traders and certain other financial institutions. This discussion also does not discuss tax consequences that may be relevant to a beneficial owner in light of the beneficial owner's particular circumstances, such as a beneficial owner holding a Debt Security as a position in a straddle, hedging, conversion or other integrated investment, a beneficial owner whose functional currency is not the U.S. dollar, or a beneficial owner who is a recalcitrant account holder (within the meaning of section 1471 of the U.S. federal income tax code).
- The tax consequences of owning any Debt Securities with special characteristics may be set forth in a Pricing Supplement.
- The Debt Securities also are subject to taxes imposed by states and possessions of the United States and by local taxing authorities. If you reside in a state of the United States that imposes intangible property or income taxes, you should consult your own tax advisors as to the consequences of such laws.

**Because the following discussion may not apply to you, we advise you to consult your own tax advisors regarding the tax consequences of purchasing, owning and disposing of Debt Securities (or Interest Components or Principal Components), including the advisability of making any of the elections described below.**

### U.S. Persons

We sell many different types of Debt Securities. The U.S. federal income tax rules that will apply to a Debt Security will depend on the terms of that Debt Security and whether the beneficial owner is a U.S. Person. For purposes of the following discussion, a "U.S. Person" means:

- a citizen or individual resident of the United States,
- a corporation created or organized in or under the laws of the United States or any state thereof or the District of Columbia,
- an estate the income of which is includible in its gross income for U.S. federal income tax purposes without regard to its source,
- a trust if a court within the United States is able to exercise primary supervision over its administration and at least one U.S. Person has the authority to control all substantial decisions of the trust, or
- certain trusts in existence on August 20, 1996, and treated as United States persons (within the meaning of section 7701(a)(30) of the U.S. federal income tax code) prior to such date, that elect to

continue to be treated as United States persons, as provided in Treasury Regulations.

If a partnership holds the Debt Securities, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Debt Securities should consult its tax advisor regarding the consequences to the U.S. federal income tax treatment of an investment in the Debt Securities. The first part of the following discussion is addressed to beneficial owners who are U.S. Persons, the second part is addressed to beneficial owners who are not U.S. Persons (“non-U.S. Persons”) and the last part addresses rules concerning information reporting to the U.S. Internal Revenue Service (the “IRS”) and backup withholding.

If you are a U.S. Person and own a Debt Security, income from that Debt Security is subject to U.S. federal income taxation, and if you own the Debt Security when you die, the Debt Security will be included in your estate subject to any applicable U.S. federal estate tax.

### ***Tax Status of Debt Securities for Building and Loans, Savings Banks and REITs***

The IRS has ruled that Fannie Mae is an instrumentality of the United States for purposes of section 7701(a)(19) of the U.S. federal income tax code. Therefore, domestic building and loan associations and savings banks may treat investments in our securities as part of the percentage of total assets they must invest in specified assets, which includes “stock or obligations of a corporation which is an instrumentality of the United States.” Further, the IRS permits real estate investment trusts (“REITs”) to treat holdings of Fannie Mae securities as “government securities” for purposes of the requirement that 75% of the value of their total assets consists of real estate assets, cash and cash items (including receivables), and government securities.

### ***Reopenings of Debt Securities***

Final tax regulations address whether additional debt instruments issued in a reopening will be considered part of the same issue as the original debt instruments for tax purposes. Unless otherwise specified in the applicable Pricing Supplement, a reopening of Debt Securities will comply with those regulations.

### ***Payments of Interest***

Interest paid on a Debt Security generally is taxable as ordinary interest income. You must report this income when it accrues or you receive it, depending on your method of accounting for U.S. federal income tax purposes. You may have to follow special reporting rules, however, if your Debt Security has “original issue discount” (“OID”), as described in the following paragraphs.

Certain non-corporate beneficial owners will be subject to an increased rate of tax on some or all of their “net investment income,” which generally will include interest, OID and market discount realized on a Debt Security and any net gain recognized upon a disposition of a Debt Security. You should consult your tax advisor regarding the applicability of this tax in respect of your Debt Security.

### ***Debt Securities Issued at a Discount***

If you purchase a Debt Security at original issuance at a price below its principal amount, the U.S. federal income tax laws generally treat the difference between the amount you paid and the Debt Security’s principal amount as OID. Zero Coupon Debt Securities will, and other Debt Securities may, be issued with OID. In addition, if you purchase at original issuance a Debt Security that matures one year or less from its issuance date, that Debt Security has OID as described below under “United States Taxation—U.S. Persons—Debt Securities with a Term of One Year or Less.” Rules in the federal tax laws (the “OID Regulations”) define OID as the excess of the “stated redemption price at maturity” (defined below) of each such Debt Security over its “issue price” (defined below) if such excess equals or exceeds a *de minimis* threshold amount. The *de minimis* threshold amount is defined as one-quarter of one percent of such Debt Security’s stated redemption price at maturity multiplied by the number of complete years to its maturity. The “stated redemption price at maturity” of a Debt Security is the sum of all payments on the Debt Security other than interest based on a fixed rate (or, generally, a variable rate, unless an applicable Pricing Supplement states otherwise) and payable unconditionally at least annually. The



“issue price” of a Debt Security is the first price at which a substantial amount of that issue of Debt Securities is sold to the public for cash (ignoring sales to bond houses, underwriters, placement agents and other wholesalers).

If you own a Debt Security with OID less than the *de minimis* threshold amount, you must include that OID in income, as capital gain, on a *pro rata* basis as principal payments are made on the Debt Security.

If your Debt Security has OID equal to or greater than the *de minimis* threshold amount, you must include the OID in income as it accrues, which may be before you receive cash attributable to such income. You must include OID in income using the yield to maturity of the Debt Security (as defined in the OID Regulations), which is computed based on a constant annual rate of interest and compounding at the end of each accrual period. The OID Regulations permit you to use accrual periods of any length from one day to one year to compute accruals of OID, provided each scheduled payment of principal or interest occurs either on the first or the last day of an accrual period. Under these rules, you must include in income increasingly greater amounts of OID in successive accrual periods, unless payments that are part of the stated redemption price at maturity of a Debt Security are made before its final maturity.

### ***Debt Securities Issued with Fixed/Variable Interest***

If you purchase a Debt Security that bears interest at a rate that may be converted from a fixed rate to a variable rate, or from a variable rate to a fixed rate, the OID Regulations generally treat such Debt Securities as “variable rate debt instruments” (“VRDIs”). The rules applicable to VRDIs generally require that, for OID purposes, a VRDI be treated as an equivalent fixed rate debt instrument. For this purpose, the rules assume a fixed rate substitute for each variable rate equal to the value of the variable rate index as of the issue date of the VRDI. Based on our assumption of the value of the applicable variable rate index for the Debt Securities as of the issue date of the Debt Securities and taking into account the actual fixed rate payable on the Debt Securities, the Debt Securities for OID purposes ordinarily would be treated as paying one fixed rate of interest for one or more periods and as paying a higher fixed rate of interest for subsequent periods. The date the higher fixed rate becomes effective coincides with the date that we may redeem (“call”) the Debt Securities. The OID Regulations contain additional rules that apply to Debt Securities that we may redeem before their final maturity. See “United States Taxation—U.S. Persons—Debt Securities That We May Redeem Before Maturity” below. Under these rules, we will be presumed, solely for OID purposes, to exercise the call right with respect to the Debt Securities, because doing so would lower the yield to maturity of the Debt Securities. If we do not exercise the call right, the Debt Securities will be deemed to be retired and reissued at the call price for purposes of determining subsequent accruals of interest and OID. As a result of these rules, the Debt Securities will not have OID solely as a result of the structure of their interest rates, because the Debt Securities will not be treated as bearing interest at more than one fixed rate.

### ***Range Accrual Debt Securities***

If you purchase a Debt Security that provides that no interest will accrue during periods when an applicable index is outside a specified range, we intend to generally treat such Debt Securities as VRDIs under the OID Regulations and the interest payable on the Debt Security as qualified stated interest under the VRDI rules. Accordingly, you will include interest with respect to the Debt Security as ordinary income in accordance with your method of accounting for U.S. federal income tax purposes. If you are a cash method taxpayer, you will include interest in income in the year in which you receive an interest payment. If you are an accrual method taxpayer, you will include interest in income during the year in which it is earned or accrued, without regard to when an actual interest payment is received. Upon disposition of the Debt Security by sale, exchange, redemption, or repayment of principal at maturity, you will generally recognize taxable gain or loss.

Although unlikely, it is possible that the Debt Security will be taxed in some other manner. You should consult your tax advisor regarding alternative treatments of the Debt Security, including the possible application of the contingent payment debt regulations.

### ***Subordinated Debt Securities***

Under the OID Regulations, a debt instrument will generally be treated as issued with OID if the stated interest on the debt instrument does not constitute “qualified stated interest.” Qualified stated interest is generally

any one of a series of stated interest payments on a debt instrument that are unconditionally payable at least annually at a single fixed rate. In determining whether stated interest on a debt instrument is unconditionally payable and thus constitutes qualified stated interest, remote contingencies as to the timely payment of stated interest are ignored.

In the case of a Subordinated Debt Security, we may be required to defer the payment of interest. Thus, interest on a Subordinated Debt Security would not be unconditionally payable at least annually for purposes of the OID Regulations. If any payment of interest on a Subordinated Debt Security was actually deferred, the Subordinated Debt Security would be treated as issued with OID at the time of such deferral, and all stated interest would thereafter be treated as OID as long as the Subordinated Debt Security remained outstanding. In that event, all of a beneficial owner's taxable interest income in respect of the Subordinated Debt Security would constitute OID that generally would have to be included in income as described under "Debt Securities Issued at a Discount" above.

#### ***Debt Securities That We May Redeem Before Maturity***

The OID Regulations contain additional rules that apply to Debt Securities that we may call prior to their final maturity date. Under these rules, we will be presumed to exercise a call right if doing so would lower the yield to maturity of the callable Debt Security. If this presumption applies, but we do not exercise the call right, the Debt Security will be deemed reissued at its adjusted issue price for purposes of determining subsequent accruals of interest and OID. The "adjusted issue price" of a Debt Security is defined as the sum of the issue price of the Debt Security and the aggregate amount of previously accrued OID, if any, less any prior payments of amounts included in its stated redemption price at maturity.

The rules concerning callable Debt Securities are especially important for determining the OID treatment of "Step-Up Debt Securities." Step-Up Debt Securities are Debt Securities that have an initial fixed interest rate that increases to a higher fixed rate on a specified date, and are redeemable at par on the date the rate changes (including Debt Securities that also may be redeemable prior to that date or that may increase to a higher fixed rate at a later date).

Step-Up Debt Securities that are issued at par will be treated as maturing on the first permissible call date because the yield to maturity would be lower if they were called prior to an increase in the stated interest rate. If an issue of Step-Up Debt Securities is not in fact called on that date, or is called only in part, the Step-Up Debt Securities (to the extent of their remaining outstanding principal amount) will be deemed to be called and reissued at par. The above rules also apply to any deemed reissued Debt Securities that would be a Step-Up Debt Security if issued on the deemed reissue date. As a result of these special rules, Step-Up Debt Securities do not have any OID solely as a result of the structure of their interest rates. Thus, if you own Step-Up Debt Securities you should take stated interest into account under your regular method of accounting.

If the Step-Up Debt Securities are issued at a discount and the yield to maturity will be lowered if they are called on the date the rate changes, they will be treated for U.S. federal income tax purposes as maturing on that date. As a result of the deemed maturity date, the Step-Up Debt Securities may have OID that is equal to or greater than the *de minimis* threshold amount and, in that case, will be treated as issued with OID.

If a principal purpose in structuring a Debt Security is to achieve a result that is unreasonable in light of the purpose of the rules relating to OID, then the OID Regulations provide that the IRS can apply or depart from the OID Regulations, including the rules relating to the exercise of call rights described above, as necessary or appropriate to achieve a reasonable result. We intend to report income on any Step-Up Debt Security with the features described above assuming this anti-abuse rule does not apply.

#### ***Debt Securities with a Term of One Year or Less***

All stated interest payments on a Debt Security that matures one year or less from the date it is issued (a "Short-Term Obligation") are included in the stated redemption price at maturity of the Debt Security and, therefore, are treated as OID.

Unless you either are required or elect (as described below) to include OID on a Short-Term Obligation in income currently, if you use the cash method of accounting, which most individual taxpayers do, you must with respect to OID on a Short-Term Obligation:

- include OID in income when received;
- include in ordinary income any gain realized upon the sale, exchange or retirement of a Short-Term Obligation to the extent of accrued OID (determined on a straight-line basis, unless you make an irrevocable election to determine such accrued OID on the basis of the Debt Security's yield to maturity and daily compounding); and
- defer deductions for interest expense on any indebtedness you incurred or continued to purchase or carry the Short-Term Obligation, in an amount not exceeding the deferred interest income, until you recognize the deferred interest income.

A beneficial owner of a Short-Term Obligation who uses the cash method and who is not otherwise required to account for interest or OID on a Short-Term Obligation as it accrues may elect to include in income OID as it accrues (as if the beneficial owner used the accrual method of accounting, under the rules described in the following paragraph). This election will apply to all debt obligations having a maturity of one year or less that the beneficial owner holds in the taxable year of the election and in all subsequent years. A beneficial owner may revoke the election described in this paragraph only with the consent of the IRS.

If you use the accrual method of accounting, or regardless of your method of accounting, if you are a bank, regulated investment company, or are described in section 1281(b) of the U.S. federal income tax code, you are required to include OID on a Short-Term Obligation in income as it accrues on a straight-line basis. Alternatively, you may make an irrevocable election to accrue such OID on the basis of the Debt Security's yield to maturity and daily compounding.

In addition, any beneficial owner may make the election described below under "United States Taxation—U.S. Persons—Accrual Method Election" for a Short-Term Obligation. That election is independent of the elections described in the preceding paragraphs.

In certain cases, Step-Up Debt Securities may provide for a fixed interest rate that increases to a higher fixed interest rate exactly one year (or less) after the date of issuance. In such cases, the Step-Up Debt Securities would not be characterized as Short-Term Obligations under the OID Regulations, even though it is presumed for purposes of computing accruals of interest and OID that we will call the Step-Up Debt Securities one year or less after they are issued.

The U.S. federal income tax laws are unclear concerning how to determine the amount of interest or OID income accruing on a variable rate Debt Security with a term of one year or less. One method would be to treat the stated interest on such a Debt Security as interest that is taxable as ordinary interest income. Alternatively, the stated interest on a variable rate Debt Security that is also a Short-Term Obligation could be treated as OID under the rules described above for Short-Term Obligations. Generally, the two methods will not produce materially different results.

If you purchase a Short-Term Obligation at a purchase price that exceeds its stated redemption price at maturity (at a "premium"), there will be no OID to include in income with respect to such Short-Term Obligation. The rules for the treatment of premium in a situation where a Debt Security has a negative yield are unclear. As discussed below under "Debt Securities Purchased as a Premium," the general rule is that premium is treated as an offset to OID rather than as a separate deduction. Section 171(e) of the U.S. federal income tax code states that Treasury Regulations may provide an exception to this general rule in the case of debt instruments with no stated interest. The Treasury Regulations provide that a holder that has elected to amortize bond premium may deduct all or a portion of the premium when the Debt Security is sold or retired. You should consult an independent tax advisor regarding treatment of premium on Short-Term Obligations, including treating the premium as amortizable or treating any loss on the Short-Term Obligation as an ordinary expense.

### ***Debt Securities Purchased at a Premium***

If you purchase a Debt Security for an amount (net of accrued interest) in excess of its principal amount (or, in the case of a Debt Security with OID, its stated redemption price at maturity) you will have premium with respect to such Debt Security in the amount of such excess. A beneficial owner who purchases a Debt Security at a premium may elect to treat such premium as "amortizable bond premium." If you make this election, the

amount of interest that you must include in income for each accrual period (where such Debt Security is not optionally redeemable prior to its Maturity Date) is reduced by the portion of the premium allocable to such period based on the Debt Security's yield to maturity. If the amortizable bond premium allocable to an accrual period exceeds the interest allocable to the accrual period, you treat the excess as a bond premium deduction for the accrual period. However, the amount treated as a bond premium deduction is limited to the amount by which your total interest income on the Debt Security in prior accrual periods exceeds the total amount treated by you as a bond premium deduction on the Debt Security in prior accrual periods. If a Debt Security may be called prior to maturity, but after you acquired it, you generally may not assume that the call will be exercised and must amortize premium to the Maturity Date. If the Debt Security is in fact called, you may deduct any unamortized premium in the year of the call. If you make the election described above, the election will apply to all debt instruments the interest on which is not excludible from gross income ("Fully Taxable Bonds") that you hold at the beginning of the first taxable year to which the election applies and to all Fully Taxable Bonds you later acquire. You may revoke this election only with the consent of the IRS.

If you do not make this election, you must include the full amount of each interest payment in income in accordance with your regular method of accounting and you will receive a tax benefit from the premium only in computing your gain or loss upon the sale or other disposition or retirement of the Debt Security. In the case of a Short-Term Obligation, the election is available only to those cash-method beneficial owners that neither are required nor have elected to account for interest or OID on the Short-Term Obligation as it accrues.

If you purchase a Debt Security with OID at a purchase price that exceeds the stated redemption price at maturity of a Debt Security, you are not required to include in income any OID with respect to such Debt Security.

#### ***OID Debt Securities Purchased at an Acquisition Premium***

If you purchase a Debt Security with OID for an amount in excess of its adjusted issue price (as defined below) but less than its stated redemption price at maturity, you will have acquisition premium with respect to such Debt Security in the amount of such excess. If you purchase a Debt Security with OID at an acquisition premium, the amount of OID you will include in income in each taxable year will be reduced by that portion of the acquisition premium properly allocable to such year. Unless you make the accrual method election described below in "United States Taxation—U.S. Persons—Accrual Method Election," acquisition premium is allocated on a *pro rata* basis to each accrual of OID, so that you are allowed to reduce each accrual of OID by a constant fraction.

#### ***Debt Securities Purchased at a Market Discount***

If you purchase a Debt Security (other than a Short-Term Obligation) at a price less than its stated redemption price at maturity (or, in the case of a Debt Security with OID, its adjusted issue price) you will have market discount with respect to such Debt Security in the amount of the shortfall. If you purchase a Debt Security with market discount you are required (unless such market discount is less than a *de minimis* amount) to treat any principal payments on, or any gain realized upon the disposition or retirement of such Debt Security, as interest income to the extent of the market discount that accrued while you held such Debt Security, unless you elect to include such market discount in income on a current basis. If you make this election, it will apply to all debt instruments with market discount that you acquire on or after the beginning of the first taxable year to which the election applies. You may revoke the election only with the consent of the IRS. Market discount is considered to be *de minimis* if it is less than one-quarter of one percent of a Debt Security's stated redemption price at maturity multiplied by the number of complete years to maturity after the beneficial owner acquired such Debt Security. If you dispose of a Debt Security with more than a *de minimis* amount of market discount in a nontaxable transaction (other than a nonrecognition transaction described in section 1276(d) of the U.S. federal income tax code), accrued market discount is includible as ordinary income as if you had sold the Debt Security at its then fair market value.

If you acquire a Debt Security at a market discount and you do not elect to include market discount in income on a current basis, you may be required to defer the deduction of a portion of the interest expense on any indebtedness you incurred or continued to purchase or carry the Debt Security until the deferred income is realized.

### ***Accrual Method Election***

You may elect to include in gross income your entire return on a Debt Security (*i.e.*, the excess of all remaining payments to be received on the Debt Security over the amount you paid for the Debt Security) based on the compounding of interest at a constant rate. Such an election for a Debt Security with amortizable bond premium will result in a deemed election for all your debt instruments with amortizable bond premium to amortize the premium. Such an election for a debt security with market discount will result in a deemed election for all your debt instruments with market discount that you acquire on or after the beginning of the taxable year in which you make the election. You may revoke the accrual method election only with the permission of the IRS.

### ***Disposition or Retirement of Debt Securities***

When you sell, exchange or otherwise dispose of a Debt Security, or when we retire a Debt Security (including by redemption), you will recognize gain or loss equal to the difference, if any, between the amount you realize upon the disposition or retirement and your tax basis in the Debt Security. Your tax basis for determining gain or loss on the disposition or retirement of a Debt Security generally is your U.S. dollar cost of such Debt Security, increased by the amount of OID and any market discount includible in your gross income with respect to such Debt Security, and decreased by the amount of any payments under the Debt Security that are part of its stated redemption price at maturity and by the portion of any premium previously taken into account.

Gain or loss you realize on a disposition or retirement of a Debt Security is capital gain or loss (except to the extent the gain represents accrued interest, OID or market discount on the Debt Security not previously included in gross income, to which extent such gain or loss would be treated as ordinary income). Any capital gain or loss is long-term capital gain or loss if at the time of disposition or retirement you held the Debt Security for more than one year. The deductibility of capital losses is subject to limitations. Tax rates on capital gain for individuals vary depending on the individual's income and the holding period for the Debt Security. Beneficial owners who are individuals should contact their own tax advisors for information regarding the capital gains tax applicable to an investment in a Debt Security.

If you own redeemable Debt Securities, such as Step-Up Debt Securities, and if a call right that is presumed exercised is not in fact exercised, the deemed reissuance of the Debt Securities for purposes of computing subsequent accruals of interest and OID will not result in a deemed disposition or retirement of the Step-Up Debt Securities.

### ***Debt Securities with Payments Based on a Non-U.S. Currency***

Special rules govern the taxation of Debt Securities whose interest and principal payments are made in a currency other than U.S. dollars (a "Non-U.S. Currency") or are determined by reference to a Non-U.S. Currency. This discussion addresses only Debt Securities whose interest or principal payments are made in or determined by reference to a single Non-U.S. Currency. Generally, a beneficial owner first will compute its interest or OID income on such a security in the Non-U.S. Currency and then will translate that income into U.S. dollars. The method and timing of the translation will depend on the beneficial owner's usual method of accounting and whether the Debt Security has OID.

#### ***Debt Securities without OID***

If you are a cash method taxpayer and your interest payment is made in or determined by reference to a Non-U.S. Currency, the amount of income you recognize will be the U.S. dollar value of the interest payment you receive, based on the spot exchange rate on the date you receive it, regardless of whether the payment is in fact converted to U.S. dollars.

If you are an accrual method taxpayer, you may determine the amount of income recognized on your interest payment using either of two methods, in either case regardless of whether the payments are in fact converted into U.S. dollars. Under the first method, the amount of income you recognize will be based on the average exchange rate during the interest accrual period. When an accrual period includes parts of two taxable years, the exchange rate you will use to determine your income for that portion of the accrual period in each of the years will be the average exchange rate for the portion of the accrual period in that year.

Under the second method, an accrual method taxpayer may elect to use the exchange rate in effect on the last day of the accrual period to translate interest income into U.S. dollars. When an accrual period includes parts of two taxable years, you will determine your income for that portion of the accrual period in the first taxable year based on the exchange rate in effect at the end of the year, and you will use the exchange rate in effect at the end of the accrual period to determine your income for that portion of the accrual period in the second year. If the payment of interest is made or received within five business days of the last day of the accrual period or taxable year, that taxpayer instead may use the exchange rate in effect on the day the payment is received to translate such accrued interest into U.S. dollars. If you make this election, it will apply to all debt instruments you hold at the beginning of the first taxable year to which the election applies or thereafter acquired. You may revoke the election only with the consent of the IRS.

When you receive an interest payment denominated in or determined by reference to a Non-U.S. Currency (including a payment attributable to accrued but unpaid interest you receive when you sell a Debt Security or we retire it), you will recognize ordinary income or loss due to changes in exchange rates, which will be measured by the difference between the amount of interest income accrued and the value of the interest payment received. If all payments on a Debt Security are payable in or determined by reference to a single Non-U.S. Currency, amortizable premium will, if you so elect, reduce the amount of foreign currency interest income on such Debt Security. You will be required to recognize ordinary exchange gain or loss attributable to movements in exchange rates between the time premium is paid to acquire the Debt Security and the time it offsets interest income by treating the amount of premium as a return of principal.

#### *Debt Securities with OID*

If a Debt Security whose payments are denominated in or determined by reference to a Non-U.S. Currency is issued with OID, a beneficial owner will compute the accruals of OID in that Non-U.S. Currency. The accruals then will be translated into U.S. dollars under the rules described above for accrual method beneficial owners. The rules in this paragraph apply to both cash method beneficial owners and accrual method beneficial owners.

#### *Disposition or Retirement of Debt Securities*

When you sell, exchange or otherwise dispose of a Debt Security, or when we retire a Debt Security (including by redemption), you will recognize gain or loss equal to the difference, if any, between the amount you realize upon the disposition or retirement and your tax basis in the Debt Security. The amount you realize on a disposition or retirement when you are paid an amount in a Non-U.S. Currency will be the U.S. dollar value of that amount either on the date of disposition or retirement or on the settlement date, the latter applying only in the case of a Debt Security traded on an established securities market and sold by a cash method taxpayer or an electing accrual method taxpayer. If you are paid in U.S. dollars upon the disposition or retirement of a Debt Security payable by its terms in a Non-U.S. Currency, that amount may not be the same as the amount you realize for tax purposes, which is described in the preceding sentence.

Your tax basis for determining gain or loss on the disposition or retirement of a Debt Security will be your U.S. dollar cost of such Debt Security, increased by the amount of OID and market discount includible in your gross income from the Debt Security, and decreased by the amount of any payments under the Debt Security that are part of its stated redemption price at maturity and by the portion of any premium previously taken into account. The U.S. dollar cost of Debt Securities purchased with Non-U.S. Currency generally will be the U.S. dollar value of the purchase price either on the date of purchase or on the settlement date for the purchase, the latter applying only in the case of Debt Securities traded on an established securities market and purchased by a cash method taxpayer or an electing accrual method taxpayer. If you purchase a Debt Security by converting U.S. dollars into the Non-U.S. Currency in which that Debt Security is payable, the U.S. dollar amount so converted may not be the same as the U.S. dollar value of the purchase price on the date of purchase or settlement, which, as described in the preceding sentence, is used to calculate your tax basis.

Gain or loss you realize on a disposition or retirement of a Debt Security will be capital gain or loss, with two exceptions: (1) to the extent the gain represents accrued interest, OID or market discount on the Debt Security not previously included in gross income or (2) to the extent the gain or loss is attributable to changes in exchange rates. To the extent gain or loss falls into these exceptions, such gain or loss would be ordinary income. More information about the treatment of capital gains and losses is described above under “United States Taxation—

## U.S. Persons—Disposition or Retirement of Debt Securities.”

### *Exchanges of Non-U.S. Currency*

Non-U.S. Currency you receive as interest on a Debt Security or on the disposition or retirement of a Debt Security will have a tax basis equal to its U.S. dollar value at the time you receive the interest or at the time of the disposition or retirement. Non-U.S. Currency you purchase generally will have a tax basis equal to the U.S. dollar value of such Non-U.S. Currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a Non-U.S. Currency (for example, if you use it to purchase Debt Securities or exchange it for U.S. dollars) will be ordinary income or loss.

### *Conversion to the Euro*

A conversion of an amount payable on a Debt Security from a national currency of a participating member state of the European Union (“legacy currencies”) to the Euro will not be treated as an event giving rise to the recognition of gain or loss for U.S. federal income tax purposes. Similarly, the conversion of an amount paid on a Debt Security from a legacy currency into Euro will not be a recognition event.

## ***Interest and Principal Components of Eligible Securities***

### *Beneficial Owners of Interest and Principal Components*

For U.S. federal income tax purposes, the separation of ownership of the right to receive some or all of the interest payments on an Eligible Debt security from ownership of the right to receive some or all of the principal payments results in the creation of “stripped bonds” with respect to the principal payments and “stripped coupons” with respect to the interest payments. Consequently, a purchaser of a Principal Component or an Interest Component will be considered to own stripped bonds or stripped coupons, respectively.

The purchase of an Interest or Principal Component of an Eligible Debt Security will be treated as if the Component had been issued to the new beneficial owner on the date of purchase for an issue price equal to the purchase price paid for that Component. Accordingly, the tax consequences to a beneficial owner of an Interest or Principal Component are determined as if the Component were a Debt Security issued on the date of purchase or, in the case of a Component maturing one year or less from the date of purchase, a Short-Term Obligation issued on that date. The stated redemption price at maturity of an Interest or Principal Component is the amount payable on that Component (or the sum of all amounts payable, in the case of certain Principal Components calling for more than one payment).

Special rules apply to Principal Components of Eligible Debt Securities, such as Step-Up Debt Securities, that we may redeem before they mature (“Callable Principal Components”). As described above in “United States Taxation—U.S. Persons—Debt Securities That We May Redeem Before Maturity,” if a debt instrument may be called prior to its maturity, a presumption is made that the call will be exercised if the yield to the call date is less than the yield to maturity. In applying this rule to a Callable Principal Component, it is not clear whether this determination is to be made separately for the Callable Principal Component or with respect to the underlying Eligible Debt Securities. If the call is presumed to be exercised, but is not exercised in fact, the Callable Principal Component is treated, solely for purposes of accruing OID, as if the call had been exercised and a new Eligible Debt Security issued on the presumed exercise date for an amount equal to the call price. In such event, the interest payments on the new Debt Security should be treated as interest in accordance with the beneficial owner’s normal method of accounting. If, conversely, the call is presumed not exercised and in fact is exercised, then the Callable Principal Component is considered to have been redeemed prior to maturity.

### *Tax Consequences of Stripping an Eligible Debt Security*

A beneficial owner of an Eligible Debt Security is taxed on income from the Debt Security as if the ability to “strip” the Debt Security did not exist, unless and until both the Eligible Debt Security is stripped and the beneficial owner disposes of some or all of the resulting Components. The mere exchange of an Eligible Debt Security for Interest and Principal Components, without the disposition of any of those Components, should not be treated as a taxable event. If you exchange an Eligible Debt Security for Interest and Principal Components

and dispose of all of those Components, you effectively will be treated as if you had disposed of the Eligible Debt Security. See “United States Taxation—U.S. Persons—Disposition or Retirement of Debt Securities.” If you dispose of less than all the Components resulting from the stripping transaction, you will be required to take the following steps:

- include as income all interest and market discount accrued on the Eligible Debt Security not previously included as income,
- increase your basis in the Debt Security by the same amount,
- allocate your adjusted basis in the Debt Security among the Components in proportion to the respective fair market values of those Components, and
- recognize gain or loss with respect to each disposition of a Component equal to the difference between the amount realized and the basis allocated to that Component.

Generally, any gain or loss on the disposition of an Interest or Principal Component is capital gain or loss.

You will be taxed on each retained Component as if you had purchased the retained Component for an amount equal to the basis allocated to that Component.

#### *Ownership of Pro Rata Share of Outstanding Interest and Principal Components*

If you purchase the same *pro rata* share of Principal Components and the related unmatured Interest Components, while the matter is not free from doubt, it appears that you should treat each Component separately, rather than as a combined Eligible Debt Security. You may purchase the same *pro rata* share of Principal Components and the related Interest Components and request the FRBNY to reconstitute such Components as an Eligible Debt Security. While the matter again is not free from doubt, it appears that you should not treat the reconstitution as a taxable exchange and you should continue to treat each Component separately. The IRS could assert, however, that combined treatment as an Eligible Debt Security should apply to an investor owning a *pro rata* share of all outstanding Components or that combined treatment applies once there has been a reconstitution.

#### **Non-U.S. Persons**

The following discussion applies to you if you are a non-U.S. Person.

#### ***Interest and OID***

If you own a Debt Security and are a non-U.S. Person, each payment of interest (including OID, if any) on the Debt Security generally will be subject to a 30% U.S. withholding tax, unless

- you meet the exemption for certain Short-Term Notes described below,
- you meet the general exemption for non-U.S. Persons described below,
- you meet the requirements for a reduced rate of withholding under a treaty, or
- the interest is “effectively connected” to a business you conduct in the United States, in each case as further described below.

In certain circumstances, you may be able to claim amounts that are withheld as a refund or as a credit against your U.S. federal income tax. If the 30% U.S. withholding tax on payments of interest (including OID, if any) does not apply, as described herein, such payments may nevertheless be subject to FATCA withholding tax, as defined below in “United States Taxation – United States FATCA Withholding Tax.”

*General Exemption for Non-U.S. Persons.* Payments of interest on a Debt Security to any non-U.S. Person generally are exempt from U.S. withholding taxes if you satisfy the following conditions:



(1) the appropriate payor in the chain of payment (the “Withholding Agent”) has received prior to payment in the year in which such payment occurs, or in either of the two preceding years, a statement signed by you under penalties of perjury that certifies that you are not a U.S. Person and provides your name, address and taxpayer identification number, if any;

(2) the Withholding Agent and all intermediaries between you and the Withholding Agent do not know or have reason to know that your non-U.S. beneficial ownership statement is false; and

(3) you are not (a) a bank that receives payments on the Debt Securities that are described in section 881(c)(3)(A) of the U.S. federal income tax code, (b) a 10% shareholder of Fannie Mae within the meaning of section 871(h)(3)(B) of the U.S. federal income tax code, or (c) a “controlled foreign corporation” related to Fannie Mae within the meaning of section 881(c)(3)(C) of the U.S. federal income tax code; and

(4) the interest is not determined by reference to any receipts, sales or other cash flow of Fannie Mae or a related person, the income or profits of Fannie Mae or a related person, or change in value of any property of Fannie Mae or a related person, or any other item specified in section 871(h)(4)(A) of the U.S. federal income tax code.

You may make the non-U.S. beneficial ownership statement on an IRS Form W-8BEN, Form W-8BEN-E, or a substantially similar substitute form. You must inform the Withholding Agent (or the last intermediary in the chain between you and the Withholding Agent) of any change in the information on the statement within 30 days of the change. If you hold a Debt Security through a securities clearing organization or certain other financial institutions, the organization or institution may provide a signed statement to the Withholding Agent on your behalf. In such case, however, the signed statement must be accompanied by a copy of a Form W-8BEN, Form W-8BEN-E, or substitute form provided by you to the organization or institution. The U.S. Treasury Department is empowered to publish a determination that a beneficial ownership statement from any person or class of persons will not be sufficient to preclude the imposition of U.S. federal withholding tax with respect to payments of interest made at least one month after the publication of such determination.

*Exemption or Reduced Withholding Rate for Non-U.S. Persons Entitled to the Benefits of a Treaty.* If you are entitled to the benefit of an income tax treaty to which the United States is a party you can obtain an exemption from or reduction of income and withholding tax (depending on the terms of the treaty) by providing to the Withholding Agent a properly completed IRS Form W-8BEN, Form W-8BEN-E, or any successor form, before interest is paid. However, neither exemption nor reduced withholding will be available if the Withholding Agent has actual knowledge or reason to know that the form is false.

*Exemption for Non-U.S. Persons with Effectively Connected Income.* If the interest you earn on a Debt Security is “effectively connected” to a business you conduct in the United States, you can obtain an exemption from withholding tax by providing to the Withholding Agent a properly completed IRS Form W-8ECI, or any successor form, prior to the payment of interest, unless the Withholding Agent has actual knowledge or reason to know that the form is false. Payments of interest on a Debt Security exempt from the withholding tax as effectively-connected income nevertheless may be subject to graduated U.S. federal income tax as if such amounts were earned by a U.S. Person. A non-U.S. Person that is a foreign corporation treated as engaged in the conduct of a trade or business in the United States through an unincorporated U.S. branch may be subject to branch profits tax in respect of interest on a Debt Security.

*Short-Term Notes.* Interest on a Short-Term Obligation owned by a non-U.S. Person that is not effectively connected with the conduct of a U.S. trade or business (or if a tax treaty applies, such interest is not attributable to a U.S. permanent establishment) will be exempt from U.S. income and withholding taxes if the Short-Term Obligation is payable in full within 183 days after the date of original issue. Special rules may apply to certain Short-Term Notes payable in full within 183 days after the date of original issue which are sold under arrangements reasonably designed to ensure that they will be sold only to persons who are not U.S. Persons.

*Partnerships and Other Pass-through Entities.* A payment to a foreign partnership is treated, with some exceptions, as a payment directly to the partners, so that the partners are required to provide any required certifications. If you hold a Debt Security through a partnership or other pass-through entity, you should consult your own tax advisors regarding the application of these rules to your situation.

### ***Disposition or Retirement of Debt Securities***

Except as provided below in “United States Taxation—United States FATCA Withholding Tax” and “United States Taxation—Information Reporting and Backup Withholding,” a non-U.S. Person (other than certain nonresident alien individuals present in the United States for a total of 183 days or more during his or her taxable year) will not be subject to U.S. federal income tax, and no withholding of such tax will be required, with respect to any gain that is realized on the disposition or retirement of a Debt Security, provided that the gain is not effectively connected with the conduct by the non-U.S. Person of a U.S. trade or business. A non-U.S. Person that is a foreign corporation treated as engaged in the conduct of a trade or business in the United States through an unincorporated U.S. branch may be subject to branch profits tax on any gain from the disposition or retirement of a Debt Security.

### ***Federal Estate Tax***

If you are a non-U.S. Person and are not domiciled in the United States, the Debt Securities will not be includible in your estate for purposes of any applicable U.S. federal estate tax if interest paid (including OID, if any) on the Debt Securities to you at the time of your death would have been exempt from U.S. federal income and withholding tax as described above under “United States Taxation—Non-U.S. Persons—Interest and OID—General Exemption for Non-U.S. Persons” (without regard to the requirement that a non-U.S. beneficial ownership statement be received).

### ***United States FATCA Withholding Tax***

Under the Foreign Account Tax Compliance Act (“FATCA”) and Treasury Regulations, a 30% withholding tax (“FATCA withholding tax”) generally will apply to payments of interest on, and (after December 31, 2018) gross proceeds from the disposition or redemption of, a Debt Security issued or significantly modified after June 30, 2014, that are made to foreign financial institutions and certain other non-financial foreign entities. The FATCA withholding tax generally will not apply where such payments are made to (i) a foreign financial institution that enters into an agreement with the IRS or otherwise complies with an applicable intergovernmental agreement to, among other requirements, undertake to identify accounts held by certain U.S. persons or U.S.-owned foreign entities, report annually information about such accounts and withhold tax as may be required by such agreement, or (ii) a non-financial foreign entity that certifies it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner. Application of the FATCA withholding tax does not depend on whether the payment otherwise would be exempt from U.S. withholding tax under an exemption described under “United States Taxation—Non-U.S. Persons—Interest and OID” or as capital gain.

In the event that the FATCA withholding tax shall be imposed on any payment of interest on, or gross proceeds from the disposition or redemption of, a Debt Security, Fannie Mae has no obligation to pay additional interest or other amounts as a consequence thereof or to redeem the Debt Securities before their stated maturity.

### ***Information Reporting and Backup Withholding***

Payments of principal of and interest (including OID, if any) on Debt Securities held by U.S. Persons other than corporations and other exempt holders are required to be reported to the IRS.

Backup withholding of U.S. federal income tax may apply to payments made in respect of the Debt Securities, as well as payments of proceeds from the sale of Debt Securities. Backup withholding will apply on such payments to holders or beneficial owners that are not “exempt recipients” and that fail to provide certain identifying information (such as their taxpayer identification numbers) in the manner required. Individuals generally are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients.

If a Debt Security is sold before its Maturity Date to (or through) a broker, the broker may be required to withhold a portion of the sale price. The broker will not withhold if either the broker determines that the seller is a corporation or other exempt recipient or the seller provides, in the required manner, certain identifying information and, in the case of a non-U.S. Person, certifies that such seller is a non-U.S. Person (and certain other conditions are met). The broker must report such a sale to the IRS unless the broker determines that the seller is an exempt recipient or the seller certifies its non-U.S. status (and certain other conditions are met). Certification of the beneficial owner’s non-U.S. status normally would be made on IRS Form W-8BEN or W-

8BEN-E under penalties of perjury, although in certain cases it may be possible to submit certain other signed forms. For these purposes, the term “broker” includes all persons who, in the ordinary course of business, stand ready to effect sales made by others. This information reporting requirement generally will apply to a U.S. office of a broker and to a foreign office of a U.S. broker, as well as to a foreign office of a foreign broker (i) that is a “controlled foreign corporation” within the meaning of section 957(a) of the U.S. federal income tax code, (ii) 50% or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment (or for such part of the period that the foreign broker has been in existence) was effectively connected with the conduct of a trade or business within the United States, or (iii) that is a foreign partnership with certain connections to the United States, unless such foreign office has both documentary evidence that the seller is a non-U.S. Person and no actual knowledge, or reason to know, that such evidence is false.

A payment to a foreign partnership is treated, with some exceptions, for backup withholding purposes as a payment directly to the partners, so that the partners are required to provide any required certifications. If you hold a Debt Security through a partnership or other pass-through entity, you should consult your own tax advisors regarding the application of these rules to your situation.

A beneficial owner may claim any amounts withheld under the backup withholding rules as a refund or a credit against the beneficial owner’s U.S. federal income tax, provided that the required information is furnished to the IRS. Furthermore, the IRS may impose certain penalties on a holder or beneficial owner who is required to supply information but who does not do so in the proper manner.

Payments of interest (including payments of OID, if any) on a Debt Security that is beneficially owned by a non-U.S. Person will be reported annually on IRS Form 1042-S, which the Withholding Agent must file with the IRS and furnish to the beneficial owner.

In the event that any withholding or backup withholding tax shall be imposed, Fannie Mae has no obligation to pay additional interest or other amounts as a consequence thereof or to redeem the Debt Securities before their stated maturity.

### **Reportable Transactions**

Treasury Regulations require U.S. taxpayers to report certain transactions that give rise to a loss in excess of certain thresholds (a “Reportable Transaction”). Under these regulations, if the Debt Securities are denominated in a Non-U.S. Currency, a U.S. holder (or a U.S. alien holder that holds the Debt Securities in connection with a U.S. trade or business) that recognizes a loss with respect to the Debt Securities that is characterized as an ordinary loss due to changes in currency exchange rates would be required to report the loss on IRS Form 8886 (Reportable Transaction Statement) if the loss exceeds the thresholds set forth in the regulations. For individuals and trusts, this loss is \$50,000 in any single taxable year. For other types of taxpayers and other types of losses, the thresholds are higher. A penalty is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a Reportable Transaction. You should consult your own tax advisor regarding any tax filing and reporting obligations that may apply in connection with your purchase, ownership and disposition of the Debt Securities.

### **General Information**

**The U.S. federal tax discussion set forth above is included for your general information only and may not apply in your particular situation. You should consult your own tax advisors with respect to the tax consequences of your purchase, ownership and disposition of the Debt Securities, including the tax consequences under the tax laws of the United States, states, localities, countries other than the United States and any other taxing jurisdictions and the possible effects of changes in such tax laws.**

## PLAN OF DISTRIBUTION

We will offer the Debt Securities to or through the Dealers under the terms and conditions set forth in a Dealer Agreement, dated as of December 21, 1999, as amended, and as it may be further amended or supplemented (the “Dealer Agreement”), among us and the Dealers party to the Dealer Agreement. Under the terms of the Dealer Agreement, we may add other securities dealers or banks in connection with the distribution of the Debt Securities or any particular issue of Debt Securities. Those securities dealers or banks, together with the Dealers party to the Dealer Agreement, are referred to in this Offering Circular collectively as the “Dealers.” Any applicable Pricing Supplement will identify any applicable Dealer or Dealers for an issue of Debt Securities. Barclays Capital Inc. is acting as the Designated Facility Dealer for the Universal Debt Facility.

### **Benchmark Bills and Short-Term Notes**

We will offer and sell Benchmark Bills and Short-Term Notes through the Dealers as described under “Distribution of Benchmark Bills and Short-Term Notes” in Appendix B.

### **Other Benchmark Securities and Debt Securities**

#### *Sales to Dealers as Principal*

We will sell Debt Securities primarily to Dealers as principal, either individually or as part of a syndicate. We may sell Debt Securities to Dealers by auction or other methods. Dealers will resell Debt Securities to investors at a fixed offering price or at variable offering prices related to market prices prevailing at the time of resale. Except in certain circumstances, Dealers may sell the Debt Securities to other securities dealers at a concession, in the form of a discount, to be received by the other Dealers. The concession may be all or a portion of the underwriting compensation. Dealers will advise us whether an offering is on a fixed price or variable price basis and of any concessions or reallowances that will be provided to other dealers. We will include that information, as provided by the Dealers, in the applicable Pricing Supplement. After an initial offering of Debt Securities, the offering price (in the case of a fixed price offering), the concession and the reallowance may change. When Debt Securities are sold to a syndicate of Dealers, the participating Dealers in the syndicate will agree amongst themselves on the allocation or division of the aggregate underwriting discount.

#### *Sales Through Dealers to Customers*

We may authorize Dealers to solicit customer offers to purchase Debt Securities on a non-underwritten basis on terms we determine. Dealers have agreed to use their best efforts when soliciting non-underwritten sales. Dealers also may approach us on behalf of investors and other purchasers with offers to purchase Debt Securities on a non-underwritten basis. We will sell Debt Securities on a non-underwritten basis at 100% of the principal amount, unless we specify otherwise in the applicable Pricing Supplement. We will pay the Dealers through whom a Debt Security is sold a commission in an amount specified in the applicable Pricing Supplement. The commission will be expressed as a percentage of the principal amount of the Debt Securities (or the initial offering price for Zero-Coupon Debt Securities and certain other Debt Securities sold at a premium or discount). We will have the sole right to accept offers to purchase Debt Securities and may reject all or a portion of any offer. Each Dealer will have the right, using reasonable discretion, to reject all or a portion of any offer to purchase Debt Securities solicited on a non-underwritten basis.

#### *Sales Directly to Investors*

We also may sell Debt Securities directly to institutional investors on our own behalf. We will not pay a commission to any Dealer on direct sales.

### **Trading Markets and Secondary Market Information**

There may be no established trading market for Debt Securities when issued. Dealers have agreed to use their best efforts to facilitate secondary market transactions in each issue of Debt Securities for which they were a participating Dealer, but a secondary market may not develop. If a secondary market develops, it may not be very liquid.

Dealers have agreed to provide certain indicative pricing information to Bloomberg L.P. or another information service designated by us for Benchmark Securities. Dealers will be solely responsible for the indicative information so provided, which is indicative of, but may not reflect actual, secondary market prices.

Dealers that are members of the Financial Industry Regulatory Authority (“FINRA”) in the United States may have an obligation to report transactions in the Debt Securities on the Trade Reporting and Compliance Engine (“TRACE”) system operated by FINRA.

### **Market Transactions**

When Dealers purchase Debt Securities as principal for resale on a fixed price basis they may engage in certain transactions that stabilize the price of the Debt Securities. Such transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Debt Securities. Such transactions with respect to the Debt Securities may also include over-allotment transactions and purchases to cover short positions created by the Dealers in connection with an offering.

If the Dealers create a short position in the Debt Securities in connection with an offering, *i.e.*, if they sell a greater aggregate principal amount of the Debt Securities than is set forth in the applicable Pricing Supplement, the Dealers must reduce that short position by purchasing Debt Securities in the open market. A short position is more likely to be created if the Dealers are concerned that there may be downward pressure in the price of the Debt Securities in the open market after pricing that could adversely affect investors who purchase Debt Securities in an offering. In general, purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases.

In connection with any particular issue of Debt Securities, we may enter into swaps, other hedging transactions or reverse repurchase transactions with, or arranged by, the applicable Dealer or an affiliate of the Dealer. The Dealer or other parties may receive compensation, trading gain, temporary funding or other benefits from these transactions. We also may from time to time engage in other hedging activities or reverse repurchase transactions involving Debt Securities, in the open market or otherwise. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities also may engage in market transactions involving Debt Securities.

Neither we nor the Dealers make any representation or prediction as to the direction or magnitude of any effect that the transactions described in the three preceding paragraphs may have on the price of Debt Securities.

### **Additional Information**

Neither we nor the Dealers have authorized anyone to give you any information or to make any representation not contained in this Offering Circular or an applicable Pricing Supplement or any other applicable supplement. Fannie Mae is responsible for the information in this Offering Circular, and after making all reasonable inquiries, Fannie Mae confirms that to the best of its knowledge, as of the date of this Offering Circular, it knows of no facts that would lead it to believe that the information set forth in this Offering Circular, together with any information incorporated by reference herein, contains any untrue statement of a material fact or omits to state any material fact necessary to make the information herein, taken as a whole, not misleading. Neither delivery of this Offering Circular, any Pricing Supplement, or any other supplement, nor any sale of Debt Securities, shall imply that there has been no change in our affairs since the dates of those documents. Information in those documents may not be correct as of any time subsequent to the date of the information.

The purchase price of Debt Securities must be paid to us in immediately available funds. Your payment will be effective only upon our receipt of the funds. In a non-underwritten sale, the Dealer will act on behalf of the purchaser of Debt Securities in transmitting the purchaser’s funds to us.

We and the Dealers have agreed to indemnify each other against, and contribute toward, certain liabilities.

Purchasers of Debt Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase. We do not, and any Dealer does not, represent that the Debt Securities may be sold lawfully at any time in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an available exemption, nor do we or any Dealer assume any responsibility for facilitating those sales.

From time to time, Fannie Mae may request, and the Dealers may disclose to Fannie Mae, the identity of the purchasers of Debt Securities and volume and pricing information for secondary market transactions, including repurchase transactions. Fannie Mae will use the information for internal purposes only, and make no further

disclosure of it. The Dealers and their affiliates engage in transactions with us and perform services for us in the ordinary course of business.

### **Selling Restrictions**

The Debt Securities may be offered or sold only where it is legal to do so. The Dealers have represented and agreed that they will comply with all applicable laws and regulations in each jurisdiction in which they may purchase, offer, sell or deliver Debt Securities or distribute this Offering Circular, any Pricing Supplement, or any other offering material. The Dealers also have agreed to comply with certain selling restrictions relating to certain countries. A description of some of those restrictions, as in effect as of the date of this Offering Circular, is set forth in Appendix E. We and the Dealers may modify selling restrictions at any time.

### **Extended Settlement**

Debt Securities may be issued against payment more than one business day following the date on which such Debt Securities are priced, which we refer to as extended settlement. We will specify the settlement date for each issuance in the applicable Pricing Supplement. Trades in the secondary market generally settle one business day after the date the securities are priced, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Debt Securities that are subject to extended settlement on the day of pricing will be required, by virtue of the fact that such Debt Securities will settle on an extended basis, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Such purchasers should consult their own advisors in this regard.

## **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The financial statements of Fannie Mae and consolidated entities (in conservatorship) (the “Company”) as of December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, incorporated by reference in this Offering Circular, and the effectiveness of the Company’s internal control over financial reporting, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports which express an unqualified opinion on the financial statements and an adverse opinion on the effectiveness of the Company’s internal control over financial reporting.

## **VALIDITY OF THE DEBT SECURITIES**

Morrison & Foerster LLP, Washington, D.C., will pass upon the validity of the Debt Securities for Fannie Mae. In connection with particular offerings of the Debt Securities in the future, and if stated in the applicable Pricing Supplement, the validity of the Debt Securities may be passed upon for the Dealers by Sullivan & Cromwell LLP, Washington, D.C. Katten Muchin Rosenman LLP, Washington, D.C., will pass upon U.S. federal income tax matters for Fannie Mae.

## **USE OF PROCEEDS**

We will use the net proceeds from the sale of the Debt Securities to retire our outstanding debt securities or add the proceeds to our working capital and use them for general corporate purposes. We anticipate the need for additional financing from time to time, including financing through various types of debt securities. The amount and nature of the financing will depend upon a number of factors, including the volume of our maturing debt obligations, the volume of mortgage loan prepayments, the volume and type of mortgage loans we purchase, and general market conditions.

## APPENDIX A

### BENCHMARK SECURITIES

Set forth below, only for informational purposes, is a general description of our Benchmark Securities program. We may change the details of the program from time to time, and any changes may not be reflected in an amendment or supplement to the Offering Circular. The specific terms of Benchmark Securities are contained in the Offering Circular of which this Appendix A forms a part, and any applicable Pricing Supplements or other supplements to the Offering Circular.

We currently issue Benchmark Securities in the following forms:

- Benchmark Bills—non-callable Debt Securities with maturities of one year or less and sold at a premium or discount from their principal amount payable at maturity;
- Benchmark Notes—non-callable Debt Securities with maturities of one to ten years; and
- Benchmark Bonds—non-callable Debt Securities with maturities of more than ten years.

All Benchmark Securities are U.S. dollar denominated. Issuances may be new issues or reopenings of existing issues. The schedule of anticipated Benchmark Securities issuances, as well as more recently announced updates of our financing plans, are available on our website, [www.fanniemae.com](http://www.fanniemae.com).

Settlement of Benchmark Securities issues is made through the Fed Book-Entry System, on the same basis as for other Fed Book-Entry Securities. See “Clearance and Settlement” in the Offering Circular.

Benchmark Notes and Benchmark Bonds may be strip-eligible. See “Description of the Debt Securities—Eligibility for Stripping of Fed Book-Entry Securities” in the Offering Circular.

## APPENDIX B

### BENCHMARK BILLS AND SHORT-TERM NOTES

Set forth below is information about our Benchmark Bills and Short-Term Notes. (See also Appendix A for a more general description of our Benchmark Securities program). Except as set forth in this Appendix B, the general description of Debt Securities set forth in the Offering Circular applies to Benchmark Bills and Short-Term Notes. Unless otherwise specified, cross-references are to sections in the Offering Circular of which this Appendix forms a part and capitalized terms are used as defined in the Offering Circular. This Appendix B is hereby incorporated in and made a part of the Offering Circular. Pricing Supplements will not be prepared for Benchmark Bills or Short-Term Notes.

#### Summary Description of Benchmark Bills and Short-Term Notes

Specified Currencies.....	Benchmark Bills will be denominated only in U.S. dollars. Short-Term Notes may be denominated in U.S. dollars or non-U.S. dollar currencies.
Denomination.....	Benchmark Bills and Short-Term Notes denominated in U.S. dollars generally will have minimum denominations of \$1,000 and additional increments of \$1,000.  We will establish denominations for Short-Term Notes denominated in British pounds sterling, Swiss francs, Canadian dollars, Euros, yen or other non-U.S. dollar currencies at the time we issue those Short-Term Notes.
Principal Amount.....	The amount payable at maturity of Benchmark Bills and Short-Term Notes will be their face amount. See also “Description of the Debt Securities—Payments.”
Interest.....	Benchmark Bills and most Short-Term Notes will not bear interest but will be sold at a premium or discount from their principal amount at maturity. We also may issue interest-bearing Short-Term Notes, the terms of which we will establish at the time of issuance.
Business Day Convention....	For Fed Book-Entry Securities, “Business Day” means any day other than a Saturday, a Sunday, a day on which the Federal Reserve Bank of New York is closed, or, with respect to any required payment, a day on which the U.S. Federal Reserve Bank maintaining the book-entry account relating to the Fed Book-Entry Security is closed.  For Global Book-Entry Securities, “Business Day” means any day other than a Saturday, a Sunday, a day on which banking institutions are closed in New York, New York, a day on which banking institutions are closed in the Principal Financial Center of the country issuing the Specified Payment Currency (in the case where the Specified Payment Currency is other than U.S. dollars or Euro), or a day on which banking institutions are required or permitted by law to close in the place of payment to the Holder (in the case where the Specified Payment Currency is Euro, whether or not pursuant to redenomination).  If an Interest Payment Date or Principal Payment Date is not a Business Day, we will pay the interest or principal on the next Business Day. In that case, you will receive no interest on the delayed interest or principal payment for the period from and after



the scheduled Interest Payment Date or Principal Payment Date to the actual date of payment.

Form.....

We will issue Benchmark Bills and most U.S. dollar-denominated Short-Term Notes as Fed Book-Entry Securities. We will issue other Short-Term Notes as Global Book-Entry Securities through DTC, Euroclear, Clearstream, or other book-entry systems. See “Description of the Debt Securities—Book-Entry Systems” and “—Ownership of Debt Securities.”

Redemption.....

Benchmark Bills and Short-Term Notes will not be redeemable prior to maturity.

Tax Matters.....

Benchmark Bills and Short-Term Notes and payments thereon generally are subject to taxation by the United States and generally are not exempt from taxation by other U.S. or non-U.S. taxing jurisdictions. Non-U.S. Persons generally will be subject to U.S. income and withholding tax unless they provide required certifications or statements. See “United States Taxation” in this Offering Circular for additional information.

Listing.....

We do not intend to list Benchmark Bills and Short-Term Notes on any exchange.

Offering Price.....

Benchmark Bills and non-interest bearing Short-Term Notes will be offered at a premium or discount to par. See “Distribution of Benchmark Bills and Short-Term Notes” below for additional information.

Clearance and Settlement..

Depending on the terms of an issue of Benchmark Bills or Short-Term Notes and where they are to be offered, Benchmark Bills or Short-Term Notes may clear and settle through one or more of the following:

- the U.S. Federal Reserve Banks
- DTC
- Euroclear
- Clearstream
- other designated clearing systems

We expect issues of Benchmark Bills and most Short-Term Notes denominated and payable in U.S. dollars, to clear and settle through the Fed Book-Entry System. These Debt Securities generally may be held indirectly through other clearing systems, such as the systems operated by Euroclear and Clearstream.

We expect issues of Short-Term Notes denominated and payable in U.S. dollars not cleared and settled through the Fed Book-Entry System to clear and settle through the systems operated by DTC, and indirectly through Euroclear and Clearstream, Luxembourg. We expect issues of Short-Term Notes denominated or payable in a specified currency other than U.S. dollars to clear and settle through the systems operated by Euroclear, Clearstream, or other designated clearing systems.

Governing Law.....

Benchmark Bills and Short-Term Notes issued as Fed Book-Entry Securities (including rights and obligations) will be governed by, and construed in accordance with, regulations adopted by the

FHFA or any other U.S. governmental body or agency that are applicable to the Fed Book-Entry Securities, and, to the extent that these regulations do not apply, the laws of the State of New York, U.S.A. Benchmark Bills and Short-Term Notes issued as Global Book-Entry Securities will be governed by, and construed in accordance with, the laws of the State of New York, U.S.A.

Fiscal and Global Agents...

The Federal Reserve Bank of New York will act as fiscal agent for Benchmark Bills and Short-Term Notes issued as Fed Book-Entry Securities, under a Fiscal Agency Agreement effective as of July 20, 2006, between Fannie Mae and the Federal Reserve Bank of New York. The Bank of New York Mellon will act as global agent for Global Book-Entry Securities. See “Description of the Debt Securities—Fiscal Agent and Global Agent.”

Selling Restrictions.....

Restrictions exist in certain jurisdictions on the Dealers’ offer, sale and delivery of Benchmark Bills and Short-Term Notes and the distribution of offering materials relating to Benchmark Bills and Short-Term Notes. See “Distribution of Benchmark Bills and Short-Term Notes” below and Appendix E to the Offering Circular for a description of these restrictions.

## **Distribution of Benchmark Bills and Short-Term Notes**

### **General**

Benchmark Bills and Short-Term Notes typically will be offered initially at fixed prices representing a discount from the principal amount payable at maturity, with the amount of the discount based, in part, on the maturity of the Benchmark Bills or Short-Term Notes. We may sell Debt Securities to Dealers acting as principal or through Dealers on a non-underwritten basis. We also may sell Debt Securities directly to institutional investors. Benchmark Bills and Short-Term Notes sold to Dealers as principal may be resold to investors at a fixed offering price or at varying prices related to market prices prevailing at the time of resale or otherwise as determined by the applicable Dealer. Offering prices may be established through the posting of rates, negotiations with dealers, auctions (which may include standard electronic auctions, Dutch auctions and other formats) or otherwise.

We will post rates for Short-Term Notes, and the range of maturities offered, on market information screens. We will regularly offer Short-Term Notes through the Dealers, and there may be more than one sale on a given day.

In order to facilitate overnight confirmation of sales to investors abroad, Short-Term Notes also generally are sold before and after our business hours (except holidays and weekends) to one or more of the Dealers as principal. The Dealers may resell the Short-Term Notes to investors or to other dealers we may authorize from time to time.

Dealers will receive compensation (in the form of a discount or commission) on the Short-Term Notes confirmed and delivered to them. With respect to Benchmark Bills, Dealers will purchase the securities at the initial offering price.

In transactions where they are acting as principal, the Dealers will purchase the Short-Term Notes from us at a premium or discount from the principal amount due at maturity. In these transactions, their compensation will be equal to the difference between the price at which they sell the Short-Term Notes and their purchase price. With respect to non-underwritten sales, the Dealers' compensation will take the form of a commission.

### **Trading Markets and Secondary Market Information**

There may be no established trading market for Benchmark Bills and Short-Term Notes when issued. Dealers have agreed to use their best efforts to facilitate secondary market transactions in each issue of Benchmark Bills and Short-Term Notes for which they were an applicable Dealer, but a secondary market may not develop. If a secondary market develops, it may not be very liquid.

Dealers may provide indicative pricing information to Bloomberg L.P. or another information service designated by us for Benchmark Bills and Short-Term Notes. Dealers will be solely responsible for the indicative information so provided, which may not reflect actual secondary market prices.

### **Market Transactions**

When Dealers purchase Benchmark Bills and Short-Term Notes as principal for resale on a fixed price basis they may engage in certain transactions that stabilize the price of the Benchmark Bills and Short-Term Notes. Such transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Benchmark Bills and Short-Term Notes. Such transactions with respect to the Benchmark Bills and Short-Term Notes may also include over-allotment transactions and purchases to cover short positions created by the Dealers in connection with an offering.

If the Dealers create a short position in the Benchmark Bills and Short-Term Notes in connection with an offering, the Dealers must reduce that short position by purchasing Debt Securities in the open market. A short position is more likely to be created if the Dealers are concerned that there may be downward pressure in the price of the Benchmark Bills and Short-Term Notes in the open market after pricing that could adversely affect investors who purchase Benchmark Bills and Short-Term Notes in an offering. In general, purchases of a security

for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases.

In connection with any particular issue of Benchmark Bills and Short-Term Notes, we may enter into swaps, other hedging transactions or reverse repurchase transactions with, or arranged by, the applicable Dealer or an affiliate. The Dealer or other parties may receive compensation, trading gain, temporary funding or other benefits from these transactions. We also may from time to time engage in other hedging activities or reverse repurchase transactions that involve Benchmark Bills and Short-Term Notes, in the open market or otherwise. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities may also engage in market transactions involving Benchmark Bills and Short-Term Notes.

### **Dealers**

The securities dealers and banks who are party to the Dealer Agreement may act as Short-Term Note Dealers under the Universal Debt Facility. Other securities dealers and banks may be added from time to time in connection with the distribution of Benchmark Bills and Short-Term Notes or any particular issue of such securities.

See also “Plan of Distribution—Additional Information” in the Offering Circular for further information about the distribution of Debt Securities, including Benchmark Bills and Short-Term Notes.

## **APPENDIX C**

### **SUBORDINATED BENCHMARK NOTES AND OTHER SUBORDINATED DEBT SECURITIES**

Pursuant to the PSPA, we are prohibited from issuing subordinated debt without the consent of Treasury. In addition, FHFA has directed us not to issue subordinated debt during the conservatorship and thereafter until directed otherwise.

## APPENDIX D

### INDEX DESCRIPTIONS

This Appendix is incorporated in and made a part of the Offering Circular.

#### General

The Pricing Supplement for any Debt Securities or the Fannie Mae-approved confirmation (the “Confirmation”) for any Short-Term Bills or Short-Term Notes will indicate which index, as described below, applies to the Debt Securities, or may designate a different index, which will be described in the Pricing Supplement.

Several sources for indices are pages or screens provided by Thomson Reuters (Markets) LLC (“Reuters”). If a page or screen, or its provider, is replaced, the Calculation Agent will select the appropriate successor page, screen or provider, if any.

#### SOFR

If we specify SOFR as the applicable interest rate index for determining the interest rate for the related Debt Securities, the following provisions will apply:

“**SOFR**” shall mean the Secured Overnight Financing Rate published by the FRBNY on the FRBNY’s website, and with respect to any Reset Date, means:

- (1) the Secured Overnight Financing Rate published on the FRBNY’s website at 8:00 a.m. (New York time) on the Reset Date (or if such Reset Date is not a U.S. Government Securities Business Day, on the first U.S. Government Securities Business Day following such Reset Date) related to the first U.S. Government Securities Business Day immediately preceding the Reset Date.
- (2) if the rate specified in (1) above does not so appear by 5:00 p.m., the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the FRBNY’s website.

The following definitions solely apply to the preceding description of SOFR:

“**FRBNY’s website**” means the website of the FRBNY, currently at <https://www.newyorkfed.org>, or any designated successor source for SOFR.

“**Reset Date**” means each day in an Interest Period; provided, however, that in respect of any Interest Period, the period beginning two (2) U.S. Government Securities Business Days prior to an Interest Payment Date shall be a Suspension Period. During a Suspension Period, the index for each day during that Suspension Period will be the index value for the day immediately prior to the first day of such Suspension Period

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

### ***Effect of Benchmark Transition Event — SOFR***

Notwithstanding the foregoing, if Fannie Mae determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the notes in respect of all determinations on such date and for all determinations on all subsequent dates.

In connection with the implementation of a Benchmark Replacement, Fannie Mae will have the right to make Benchmark Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by Fannie Mae pursuant to this subsection titled “Effect of Benchmark Transition Event — SOFR,” including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in Fannie Mae’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Debt Securities, shall become effective without consent from any other party.

As used in this subsection titled “Effect of Benchmark Transition Event — SOFR,” and solely for purposes of this section:

“***Benchmark***” means, initially, SOFR, as such term is defined in this section; provided that if Fannie Mae determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then “***Benchmark***” means the applicable Benchmark Replacement.

“***Benchmark Replacement***” means the first alternative set forth in the order below that can be determined by Fannie Mae as of the Benchmark Replacement Date.

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate of interest that has been selected by Fannie Mae as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment.

“***Benchmark Replacement Adjustment***” means the first alternative set forth in the order below that can be determined by Fannie Mae as of the Benchmark Replacement Date:

(1) the spread adjustment (which may be a positive or negative value, or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value, or zero) that has been selected by Fannie Mae giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the

applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that Fannie Mae decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if Fannie Mae decides that adoption of any portion of such market practice is not administratively feasible or if Fannie Mae determines that no market practice for use of the Benchmark Replacement exists, in such other manner as Fannie Mae determines is reasonably necessary).

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.



**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark.

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

**“Reference Time”** with respect to any determination of the Benchmark means the time determined by Fannie Mae after giving effect to the Benchmark Replacement Conforming Changes.

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

## **Federal Funds Rates**

### ***Federal Funds Rate (Daily)***

If we specify Federal Funds Rate (Daily) as the applicable interest rate index for determining the interest rate for the related Debt Securities, the following provisions will apply:

The “Federal Funds Rate (Daily)” means, with respect to any Reset Date:

(1) the rate that appears by 6:45 p.m. on the applicable Determination Date on Reuters FEDFUNDS1 Page under the applicable Index Maturity for the Business Day preceding the applicable Determination Date;

(2) if the rate specified in (1) above does not so appear, then the Calculation Agent shall look to the posted or announced Federal Funds Rate (Daily) on the applicable Determination Date for the Index Maturity that is set forth by 6:45 p.m. in the H.15 Daily Update for the Business Day preceding the applicable Determination Date, opposite the caption “Federal funds (effective)”;

(3) if the rate specified in (1) and (2) above does not so appear, then the Calculation Agent shall look to the posted or announced daily effective rate for Federal Funds on the applicable Determination Date for the Index Maturity that appears on another leading market-recognized electronic or print source used for the purpose of displaying the Federal Funds Rate (Daily) for the Business Day preceding the applicable Determination Date, as determined by the Calculation Agent in its discretion;

(4) if the rate specified in (1) through (3) above does not so appear, then the Calculation Agent shall look to the rate that appears by 6:45 p.m. on the applicable Determination Date on Reuters FEDFUNDS1 Page under the applicable Index Maturity for the Business Day two days preceding the applicable Determination Date;

(5) if the rate specified in (1) through (4) above does not so appear, the Calculation Agent will request five leading brokers (which may include the Dealers or their affiliates) of federal funds transactions in The City of New York selected by the Calculation Agent (after consultation with Fannie Mae, if Fannie Mae is not then acting as Calculation Agent) to provide a quotation of those brokers’ effective rate for transactions in overnight federal funds arranged by the broker settling on the Business Day preceding the applicable Determination Date. If at least two quotations are provided, then the Federal Funds Rate (Daily) will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest));

(6) if fewer than two quotations are so provided, then the Calculation Agent will request five leading brokers (which may include the Dealers or their affiliates) of federal funds transactions in the city of New York selected by the Calculation Agent (after consultation with Fannie Mae, if Fannie Mae is not then acting as Calculation Agent) to provide a quotation of those brokers’ rates for the last transaction in overnight federal funds arranged

by the broker as of 11:00 a.m. on the Business Day preceding the applicable Determination Date. If at least two quotations are provided, then the Federal Funds Rate (Daily) will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest)); and

(7) if fewer than two quotations are so provided, then the Federal Funds Rate (Daily) as of the applicable Determination Date will be the Federal Funds Rate (Daily) determined for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, then the Federal Funds Rate (Daily) will be the daily federal funds rate that appeared by 6:45 p.m. on the most recent Business Day preceding the Reset Date for which the rate was displayed on Reuters FEDFUNDS1 Page.

#### **Additional Definitions Related to Federal Funds Rate (Daily) Descriptions**

**“Determination Date”** as identified in the applicable Pricing Supplement or Confirmation, means either the:

- **“Federal Funds Rate (Daily) Determination Date (Following Reset)”** which means the applicable Reset Date; but if the Reset Date is not a Business Day, then such Determination Date means the Business Day immediately following the applicable Reset Date.
- **“Federal Funds Rate (Daily) Determination Date (Prior Reset)”** which means the applicable Reset Date; but if the Reset Date is not a Business Day, then such Determination Date means the Business Day immediately preceding the applicable Reset Date.
- **“Federal Funds Rate (Daily) Determination Date (Same Day Reset)”** which means the first Business Day after the applicable Reset Date.

**“H.15 Daily Update”** means the daily statistical release electronically published or announced by the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) on the Federal Reserve’s internet web site.

**“Reuters FEDFUNDS1 Page”** means the display designated as page “FEDFUNDS1” on Reuters.

All times in the Federal Funds Rate descriptions refer to New York City time.

The following tables demonstrate, for any Debt Security using the Federal Funds Rate (Daily) as the applicable interest rate index, for a given Reset Date and a specified Determination Date convention, the publishing day for the daily effective rate for federal funds (Table 1), and the applicable business day for which such published effective rate applies (Table 2).

**TABLE 1 – PUBLISHING DAY FOR EFFECTIVE RATE**

<u>Stated Reset Date</u>	<u>“Prior Reset” Determination Date</u>	<u>“Following Reset” Determination Date</u>	<u>“Same Day” Determination Date</u>
<b>Monday</b>	Monday	Monday	Tuesday
<b>Tuesday</b>	Tuesday	Tuesday	Wednesday
<b>Wednesday</b>	Wednesday	Wednesday	Thursday
<b>Thursday</b>	Thursday	Thursday	Friday
<b>Friday</b>	Friday	Friday	Next Monday
<b>Saturday</b>	Friday	Next Monday	Next Monday
<b>Sunday</b>	Friday	Next Monday	Next Monday

**TABLE 2 – APPLICABLE BUSINESS DAY FOR EFFECTIVE RATE**

<u>Stated Reset Date</u>	<u>“Prior Reset” Determination Date</u>	<u>“Following Reset” Determination Date</u>	<u>“Same Day” Determination Date</u>
<b>Monday</b>	Prior Friday	Prior Friday	Monday
<b>Tuesday</b>	Monday	Monday	Tuesday
<b>Wednesday</b>	Tuesday	Tuesday	Wednesday
<b>Thursday</b>	Wednesday	Wednesday	Thursday
<b>Friday</b>	Thursday	Thursday	Friday
<b>Saturday</b>	Thursday	Friday	Friday
<b>Sunday</b>	Thursday	Friday	Friday

**Prime Rate**

If we specify Prime Rate as the applicable interest rate index for determining the interest rate for the related Debt Securities, the following provisions will apply:

The “Prime Rate” means, with respect to any Reset Date:

(1) the daily rate published on the Federal Reserve Statistical Release H.15 Daily Update by 6:45 p.m., opposite the caption “Bank Prime Loan”, or otherwise announced by the Federal Reserve by 6:45 p.m., for the corresponding Prime Rate Determination Date;

(2) if the rate specified in rate for the (1) above does not so appear, then the Calculation Agent shall look to the posted or announced rate for the Prime Rate on the Prime Rate Determination Date for the Index Maturity that appears on another leading market-recognized electronic or print source used for the purpose of displaying the Prime Rate, as determined by the Calculation Agent in its discretion;

(3) if the rate specified in (1) and (2) above do not so appear, then the Calculation Agent shall use the rate published on the Federal Reserve Statistical Release H.15 Daily Update by 6:45 p.m., opposite the caption “Bank Prime Loan”, or otherwise announced by the Federal Reserve by 6:45 p.m., for the first Business Day preceding the Prime Rate Determination Date;

(4) if the rate specified in (1) through (3) above do not so appear, then the Calculation Agent will request five major banks (which may include affiliates of the Dealers) in the city of New York selected by the Calculation Agent (after consultation with Fannie Mae, if Fannie Mae is not then acting as Calculation Agent) to provide a

quotation of those banks' U.S. dollar prime rates or base lending rates on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date. If at least two quotations are provided, then the Prime Rate will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest));

(5) if fewer than two quotations are so provided, the Calculation Agent will request five banks or trust companies (which may include affiliates of the Dealers) organized and doing business under the laws of the United States or any state thereof, each having total equity capital of at least U.S. \$500,000,000 and being subject to supervision or examination by federal or state authority, selected by the Calculation Agent (after consultation with Fannie Mae, if Fannie Mae is not then acting as Calculation Agent), to provide a quotation of those banks' or trust companies' U.S. dollar prime rates or base lending rates on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date. If at least two quotations are provided, then the Prime Rate will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest)); and

(6) if fewer than two quotations are so provided, then the Prime Rate as of such Prime Rate Determination Date will be the Prime Rate determined for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, then the Prime Rate will be the rate calculated pursuant to clause (1) for the most recent New York Banking Day preceding the Reset Date for which at least two rates appeared by 5:00 p.m. on Reuters USPRIME1 Page.

#### **Additional Definitions Related to Prime Rate Description**

**"H.15 Daily Update"** means the daily statistical release electronically published by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") on the Federal Reserve's internet web site.

**"New York Banking Day"** means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which banking institutions in the city of New York are required or permitted by law or executive order to close or (d) a day on which the Federal Reserve Bank of New York is closed.

**"Prime Rate Determination Date"** means the New York Banking Day preceding the applicable Reset Date.

**"Reuters USPRIME1 Page"** means the display designated as page "USPRIME1" on Reuters.

All times in the Prime Rate description refer to New York City time.

#### **Treasury Bill Rate**

If we specify Treasury Bill Rate as the applicable interest rate index for determining the interest rate for the related Debt Securities, the following provisions will apply:

The "Treasury Bill Rate" means, with respect to any Reset Date:

(1) the auction average rate for direct obligations of the United States ("Treasury Bills") with the applicable Index Maturity, as specified in the applicable Pricing Supplement or Confirmation, obtained from the applicable Reuters USAUCTION Page, under the column heading "INVEST RATE," by 3:00 p.m. on the Reset Date;

(2) if the rate specified in (1) above does not so appear, then the Calculation Agent shall look to the posted or announced auction average rate for Treasury Bills on the Reset Date for the Index Maturity that appears on another leading market-recognized electronic or print source used for the purpose of displaying the Treasury Bill Rate, as determined by the Calculation Agent in its discretion;

(3) if the rate specified in (1) and (2) above does not so appear, the Treasury Bill Rate will be the auction average rate for Treasury Bills having the Index Maturity, as specified in the applicable Pricing Supplement or Confirmation, obtained from the most recent auction of Treasury Bills prior to the Reset Date (the "Reference

T-Bill Auction”) as announced by the United States Department of the Treasury in the form of a press release under the heading “Investment Rate” by 3:00 p.m. on the Reset Date;

(4) if the rate is not so announced, then the Treasury Bill Rate will be the auction average rate for Treasury Bills having the Index Maturity, as specified in the applicable Pricing Supplement or Confirmation, obtained from the Reference T-Bill Auction as otherwise announced by the United States Department of the Treasury by 3:00 p.m. on the Reset Date as determined by the Calculation Agent;

(5) if the rate is not so announced, then the Treasury Bill Rate will be the auction average rate for Treasury Bills having the Index Maturity, as specified in the applicable Pricing Supplement or Confirmation, obtained from the applicable Reuters USAUCTION Page, under the column heading “INVEST RATE,” by 3:00 p.m. on the Business Day preceding the Reset Date;

(6) if the rates specified in (1) through (5) above are not so announced, the Calculation Agent will request five leading primary United States government securities dealers (which may include the Dealers or their affiliates) in the city of New York selected by the Calculation Agent (after consultation with Fannie Mae, if Fannie Mae is not then acting as Calculation Agent) to provide a quotation of those dealers’ secondary market bid yield, as of 3:00 p.m. on that Reset Date, for Treasury Bills with a remaining maturity closest to the Index Maturity, as specified in the applicable Pricing Supplement or Confirmation (or, in the event that the remaining maturity is equally close, the longer remaining maturity). If at least two quotations are provided, then the Treasury Bill Rate will be the arithmetic mean determined by the Calculation Agent of the quotations obtained (and, if five quotations are provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)); and

(7) if fewer than two quotations are so provided, the Treasury Bill Rate as of such Reset Date will be the Treasury Bill Rate for the immediately preceding Reset Date. If the applicable Reset Date is the first Reset Date, the Treasury Bill Rate will be the auction average rate for Treasury Bills having the Index Maturity, as specified in the applicable Pricing Supplement or Confirmation, from the most recent auction of Treasury Bills prior to the Reset Date for which the rate was announced by the United States Department of the Treasury in the form of a press release under the heading “Investment Rate”.

The auction average rate for Treasury Bills and the secondary market bid yield for Treasury Bills will be obtained expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable (or, if not so expressed, will be converted by the Calculation Agent to a bond equivalent yield).

All times in the Treasury Bill description refer to New York City time.

#### **Additional Definitions Related to Treasury Bill Rate Description**

- “Reuters USAUCTION Page” means the display pages for the auction average rate for Treasury Bills with the Index Maturity referenced in the applicable Pricing Supplement or Confirmation appearing on the Reuters USAUCTION10 Page or Reuters USAUCTION11 Page, as applicable.

#### **CMT Rate**

If we specify CMT Rate as the applicable interest rate index for determining the interest rate for the related Debt Securities, the following provisions will apply:

The “CMT Rate” means, with respect to any Reset Date:

(1) the rate for constant maturity Treasuries displayed as of 6:45 p.m. (New York City time) on Reuters Page FRBCMT under the heading “Treasury Constant Maturities” for the applicable Index Maturity, for the applicable CMT Determination Date;

(2) if the rate specified in (1) above does not so appear, then the Calculation Agent shall look to the posted or announced CMT Rate on the CMT Determination Date for the applicable Index Maturity that is published on the Federal Reserve Statistical Release H.15 Daily Update opposite the caption “Treasury Constant Maturities”;

(3) if the rate specified in (1) and (2) above does not so appear, then the Calculation Agent shall look to the posted or announced rate for constant maturity Treasuries on the CMT Determination Date for the applicable Index Maturity that appears on another leading market-recognized electronic or print source used for the purpose

of displaying the CMT Rate, as determined by the Calculation Agent in its discretion;

(4) if the rate specified in (1) through (3) above does not so appear, the Calculation Agent shall calculate the CMT Rate using the rate for constant maturity Treasuries displayed as of 6:45 p.m. (New York City time) on Reuters Page FRBCMT, under the heading “Treasury Constant Maturities” for the applicable Index Maturity, for the Business Day preceding the applicable CMT Determination Date;

(5) if the rate specified in (1) through (4) above does not so appear, the CMT Rate will be calculated by the Calculation Agent and will be a yield to maturity (expressed as a bond equivalent and as a decimal on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m. (New York City time) on such CMT Determination Date of three leading primary United States government securities dealers (which may include the Dealers or their affiliates) in the city of New York selected by the Calculation Agent (from five such dealers and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)) for direct noncallable fixed rate obligations of the United States (“Treasury Notes”) most recently issued with an original maturity closest to the applicable Index Maturity. If two, three or four (and not five) of such dealers are quoting as described in this clause (5), then the CMT Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor lowest of such quotations will be eliminated; and

(6) if fewer than two dealers selected by the Calculation Agent are quoting as described in clause (5) above, the CMT Rate as of such CMT Determination Date will be the CMT Rate determined on the immediately preceding CMT Determination Date.

#### **Additional Definitions Related to CMT Rate Description**

“*CMT Determination Date*” means the second Business Day preceding the applicable Reset Date.

“*H.15 Daily Update*” means the daily statistical release electronically published or announced by the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) on the Federal Reserve’s internet web site.

“*Reuters Page FRBCMT*” means the display designated as page “FRBCMT” on Reuters.

## APPENDIX E

### SELLING RESTRICTIONS

This Appendix is incorporated in and made a part of the Offering Circular.

#### General

The Debt Securities may be offered or sold only where it is legal to do so. The Dealers have represented and agreed that they will comply with all applicable laws and regulations in each jurisdiction in which they may purchase, offer, sell or deliver Debt Securities or distribute this Offering Circular, any Pricing Supplement, or any other offering material. The Dealers also have agreed to comply with selling restrictions relating to specific countries. We and the Dealers may modify selling restrictions at any time. Some of the restrictions that may be applicable to the offer and sale of Debt Securities are set forth below.

#### Australia

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that no placement document, prospectus, product disclosure statement or other disclosure document (including as defined in the Corporations Act 2001 (Cth) (“Corporations Act”)) has been lodged with the Australian Securities and Investments Commission (“ASIC”) or any other governmental agency, in relation to the offering. This Offering Circular does not constitute a prospectus, product disclosure statement or other disclosure document for the purposes of the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act. Unless otherwise disclosed in the applicable Pricing Supplement, no action has been taken which would permit an offering of the Debt Securities in circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act.

Any offer in Australia of the Debt Securities may only be made to persons (“Exempt Investors”) who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the notes without disclosure to investors under Chapter 6D of the Corporations Act.

The Debt Securities applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring Debt Securities must observe such Australian on-sale restrictions.

This Offering Circular contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this Offering Circular is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

This Offering Circular has not been prepared for an Australian audience. Investors should therefore note that this information:

- may contain references to dollar amounts which are not Australian dollars;
- may contain financial information which is not prepared in accordance with Australian law or practices;

- may not address risks associated with investment in foreign currency denominated investments; and
- does not address Australian tax issues.

## **Belgium**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that any offering of Debt Securities will be exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and this Offering Circular or any other offering material relating to the Debt Securities has not been and will not be approved by, the Belgian Banking, Finance and Insurance Commission (“*Commission bancaire, financière et des assurances/Commissie voor het Bank, Financie en Assurantiewezen*”). Any representation to the contrary is unlawful.

Each Dealer undertakes not to offer sell, resell, transfer or deliver directly or indirectly, any Debt Securities, or to take any steps relating/ancillary thereto, and not to distribute or publish this Offering Circular or any other material relating to the Debt Securities or to the offering in a manner which would be construed as: (a) a public offering under the Belgian Royal Decree of 7 July 1999 on the public character of financial transactions; or (b) an offering of securities to the public under Directive 2003/71/EC which triggers an obligation to publish a prospectus in Belgium. Any action contrary to these restrictions will cause the recipient and the company to be in violation of the Belgian securities laws.

## **Canada**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Debt Securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Unless otherwise specified in the applicable Pricing Supplement, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## **China**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may not be offered or sold directly or indirectly to the public in the People’s Republic of China (China) and neither this Offering Circular, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the Debt Securities may be supplied to the public in China or used in connection with any offer for the subscription or sale of Debt Securities to the public in China. The Debt Securities may only be offered or sold to China-related organizations which are authorized to engage in foreign exchange business and offshore investment from outside of China. Such China-related investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations. For the purpose of this paragraph, China does not include Taiwan and the



special administrative regions of Hong Kong and Macau.

### **Dubai International Financial Centre**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that this Offering Circular relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). This Offering Circular is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Circular nor taken steps to verify the information set forth herein and has no responsibility for the Offering Circular. The Debt Securities to which this Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Debt Securities offered should conduct their own due diligence on the Debt Securities. If you do not understand the contents of this Offering Circular you should consult an authorized financial advisor.

### **European Economic Area—Prospectus Regulation Selling Restrictions**

Each Dealer has represented and agreed, and each further Dealer appointed under the Offering Circular will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Debt Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area (“EEA”). For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - i. a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or
  - ii. a customer within the meaning of Directive 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - iii. not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”); and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Debt Securities to be offered so as to enable an investor to decide to purchase or subscribe the Debt Securities; and
- (c) the countries comprising the EEA are Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

This Offering Circular has been prepared on the basis that any offer of Debt Securities in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Debt Securities. This Offering Circular is not a prospectus for the purposes of the Prospectus Regulation.

### **France**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that neither this Offering Circular nor any other offering material relating to the Debt Securities described in this

Offering Circular has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the EEA and notified to the Autorité des Marchés Financiers. The Debt Securities have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this Offering Circular nor any other offering material relating to the Debt Securities has been or will be:

- (a) released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- (b) used in connection with any offer for subscription or sale of the Debt Securities to the public in France.

Such offers, sales and distributions will be made in France only:

- (i) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier;
- (ii) to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- (iii) in a transaction that, in accordance with article L.411-2-II-1° -or-2° -or 3° of the French Code monétaire et financier and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).

The Debt Securities may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Code monétaire et financier.

## **Germany**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities will not be offered, sold or publicly promoted or advertised in the Federal Republic of Germany other than in compliance with the German Securities Prospectus Act (*Gesetz über die Erstellung, Billigung und Veröffentlichung des Prospekts, der beim öffentlichen Angebot von Wertpapieren oder bei der Zulassung von Wertpapieren zum Handel an einem organisierten Markt zu veröffentlichen ist—Wertpapierprospektgesetz*) as of June 22, 2005, effective as of July 1, 2005, as amended, or any other laws and regulations applicable in the Federal Republic of Germany governing the issue, offering and sale of securities. No selling prospectus (*Verkaufsprospekt*) within the meaning of the German Securities Selling Prospectus Act has been or will be registered within the Financial Supervisory Authority of the Federal Republic of Germany or otherwise published in Germany.

## **Hong Kong**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that:

- (1) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), by means of any document, any Debt Securities (except for Debt Securities which are "Structured Products" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that ordinance; or (ii) in circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that ordinance; and
- (2) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement,

invitation or document relating to the Debt Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Debt Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that ordinance.

## **Republic of Italy**

Unless otherwise specified within the relevant Pricing Supplement, the offering of any Debt Securities has not been registered with the Commissione Nazionale per la Società e la Borsa (“CONSOB”) pursuant to Italian securities legislation. Accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it will not offer, sell or deliver any Debt Securities or distribute copies of this Offering Circular and any other document relating to the Debt Securities in the Republic of Italy except:

(1) to “qualified investors”, as defined in Regulation (EU) 2017/1129 of 14 June 2017 (the “Prospectus Regulation”, as amended); or

(2) that it may offer, sell or deliver Debt Securities or distribute copies of any prospectus relating to such Debt Securities in an offer to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, all in accordance with the Prospectus Regulation, Legislative Decree No. 58 of 24 February 1998, as amended (the “Decree No. 58”) and CONSOB Regulation No. 11971 of 14 May 1999, as amended (“Regulation No. 11971”), and ending on the date which is 12 months after the date of approval of such prospectus; or

(3) in any other circumstances where an express exemption from compliance with the offer restrictions applies, as provided under the Prospectus Regulation, Decree No. 58 or Regulation No. 11971.

Any offer, sale or delivery of the Debt Securities or distribution of copies of this Offering Circular or any other document relating to the Debt Securities in the Republic of Italy under (1) t h r o u g h (3) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations; and
- (b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016); and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

Investors should also note that, in any subsequent distribution of the Debt Securities in the Republic of Italy, the Prospectus Regulation and Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, Article 100-bis of Decree No. 58 provides that where the Debt Securities are placed solely with “qualified investors” and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Debt Securities who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Debt Securities were purchased, unless an exemption provided for under the Prospectus Regulation or Decree No. 58 applies.

## **Japan**

The Debt Securities have not been and will not be registered under the Financial Instruments and Exchange

Law of Japan (Law No. 25 of 1948, as amended) (the “Financial Instruments and Exchange Law”) and accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it has not offered or sold and will not offer or sell any Debt Securities, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **South Korea**

The Debt Securities have not been and will not be registered under the Financial Investment Services and Capital Markets Act and the decrees and regulations thereunder (the “FSCMA”) and accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities will be offered in Korea as a private placement under the FSCMA. The Debt Securities may not be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “FETL”). For a period of one year from the issue date of the Debt Securities, any acquirer of the Debt Securities who was solicited to buy the Debt Securities in Korea is prohibited from transferring any of the Debt Securities to another person in any way other than as a whole to one transferee. Furthermore, the purchaser of the Debt Securities shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Debt Securities.

### **Grand Duchy of Luxembourg**

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may not be offered to the public in Luxembourg, except in the following circumstances:

- a. in the period beginning on the date of publication of a prospectus in relation to those Debt Securities which have been approved by the *Commission de surveillance du secteur financier* (CSSF) in Luxembourg or, where appropriate, approved in another relevant European Union Member State and notified to ESMA and the CSSF, all in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council on prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market (the “Prospectus Regulation”) and ending on the date which is 12 months after the date of such publication (hereafter a “Public offer”);
- b. at any time to qualified investors, which, pursuant to the Prospectus Regulation, means persons or entities that are listed in points (1) to (4) of Section I of Annex II to Directive 2014/65/EU, and persons or entities who are, on request, treated as professional clients in accordance with Section II of that Annex, or recognised as eligible counterparties in accordance with Article 30 of Directive 2014/65/EU unless they have entered into an agreement to be treated as non-professional clients in accordance with the fourth paragraph of Section I of that Annex. For the purposes of applying the first sentence of this point, investment firms and credit institutions shall, upon request from the issuer, communicate the classification of their clients to the issuer subject to compliance with the relevant laws on data protection;
- c. an offer of securities addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors; and/or
- d. at any time in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 1 (4) of the Prospectus Regulation.

The applicability of the selling restrictions provided by Luxembourg law will depend on whether the invitation is to be treated as a public offer or whether it can be made under one of the exemptions of Article 1 (4) of the Prospectus Regulation (a “private placement”).

For the purposes of this provision, the expression an offer of Debt Securities to the public in relation to any Debt Securities in Luxembourg means the communication in any form and by any means of sufficient information on the terms of the offer and the Debt Securities to be offered so as to enable an investor to decide to purchase the Debt Securities, as defined in the Prospectus Regulation or any variation thereof or amendment thereto.

### **New Zealand**

No product disclosure statement, prospectus, or similar offering or disclosure document in relation to the Debt Securities has been registered, filed with, or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (“FMCA”). This Offering Circular is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain. Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it has not offered or sold and agrees it will not offer or sell any Debt Securities in New Zealand or distribute or publish any offering material or advertisement in relation to any offer of Debt Securities in New Zealand other than:

- (a) to persons who are a “wholesale investor” within the meaning of clause 3(2) of Schedule 1 of the FMCA — that is, a person who:
  - (i) is an “investment business” within the meaning of clause 37 of Schedule 1 of the FMCA;
  - (ii) meets the “investment activity criteria” specified in clause 38 of Schedule 1 of the FMCA;
  - (iii) is “large” within the meaning of clause 39 of Schedule 1 of the FMCA; or
  - (iv) is a “government agency” within the meaning of clause 40 of Schedule 1 of the FMCA. The Securities are not being offered or sold to retail investors in New Zealand.
  
- (c) in other circumstances where there is no contravention of the Financial Markets Conduct Act 2013 (and its related regulations).

### **Portugal**

No document, circular, advertisement or any offering material in relation to the Debt Securities has been or will be subject to approval by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*), or the CMVM. Accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that no Debt Securities may be offered, re-offered, advertised, sold, re-sold or delivered in circumstances which could qualify as a public offer (*oferta pública*) pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*), and/or in circumstances which could qualify the issue of the Debt Securities as an issue or public placement of securities in the Portuguese market. This Offering Circular and any document, circular, advertisements or any offering material may not be directly or indirectly distributed to the public. All offers, sales and distributions of the Debt Securities have been and may only be made in Portugal in circumstances that, pursuant to the Portuguese Securities Code, qualify as a private placement (*oferta particular*), all in accordance with the Portuguese Securities Code. Pursuant to the Portuguese Securities Code, the private placement in Portugal or to Portuguese residents of the Debt Securities by public companies (*sociedades abertas*) or by companies that are issuers of securities listed on a market must be notified to the CMVM for statistical purposes. Any offer or sale of the Debt Securities in Portugal must comply with all applicable provisions of the Portuguese Securities Code and any applicable CMVM Regulations and all relevant Portuguese laws and regulations. The placement of the Debt Securities in the Portuguese jurisdiction or to any entities which are resident in Portugal, including the publication of a prospectus supplement, when applicable, must comply with all applicable laws and regulations in force in Portugal and with the Prospectus Directive, and such placement shall only be performed to the extent that there is full compliance with such laws and regulations.

### **Singapore**

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and

agree that it has not offered or sold any Debt Securities or caused the Debt Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Debt Securities or cause the Debt Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Debt Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

## **Spain**

None of the Debt Securities, the offering or this Offering Circular has been approved or registered with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) (CNMV) and, therefore, this Offering Circular is not intended to be used for any public offer of the Debt Securities in Spain. Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may not be offered or sold or distributed in Spain, nor may any subsequent resale of the Debt Securities be carried out or publicity or marketing of any kind be made in Spain in relation to the Debt Securities, except (i) in circumstances that do not qualify as a public offer of securities in Spain in accordance with the Prospectus Regulation and (ii) in compliance with the consolidated text of the Spanish Securities Market and Investment Services Act (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión.*) as amended and restated (the Spanish Securities and Investment Services Market Act), Royal Decree 1310/2005, of November 4, partially implementing the former Spanish Securities Market Act in matters affecting securities listings on official secondary markets, public offers for sale or subscription of securities, and the required prospectus for those purposes (*Real Decreto 1310/2005, de 4 de noviembre por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) (RD 1310/2005), and additional rules enacted under or in substitution of these regulations from time to time and the European Securities and Markets Authority (ESMA) or the CNMV guidance developing them that may be in force and required therefore from time to time.

## **Sweden**

This Offering Circular is not a prospectus in accordance with the prospectus requirements provided for in the Swedish Financial Instruments Trading Act or in any other Swedish laws or regulations. Neither the Swedish Financial Supervisory Authority (*finansinspektionen*) nor any other Swedish public body has examined, approved or registered this Offering Circular. Accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it will not directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy any Debt Securities or distribute any draft or definitive document in relation to any offer, invitation or sale in Sweden except in circumstances that will not result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act of 1991 (*lagen om handel med finansiella instrument*).

## **Switzerland**

This Offering Circular does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the Debt Securities will not be listed on the SIX Swiss Exchange. Therefore, this Offering Circular may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the notes with a view to distribution. Any such investors will be individually approached by the Dealers from time to time.

## **Taiwan**

The offering of the Debt Securities has not been and will not be registered with or approved by the Financial Supervisory Commission of Taiwan, the Republic of China (“Taiwan”), pursuant to relevant securities laws and regulations and accordingly each Dealer has represented and agreed and each further Dealer will be required to represent and agree that the Debt Securities may not be offered or sold in Taiwan through a public offering or in any manner which would constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or would otherwise require registration with or the approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering or sale of the notes in Taiwan.

## **United Kingdom**

### ***Prohibition of Sales to UK Retail Investors***

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Debt Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - i. a retail client, as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or
  - ii. a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - iii. not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”).

### ***Other Regulatory Restrictions***

Each Dealer has represented and agreed and each further Dealer will be required to represent and agree that:

- (a) in relation to any Debt Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Debt Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Debt Securities would otherwise constitute a contravention of Section 19 of the FSMA by Fannie Mae;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Debt Securities in circumstances in which Section 21(1) of the FSMA does not apply to Fannie Mae; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Debt Securities in, from or otherwise involving the United Kingdom.



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