
**FEDERAL NATIONAL MORTGAGE ASSOCIATION
("FANNIE MAE")**

as

Issuer, Master Servicer, Guarantor and Trustee

MULTIFAMILY MASTER TRUST AGREEMENT

for

**GUARANTEED MORTGAGE
PASS-THROUGH CERTIFICATES**

evidencing undivided beneficial interests in

POOLS OF MULTIFAMILY MORTGAGE LOANS

September 1, 2007

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FORMS OF MULTIFAMILY ISSUE SUPPLEMENTS:

Exhibit A – Fixed-Rate Mortgage Loans

Exhibit B – Adjustable-Rate Mortgage Loans

Exhibit C – Discount Participation Interest

MULTIFAMILY MASTER TRUST AGREEMENT

THIS MULTIFAMILY MASTER TRUST AGREEMENT is executed by Federal National Mortgage Association (“Fannie Mae”), in its corporate capacities as Issuer, Master Servicer and Guarantor, and in its capacity as Trustee.

RECITALS:

- A. Fannie Mae is a corporation organized and existing pursuant to the Charter Act, and has full corporate authority and power to enter into, and to undertake the obligations set forth in, this Trust Agreement.
- B. Fannie Mae has purchased and intends to purchase mortgage loans secured by liens on multifamily properties and participation interests in such loans.
- C. Fannie Mae intends to set aside and transfer mortgage loans acquired and held by it to various Trusts established pursuant to this Trust Agreement and the applicable Issue Supplements and to issue guaranteed mortgage pass-through certificates representing undivided beneficial ownership interests in the assets of the related Trusts.
- D. Fannie Mae intends to guarantee to each Trust sufficient funds to permit timely distributions to Holders of principal and, if applicable, interest on Certificates, as required by this Trust Agreement.
- E. Fannie Mae intends to be the Master Servicer of the Mortgage Loans held in each Trust and to arrange for and supervise the contractual servicing of the Mortgage Loans by Primary Servicers.
- F. Fannie Mae intends to be the Trustee for each Trust.

NOW, THEREFORE, the signatories to this Trust Agreement, in the capacities and with the responsibilities described above, irrevocably declare and establish this Trust Agreement and undertake the following:

ARTICLE I

DEFINED TERMS AND RULES OF CONSTRUCTION

Section 1.1 *Definitions*. Capitalized terms in this Trust Agreement will have the meanings given to them in this Section 1.1 or elsewhere in this Trust Agreement, unless the context clearly indicates a different meaning.

Accepted Servicing Practices: To the extent not otherwise specified (i) in the Trust Documents or (ii) if not specified in the Trust Documents, in the applicable Servicing Contract or the Guide, the customary servicing practices of prudent servicers in servicing and administering similar multifamily mortgage

loans for their own account or for other investors, so long as those practices are consistent with applicable laws and regulations.

Adjustable-Rate Mortgage Loan: A Mortgage Loan on which the Mortgage Interest Rate is adjusted by reference to an Adjustment Reference, with both the Adjustment Reference and the manner of adjustment being described in the related Mortgage Documents.

Adjustment Reference: An index, formula or other specific and definite basis for the determination of the Mortgage Interest Rate of an Adjustable-Rate Mortgage Loan.

Amendment: A document that amends or supplements either this Trust Agreement or an Issue Supplement.

Assignment of Mortgage: With respect to any Mortgage Loan, an assignment of the related Mortgage, notice of transfer or equivalent instrument that transfers the Mortgage.

Book-Entry Rules: The provisions in effect from time to time, currently contained in Title 24, Part 81, Subpart H of the Code of Federal Regulations, which govern the terms and conditions under which the Issuer may issue securities on the book-entry system of the Federal Reserve Banks and authorize a Federal Reserve Bank to act as the Issuer's agent in connection with such securities.

Books and Records: As to any Trust, the records, as determined by the Trustee, used to account for the activity of the Mortgage Loans in the related Pool and other assets of the related Trust Fund, including electronic records as well as physical documents, which may include but are not limited to accounting records.

Borrower: The primary obligor or obligors under a Mortgage Loan, including any co-borrower and any successor primary obligor.

Business Day: Any day other than (i) a Saturday, (ii) a Sunday, (iii) a day on which the Fiscal Agent or Paying Agent is closed, (iv) a day on which the Federal Reserve Bank of New York is closed or (v) with respect to any required payment, a day on which the Federal Reserve Bank in the district where any Certificate Account is maintained is closed.

Certificate: A guaranteed mortgage pass-through certificate issued pursuant to this Trust Agreement and the applicable Issue Supplement, representing an undivided beneficial interest in the related Trust Fund.

Certificate Account: An account or accounts created and maintained pursuant to Subsection 7.2(1), which may hold funds of multiple Trusts and Other Fannie Mae Trusts.

Certificate Distribution Amount: For each Distribution Date with respect to a Trust, the sum of the Certificate Interest Distribution Amount and the Certificate Principal Distribution Amount for that Trust.

Certificate Interest Distribution Amount: For each Distribution Date with respect to a Trust, one month's interest calculated as the product of (i) the Pass-Through Rate and (ii) the aggregate Certificate Principal Balance for all outstanding Certificates of that Trust before giving effect to the distribution of principal that occurs on such Distribution Date, minus, in the case of a Trust that holds a Pool of Negative Amortization Mortgage Loans, the aggregate amount of Deferred Interest for all Negative Amortization Mortgage Loans in that Pool that was added to the outstanding principal balances of such Mortgage Loans during the related Due Period; provided, however, that the Master Servicer in calculating or causing to be calculated the amount to be distributed on any Distribution Date will make any adjustments as are necessary to reconcile prior payments made in error.

Certificate Principal Balance: As to any Certificate (other than a Certificate related to a Trust holding a Discount Participation Interest) on any date of determination, the product of (a) the aggregate of the Stated Principal Balances of the Mortgage Loans in the related Pool (i) in the case of a date of determination other than a Distribution Date, on the immediately preceding Distribution Date (or, prior to the first Distribution Date for a Trust, on the Issue Date), and (ii) in the case of a date of determination that is a Distribution Date, on such Distribution Date (in either case, after giving effect to any distribution of principal of the Certificates on such Distribution Date and any addition to principal due to Negative Amortization during the Due Period relating to such Distribution Date) and (b) the Undivided Beneficial Interest represented by that Certificate. As to any Certificate related to a Trust holding a Discount Participation Interest, the product of (x) the Stated Principal Balance of the Discount Participation Interest in the related Pool and (y) the Undivided Beneficial Interest represented by that Certificate.

Certificate Principal Distribution Amount: For each Distribution Date with respect to a Trust, the aggregate of the principal payments for all Mortgage Loans included in the related Pool (or for which payment has been received as provided in Section 2.7) for which the Stated Principal Balance has not been reduced to zero, consisting, without duplication, of:

- (i) scheduled principal due on those Mortgage Loans during the related Due Period (as adjusted for any change in the amortization schedule resulting from a Prepayment but without giving effect to any Loss Mitigation Plan);
- (ii) the Stated Principal Balance of each of those Mortgage Loans as to which a Prepayment in full (whether by or on behalf of the Borrower or through a purchase from the related Trust) was

received during the calendar month immediately preceding the month in which that Distribution Date occurs; and

- (iii) any partial Prepayment received in respect of any of those Mortgage Loans during the calendar month preceding the month in which that Distribution Date occurs;

provided, however, that the Master Servicer in calculating or causing to be calculated the amount to be distributed on any Distribution Date will make any adjustments as are necessary to reconcile prior payments made in error.

Notwithstanding the provision in clause (ii) above, any full Prepayment of a Mortgage Loan from or on behalf of a Borrower that is received by the first Business Day of a month will be deemed received in the prior calendar month for purposes of distribution, rather than on the date of receipt, if the applicable Servicing Contract with the Primary Servicer (or, if applicable, the Subservicer) in effect on the Issue Date of the applicable Trust provides that, in the ordinary course of servicing Mortgage Loans of the same remittance type as that Mortgage Loan, the Primary Servicer will pass through those full Prepayments as though received in the prior calendar month (“alternate timing clause”). Full Prepayments on any Mortgage Loans from or on behalf of a Borrower that are subject to a servicing transfer will be serviced in accordance with the Servicing Contract applicable to Mortgage Loans of the same remittance type of the applicable transferee Primary Servicer (or, if applicable, the Subservicer) at the time of the servicing transfer. A Servicing Contract may be amended after the Issue Date of the applicable Trust or date of servicing transfer to add an alternate timing clause for a remittance type, but only if the amendment applies to all Mortgage Loans of that remittance type serviced by that Primary Servicer (or, if applicable, the Subservicer) for the Master Servicer or the Trustee. Once a Servicing Contract includes an alternate timing clause for a particular remittance type, it may not be amended to delete that clause for that remittance type. For purposes of this definition a “remittance type” refers to the requirements for the timing and method by which a Primary Servicer (or, if applicable, the Subservicer) transfers principal and interest payments on Mortgage Loans and, if applicable, Delinquency Advances to the Master Servicer, as provided in the Servicing Contract. PFP Loans may be categorized as one or more separate remittance types even if the terms of remittance are otherwise the same as those for other Mortgage Loans.

Further, until such time as the applicable Servicing Contract requires a partial Prepayment of a PFP Loan of a particular remittance type specified by the Issuer to be passed through in accordance with clause (iii) above, then any partial Prepayment on a PFP Loan of that particular remittance type will be passed through in the second calendar month following the month of receipt. As a result, the Certificate Principal Distribution Amount for Pools including such PFP Loans will include partial Prepayments of such PFP Loans of such remittance type

received in respect of any Mortgage Loan during the second calendar month preceding the month in which that Distribution Date occurs.

Charter Act: The Federal National Mortgage Association Charter Act (12 U.S.C. §§1716 *et seq.*), as in effect from time to time.

Collateral Agreement: An agreement under which Supplemental Collateral may be pledged, transferred, or otherwise provided to secure the Borrower's obligations under a Mortgage Loan, and which may include a cash collateral agreement, achievement agreement, replacement reserve and security agreement, loan agreement, completion, repair and security agreement, or other contractual arrangement.

Custodial Account: An account created and maintained in accordance with Subsection 6.1(1).

Custodial Account Remittance Date: With respect to each Distribution Date, the date established in the applicable Servicing Contract on which amounts held in a Custodial Account that are required to be transferred to the Certificate Account will be transferred, which date will not be later than the Business Day immediately preceding that Distribution Date, or in the case of a Trust holding a Discount Participation Interest, the Final Distribution Date.

Custodian: A Person that maintains custody of the Mortgage Notes (and may have custody of other Mortgage Documents or Supplemental Collateral) relating to one or more Mortgage Loans for and on behalf of the Trustee. Either an unaffiliated third party or any of the following Persons, or an affiliate of any of the following Persons, may serve as a Custodian: the Issuer, the related Seller, the Master Servicer, the Trustee, a Primary Servicer or a Subservicer; provided that any Custodian will be required to hold documents in accordance with Fannie Mae's applicable custodial requirements.

Defeasance: With respect to all or part of a Mortgage Loan, the procedure by which (i) all or a portion of the lien of a Mortgaged Property securing a Mortgage Loan is released and replaced with a pledge of Defeasance Securities, (ii) the Borrower assigns the Defeasance Securities to a Substitute Borrower, and (iii) the Substitute Borrower assumes, and the prior Borrower is released from, liability on the Mortgage Loan, to the extent that Defeasance Securities have replaced all or a portion of the Mortgaged Property as collateral for the Mortgage Loan.

Defeasance Securities: Securities of the type and maturity permitted under the terms of the related Mortgage Documents to be used in Defeasance.

Deferred Interest: For a Negative Amortization Mortgage Loan, the amount, if any, by which the periodic interest accrued on such Mortgage Loan exceeds the Borrower's required periodic interest payment then due under the related Mortgage Note, which excess interest amount is not paid by the Borrower

at that time, but rather is deferred and added to the unpaid principal balance of the Mortgage Loan.

Delinquency Advance: An amount advanced by a Primary Servicer in respect of interest or principal due on one or more Mortgage Loans, to the extent required under its Servicing Contract.

Discount Participation Interest: A Participation Interest having a term of not more than twelve months and with respect to which no principal or interest payments are due prior to the maturity date of the Participation Interest. A Discount Participation Interest is initially purchased at a discount to its full stated principal amount and provides for payment of the full stated principal amount on its maturity date.

Distribution Date: With respect to a Trust that holds one or more Mortgage Loans (other than a Discount Participation Interest), the 25th day of any month, or if that day is not a Business Day, the next Business Day. The first Distribution Date with respect to such a Trust will occur in the first month after the month in which the Issue Date occurs. With respect to a Trust that holds a Discount Participation Interest, the Final Distribution Date is the sole Distribution Date.

Due-on-Transfer Provision: A provision in the Mortgage Documents that permits the owner of that Mortgage Loan to accelerate the maturity of that Mortgage Loan upon certain transfers of direct or indirect ownership interests in the Borrower or Key Principal or transfers of interests in the Mortgaged Property, whether voluntary or involuntary (which may include a sale, assignment, encumbrance, or other disposition of: (i) all or any part of that Mortgaged Property; or (ii) a direct or indirect interest in the Borrower or Key Principal).

Due Period: As to any Distribution Date for a Trust (other than a Trust that holds a Discount Participation Interest), the period beginning on the second calendar day of the month immediately preceding the month in which such Distribution Date occurs and ending on the first calendar day of the month of such Distribution Date. With respect to a Trust that holds a Discount Participation Interest, the period beginning on the Issue Date and ending on the Final Distribution Date.

Effective Date: September 1, 2007.

Electronic Note Registry System: A system of recording the existence and ownership of a Mortgage Note that is signed electronically.

Eligible Depository: (a) Any Federal Reserve Bank, (b) any Federal Home Loan Bank, or (c) any other depository institution that:

- (i) has its accounts insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund or

a governmental insurer or guarantor that is acceptable to the Guarantor;

- (ii) is rated as “well capitalized” by its applicable federal or state regulator or, if not rated by a federal or state regulator, satisfies the capital requirements that would apply for categorization as “well capitalized” under federal or state regulations; and
- (iii) has a financial rating that meets or exceeds at least one of the following criteria:
 - (a) a short-term issuer rating by S&P of “A-3,” or if no short-term issuer rating by S&P is available, a long-term issuer rating of “BBB-” by S&P;
 - (b) a short-term bank deposit rating by Moody’s of “P-3,” or if no short-term bank deposit rating by Moody’s is available, a long-term bank deposit rating of “Baa3” by Moody’s;
 - (c) a financial rating of 125 by IDC ;
 - (d) a financial rating of C+ by LACE; or
 - (e) satisfies any other standard determined by the Guarantor, provided that such other standard is comparable to the rating requirements set forth above.

If a depository institution satisfies the standards in clauses (i) and (ii) and has a rating that meets or exceeds at least one of the ratings specified in clause (iii), that depository institution will be considered an “Eligible Depository” even if another organization rates such depository institution below the minimum level specified.

Eligible Investment: Any one or more of the following obligations, securities or holdings, provided that its term satisfies the applicable maturity requirement in this Trust Agreement:

- (i) obligations of, or obligations guaranteed as to the full and timely payment of principal and interest by, the United States;
- (ii) obligations of any agency or instrumentality of the United States that have a long-term rating or a short-term rating, as applicable, from S&P or from Moody’s, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;
- (iii) federal funds, certificates of deposit, time deposits and bankers’ acceptances of any depository institution or trust company, provided that the short-term securities of the depository institution

or trust company are rated by S&P or Moody's in the highest applicable ratings category for short-term securities;

- (iv) commercial paper of any corporation that is rated by S&P or Moody's in its highest short-term ratings category;
- (v) asset-backed commercial paper that is rated by S&P or Moody's in its highest short-term ratings category;
- (vi) debt securities that have a long-term rating or a short-term rating, as applicable, from S&P or from Moody's, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;
- (vii) money market funds that are registered under the Investment Company Act, are entitled, pursuant to Rule 2a-7 of the Securities and Exchange Commission, or any successor to that rule, to hold themselves out to investors as money market funds, and are rated by S&P or Moody's in one of its two highest ratings categories for money market funds;
- (viii) discount notes and other short-term debt obligations issued by Fannie Mae, a Federal Home Loan Bank, the Federal Home Loan Bank System, the Federal Farm Credit Bank or another entity that is an agency or instrumentality of the United States, provided that the issuer then has a long-term rating or short-term rating, as applicable, from S&P or Moody's, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;
- (ix) repurchase agreements on obligations that are either specified in any of clauses (i), (ii) or (vi) above or are mortgage-backed securities insured or guaranteed by Fannie Mae or another entity that is an agency or instrumentality of the United States; provided that the counterparty to the repurchase agreement is an entity whose short-term debt securities are rated by S&P or Moody's in its highest ratings category for short-term securities; and
- (x) any other investment that is approved by the Guarantor and is rated in one of the two highest ratings categories of the applicable rating agency for long-term securities or the highest ratings category of the applicable rating agency for short-term securities.

In each case in which a rating level is required, if the relevant securities, issuer or fund is rated by both S&P and Moody's, both such ratings must meet the stated rating level in order for the requirement to be satisfied. The rating level will be construed as provided in Subsection 1.2(11) and, accordingly, will not be satisfied

by a rating that is the minimum rating followed by a minus sign.

Escrow Account: An account created and maintained pursuant to paragraph (a) of Subsection 5.3(2).

Estimated Funding: Amounts transferred to the Certificate Account by the Master Servicer or Guarantor pursuant to Subsection 7.5(4).

Excess Spread: With respect to a Mortgage Loan other than a Discount Participation Interest, that portion of the Spread that exceeds the sum of (i) the applicable Servicing Fee, (ii) the applicable Guaranty Fee, and (iii) any other fee or expense authorized by the Servicing Contract to be paid out of the Spread as provided pursuant to paragraph (c) of Subsection 5.1(6). For a Discount Participation Interest, there is no Excess Spread.

Fannie Mae: Federal National Mortgage Association, a body corporate organized and existing under the laws of the United States, or any successor.

Fannie Mae Web site: The site maintained by Fannie Mae on the World Wide Web, which is currently www.fanniemae.com, or any successor medium of communication, electronic or otherwise, that is available for access by the Person who is the intended recipient of the relevant notification or information.

Federal Home Loan Bank: A Federal Home Loan Bank (as that term is used in Section 2 of the Federal Home Loan Bank Act, 12 U.S.C. §1422, as in effect from time to time).

Federal Reserve Bank: A Federal Reserve Bank (as that term is used in Section 2 of the Federal Reserve Act, 12 U.S.C. §225, as in effect from time to time).

Final Distribution Date: With respect to a Trust that holds one or more Mortgage Loans (other than a Discount Participation Interest), the first Distribution Date after the Due Period or calendar month, as applicable, in which the final payment is made or would be considered made for purposes of determining the Certificate Principal Distribution Amount (whether by a Borrower or by means of a Delinquency Advance, Guaranty payment, a purchase pursuant to Section 2.5, any other full Prepayment or otherwise) with respect to the last Mortgage Loan then remaining in that Trust, but in no event later than the first Distribution Date after the Final Maturity Date. With respect to a Trust that holds a Discount Participation Interest, the Final Maturity Date (or, if the Final Maturity Date is not a Business Day, the next Business Day).

Final Maturity Date: With respect to a Trust that holds one or more Mortgage Loans (other than a Discount Participation Interest), the date, calculated as of the Issue Date, that is the first day of the month coinciding with the last scheduled payment date of the Mortgage Loan in that Trust that has the latest final scheduled payment date, as shown in the related Issue Supplement (or, if the

Mortgage Loan's payment dates do not fall on the first day of the month, then the first day of the month next following such last scheduled payment date). With respect to a Trust that holds a Discount Participation Interest, the date that coincides with the maturity date of that Discount Participation Interest, which is also the Final Distribution Date for that Trust.

Fiscal Agent: A Person designated by the Issuer to perform the functions of a fiscal agent under the Trust Documents, currently the Federal Reserve Bank of New York.

Fiscal Quarter: January 1 through March 31, April 1 through June 30, July 1 through September 30, or October 1 through December 31, as applicable.

Fixed-Rate Mortgage Loan: A Mortgage Loan that, as of the related Issue Date (or, in the case of a substitute Mortgage Loan, as of the date the Mortgage Loan is transferred to the Trust), provides for an interest rate that is a fixed rate of interest and by its terms remains unchanged (other than after a default) until the last scheduled payment date of that Mortgage Loan.

Government Mortgage Loan: A Mortgage Loan that is insured or guaranteed in whole or in part by an agency or department of the government of the United States (including the Federal Housing Administration, the Rural Housing Service, the Department of Housing and Urban Development or any successor agency to any of them), any state or territory of the United States or the District of Columbia.

Guarantor: Fannie Mae, in its corporate capacity as guarantor under this Trust Agreement, or any successor.

Guarantor Event of Default: An event of default described in Section 12.1 that has not been cured or waived.

Guaranty: The Guarantor's guaranty obligations to a Trust, as described in Section 7.5.

Guaranty Fee: With respect to each Mortgage Loan in a Pool, a fee payable to the Guarantor for providing the Guaranty.

Guaranty Reimbursement Amount: The amount, if any, recovered with respect to a Mortgage Loan as to which the Guarantor has made payment pursuant to its Guaranty (including any Estimated Funding paid by the Guarantor) and has not been previously reimbursed.

Guide: The Issuer's Delegated Underwriting and Servicing Guide or Negotiated Transactions Guide, in each case as amended, supplemented, restated or succeeded from time to time, as applicable to loans of the type included in the Pool with respect to any Trust.

Holder: With respect to any Certificate, the Person in whose name that Certificate is registered in the records of the Fiscal Agent.

Holders' Prepayment Premium Portion: With respect to a Mortgage Loan that provides for a Prepayment Premium, that portion of the Prepayment Premium, if any, that is payable to Holders of the related Certificates if so provided in the related Prospectus or other related disclosure document.

IDC: IDC Financial Publishing or its successor.

Internal Revenue Code: The United States Internal Revenue Code, as in effect from time to time.

Investment Company Act: The Investment Company Act of 1940 (15 U.S.C. §80a *et seq.*), as in effect from time to time.

Issue Date: As to any Trust, the first day of the month in which at least one Certificate evidencing undivided beneficial interests in the related Trust Fund is issued.

Issue Date Loan Balance: As to any Mortgage Loan (other than a Discount Participation Interest), the principal balance of that Mortgage Loan as of the related Issue Date (after giving effect to all scheduled payments of principal due on or before such Issue Date), as that principal balance is stated in the Mortgage Loan Schedule; provided, however, that in the case of any substitute Mortgage Loan, the Issue Date Loan Balance is the principal balance on the first day of the month of substitution, after giving effect to all scheduled payments of principal due on or before such day and any unscheduled payments of principal received and applied on or before such day. As to any Discount Participation Interest, the original principal amount of the Discount Participation Interest as of the Issue Date, as set forth in the related Issue Supplement.

Issue Date Pool Balance: As to any Trust, the sum of the Issue Date Loan Balances of all Mortgage Loans included in that Trust as of the Issue Date, without regard to any substitute Mortgage Loans.

Issue Supplement: Any one or more physical or electronic documents or records (signed or unsigned) prepared by the Issuer as provided in Section 3.1, that, together with this Trust Agreement, documents the establishment of a Trust. An Issue Supplement may be comprised of a document or record in one of the forms appended to this Trust Agreement as Exhibits A through C or such other form as the Issuer may designate from time to time.

Issuer: Fannie Mae, in its capacity as sponsor of each issuance of Certificates and settlor of each of the Trusts.

Issuer Fee: With respect to each Trust, a fee payable to the Issuer pursuant to Section 2.8.

Key Principal: With respect to a Mortgage Loan, any Person identified as such in the Mortgage Documents or any Person other than the Borrower (i) that has or assumes an obligation, liability or indebtedness under the Mortgage Documents, or (ii) whose ownership interests are directly or indirectly restricted from transfer under the Due-on-Transfer Provisions in the Mortgage Documents.

LACE: LACE Financial Corporation or its successor.

Loss Mitigation Plan: Following a default on a Mortgage Loan or the Primary Servicer's receipt of information indicating that the Borrower will be unable in a timely manner to make scheduled payments or otherwise comply with one or more of the material covenants in the Mortgage Documents, an agreement between the Borrower and the Trustee or the Master Servicer (or, if permitted by the Servicing Contract, the Primary Servicer) under which the parties agree to refrain from pursuing remedies following a default under the Mortgage Documents by the Borrower while attempts to resolve the default are continuing. The agreement may provide a plan under which the Borrower will cure the default and reinstate the Mortgage Loan within a period of not more than 18 months from the effective date of the plan, provided such plan does not include any Mortgage Loan modification of the types prohibited by Subsection 5.3(3) while the Mortgage Loan remains in the Pool.

MALA: A multiple asset lending arrangement with one or more primary obligors (which may include Borrowers) consisting of one or more loans (which may be funded as separate advances at different times) secured by one or more Mortgages on Multifamily Properties, Defeasance Securities or Supplemental Collateral pursuant to which (i) all liens secure all outstanding loans, and (ii) a default under any such loan constitutes a default under all such loans. A MALA may include any combination of Mortgage Loans and other mortgage loans that are not Mortgage Loans under this Trust Agreement.

MALA Advance: An advance of funds made pursuant to a MALA.

Master Servicer: Fannie Mae, in its capacity as master servicer under this Trust Agreement, or any successor or assign that will have the responsibilities specified for this capacity in the Trust Documents.

Master Servicer Fee: With respect to each Trust, a fee payable to the Master Servicer for its services as such in accordance with Subsection 5.1(5).

Moody's: Moody's Investors Service, Inc. or its successor.

Mortgage: The mortgage, deed of trust, deed to secure debt, security agreement, security instrument and any other instrument creating a lien or encumbrance on one or more Mortgaged Properties securing a Mortgage Note.

Mortgage Documents: With respect to each Mortgage Loan, the applicable documents identified in Subsection 3.4(1), together with any related

documents, instruments and agreements delivered in connection with, evidencing, or securing, the Mortgage Loan, as the same may be amended, extended, restated, modified and replaced from time to time in a manner consistent with the Trust Documents.

Mortgage Insurance: A policy, contract, guaranty or statutory arrangement with respect to a Mortgage Loan, pursuant either to a program established by a Person that is a governmental unit or to an insurance contract or policy issued by a Person other than a governmental unit, under which all or a portion of the obligations owing under the Mortgage Loan, if not paid by the Borrower, will be paid by the applicable Person.

Mortgage Interest Rate: With respect to a Mortgage Loan (other than a Discount Participation Interest) on any date, the annualized rate at which interest accrues on such Mortgage Loan in accordance with the provisions of the related Mortgage Note, as such rate may be limited by the contract pursuant to which the Issuer purchased that Mortgage Loan. Interest does not accrue with respect to a Discount Participation Interest for purposes of the Trust Documents.

Mortgage Loan: (i) A loan (including a MALA Advance) secured by one or more Mortgages on one or more Multifamily Properties, Defeasance Securities or Supplemental Collateral or (ii) a Participation Interest (including a Discount Participation Interest) in a loan secured in whole or in part by a lien on one or more Multifamily Properties, Defeasance Securities or Supplemental Collateral, which loan or Participation Interest, as applicable, has been identified in the Mortgage Loan Schedule for the related Trust. Any reference to “Mortgage Loans” will be deemed to include any loan or interest in a loan described in (i) or (ii) above as the context requires in order to effectuate the purposes of the Trust Documents.

Mortgage Loan Schedule: The list of Mortgage Loans that is included or determined by the Issuer to be included as part of each Issue Supplement pursuant to Section 3.1.

Mortgage Note: The promissory note or other instrument evidencing the indebtedness of a Borrower under a Mortgage Loan.

Mortgage Registry System: A system of recording beneficial ownership, identity of servicer, and transfers of mortgages electronically that is acceptable to the Master Servicer, which may include the system operated by Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor.

Mortgaged Property: The real property, all improvements (without regard to when erected) on and appurtenant to any such real property, and any personal property that secures a Mortgage Loan (and which also may secure other mortgage loans made pursuant to a MALA) through the lien or encumbrance of a

Mortgage. Mortgaged Property may be real or personal property under applicable law.

Multifamily Property: A residential property that contains five or more dwelling units, including five or more single unit residential properties that are managed as rental units by or for the same Borrower.

Negative Amortization: Any increase in the unpaid principal balance of a Mortgage Loan resulting from the addition of Deferred Interest to that principal balance.

Negative Amortization Mortgage Loan: A Mortgage Loan under the terms of which the required periodic interest payment, at one or more times during the life of the Mortgage Loan, may be less than the interest accrued for the period to which that payment relates. A Discount Participation Interest cannot be a Negative Amortization Mortgage Loan.

Net Rate: With respect to a Mortgage Loan (other than a Discount Participation Interest) on any date, (a) for a Fixed-Rate Mortgage Loan, the Pass-Through Rate of the related Trust, and (b) for an Adjustable-Rate Mortgage Loan (i) the related Mortgage Interest Rate minus (ii) the Spread Rate for that Mortgage Loan. For any Discount Participation Interest, the Net Rate is zero.

Opinion of Counsel: An opinion from legal counsel, which, except as otherwise expressly provided in this Trust Agreement, may be given by counsel employed or retained by the Issuer.

Other Fannie Mae Trust: Any trust established pursuant to an instrument (other than this Trust Agreement) pursuant to which mortgage-backed securities are issued by Fannie Mae.

Other Trust Expenses: As to any Trust, the fees and expenses allocable to that Trust (including indemnification under Subsection 10.2(2) and legal expense reimbursements under Subsection 10.2(3), but excluding any fees and expenses paid out of the Spread) that are incurred by the Trustee pursuant to the Trust Documents.

Participation Interest: An undivided beneficial interest, represented by a certificate or other written document or book entry, in one or more mortgage loans, each secured by a lien on one or more Multifamily Properties,.

Pass-Through Rate: As to any Pool of Mortgage Loans (other than a Discount Participation Interest) and a Distribution Date, the annual rate of interest used to calculate the Certificate Interest Distribution Amount for the applicable one-month period, which is either (a) as to a Pool of Fixed-Rate Mortgage Loans, the rate specified as such in the Issue Supplement, or (b) as to a Pool of Adjustable-Rate Mortgage Loans, the rate equal to the weighted average of the Net Rates applicable to payments due during the related Due Period for all of the

Mortgage Loans in the Pool, weighted on the basis of their respective Stated Principal Balances as of such Distribution Date before giving effect to any distribution of principal on the Certificates on such Distribution Date or any addition to principal due to Negative Amortization during the Due Period relating to such Distribution Date. The Pass-Through Rate will be calculated using the same monthly convention as the interest on the Mortgage Loans in the related Pool. The Pass-Through Rate is zero for any Pool that holds a Discount Participation Interest.

Paying Agent: Any paying agent designated by the Trustee to serve in that capacity with respect to the Certificates of one or more Trusts.

Person: Any legal person, including any individual, corporation, partnership, limited liability company, financial institution, joint venture, association, joint stock company, trust, unincorporated organization or governmental unit or political subdivision of any governmental unit.

PFP Loan: A Mortgage Loan that is transferred to a Trust from Fannie Mae's investment portfolio (sometimes called a "pooled from portfolio" loan).

Pool: All of the Mortgage Loans held in a particular Trust.

Pool Proceeds: As to any Pool, all payments and recoveries received by the Primary Servicer, Master Servicer or Trustee with respect to any of the Mortgage Loans in such Pool, regardless of their source, including any scheduled payment received from or on behalf of the related Borrower or Key Principal, any Prepayment, any contractual right to receive the purchase price of any Mortgage Loan or REO Property purchased out of the Pool, any Delinquency Advance, Estimated Funding, Guaranty payment, and amounts received under Collateral Agreements and financial contracts related to the Mortgage Loans, in each case as received after the Issue Date or, in the case of a substitute Mortgage Loan, the date of its substitution, **excluding:**

- (i) any Borrower principal or interest payment that was due on or before the Issue Date;
- (ii) any Prepayment received after the Issue Date and applied prior to the establishment of the Issue Date Loan Balance as shown on the Mortgage Loan Schedule; and
- (iii) any amounts received under a letter of credit, an interest rate hedge (including a swap, cap or collar agreement) or other financial contract the proceeds of which are held or pledged under a Collateral Agreement, unless and until such amounts are applied to the Borrower's obligations under the Mortgage Loan; and
- (iv) any interest or other investment earnings on funds on deposit in any Custodial Account or any Certificate Account.

Prepayment: Any unscheduled payment of principal on a Mortgage Loan, whether made voluntarily by the Borrower or otherwise, including payments received from foreclosure, liquidation, condemnation or insurance proceeds (other than condemnation or insurance proceeds used for repair and renovation in accordance with the Mortgage Documents), other similar proceeds (including environmental recoveries and governmental payments), proceeds of purchases or other removal of a Mortgage Loan from a Pool or any other unscheduled payment. A Prepayment may represent a partial prepayment or full prepayment of principal on a Mortgage Loan and, to the extent the payment affects the Borrower's obligations, is subject to the allocation of funds received as provided in the Mortgage Documents.

Prepayment Premium: With respect to a Mortgage Loan, an amount, if any, required to be paid by the Borrower upon a Prepayment of the Mortgage Loan in addition to the outstanding principal balance and accrued interest pursuant to the related Mortgage Documents. Any Prepayment Premium will be calculated as provided in the Mortgage Documents, subject to any limitations set forth in the contract pursuant to which the Issuer purchased that Mortgage Loan.

Prepayment Premium Period: The period of time, as set forth in the Mortgage Documents, during which a Prepayment Premium, if any, is required upon a Prepayment of a Mortgage Loan.

Primary Servicer: A Person (who may be an independent contractor of the Master Servicer) obligated to service any Mortgage Loan or Pool pursuant to a Servicing Contract.

Prospectus: As to any issue of Certificates, either (i) the form of prospectus or other offering document generally in use by the Issuer at the time for the offering of guaranteed mortgage pass-through certificates of the type issued pursuant to the Trust Documents, together with any supplement to that prospectus or (ii) any other separate offering prospectus for an applicable Trust, including in each case documents or other information incorporated by reference.

Record Date: As to any Distribution Date for any Trust (other than a Trust holding a Discount Participation Interest), the close of business on the last day of the calendar month immediately preceding the calendar month in which that Distribution Date occurs. For a Trust holding a Discount Participation Interest, the close of business on the Business Day immediately preceding the Final Distribution Date.

Relief Act: Any federal, state or local law that, from time to time, requires mortgagees generally to adjust loan terms, including the Servicemembers Civil Relief Act of 2004, as in effect from time to time.

REO Property: A Mortgaged Property or, with respect to a Participation Interest, an interest in a Mortgaged Property as evidenced by the related

participation certificate, acquired on behalf of the Trust through foreclosure or deed in lieu of foreclosure or other means of conversion by which title to a Mortgaged Property or interests in that Mortgaged Property may be transferred to or for the benefit of the Trust.

S&P: Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or its successor.

Securitized Excess Spread: Any portion of the Excess Spread that has been transferred in the manner contemplated by paragraph (b) of Subsection 5.1(6).

Seller: With respect to any Pool, the Person that, for legal purposes, sells or assigns the Mortgage Loans in that Pool to the Issuer for cash or in exchange for Certificates, or for a combination of cash and Certificates.

Servicing Advance: As to any Trust, an amount advanced by a Primary Servicer under an applicable Servicing Contract or by the Master Servicer (i) to maintain the Mortgaged Property or the lien on the Mortgaged Property, including payments of taxes, assessments by special assessment districts, condominium, planned unit development or homeowners' association assessments, property, flood, earthquake, terrorism, windstorm or other insurance premiums, Mortgage Insurance premiums (if the responsibility of the Borrower) and ground rents, in each case that are not paid by the Borrower when due, and other costs and expenses of or relating to the Mortgaged Property and (ii) in the case of any REO Property, to pay for taxes, assessments by special assessment districts, insurance premiums, ground rents, property management expenses, repairs, restoration and maintenance, and other costs and expenses of or relating to the REO Property.

Servicing Contract: An agreement between the Master Servicer and a Primary Servicer relating to the servicing of Mortgage Loans. The Servicing Contract may be a general agreement that is entered into before or after the formation of any particular Trust, may include more than one written document (including a mortgage selling and servicing contract, a master agreement and any applicable pool purchase contract), and may apply to Mortgage Loans in one or more Pools, loans in Other Fannie Mae Trusts or loans owned by Fannie Mae.

Servicing Event of Default: Any of the events described in Subsection 11.1(3) that has not been cured or waived.

Servicing Fee: The minimum fee determined in accordance with the applicable Servicing Contract that is payable from time to time to a Primary Servicer for the collection of payments, loan administration and management of operational procedures and other services related to servicing one or more Mortgage Loans, as provided pursuant to paragraph (a) of Subsection 5.1(6).

Significant Change to a Permitted Activity: With respect to any Amendment or other instrument entered into pursuant to Article XIV, a change to

the activities of a Trust that would (a) allow the Transferor to regain control over the assets transferred to the Trust, (b) cause the Trust to cease to be a “qualifying special purpose entity” under accounting principles generally accepted in the United States or (c) either adversely or positively affect the interests of any Holder in a manner that would be viewed as significant by a reasonable person (determined in the sole judgment of the Issuer). This definition will be interpreted in a manner consistent with the requirements of Statement of Financial Accounting Standards No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, or any successor to that accounting standard, and any other relevant authoritative accounting literature, as such requirements are applicable from time to time.

Special Servicer: A Primary Servicer that is obligated to service one or more Mortgage Loans that are in default or REO Properties.

Spread: With respect to a Mortgage Loan (other than a Discount Participation Interest), an amount calculated as the product of the Spread Rate and the Stated Principal Balance of such Mortgage Loan. For a Discount Participation Interest, the Spread will be zero.

Spread Rate: With respect to a Mortgage Loan (other than a Discount Participation Interest), the annualized rate equal to (a) as to any Fixed-Rate Mortgage Loan, the Mortgage Interest Rate minus the Net Rate, or (b) as to any Adjustable-Rate Mortgage Loan, the rate specified as such in the applicable Issue Supplement. For a Discount Participation Interest, the Spread Rate will be zero.

Stated Principal Balance: With respect to a Mortgage Loan (other than a Discount Participation Interest) in any Trust, on any date of determination, the Issue Date Loan Balance, reduced by all distributions from whatever source with respect to principal on that Mortgage Loan that have been paid to Holders after the Issue Date and, in the case of a Negative Amortization Mortgage Loan, increased by any Deferred Interest that has been added to the outstanding principal balance of such Mortgage Loan as a result of Negative Amortization after the Issue Date and through the last day of the Due Period relating to the most recent Distribution Date. With respect to a Discount Participation Interest, the Issue Date Loan Balance.

Subservicer: A Person that is engaged, directly or indirectly, by a Primary Servicer to provide some or all of the functions that the Primary Servicer is obligated or permitted to perform under its Servicing Contract with respect to Mortgage Loans.

Substitute Borrower: A Person that replaces the previous Borrower at the time of a Defeasance or an assumption.

Supplemental Account: An account created and maintained pursuant to paragraph (c) of Subsection 5.3(2).

Supplemental Collateral: With respect to any Mortgage Loan, any cash, investment security or rights to proceeds of a letter of credit or interest rate hedge, other financial contract, guaranty or other contractual arrangement, or other asset, and proceeds of any of those (other than real property and the furniture, fixtures and equipment appurtenant to such real property) that is transferred or pledged to secure the Borrower's obligations under a Mortgage Loan.

Transferor: For purposes of Section 2.5 and Article XIV, (a) a Person, acting in its capacity as principal, that transfers Mortgage Loans to the Issuer for securitization in exchange for cash or Certificates, or a combination of cash and Certificates; or (b) in the case of a Pool of PFP Loans, the Issuer. This definition of Transferor will be interpreted in a manner consistent with the requirements of Statement of Financial Accounting Standards No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, or any successor to that accounting standard, and any other relevant authoritative accounting literature, as such requirements are applicable from time to time.

Trust: A fixed investment trust created pursuant to the Trust Documents.

Trust Agreement: This Multifamily Master Trust Agreement, by and among Fannie Mae in its corporate capacities as Issuer, Master Servicer and Guarantor, and Fannie Mae in its capacity as Trustee, as it may be amended in accordance with its terms.

Trust Documents: As to any Trust, only this Trust Agreement, the related Issue Supplement and any applicable Amendment to either of them.

Trust Fund: As to any particular Trust, the assets consisting of (a) the Mortgage Loans that constitute the Pool, (b) Pool Proceeds, (c) any REO Property, (d) any guaranty or similar contractual commitment of a Key Principal or other Person under the Mortgage Documents, (e) any other assets related to or derived from such Mortgage Loans, Pool Proceeds and REO Property that may from time to time serve as collateral for a Mortgage Loan (such as insurance proceeds held pending their application to repair damage) and (f) the right to receive payments under the Guaranty, but excluding any interest or other investment earnings on any of those assets, the Spread, ancillary charges, and any amounts received upon the liquidation or other final payment of a Mortgage Loan (including insurance payments) that exceed the Stated Principal Balance of that Mortgage Loan.

Trustee: Fannie Mae, in its capacity as trustee, its successors or assigns, which will have the responsibilities specified for this capacity in the Trust Documents.

Trustee Event of Default: Any of the events described as such in paragraph (b) of Subsection 10.6(2) that has not been cured or waived.

Trustee Fee: Any fee payable to the Trustee pursuant to Section 10.10 as compensation for its services as such.

Undivided Beneficial Interest: With respect to each Certificate, the fraction represented by the initial principal balance of that Certificate divided by the Issue Date Pool Balance.

United States: The United States of America.

Voting Rights: As to the Certificates of a Trust, the rights of Holders to vote, give notice or consent, or otherwise take action under this Trust Agreement, as determined on the basis of Holders' respective Certificate Principal Balances, but excluding those Certificates that are required to be excluded pursuant to Section 14.1.

Section 1.2 *Rules of Construction.* The rules of construction set forth in this Section 1.2 apply to the Trust Documents.

1.2(1) *Singular and Plural; Gender.* The singular form of any word includes the plural, and vice versa, unless the context otherwise requires. The use of a pronoun of one gender includes correlative words of the other gender and neuter words, and the use of a neuter term includes words of both genders.

1.2(2) *Sections and Other Subdivisions.* All references to "Articles," "Sections," "Subsections" and other subdivisions (unless stated to be of a document other than the Trust Agreement) are to the corresponding Articles, Sections, Subsections and other subdivisions of the Trust Agreement; and the words "in this Trust Agreement," "of this Trust Agreement," "under this Trust Agreement," "of the Trust Agreement," and other words of similar import refer to the Trust Agreement as a whole and not to any particular Article, Section, Subsection or other subdivision, unless specified.

1.2(3) *Headings and Examples.* Any captions, headings or titles of the various Articles, Sections, Subsections and other subdivisions (including the numbering of them), and the table of contents are solely for convenience of reference, and none of them limits or otherwise affects the meaning, construction or effect of the Trust Documents or describes the scope or intent of any provision. In addition, any examples are included by way of illustration and not limitation.

1.2(4) *Recitals.* Each of the recitals set forth at the outset of this Trust Agreement is deemed a statement by Fannie Mae as to the purpose and scope of the various Trusts and its roles with respect to those Trusts, as further defined and limited in the Trust Documents.

1.2(5) *Written Statements.* Every "request," "order," "demand," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action by any party must be in writing, which includes an electronic

transmission of a writing or posting in an electronic medium, including the Fannie Mae Web site as provided in Section 15.4.

1.2(6) *Counsel; Accountants.* All references to “counsel,” “attorneys” or the like mean and include inside or outside counsel, whether or not suit is instituted; and all references to fees of such persons include fees and disbursements preparatory to and during trial and appeal and in any bankruptcy or arbitration proceedings, as well as advice relating to the application or interpretation of the Trust Documents. All references to “accountants” or the like mean and include accountants employed or engaged by Fannie Mae. In determining compliance with accounting standards, the opinion of the accountants employed by Fannie Mae will be conclusive.

1.2(7) *Inclusionary Language.* Whenever the word “includes” or “including” is used, such word means “includes or including by way of example and not limitation.”

1.2(8) *Fannie Mae.* As defined in Section 1.1, any reference to Fannie Mae means Fannie Mae in one or more of its corporate capacities, as specified or as provided in context, and not in its capacity as Trustee unless expressly provided otherwise. A successor to Fannie Mae means either a Person that succeeds to the entire business or the relevant portion of the business of Fannie Mae, by merger, reorganization or purchase of all or substantially all of the assets, or a Person that succeeds to Fannie Mae in the applicable capacity under this Trust Agreement.

1.2(9) *Individual Trusts.* With respect to each Trust, and unless expressly stated otherwise, the provisions of the Trust Documents will be interpreted as referring only to the Certificates of that Trust, the Holders of those Certificates, the Trust Fund related to that Trust, the Pool included in that particular Trust Fund, and the Mortgage Loans that constitute that particular Pool; and terms such as “Primary Servicer” and “Seller” will be construed to mean a Person acting in such capacity with regard to the related Mortgage Loans.

1.2(10) *Primary Servicer.* With respect to each Primary Servicer, and unless expressly stated otherwise, the provisions of the Trust Documents will be interpreted as referring only to the Mortgage Loans serviced by that Primary Servicer. Terms such as “Custodial Account,” “Escrow Account” and “Supplemental Account” will be construed to mean accounts pertaining to only the Mortgage Loans serviced by that Primary Servicer. With respect to each Mortgage Loan, unless expressly stated otherwise, references to the “Primary Servicer” will mean the particular Primary Servicer (and any Subservicer engaged by that Primary Servicer) that is then servicing that Mortgage Loan.

1.2(11) *Rating Agency.* Whenever reference is made to any rating agency (i) if that rating agency has been merged into another entity, no longer exists, no longer rates the type of security or entity that is the subject of the

reference, or no longer uses the ratings system that is included in the reference, and if there is a successor rating agency, then the reference will be deemed to mean that successor rating agency; (ii) it may include a nationally recognized statistical rating organization, other than one named in this Trust Agreement, that has been designated as such by the Securities and Exchange Commission (or successor governmental agency) and selected by the Issuer for purposes of this Trust Agreement; or (iii) for money market funds, if neither S&P nor Moody's has rated, or if each has ceased to rate, a money market fund, then the Issuer may select any other rating agency widely used by the market for rating money market funds, such as Morningstar RatingsTM, Fitch, Inc., Lipper, Inc., Duff & Phelps Credit Rating Co., Dominion Bond Rating Service or any comparable rating agency. In the case of (i), (ii) or (iii), the referenced ratings categories will be deemed to refer to the comparable ratings categories in the rating system used by the rating agency that succeeds that rating agency. In determining the number of applicable ratings categories of a particular rating agency, pluses and minuses (or numbered subcategories) will be ignored, except that a minimum alpha-numeric rating that is followed by a minus sign (or by the least desirable numeric indication) will not be considered to be in the required category. For example, as of the Effective Date, (a) the two highest ratings categories for long-term securities are AAA and AA for S&P and Aaa and Aa for Moody's; (b) the highest ratings categories for short-term securities are A-1 for S&P and P-1 for Moody's; (c) the two highest ratings categories for money market funds are AAAM and AAM for S&P and Aaam and Aam for Moody's; and (d) a long-term rating of AA- by S&P or Aa3 by Moody's will not be considered in the two highest ratings categories.

1.2(12) *Changes in Laws.* Whenever a statute, regulation, governmental body, accounting standard or accounting body is identified in this Trust Agreement, the reference includes any modification of, successor to or renamed statute, regulation, governmental body, accounting standard or accounting body.

1.2(13) *Changes to Servicing Contracts and the Guide.* The Guide or any Servicing Contract may be more restrictive than the Trust Documents. Changes can be made to the Guide or any Servicing Contract without the approval of any Holder, provided that such changes do not cause the Guide or a Servicing Contract to permit any activity with respect to any Mortgage Loan that conflicts with (other than being more restrictive than) a requirement of the Trust Documents. If a change in the Guide or any Servicing Contract, as applied to a Mortgage Loan, would conflict with (other than being more restrictive than) a requirement of the Trust Documents, then that change will not be effective with respect to that Mortgage Loan unless that change is approved in the manner prescribed in Article XIV as if it were an Amendment of the Trust Documents. If there is a conflict between the Trust Documents and any Servicing Contract or the Guide (other than the Servicing Contract or the Guide being more restrictive than the Trust Documents), the provisions of the Trust Documents will control.

1.2(14) *Delegates, Agents, Successors and Assigns.* Whenever a Person is referenced in this Trust Agreement, and except as provided in Subsection 1.2(8) with respect to Fannie Mae, the reference includes that Person's successors and assigns, by merger, acquisition, operation of law, reorganization, inheritance or similar occurrence, as well as any Person who succeeds in the relevant capacity pursuant to the terms of this Trust Agreement. A successor to any governmental unit referenced in this Trust Agreement includes a governmental unit that is created or charged with carrying out substantially the same functions as the referenced governmental unit. A Person may exercise any of the rights or powers granted to it or perform any duties under the Trust Documents either directly or by or through agents or attorneys.

1.2(15) *Substantial Compliance.* Any servicing or administrative practice adopted, implemented, changed or discontinued by the Primary Servicer, Master Servicer, Trustee or Paying Agent in order to accommodate servicing processes (including systems limitations) will be considered to be consistent with this Trust Agreement and expectations of a reasonable investor in mortgage-backed securities if such practice achieves substantial compliance in all material respects with this Trust Agreement.

ARTICLE II

CREATION OF TRUST; CONVEYANCE OF LOANS

Section 2.1 *Declaration of Trust, Transfer and Conveyance of Mortgage Loans; Acceptance of Responsibilities.*

2.1(1) *Declaration of Trust, Transfer and Conveyance of Mortgage Loans.* By delivering at least one Certificate of a Trust in the manner described in Section 3.1, the Issuer unconditionally, absolutely and irrevocably sets aside, transfers, assigns, sets over and otherwise conveys to the Trustee, on behalf of related Holders, all of the Issuer's right, title and interest in and to the Mortgage Loans in the related Pool, together with any Pool Proceeds. Once Mortgage Loans have been identified as being part of a particular Trust for which at least one Certificate has been issued, they will remain in that Trust unless removed in a manner consistent with the Trust Documents.

2.1(2) *Acceptance of Responsibilities.* Concurrently with the Issuer's setting aside, transferring, assigning, setting over and otherwise conveying Mortgage Loans to the Trustee for a Trust:

(a) the Trustee accepts the Mortgage Loans so conveyed and holds all of the related Trust Fund in trust for the exclusive benefit of the related Holders, subject to and in accordance with the terms of the Trust Documents;

(b) the Master Servicer accepts its responsibility to perform the functions of Master Servicer for the related Trust, in accordance with the terms of the Trust Documents; and

(c) the Guarantor agrees to make Guaranty payments as described in and in accordance with the provisions of the Trust Documents.

2.1(3) *Security Interest.* The Issuer intends that the conveyance of the Mortgage Loans by the Issuer to the Trustee pursuant to the Trust Documents be a true, absolute and unconditional sale of the Mortgage Loans by the Issuer to the Trust, and not a pledge of the Mortgage Loans to secure a debt or other obligation of the Issuer. Notwithstanding this express intention, however, if the Mortgage Loans are determined by a court of competent jurisdiction to be the property of the Issuer, then the Issuer intends that:

(a) the conveyance of the Mortgage Loans be deemed a pledge of the Mortgage Loans by the Issuer to the Trustee to secure a debt or other obligation of the Issuer; and

(b) (i) the Trust Documents be deemed a security agreement within the meaning of Articles 8 and 9 of the Uniform Commercial Code as in effect from time to time in the District of Columbia;

(ii) the conveyance provided for in Subsection 2.1(1) be deemed a grant by the Issuer to the Trustee of a security interest in: (A) all of the Issuer's right, title and interest in and to the Mortgage Loans and all amounts payable under the Mortgage Documents in accordance with their terms; and (B) all proceeds of any conversion, voluntary or involuntary, of those Mortgage Loans and amounts into cash, instruments, securities or other property, including all amounts, other than interest and other investment earnings on any Custodial Account, Certificate Account, Escrow Account, Supplemental Account, Supplemental Collateral, Defeasance Securities or other account established in connection with the Mortgage Loans, whether in the form of cash, instruments, securities or other property;

(iii) the obligations secured by this security agreement be deemed all of the Issuer's obligations under the Trust Documents, including the obligation to make payments to Holders;

(iv) notifications to Persons holding such property, and acknowledgments, receipts or confirmations from Persons holding such property, be deemed notifications to, or acknowledgments, receipts or confirmations from financial intermediaries, bailees or agents (as applicable) of the Trustee for the purpose of perfecting the security interest under applicable law; and

(v) immediately upon default of the deemed indebtedness of the Issuer with respect to any Trust, the Trustee, without any further action, become the absolute owner (in its capacity as Trustee of the related

Trust) of the Mortgage Loans securing such deemed indebtedness, free and clear of any and all interests of the Issuer in such Mortgage Loans.

2.1(4) *Equitable Interest.* If the Issuer fails to transfer the entire legal ownership in and to each Mortgage Loan to the applicable Trust, the Issuer intends that the Trust Documents nevertheless will operate to transfer the entire equitable ownership interest in and to each Mortgage Loan to the Trustee for the applicable Trust.

2.1(5) *Prohibition Against Encumbrance.* Except as may otherwise be provided expressly in the Trust Documents, neither Fannie Mae (in any of its corporate capacities) nor the Trustee will, directly or indirectly (by causing a Primary Servicer or a Custodian or other agent or independent contractor to do so), assign, sell, dispose of or transfer all or any portion of or interest in the Trust Fund, or permit all or any portion of the Trust Fund to be subject to any lien, claim, mortgage, security interest, pledge or other encumbrance of any other Person. Nothing in this Subsection 2.1(5) prevents the Borrower from causing the Mortgaged Property, Defeasance Securities or Supplemental Collateral that secures a Mortgage Loan included in such Trust Fund to become subject to another lien, nor a Primary Servicer from pledging or transferring its rights under and in accordance with the provisions of the Servicing Contract or from transferring a portion of the Excess Spread with respect to a Mortgage Loan for securitization as provided in paragraph (b) of Subsection 5.1(6).

2.1(6) *Accounting Treatment.* Upon the creation of each Trust, that Trust is intended to be considered a “qualifying special purpose entity” under accounting principles generally accepted in the United States. Accordingly, no Trust is intended to be required to be consolidated into the financial statements of the Issuer unless the Issuer holds 100% of the Certificates of that Trust and has the unilateral ability to cause that Trust to be liquidated or to change that Trust in such a way that the Trust no longer is a “qualifying special purpose entity.” Further, it is intended that no Trust will be required to be consolidated into the financial statements of any Holder or any other Person having a beneficial interest in the Trust, other than the Issuer, because no such Holder or other Person has the unilateral ability to cause a Trust to be liquidated or to change a Trust in such a way that the Trust no longer is a “qualifying special purpose entity.”

2.1(7) *Status of Trust.* For federal income tax purposes, each Trust formed under this Trust Agreement will be treated as a fixed investment trust under the Internal Revenue Code, and not as an association taxable as a corporation. The Trustee will take any action or cause the Trust to take any action necessary to create and maintain the status of each Trust as a fixed investment trust for federal income tax purposes; provided that if any such action would require the consent of Holders under Article XIV, the Trustee will not effect that action without the requisite consent of Holders.

2.1(8) *Use of Information.* Notwithstanding anything to the contrary in Subsection 2.1(1), Fannie Mae, in each of its capacities, retains or is and will be granted, as applicable, on a nonexclusive basis, any and all licenses and rights to store, reproduce, edit, analyze, distribute and use in any manner all or part of information or data contained in the Mortgage Documents and in any other records and documentation regarding the Mortgage Loans, and all accounts, insurance policies and other matters relating to any Mortgage Loan or Pool under Article V or otherwise under the Trust Documents. Assignees and successors of the Trustee and of the Master Servicer are and will be granted, on a nonexclusive basis, any and all licenses and rights to store, reproduce, edit, analyze, distribute and use all or part of such information or data for the purpose of carrying out their respective functions.

2.1(9) *Payment for Services to Trusts.* In order that services to the Trusts will be provided, fees and expenses payable under the Trust Documents for a Trust (including Servicing Fees and ancillary charges, Excess Spread other than Securitized Excess Spread, Issuer Fees, Trustee Fees, Master Servicer Fees and Guaranty Fees) are payable prior to any distribution to Holders.

Section 2.2 *Issuance of Certificates.* The issuance of a Certificate pursuant to the applicable Trust Documents will occur upon the date of initial settlement and transfer of consideration for such Certificate and will constitute a sale, assignment, transfer and conveyance to a Holder of an Undivided Beneficial Interest in the applicable Trust Fund, effective as of the related Issue Date. With regard to each Trust, all of the terms and conditions of the Trust Documents will become binding and irrevocable at such time as the Issuer first causes a Certificate for that Trust to be issued; provided, however, that the Issue Date Pool Balance may be increased during the same calendar month as the Issue Date if additional Certificates of a Trust are transferred when additional Mortgage Loans are added, upon settlement and transfer of consideration for those additional Certificates. By settlement of and transfer of consideration for a Certificate, a Holder acknowledges, accepts and agrees to be bound by all of the terms and conditions of the Trust Documents, and is deemed to waive any rights that are inconsistent with the Trust Documents.

Section 2.3 *Interests Held by the Issuer or a Seller.* Certificates held or acquired by the Issuer or a Seller from time to time and Certificates held by other Holders will have equal and proportionate benefits, without preference, priority or distinction, except to the extent expressly provided otherwise with respect to Voting Rights. No Holder will have any priority over any other Holder. If a Trust Fund includes a Participation Interest in a loan in which the Issuer has retained or acquired a separate interest, the priority, preference or distinction of the Issuer's interest in such loan will not be affected by the existence of the interest of the Trust.

Section 2.4 *Determination of Pool.* The Issuer will determine the Issue Date Pool Balance of, and specify the Mortgage Loans constituting, a Pool as of the

Issue Date by listing the Mortgage Loans in that Pool on the Mortgage Loan Schedule. The Issuer may amend the Mortgage Loan Schedule to correct administrative errors at any time prior to the first Distribution Date. Thereafter, the identity of the Mortgage Loans included in the Pool will not change except that (a) Mortgage Loans may be paid off, purchased, liquidated, foreclosed upon, or become REO Property (as permitted and described in this Trust Agreement), and (b) Mortgage Loans may be substituted as provided in Section 2.6, but errors in data pertaining to the Mortgage Loans may be corrected at any time. Not later than the first Distribution Date, the Issuer will establish the final Issue Date Pool Balance of the Pool on the Books and Records.

Section 2.5 Limited Purchase of Mortgage Loans or REO Property.

2.5(1) *Mandatory Purchase by Issuer.* The Issuer will purchase a Mortgage Loan or REO Property from a Trust at the purchase price specified in Subsection 2.5(3) under any of the following circumstances:

(a) as soon as practicable, if (i) the Issuer, a court of competent jurisdiction or a governmental agency duly authorized to oversee or regulate the Issuer's mortgage acquisition business determines that the Issuer's acquisition of that Mortgage Loan was unauthorized; or (ii) a court or governmental agency requires purchase of that Mortgage Loan from a Trust;

(b) as soon as practicable once the Master Servicer has been notified or otherwise has been made aware that an event of any of the following types will occur, and in any case before the occurrence of such event: (i) the Mortgage Interest Rate becomes a fixed rate following the Borrower's exercise of an option in the Mortgage Documents to convert the Mortgage Interest Rate from adjustable to fixed; (ii) a different Adjustment Reference is applied to calculate the Mortgage Interest Rate, following the Borrower's exercise of an option in the Mortgage Documents to change the Adjustment Reference; (iii) a modification of the Mortgage Loan (other than a transfer or assumption permitted under the Mortgage Documents or as provided in Subsection 5.9(2) or Section 5.10) is effective, following the Borrower's exercise of a conditional modification option if the change of terms would otherwise violate Subsection 5.3(3); or (iv) in the case of an Adjustable-Rate Mortgage Loan, the maximum or minimum Mortgage Interest Rate or the margin used in calculating the Mortgage Interest Rate changes as the result of an assumption of the Mortgage Loan;

(c) as soon as practicable, if any governmental unit, agency or court demands or requires the transfer of the Mortgage Loan or Mortgaged Property, Defeasance Securities or Supplemental Collateral (other than in connection with a transfer permitted under the Mortgage Documents or as provided in Section 5.9(2) or 5.10), including transfer required as a result of an environmental hazard or as part of a settlement of a legal controversy;

(d) not later than the end of the twenty-fourth consecutive month of delinquency, calculated as directed by the Master Servicer; provided, however, that for this purpose such period for purchase will be extended for as long as the Borrower is in compliance with a Loss Mitigation Plan then in effect;

(e) as soon as practicable, if any insurer or guarantor of the Mortgage Loan or Mortgaged Property requires transfer to it of the Mortgage Loan or REO Property in order to obtain the benefits of the insurance or guaranty;

(f) unless foreclosure or other loss mitigation action has begun by such date, not later than the end of the specified period (including any extensions of that period) during which foreclosure need not be commenced pursuant to Subsection 5.11(1), including in the case of any Mortgage Loan that is covered by Mortgage Insurance, if the applicable program of Mortgage Insurance requires forbearance, indulgence or other delay in or failure of enforcement of the contractual terms of the Mortgage Loan for a period of time longer than that otherwise permitted under the Trust Documents; or

(g) on the Final Distribution Date of the Trust, to the extent any Mortgage Loan in the related Pool remains outstanding or any REO Property remains in the Trust.

2.5(2) *Optional Purchase by Guarantor.* The Guarantor may purchase a Mortgage Loan or REO Property from a Trust at the purchase price specified in Subsection 2.5(3) under any of the following circumstances:

(a) if there is a material breach of a representation or warranty with respect to a Mortgage Loan made in connection with the sale of that Mortgage Loan to the Issuer, or if there is a material defect in the Mortgage Documents for a Mortgage Loan;

(b) at any time after the principal and interest payments required by the related Mortgage Documents have not been made in full on each payment due date for four consecutive months (even if any payment has been partially paid and without regard to any grace or cure period under the related Mortgage Documents), the period for calculating default for this purpose being inclusive of any time that a Loss Mitigation Plan is in effect;

(c) if a bankruptcy court approves a plan that either (i) affects the Mortgage Interest Rate, principal balance, amount or timing of principal or interest payments, term or last scheduled payment date of that Mortgage Loan or (ii) authorizes a transfer or substitution of all or part of the related Mortgaged Property, Defeasance Securities or Supplemental Collateral;

(d) if compliance with applicable laws (including a Relief Act) would require modification of that Mortgage Loan in a way that would change that Mortgage Loan (such as a change in the Mortgage Interest Rate, principal

balance, amortization schedule, timing of payments or last scheduled payment date);

(e) if that Mortgage Loan does not conform in any material respect to the description contained in the related Issue Supplement or the Prospectus pursuant to which the related Certificates were sold;

(f) if the related Mortgaged Property (other than Mortgaged Property that secures a MALA Advance) has suffered damage as a result of a disaster, terrorist attack or other catastrophe caused by either nature or a Person other than the Borrower or a Key Principal, and has suffered a reduction of at least 5% in value following that disaster, attack or catastrophe, compared to its value at the time the Mortgage Loan was originated, at the time the affected Mortgaged Property was first pledged as collateral under the Mortgage Loan or at the time the Mortgage Loan was transferred to the Trust;

(g) prior to assumption of a Mortgage Loan or before transfer of an interest in the Mortgaged Property or a direct or indirect interest in the Borrower or Key Principal as described in Section 5.9, or as soon as practicable after the Primary Servicer becomes aware of such a transfer, if the Primary Servicer has been notified or otherwise made aware that such Mortgage Loan will be or has been assumed or the interest in the Mortgaged Property or the direct or indirect interest in the Borrower or Key Principal will be or has been transferred, under circumstances in which the Master Servicer or Primary Servicer reasonably believes that a Due-on-Transfer Provision is enforceable, unless an exception set forth in Subsection 5.9(2) or Section 5.10 applies;

(h) prior to assumption of a Mortgage Loan for which a Borrower has full recourse liability, or as soon as practicable after the Primary Servicer becomes aware of such a transfer, if the Primary Servicer has been notified or otherwise made aware that such Mortgage Loan will be or has been assumed, under circumstances in which the Master Servicer reasonably believes, based on advice from counsel, that a taxable event under the Internal Revenue Code has occurred or will occur as a result of that assumption;

(i) if the Master Servicer or the Trustee is advised by counsel (who are not inside counsel and employees of the Transferor with respect to the relevant Trust) that removal of that Mortgage Loan from the Trust is necessary or advisable in order to maintain the status of the Trust as a fixed investment trust for federal income tax purposes;

(j) if the related Mortgaged Property is acquired by a Trust as REO Property; or

(k) if the Mortgage Loan has ceased to be secured by assets of the types contemplated by the Mortgage Documents;

provided that, in the case of any PFP Loan, the Guarantor's purchase right under clauses (c), (d), (f) and (k) of this Subsection 2.5(2) will begin on the first day of, and end on the last day of, the Fiscal Quarter that immediately follows the Fiscal Quarter during which the Guarantor receives notice from the Primary Servicer of the occurrence of such event.

2.5(3) *Purchase Price.* The purchase price for any Mortgage Loan other than a Discount Participation Interest or REO Property purchased from a Trust on any date in accordance with Subsection 2.5(1) or 2.5(2) will be equal to the sum of (a) the Stated Principal Balance of that Mortgage Loan on the Distribution Date on which the purchase price is required to be included in the Certificate Distribution Amount (before giving effect to distributions of principal (and any additions to principal) to be made on that Distribution Date), plus (b) one month's interest on the Stated Principal Balance in clause (a) calculated at the Net Rate applicable to payments due on the Mortgage Loan during the Due Period related to the Distribution Date on which the purchase price is required to be included in the Certificate Distribution Amount, plus (c) any Holders' Prepayment Premium Portion, to the extent collected from the Borrower or a Key Principal. In the case of REO Property, the Net Rate will be determined on the basis of the contractual terms of the related Mortgage Loan as if that Mortgage Loan had remained outstanding. The purchase price for a Discount Participation Interest purchased from a Trust will be its Stated Principal Balance.

Section 2.6 *Limited Right of Mortgage Loan Substitution.* If a Mortgage Loan is purchased under clause (a) or (e) of Subsection 2.5(2), the Issuer may substitute another Mortgage Loan in its place within the same Due Period as the withdrawal occurs, if that substitution takes place (i) within 90 days of the Issue Date of the related Certificates, in the case of a substitution under clause (e) of Subsection 2.5(2), or (ii) within two years of the Issue Date of the related Certificates, in the case of a substitution under clause (a) of Subsection 2.5(2). Any substitute Mortgage Loan will satisfy the following criteria at the time of substitution:

(i) the substitute Mortgage Loan is not delinquent (taking into consideration any applicable grace period) as to any payment as of the date of substitution;

(ii) the outstanding principal balance of the substitute Mortgage Loan as of the date of substitution may not exceed the Stated Principal Balance of the withdrawn Mortgage Loan at the time it is removed from the Pool;

(iii) each Mortgaged Property securing the substitute Mortgage Loan is located in the same state or territory of the United States or in a comparable rental market as each Mortgaged Property that secures the withdrawn Mortgage Loan;

(iv) if the withdrawn Mortgage Loan is a Fixed-Rate Mortgage Loan, the substitute Mortgage Loan will be a Fixed-Rate Mortgage Loan having a Mortgage Interest Rate not less than or materially greater than the Mortgage Interest Rate as the withdrawn Mortgage Loan;

(v) if the withdrawn Mortgage Loan is an Adjustable-Rate Mortgage Loan, the substitute Mortgage Loan will be an Adjustable-Rate Mortgage Loan having (A) the same or a similar Adjustment Reference, (B) the same frequency of adjustments, and (C) margin and payment caps that each are within one percentage point of those of the withdrawn Mortgage Loan;

(vi) if the withdrawn Mortgage Loan is a Negative Amortization Mortgage Loan, the substitute Mortgage Loan will be a Negative Amortization Mortgage Loan;

(vii) the last scheduled payment date of the substitute Mortgage Loan may not be later than, or more than two years earlier than, the last scheduled payment date of the withdrawn Mortgage Loan;

(viii) if the withdrawn Mortgage Loan is a Discount Participation Interest, the substitute Mortgage Loan will be a Discount Participation Interest;

(ix) if the withdrawn Mortgage Loan is a Participation Interest, the substitute Mortgage Loan will be a Participation Interest; and

(x) if the withdrawn Mortgage Loan is a Government Mortgage Loan, the substitute Mortgage Loan will be a Government Mortgage Loan under the same governmental program with the same type of insurance or guaranty.

Not later than the Distribution Date next following the date on which a Mortgage Loan is substituted, the Issuer will deposit, or cause to be deposited, into the Certificate Account the amount, if any, by which the Stated Principal Balance of the withdrawn Mortgage Loan (as of the immediately preceding Distribution Date, after giving effect to any principal payments on such date) exceeds the Issue Date Loan Balance of the substitute Mortgage Loan, together with one month's interest on such excess amount calculated at the Net Rate on the withdrawn Mortgage Loan required for the related Distribution Date, multiplied by that excess principal amount.

Section 2.7 Removal of Mortgage Loan from Pool. Any Mortgage Loan with respect to which either a Prepayment in full or a final payment of all amounts due is received from or on behalf of the Borrower will cease to be included in the Pool when the Primary Servicer, on behalf of the Trust, receives the funds for the Prepayment or final payment in full; provided, however, that in the case of a Prepayment that is deemed received in the month preceding that in which it is actually received, pursuant to an alternate timing clause, as provided in the definition of "Certificate Principal Distribution Amount," the Mortgage Loan will

cease to be included in the Pool as of the last day of such preceding month, but the funds from the Prepayment or final payment in full must be included in the Certificate Distribution Account on the applicable Distribution Date as otherwise provided in the Trust Documents. A Mortgage Loan or REO Property that is purchased from a Trust in accordance with this Trust Agreement will cease to be included in the Pool when (a) an appropriate entry is made in the Books and Records reflecting the purchase of the Mortgage Loan or REO Property from the Trust and (b) the Trust receives either funds or a contract right to receive funds in the amount of the purchase price as calculated in Subsection 2.5(3) for inclusion in the Certificate Distribution Amount on the applicable Distribution Date as otherwise provided in the Trust Documents. The funds for the purchase price, other Prepayment or final scheduled payment, as applicable, will be deposited in the Custodial Account or the Certificate Account and passed through to Holders at the time and to the extent provided in Article VII. As to any Mortgage Loan that has not been paid in full at the time the Mortgage Loan ceases to be included in a Trust, the Mortgage Loan will be assigned to, or at the direction of, the Guarantor.

Section 2.8 *Issuer Fee*. For its services in establishing each Trust, the Issuer will be entitled to a fee of \$1,000, payable, as provided in Subsection 7.2(4), from interest or other investment earnings on the Certificate Account.

Section 2.9 *Purchase Execution*. In executing the Issuer's mandatory purchase obligations under Subsection 2.5(1) or the Guarantor's optional purchase rights under Subsection 2.5(2), the Issuer or the Guarantor, as applicable, may either purchase a Mortgage Loan or REO Property itself or arrange, outside of the Trust Documents, by contract or otherwise, for another Person to purchase a Mortgage Loan or REO Property, in each case in accordance with the applicable terms and conditions set forth in Subsection 2.5(1) or Subsection 2.5(2).

ARTICLE III

APPLICABLE DOCUMENTATION

Section 3.1 *Issue Supplement*. An Issue Supplement documents the establishment of a particular Trust and relates to an issue of Certificates representing the beneficial ownership interests in the related Trust Fund. Each Issue Supplement will relate to a specific Pool of one or more Mortgage Loans and the Certificates representing the beneficial ownership interests in the related Trust Fund. The Issuer will identify the related Mortgage Loans on a Mortgage Loan Schedule attached to or otherwise made part of the related Issue Supplement. If for any reason the creation of an Issue Supplement is delayed, the Issuer will create one as soon as practicable, and such delay will not affect the validity or existence of the Trust or the related Certificates. Any one or more physical or electronic documents or records (signed or unsigned) made in the ordinary course of identifying Mortgage Loans as being in a Pool that conclusively identify the Mortgage Loans within a Pool and the relevant Pass-Through Rate or Spread Rate will be deemed to be an Issue Supplement for

purposes of documenting the establishment of a Trust. Delivery of one or more Certificates of the related Trust together with information, physical or electronic documents or records (signed or unsigned) in the Books and Records identifying the Mortgage Loans in a Pool will constitute the issuance of Certificates, and the collective information so delivered will be deemed to be an Issue Supplement for purposes of documenting the establishment of a Trust.

Section 3.2 *Issue Supplement and Trust Agreement.* With respect to each Trust, the collective terms of the Trust Documents will govern the issuance and administration of the Certificates related to that Trust and all related matters. As applied to each Trust, the collective terms of the Trust Documents will constitute an agreement as if the collective terms of those instruments were set forth in one single and separate instrument. An Issue Supplement is not considered an Amendment requiring approval pursuant to Article XIV.

Section 3.3 *Access to Information.* The Trustee will provide access to this Trust Agreement and any relevant Issue Supplement to a related Holder upon request. This obligation will be satisfied conclusively if the Issuer, the Master Servicer or a Primary Servicer provides or makes the Trust Agreement and any relevant Issue Supplement available in the same manner permitted for the giving of notices, as provided in Section 15.4. The Trustee may redact or require another Person to redact any information from the Issue Supplement, including the Mortgage Loan Schedule, prior to providing it to a Holder if such information is not a required disclosure or if providing it would violate the privacy of any Borrower or any applicable law or regulation.

Section 3.4 *Custody of Mortgage Documents.*

3.4(1) *Delivery.*

(a) *Documents Delivered to Trustee or Custodian.* In connection with any transfer of a Mortgage Loan into a Trust, subject to paragraph (e) of this Subsection 3.4(1) (and, in the case of substituted Mortgaged Properties, subject to the additional provisions of Sections 3.6 and 5.12), the following documents, if applicable to that Mortgage Loan, will be delivered (electronically or otherwise) to the Trustee or a Custodian:

- (i) (x) the original Mortgage Note or other instrument evidencing the Borrower's indebtedness, endorsed in blank or to the Issuer or the Trustee, and (y) if applicable, the original, or if the original is unavailable, a copy, of any documents that modify the terms and conditions of the Mortgage Note (such as a modification agreement, assumption agreement or allonge);
- (ii) for consolidation, extension and modification agreements, either (x) the original executed amended and restated or consolidated Mortgage Note endorsed in blank or to the Issuer or the Trustee or

(y) all originals of prior executed Mortgage Notes and a new originally executed Mortgage Note (if additional funds are advanced), each endorsed in blank or to the Issuer or Trustee, together with the consolidation, extension and modification agreement, or such other documentation as may be used in the applicable state or jurisdiction with respect to consolidation of loans and acceptable to the Issuer for the delivery of loans; or

- (iii) for a Participation Interest, if the same is in certificated form, the original certificate of participation or other evidence of the Participation Interest either made in favor of the Issuer or the Trustee or accompanied by an assignment of the Participation Interest to the Issuer or the Trustee, and if it is not in certificated form, original documentation, according to the terms of the instruments establishing the Participation Interest, that evidences the conveyance of the Participation Interest, executed in blank or to the Issuer or the Trustee, or as required by the book-entry rules applicable to that Participation Interest.

(b) *Mortgage Documents Delivered to Trustee or Custodian.*

In addition, subject to the additional provisions of Sections 3.6 and 5.12 in the case of transfers of substituted assets, the following documents, if applicable to that Mortgage Loan, will be delivered (electronically or otherwise) to the Trustee or a Custodian:

- (i) the original or a copy of the Mortgage, as recorded;
- (ii) except in the case of a Mortgage Loan with respect to which the Mortgage is registered under a Mortgage Registry System, either the original or a copy of the Assignment of Mortgage to the Issuer or the Trustee or in blank, which may be a blanket assignment covering two or more Mortgages, or a power of attorney authorizing the Issuer or the Trustee to execute the Assignment of Mortgage and other documents on behalf of the record holder;
- (iii) the original of any payment or performance guaranty, and any other applicable guaranty or indemnification;
- (iv) the original of an assignment of any Collateral Agreement and other loan documents, or a power of attorney authorizing the Issuer or the Trustee to execute such assignments;
- (v) an original (which may be a duplicate original or issued in electronic form) or a copy of the policy of title insurance, including all endorsements;
- (vi) if the Mortgage Loan is covered by a governmental housing subsidy program, a copy of the contract for the applicable housing

assistance program or reference to such a contract reflected in the assignment executed by the applicable governmental unit, together with originals or copies of an assignment of that contract to the Issuer or Trustee and a consent to that assignment executed by the applicable governmental unit;

- (vii) if applicable, a copy of any subordination agreement, as recorded, by which another lien on the Mortgaged Property or Supplemental Collateral is subordinated to the lien of the Mortgage as of the origination of the Mortgage Loan (except if the Mortgage Loan is itself secured by the subordinated lien);
- (viii) the original or a copy of any intercreditor agreement that relates to the Mortgage Loan or the Mortgaged Property;
- (ix) the original or a copy of any document not included as part of the Mortgage Note creating an exception to the non-recourse nature of the obligation represented by the Mortgage Note; and
- (x) the original or a copy of any other document evidencing, securing or guaranteeing the Mortgage Loan.

(c) *Other Documents.* Subject to the additional provisions of Sections 3.6 and 5.12 in the case of transfers of substituted assets, the following documents (or the documents, if any, as are then required by the Issuer for delivery of loans), if applicable for a Mortgage Loan, will be held by the Primary Servicer or Master Servicer or, upon a request by the Master Servicer or Trustee, will be delivered to the Trustee or a Custodian, in either case in a file that is clearly identified by electronic or other means as being held for the benefit of the Trustee:

- (i) the original or a copy of the applicable power of attorney, if an attorney-in-fact signed the Mortgage Note on behalf of the Borrower;
- (ii) the original or a copy of a name affidavit;
- (iii) to the extent that proceeds of any letter of credit are Supplemental Collateral for a Mortgage Loan, the original letter of credit, issued in favor of Fannie Mae;
- (iv) to the extent that any Supplemental Collateral is in the form of certificated securities, the certificates, either endorsed in blank or to the Trustee or Custodian, or accompanied by a stock power in blank or in favor of the Trustee or Custodian; and
- (v) to the extent that any Supplemental Collateral is in the form of uncertificated securities, evidence that the Trustee or Custodian

has become the record lienholder on the books and records of the issuer of those securities or a financial intermediary.

(d) *Missing or Unavailable Documents.* In lieu of any original document required to be delivered or held under paragraph (a), (b) or (c) of this Subsection 3.4(1), an affidavit of an authorized representative of the Issuer, the Seller, the Custodian, the Primary Servicer, or an agent of any of them will either be delivered or held, certifying (i) that the original document has been lost or destroyed and (ii) either (x) that an attached copy of the document is a true and accurate copy, or (y) if permitted in the Servicing Contract, a description of the material terms of the missing document. If an original document required by paragraph (a), (b) or (c) of this Subsection 3.4(1) is not available to be so delivered because it has been sent for recordation or filing in the appropriate jurisdiction and has not been returned as of the Issue Date, the Issuer will cause a copy of the document to be delivered to the Trustee, Custodian or Primary Servicer, as applicable, and will cause the required original document to be delivered to the Trustee, Custodian or Primary Servicer, as applicable, as soon as it becomes available. If a required or requested document is not delivered in due course, the related Mortgage Loan will be considered defective and may be purchased or substituted pursuant to Section 2.5 or 2.6.

(e) *Electronic Documents.* If and to the extent that a Mortgage Note is an electronically signed document, then in lieu of delivery or endorsement of the Mortgage Note to the Trustee or Custodian, all necessary steps will be taken on the applicable Electronic Note Registry System for the Trustee to be considered in control of that Mortgage Note.

(f) *Electronic Recordkeeping.* If permitted by the Servicing Contract, documents of the types described in paragraphs (a), (b) and (c) of this Subsection 3.4(1) may be held in electronic form.

3.4(2) *Custodial Capacity.* Subject to Subsection 5.4(2), the Master Servicer or Trustee may permit a Primary Servicer or Custodian (without regard to whether such Person is also the Seller of a Mortgage Loan or its affiliate) to hold Mortgage Documents in a custodial capacity. The Master Servicer may adopt and modify its policies and procedures regarding the custody of Mortgage Documents from time to time, subject to the general standard of care in Subsection 5.1(1). Neither the Master Servicer nor the Trustee will have liability arising from the possession of Mortgage Documents by a Seller or its affiliate in accordance with this Subsection 3.4(2), provided the custody of Mortgage Documents is in accordance with the policies and procedures of the Master Servicer at that time.

Section 3.5 *Review, Certification and Safekeeping of Mortgage Documents.* The Master Servicer will establish procedures for the review and maintenance of Mortgage Documents, including provisions for the release of documents by the Custodian in connection with the servicing of the Mortgage Loans. The Master

Servicer may amend the procedures from time to time with respect to the administrative and ministerial aspects of the safekeeping and monitoring of the Mortgage Documents and Mortgage Loan files. The Master Servicer will obligate the Primary Servicer and Custodian to follow such procedures in servicing the Mortgage Loans.

Section 3.6 *Defeasance and Mortgaged Property Substitution*. Whenever, in accordance with the Mortgage Documents, a Borrower substitutes a new lien on one or more Mortgaged Properties or other collateral for the lien previously delivered on one or more different Mortgaged Properties, the documents described in paragraph (b) of Subsection 3.4(1) with respect to the lien on the substituted Mortgaged Properties or other collateral will be delivered to and held by the Trustee or a Custodian in accordance with the terms of that paragraph. In the case of Defeasance by delivery of Defeasance Securities consisting of certificated Defeasance Securities, the certificates representing the securities will be pledged to the Trustee or Custodian. In the case of Defeasance by delivery of Defeasance Securities consisting of uncertificated Defeasance Securities, the securities will be held in the name of or for the benefit of the Trustee.

ARTICLE IV

THE CERTIFICATES

Section 4.1 *General Provisions*. The Certificates issued with respect to each Trust will consist of only one class of certificates designated generally as guaranteed mortgage pass-through certificates, with any additional designations specified in the related Issue Supplement.

Section 4.2 *Issuance of Certificates*.

4.2(1) *Book-Entry Form*. Except as provided in Subsection 4.2(2), the Certificates will be issued in book-entry form in the names of Holders and maintained as entries on the books of the Fiscal Agent, in accordance with the Book-Entry Rules. Holders will have no right to a definitive Certificate, unless otherwise provided in the related Issue Supplement. Transfers, exchanges and redemption of Certificates will be conducted in accordance with the Book-Entry Rules.

4.2(2) *Definitive Form*. The Issuer may provide in the Issue Supplement that all or a portion of the Certificates for a Trust may be issued in definitive or temporary form, either as to individual Certificates or as to a global Certificate held by a securities registry acceptable to the Issuer (in which case individual interests in the global Certificate will be held and transferred in the manner provided in the rules of the applicable securities registry). If a definitive or temporary Certificate is used, the form of the Certificate, including denominations, as well as the necessary procedures for the registration, transfer,

exchange and replacement of the Certificates, and, if applicable, conversion to book-entry form, will be provided in the Issue Supplement.

4.2(3) *Denominations.* Certificates will be issued, held and transferred in minimum original principal amounts of \$1,000.00 and additional increments of \$1.00, unless the related Issue Supplement otherwise provides. Certificates may not be transferred if, as a result of the transfer, the transferor or the new Holder would hold Certificates of the same issue having an aggregate original principal amount of less than the minimum denomination.

4.2(4) *Transfer, Exchange and Pledge.* The transfer, exchange, replacement or pledge of Certificates will be governed by agreement between the Issuer and the Fiscal Agent. The Fiscal Agent may act only upon the instruction of the Holder in recording Certificate transfers, and only upon payment by the Holder of amounts required to cover transfer fees, taxes and any other associated charges.

ARTICLE V

ADMINISTRATION AND SERVICING OF THE MORTGAGE LOANS

Section 5.1 Servicing of Mortgage Loans.

5.1(1) *Standard of Care.* The Mortgage Loans in each Pool will be serviced for and on behalf of Holders in accordance with the Trust Documents, and to the extent not inconsistent with the Trust Documents, the applicable Servicing Contract and the Guide, and to the extent not covered by the Trust Documents, the applicable Servicing Contract or the Guide, then in accordance with Accepted Servicing Practices.

5.1(2) *Master Servicer Responsibilities.* The Master Servicer will have the full power and authority on behalf of and for the benefit of, and is responsible to, each Trust, to do the following:

(a) enter into Servicing Contracts with Primary Servicers providing for the servicing and administration of the Mortgage Loans in accordance with the applicable Trust Documents (except that the Servicing Contract may be more restrictive);

(b) supervise and monitor the servicing of the Mortgage Loans by the Primary Servicers;

(c) make Servicing Advances if a Primary Servicer does not do so and the Master Servicer determines to do so pursuant to Subsection 5.2(1);

(d) establish procedures for the retention, release and return of Mortgage Documents by the related Custodian, including procedures for the release of Mortgage Documents to the Trustee, or to the Master Servicer or

Primary Servicer for servicing purposes, and for the return of those Mortgage Documents to the applicable Custodian when such Person's need for them has ended, until such time as that Mortgage Loan or the related REO Property is no longer included in the related Trust Fund;

(e) maintain records regarding each Trust as provided in Subsection 5.5(3);

(f) manage and dispose of REO Property as provided in Subsections 5.11(2) and 5.11(3);

(g) retain possession of Defeasance Securities and Supplemental Collateral (unless otherwise provided in the Servicing Contract); and

(h) make and authorize withdrawals from the Custodial Account as provided in Sections 6.2 and 6.3.

Any or all of the obligations of the Primary Servicer may be performed by the Master Servicer, under the terms and conditions of the Servicing Contract. If the Master Servicer is otherwise eligible to do so, it may act as an interim servicer (when replacing a Primary Servicer) or as a Primary Servicer, and in such capacity may be responsible for performing any or all of the obligations listed under Subsection 5.1(3), and Sections 5.2 through 5.12, as provided by the applicable Servicing Contract.

5.1(3) *Primary Servicer Responsibilities.* Each Primary Servicer will be responsible, on behalf of and for the benefit of each Trust for which that Primary Servicer services Mortgage Loans, to do the following to the extent permitted by the related Servicing Contract:

(a) service and administer the related Mortgage Loans in accordance with the standard of care stated in Subsection 5.1(1);

(b) without limiting the generality of clause (a), service the related Mortgage Loans in accordance with Sections 5.2 through 5.12, including without limitation:

(i) collect payments on the Mortgage Loans as provided in Section 5.3 and deposit payments of principal and interest on those Mortgage Loans as provided in Section 6.1;

(ii) maintain and utilize Escrow Accounts and Supplemental Accounts as provided in Subsection 5.3(2), except that, to the extent provided in the applicable Servicing Contract or the Mortgage Documents, collection of payments from Borrowers for taxes and insurance may be waived or reinstated;

(iii) make any Servicing Advances required by its Servicing Contract;

(iv) waive, forbear and modify provisions of the Mortgage Loans to the extent provided in Subsection 5.3(4), except as limited by Subsection 5.3(3);

(v) process releases, satisfactions and reconveyances (or deactivation on the Mortgage Registry System) when Mortgage Loans are repaid in part or in full, as provided in Subsections 5.4(1) and 5.4(2);

(vi) process releases, additions and substitutions of Mortgaged Property, Defeasance Securities or Supplemental Collateral, including in connection with Defeasance;

(vii) deliver documents to the applicable Custodian, hold documents and maintain records regarding the Mortgage Loans as provided in Subsection 5.4(2);

(viii) enforce requirements for insurance set forth in the Mortgage Documents as and to the extent provided in Sections 5.7 and 5.8 and apply any insurance proceeds and condemnation proceeds as provided in Sections 5.7 and 5.8;

(ix) enforce Due-on-Transfer Provisions as and to the extent provided in Section 5.9, subject to the exceptions in Subsection 5.9(2) and Section 5.10;

(x) foreclose or otherwise realize upon defaulted Mortgage Loans as provided in Section 5.11; and

(xi) process requests for easements, licenses, rights of use and assumptions, and perform other servicing functions relating to Mortgage Documents, subject to the limitations stated in the Trust Documents;

(c) retain possession of Supplemental Collateral, guaranty contracts and other security for the Mortgage Loans;

(d) pay all expenses incurred by it in connection with its servicing activities;

(e) pay the Guaranty Fee to the Guarantor; and

(f) establish and maintain Custodial Accounts as provided in Section 6.1.

If and to the extent that the Special Servicer or Subservicer servicing a Mortgage Loan or REO Property is different from the Primary Servicer, the servicing duties

described in this Subsection 5.1(3) that are assigned to that Special Servicer or Subservicer in the Servicing Contract will be performed by the Special Servicer or Subservicer, as applicable. All direct servicing will be performed by Primary Servicers engaged by contract with the Master Servicer or by Subservicers engaged by contract between a Subservicer and a Primary Servicer. If a Primary Servicer is terminated or resigns before a replacement Primary Servicer can be engaged, the Master Servicer may engage (or act as) an interim servicer to perform such services.

5.1(4) *Servicing Contracts.*

(a) Each Servicing Contract entered into between the Master Servicer and a Primary Servicer will govern the Primary Servicer's performance of the servicing duties described in Subsection 5.1(3) to the extent such duties are permitted by the Servicing Contract. Wherever this Trust Agreement states that the Primary Servicer will take an action or carry out a responsibility, that means that if the Servicing Contract requires the Primary Servicer to take that action or carry out that responsibility, then the action will be taken or the responsibility will be carried out by the Primary Servicer, and if the Servicing Contract does not so require, those duties will be performed by the Master Servicer. Wherever this Trust Agreement states that the Primary Servicer may not take a specified action, that means that the Servicing Contract will prohibit the Primary Servicer from taking that action. Each Servicing Contract will include provisions to the following effect:

(i) any successor to the Master Servicer under this Trust Agreement will automatically succeed to the rights of the Master Servicer under any Servicing Contract, with regard to the applicable Mortgage Loans;

(ii) the Master Servicer will have the right to terminate any Servicing Contract in accordance with its terms as to any or all of the Mortgage Loans being serviced under that contract;

(iii) the Trustee, on behalf of the related Trust, and the Guarantor are third-party beneficiaries of the applicable Servicing Contract as to the Mortgage Loans in that Pool, with the rights of enforcement, subject to paragraph (b) of this Subsection 5.1(4);

(iv) the Primary Servicer will comply with all other provisions required in this Article V, and will not take any action that is prohibited by or inconsistent with its Servicing Contract;

(v) if an investment of any funds on deposit in a Custodial Account is made in violation of this Trust Agreement, the Primary Servicer will pay any loss, charge or penalty as provided in Subsection 6.1(4);

(vi) as compensation for its services to each applicable Trust, the Primary Servicer will be entitled to receive the Servicing Fee and such

other amounts (which may include any Excess Spread other than Securitized Excess Spread and additional amounts contemplated by paragraph (c) of Subsection 5.1(6)), as agreed by the Master Servicer and the Primary Servicer in the applicable Servicing Contract; and

(vii) the Primary Servicer may not transfer by any means any Mortgage Loan, but, to the extent provided in the Servicing Contract or in paragraph (b) of Subsection 5.1(6), a Primary Servicer may transfer its right to receive Servicing Fees, Excess Spread or any other compensation permitted to be retained by the Primary Servicer as described in paragraph (c) of Subsection 5.1(6).

(b) The respective rights of the Trustee and the Guarantor, as third-party beneficiaries, to enforce the Servicing Contract against a Primary Servicer will arise only after the Trustee or Guarantor, as applicable, has given notice of a breach to the Master Servicer and the Primary Servicer and neither has remedied the breach. Further, unless a Guarantor Event of Default has occurred and is continuing, only the Guarantor or the Master Servicer may enforce the Servicing Contract against the related Primary Servicer.

(c) Nothing in the Trust Documents or the applicable Servicing Contract will cause any Holder or Borrower to become a third-party beneficiary of any Servicing Contract.

5.1(5) *Master Servicer Compensation.* For its services to the Trusts, the Master Servicer will be entitled to the Master Servicer Fee. As long as Fannie Mae is the Master Servicer, it will be entitled to a fee in this capacity equal to the interest or other investment earnings, if any, on amounts in the Certificate Account, less the Trustee Fees and the Issuer Fees, and such fees will be determined in the aggregate for all Trusts under this Trust Agreement. Each successor Master Servicer designated pursuant to Article XI will be entitled to a Master Servicer Fee as agreed between the successor Master Servicer and the Guarantor (or, if a Guarantor Event of Default has occurred and is continuing, the Trustee), provided that such Master Servicer Fee payable from the Trusts may not exceed the interest and other investment earnings on amounts in the Certificate Account, minus the Trustee Fees and the Issuer Fees.

5.1(6) *Primary Servicer Compensation.*

(a) For its direct servicing activities with respect to the Trusts that include Mortgage Loans serviced by it, each Primary Servicer will be entitled to a Servicing Fee. The Servicing Fee will be determined as provided in the applicable Servicing Contract. To the extent provided in the applicable Servicing Contract, the Primary Servicer, in payment for its services to the Trusts, will be permitted to retain its Servicing Fee prior to depositing the remaining portion of principal and interest collections into the Custodial Account. The Master Servicer

will not, unless it is also an interim servicer or Primary Servicer, retain a Servicing Fee.

(b) If so provided in the Servicing Contract, a Primary Servicer may be entitled to any Excess Spread (other than Securitized Excess Spread) with respect to the Mortgage Loans serviced by that Primary Servicer, as additional compensation. The Primary Servicer may retain such Excess Spread, other than Securitized Excess Spread, at the same time and in the same manner as the Servicing Fee. To the extent permitted in the Servicing Contract, the Primary Servicer may transfer all or any portion of the Excess Spread with respect to the Mortgage Loans serviced by that Primary Servicer to the Issuer for deposit into a trust for securitization. The transfer of any portion of Excess Spread that has become Securitized Excess Spread is irrevocable. Neither the Primary Servicer nor any successor will have any right to that Securitized Excess Spread as a result of its servicing relationship. The trust through which the Securitized Excess Spread is securitized will continue to receive the Securitized Excess Spread in accordance with the terms of the transfer.

(c) Unless otherwise provided in the related Issue Supplement, any additional compensation for performance of servicing functions, including assumption fees, late payment charges, partial release fees, asset management fees, collateral substitution fees, any portion of the Prepayment Premium permitted to be retained under the Servicing Contract and other administrative fees or expenses permitted under the Mortgage Documents, will be retained by the Primary Servicer or the Master Servicer as provided in the Servicing Contract.

5.1(7) *Servicing Terminations and Transfers.* In the event that the Master Servicer terminates a Primary Servicer, or servicing with respect to one or more Mortgage Loans is transferred to another Primary Servicer, the terminated or transferring Primary Servicer will not be entitled to receive Servicing Fees, any additional servicing compensation of the types contemplated by paragraph (c) of Subsection 5.1(6) or any portion of any Excess Spread contemplated by paragraph (b) of Subsection 5.1(6) for services after the effective date of the termination or transfer. The Master Servicer will, as soon as practicable, find a replacement Primary Servicer. In its agreement with any replacement Primary Servicer, the Master Servicer may vary the allocation of the Spread for related Mortgage Loans among the Servicing Fee, Excess Spread (other than Securitized Excess Spread) and (but only with the consent of the Guarantor unless a Guarantor Event of Default has occurred and has not been cured) the Guaranty Fee. Until such time as a permanent replacement can be engaged, the Master Servicer will appoint (or act as) and pay the Person serving as an interim servicer, and may make or authorize such payment out of the available Spread on the Mortgage Loans being serviced. If the Master Servicer collects a payment from a successor Primary Servicer in connection with the appointment of the successor Primary Servicer, the Master Servicer is entitled to keep the payment.

5.1(8) *Special Servicers.* A Special Servicer may be appointed by the Master Servicer or the Primary Servicer to service one or more Mortgage Loans or REO Properties, as and to the extent provided in the related Servicing Contract, and with compensation in accordance with that Servicing Contract. If the Primary Servicer appoints a Special Servicer as its Subservicer to service a Mortgage Loan or REO Property, the Primary Servicer will continue to be entitled to receive Servicing Fees with respect to the affected Mortgage Loan or REO Property, and will be obligated to compensate the Special Servicer as a Subservicer.

Section 5.2 *Servicing Advances.*

5.2(1) *Making and Reimbursement of Servicing Advances.* The Primary Servicer will make Servicing Advances as and to the extent provided in the Servicing Contract. The Master Servicer may, but is not required to, make Servicing Advances. Each of the Primary Servicer and the Master Servicer is entitled to reimbursement of Servicing Advances made by it from collections received from the related Borrower or otherwise with respect to the related Mortgage Loan and Mortgaged Property or Supplemental Collateral, including interest on such Servicing Advances to the extent that interest on the amounts advanced is collected from the Borrower pursuant to the Mortgage Documents. Servicing Advances may not be recovered out of Pool Proceeds except from amounts received with respect to the Mortgage Loan as to which such Servicing Advances were made, or as otherwise permitted under the Mortgage Documents or the Servicing Contract. The Master Servicer may provide in the Servicing Contract for reimbursement of Servicing Advances to the Primary Servicer other than out of Pool Proceeds.

5.2(2) *Effect of Servicing Advances on Stated Principal Balance.* Any Servicing Advance will not, for the purpose of calculating monthly distributions to Holders, be added to the Stated Principal Balance of the related Mortgage Loan, even though the terms of the Mortgage Loan may permit increases to the outstanding principal balance of the Mortgage Loan to the extent of certain delinquent payments and may permit the Master Servicer or Primary Servicer, as applicable, to pursue recovery of those amounts from the Borrower. This Subsection 5.2(2) does not reduce the Borrower's obligation under the Mortgage Documents.

Section 5.3 *Collection of Mortgage Loan Payments; Limitations on Changes.* Each Primary Servicer will make reasonable efforts to collect all payments required under the terms and provisions of the Mortgage Documents, as more particularly provided in this Section. Nothing in the Trust Documents or Accepted Servicing Practices, however, will require the Master Servicer or Primary Servicer to pursue a deficiency judgment.

5.3(1) *Payments of Principal and Interest.* Each Primary Servicer will become obligated to the related Trust to pay to the Trustee any principal and interest (to the extent of the Pass-Through Rate) received from or paid on behalf

of a Borrower or otherwise realized on a Mortgage Loan, Mortgaged Property, Defeasance Securities or Supplemental Collateral. Each Primary Servicer will deposit payments of principal and interest received on each Mortgage Loan as provided in Section 6.1. The Primary Servicer will be deemed to have complied with this requirement if its collections and deposits are made in accordance with practices that achieve substantial compliance in all material respects. If the amount received by a Primary Servicer from or on behalf of any Borrower for any payment date is more or less than the amount required to be paid under the applicable Mortgage Documents, then, unless otherwise provided in the Servicing Contract, the Primary Servicer will make reasonable efforts to ascertain whether the payment constitutes interest, principal, or escrow amounts under the Mortgage Documents, and until it makes this determination, the Primary Servicer will be authorized temporarily to hold such partial or additional payments as unapplied funds in a Custodial Account, Escrow Account, or Supplemental Account for that Borrower, unless the Mortgage Documents, the Servicing Contract or applicable law otherwise provide.

5.3(2) *Escrow and Other Accounts.*

(a) If any Mortgage Loan in a Pool provides for the collection of funds from the Borrower for payments of a Borrower's property taxes and assessments by special assessment districts, ground rents, insurance premiums, and similar expenses, the Primary Servicer will establish with an Eligible Depository (or, for Mortgage Loans to which paragraph (b) of Subsection 6.1(1) applies, a financial institution having insured deposit accounts as described in that paragraph) one or more Escrow Accounts, each of which is either an insured demand deposit account (which for this purpose includes a money market deposit account) or an account through which funds are invested in Eligible Investments. The Primary Servicer will place in Escrow Accounts any funds collected for payments of such property taxes and assessments by special assessment districts, ground rents, insurance premiums, and similar expenses, to the extent that the Mortgage Documents provide for collection of such amounts from (or on behalf of) the Borrower. Escrow Account funds may be commingled, but only with the funds of one or more other Escrow Accounts and accounts held for the same purposes for other Trusts, Other Fannie Mae Trusts, and other loans owned by the Issuer, provided that the Primary Servicer maintains records of the amounts held in the commingled account on a loan-by-loan basis. To the extent permitted under applicable law, the applicable Servicing Contract and Accepted Servicing Practices, the Primary Servicer may authorize the Borrower to cease paying funds into the Escrow Account for one or more of the purposes described in this paragraph (a), provided that (i) the Borrower remains obligated to make payments directly to the taxing authority, ground landlord, insurance provider or other applicable third party under the terms of the Mortgage Documents, (ii) the discontinuance of escrow deposits does not impair or threaten to impair the condition of the Mortgaged Property or the security of the lien as originally created under the Mortgaged Documents, and (iii) the Primary Servicer maintains

adequate records on the status of all such items that can become a lien on the Mortgaged Property.

(b) To the extent funds have been deposited in an Escrow Account, as may be required by the related Mortgage Documents and the Servicing Contract, each Primary Servicer will withdraw from an Escrow Account funds (i) needed to pay taxes, assessments by special assessment districts, ground rents, insurance premiums or comparable items, but only to the extent that amounts were previously collected from or on behalf of the related Borrower and deposited in the Escrow Account, and (ii) to apply toward the payment of obligations of the Borrower on the related Mortgage Loan, including principal and interest. Withdrawals may also be made from Escrow Accounts (i) to reimburse the Master Servicer or Primary Servicer out of related collections for any Servicing Advance made by it with respect to these items (but only to the extent of funds received with respect to the same Mortgage Loan for which the Servicing Advance was made), (ii) to pay interest to Borrowers on balances in the Escrow Account, if required by the terms of the related Mortgage Documents, applicable law or otherwise, (iii) to pay to Borrowers amounts on deposit in the Escrow Account that exceed the amounts needed for the purpose for which they were deposited, (iv) if and to the extent permitted under the Mortgage Documents, to apply toward the payment of obligations on the Mortgage Loan, including the payment of principal and interest, (v) to withdraw funds deposited in error, (vi) if and to the extent permitted under the Mortgage Documents, to the payment of obligations on the Mortgage Loan, including the payment of principal and interest, or (vi) to clear, close or transfer the Escrow Account as permitted in the Servicing Contract.

(c) A Primary Servicer also may establish with an Eligible Depository (or, for a Trust to which paragraph (b) of Subsection 6.1(1) applies, a financial institution having insured deposit accounts as described in that paragraph) one or more Supplemental Accounts for different purposes in order to carry out the requirements of the Mortgage Documents. Amounts on deposit in these Supplemental Accounts may include (i) funds held under a collateral agreement relating to repair, rehabilitation, operating deficit or replacement reserves, (ii) rental income on a Mortgaged Property or REO Property, (iii) insurance or condemnation proceeds pending use to repair or restore a Mortgaged Property or REO Property, (iv) funds, investments or securities held as temporary collateral in connection with a substitution of one or more Mortgaged Properties or other event, (v) Supplemental Collateral as required by the Mortgage Documents (including collateral other than real estate collateral pledged under the Mortgage Documents), or (vi) proceeds of draws under letters of credit and guaranties or the proceeds of any interest rate hedges or other financial contracts that further support the Mortgage Loan. Amounts held in any Supplemental Account may not be commingled with amounts in Custodial Accounts or Escrow Accounts, but may be commingled with the funds of other Supplemental Accounts and with the funds of one or more other accounts for the same purposes held for other Trusts, Other Fannie Mae Trusts and other loans owned by the

Issuer, provided that the Primary Servicer maintains records of the amounts held in the commingled account on a loan-by-loan basis. Withdrawals may be made from Supplemental Accounts (i) for any intended purpose or to reimburse the Master Servicer or Primary Servicer for any Servicing Advance made by it with respect to any permitted purpose (but only to the extent of funds received with respect to the same Mortgage Loan for which the Servicing Advance was made), (ii) if and to the extent permitted under the Mortgage Documents, to apply toward the payment of obligations on the Mortgage Loan, including the payment of principal and interest, or (iii) to clear, close or transfer the Supplemental Account as permitted in the Servicing Contract. Draws on any letter of credit may be deposited into a Supplemental Account or applied directly to the payment of obligations on the Mortgage Loan, including the payment of principal and interest, as and to the extent permitted under the Mortgage Documents.

5.3(3) *Prohibition of Certain Modifications.* For so long as a Mortgage Loan remains in a Pool, the Mortgage Loan may not be modified if the modification has the effect of changing the principal balance (other than as a result of a payment actually received from or on behalf of the Borrower), changing the Mortgage Interest Rate (other than in accordance with any adjustable rate provisions stated in the Mortgage Documents), or delaying the time of payment beyond the last scheduled payment date of that Mortgage Loan; provided, however, that a modification that is required by a Relief Act or a court is not subject to this limitation on modification. A change in the monthly payment amount or amortization schedule of a Mortgage Loan that results from a partial Prepayment permitted in the Mortgage Documents will not be considered a modification and is permitted if so provided in the Mortgage Documents. A release, substitution or addition of any Mortgaged Property, Defeasance Securities or Supplemental Collateral in accordance with the terms of the Mortgage Documents or the Trust Documents (including a partial release, a release of Supplemental Collateral or letters of credit under the Mortgage Documents or a full release) will not be considered a modification and is permitted. The Primary Servicer may forgo or require deposit of assets for any escrow or reserve under the Mortgage Documents or under any Collateral Agreement based on the performance of the Mortgaged Property and Supplemental Collateral and the creditworthiness of the Borrower, or upon a default or in connection with an assumption of the Mortgage Loan.

5.3(4) *Waiver of Prepayment Premiums and Other Ancillary Charges; Loss Mitigation Plan; Relief Act.*

(a) The Master Servicer (or, to the extent provided in the Servicing Contract, the Primary Servicer) will be permitted to waive (i) any portion of the Prepayment Premium payable to the Primary Servicer under the Servicing Contract, and (ii) any portion of the assumption fee, late payment charge, or other administrative or servicing-related fee permitted by the Mortgage Documents and payable to the Primary Servicer under the Servicing Contract, in each case except as may otherwise be provided in the related Issue Supplement.

If the Master Servicer so directs, the Primary Servicer will (i) waive any portion of the Prepayment Premium payable to the Master Servicer, (ii) waive any portion of any assumption fee, late payment charge, default interest or other administrative or servicing-related fee permitted by the Mortgage Documents and payable to the Master Servicer, in each case except as may otherwise be provided in the related Issue Supplement, (iii) agree to a Loss Mitigation Plan consistent with Subsection 5.11(1), and (iv) adjust the interest rate or other terms of any Mortgage Loan as required to comply with a Relief Act.

(b) The Master Servicer may not waive or direct the Primary Servicer to waive the Holders' Prepayment Premium Portion, in whole or in part, unless one of the following applies:

(i) the Mortgage Loan is in default or the Master Servicer or Primary Servicer determines that a default is reasonably foreseeable and the market value of the Mortgaged Property, Defeasance Securities and Supplemental Collateral is insufficient to pay in full all the indebtedness including the Prepayment Premium;

(ii) the Master Servicer determines that enforceability of the Prepayment Premium is limited (A) by court order, (B) by bankruptcy, insolvency, moratorium, receivership, or other similar law relating to creditors' rights generally or (C) due to acceleration of the Mortgage Loan's maturity in connection with a foreclosure or other involuntary payment; or

(iii) the Master Servicer reasonably believes that enforceability is otherwise limited or prohibited by applicable law or otherwise is unlikely to be enforced by a court of competent jurisdiction.

5.3(5) *Initiation of Litigation.* None of the Issuer, the Master Servicer, a Primary Servicer or the Trustee will be required to institute or join in litigation with respect to the collection of any payment (whether under a Mortgage Document or otherwise or against any public or governmental authority with respect to a taking or condemnation) if that Person reasonably believes that enforcing any provision of the Mortgage Documents pursuant to which the payment is required is prohibited by applicable law, including any decision or order of a court of competent jurisdiction over a bankruptcy proceeding or other litigation.

Section 5.4 *Mortgage Files.*

5.4(1) *Release, Satisfaction and Reconveyance.* Upon the payment in full of any Mortgage Loan, or in the case of a partial release of collateral permitted under the terms of any Mortgage Loan, the Primary Servicer will be responsible for processing the reconveyance, satisfaction or release appropriate in the applicable jurisdiction and any related documentation, including releasing the

lien within the time and as required by applicable law and causing the appropriate deactivation on a Mortgage Registry System, all as provided in Section 5.5.

5.4(2) *Documents, Records and Funds in Possession of the Primary Servicer or Custodian to Be Held for the Trustee on Behalf of the Trusts.*

(a) The Primary Servicer will transmit to the related Custodian, or hold in the Primary Servicer's possession, in a file that is clearly identified by electronic or other means as being held for the benefit of the Trustee, all Mortgage Documents coming into its possession from time to time, as provided in Subsection 3.4(1). All Mortgage Documents and funds collected or held by, or under the control of, the Primary Servicer with respect to any Mortgage Loan must be held by the Primary Servicer for and on behalf of the Trust and will be and remain the sole and exclusive property of the Trust, until any release in accordance with Section 5.5.

(b) The Primary Servicer will be required to keep, or cause to be kept, accurate records of (i) collections of principal, interest and other payments received, and of expenses associated with servicing each Mortgage Loan, as the payments are received and expenses (other than the Primary Servicer's general administrative expenses) incurred, (ii) the payment of taxes, assessments, ground rents and other charges that, if unpaid, could result in a lien being placed on the Mortgaged Property, Defeasance Securities or Supplemental Collateral, (iii) collection and loss mitigation and foreclosure efforts with respect to Mortgage Loans that are in default, in each case contemporaneously with such occurrences, and (iv) substitutions, releases and additions to collateral, so as to evidence compliance with the requirements of the applicable provisions of this Article V. Each Servicing Contract must require the Primary Servicer to make these records available to the Issuer, the Master Servicer, the Guarantor and the Trustee at all times. The Issuer, Master Servicer, Guarantor and Trustee will have the right to receive, retain and use all information contained in such records.

Section 5.5 *Additional Documents and Information.*

5.5(1) *Delivery of Documents.*

(a) To the extent provided in and permitted by the applicable Servicing Contract, the Primary Servicer will execute and deliver any instrument of satisfaction or cancellation or of partial or full release or discharge and all other comparable instruments with respect to the Mortgage Loans and Mortgaged Properties when the Primary Servicer believes it has authority and that it is appropriate in its reasonable judgment to do so or if it is instructed to do so by the Master Servicer.

(b) The Primary Servicer will prepare any documents requiring execution by the Primary Servicer, the Master Servicer or the Trustee that are necessary or appropriate to enable the Primary Servicer to service the Mortgage

Loans, provided that the Master Servicer is not precluded from preparing any such documents at its election.

(c) If permitted by its Servicing Contract, the Primary Servicer, on behalf of the Holders and the Trustee, may register or deactivate any Mortgage Loan on the applicable Mortgage Registry System if the Primary Servicer believes, in its reasonable business judgment, it is authorized by its Servicing Contract and it is appropriate to do so or if it is instructed to do so by the Master Servicer. Each Servicing Contract may authorize the Primary Servicer to execute and deliver, on behalf of the Trustee and the Holders or either of them, any and all instruments of assignment and other comparable instruments with respect to the assignment or re-recording of a Mortgage in the name of a Mortgage Registry System, solely as nominee for the Trustee and its successors and assigns.

5.5(2) *Access to Certain Documentation and Information Regarding the Mortgage Loans.* The Primary Servicer and the Custodian will provide the Master Servicer and the Trustee with access, without charge, to the Mortgage Documents, any other records and documentation regarding the Mortgage Loans, and all accounts, insurance policies and other matters relating to the Mortgage Loans and the Trusts.

5.5(3) *Pool Activity Records.* As to each Trust, the Master Servicer or, if required by the Servicing Contract, the Primary Servicer will keep the records necessary to account for activity on the related Pool, including records of the Pool Proceeds, distributions to Holders, assumptions, transfers, Prepayments, purchases, and substitutions of Mortgage Loans. In the case of a discrepancy, the records of the Master Servicer will control.

Section 5.6 *Reliance on Primary Servicer.*

5.6(1) *Receipt of Mortgage Loan Payments.* For purposes of calculations under the Trust Documents, the Trust will be deemed to have received any collections, recoveries or payments with respect to the Mortgage Loans that are received by a Primary Servicer, regardless of whether such collections, recoveries and payments so received are remitted by a Primary Servicer to the Master Servicer or by the Master Servicer to the Trustee. A Primary Servicer will not be relieved of any liability, obligation or responsibility under its Servicing Contract with respect to any such remittance as a result of this Subsection 5.6(1).

5.6(2) *Information and Reports.* The Master Servicer and the Trustee may rely on any applicable Primary Servicer's reports of Mortgage Loan activity to calculate the Certificate Distribution Amount. It is understood that there may be delays or errors in processing Mortgage Loan information, such as a Primary Servicer's failure to file an accurate or timely report of its collection of principal or interest or its having filed a report that cannot be processed. If the amount calculated as the Certificate Distribution Amount by the Master Servicer does not

reflect actual payments on the related Mortgage Loans, any differences will be reconciled as soon as practicable after the applicable collection report is received or processing error corrected.

Section 5.7 *Maintenance of Insurance.*

5.7(1) *Property Insurance.* For each Mortgage Loan, the Primary Servicer will cause property insurance, including catastrophic risk (such as earthquake, windstorm, terrorism and related business interruption coverage), to be maintained on the related Mortgaged Property, unless such insurance is unavailable or is not required under either the Mortgage Documents or the applicable Servicing Contract for that Mortgage Loan when it is transferred to the Trust. The insurance may be maintained under individual or blanket policies. If the Mortgage Loan is secured by a first lien Mortgage, the standard property insurance policy will contain or have an accompanying endorsement that contains a standard mortgagee and loss payee clause. If the Mortgage Loan is secured by a subordinate lien Mortgage and the Issuer, a Trust or Other Fannie Mae Trust holds a loan with a superior lien pursuant to which it is the beneficiary of a standard property insurance policy that contains or is accompanied by an endorsement that contains a standard mortgagee and loss payee clause, then the Primary Servicer will obtain evidence of appropriate property insurance on the related Mortgaged Property consistent with the Mortgage Documents unless no evidence of insurance is required under the applicable Servicing Contract when that Mortgage Loan is transferred to the Trust. If the Mortgage Loan is secured by a subordinate lien Mortgage and the Issuer, a Trust or Other Fannie Mae Trust does not hold a loan with a superior lien pursuant to which it is the beneficiary of a standard property insurance policy that contains or is accompanied by an endorsement that contains a standard mortgagee and loss payee clause, the standard property insurance policy will contain or have an accompanying endorsement that contains a standard mortgagee and loss payee clause in favor of the holder of the Mortgage Loan. Without limiting the generality of this Subsection, the Primary Servicer will cause insurance premiums for property insurance on Mortgaged Property securing any first priority lien Mortgage Loan to be paid from the Escrow Account, or verify that such premiums are otherwise paid, without lapse of coverage. The Master Servicer (and, to the extent permitted under its Servicing Contract, the Primary Servicer) may, however, permit the Borrower not to maintain any or all of such property insurance (including catastrophic risk and related business interruption coverage) required by the Mortgage Documents, if (a) at a minimum, the mortgagee's interest is insured in an amount at least equal to the then outstanding principal balance of the related Mortgage Loan, or (b)(i) the cost of such insurance has become unreasonably expensive as a commercial business matter and (ii) the Issuer's then current requirements for purchase of similar loans in the same geographic area: (A) do not require that type of insurance; (B) require a lesser amount of that type of insurance; (C) permit a Borrower to self-insure; or (D) permit a Borrower or Key Principal to provide other assurance against all or part of the risk that otherwise would have been covered by such insurance.

5.7(2) *Flood Insurance.* To the extent consistent with the applicable Mortgage Documents, and unless no flood insurance is required under the applicable Servicing Contract for that Mortgage Loan when it is transferred to the Trust, if at any time a portion of the improvements on the Mortgaged Property is located in a federally designated special flood hazard area that participates in the national flood insurance program, the Primary Servicer will (a) cause flood insurance to be maintained with respect to the portion of the Mortgaged Property improvements that is in such area, and (b) cause required insurance premiums to be paid or verify that such premiums are paid, without lapse of coverage. If flood insurance in excess of the federally established maximum coverage available or flood-related business interruption insurance is required by the Mortgage Documents, the Master Servicer (and, to the extent permitted under its Servicing Contract, the Primary Servicer) may, however, permit the Borrower not to maintain any or all of such excess flood insurance or flood-related business interruption coverage, if (x) the cost of such insurance has become unreasonably expensive as a commercial business matter and (y) the Issuer's then current requirements for purchase of similar loans in the same geographic area: (i) do not require excess flood insurance or flood-related business interruption coverage; (ii) require a lesser amount of excess flood insurance or flood-related business interruption coverage; (iii) permit a Borrower to self-insure; or (iv) permit a Borrower or a Key Principal to provide other assurance against all or part of the risk that otherwise would have been covered by such insurance.

5.7(3) *Other Insurance.* The Primary Servicer will cause any other insurance required under the Mortgage Documents to be maintained by the Borrower, including liability, professional liability, errors and omissions, and workers compensation insurance, unless such insurance is unavailable or is not required under the applicable Servicing Contract for that Mortgage Loan when it is transferred to the Trust. To the extent provided in the Servicing Contract, the Primary Servicer will verify that the premiums for such insurance are paid, without lapse of coverage. The Master Servicer (or the Primary Servicer, to the extent permitted under its Servicing Contract) may permit the Borrower not to maintain any or all of such other insurance if (a) the cost of such insurance has become unreasonably expensive as a commercial business matter and (b) the Issuer's then current requirements for purchase of similar loans in the same geographic area: (i) do not require that type of insurance; (ii) require a lesser level of that type of insurance; (iii) permit a Borrower to self-insure; or (iv) permit a Borrower or Key Principal to provide other assurance against all or part of the risk that otherwise would have been covered by such insurance.

5.7(4) *Application of Insurance Proceeds and Condemnation Proceeds.* Any insurance proceeds and any condemnation proceeds (other than, in either case, the amounts to be applied to the restoration or repair of the related Mortgaged Property or amounts released to the Borrower in accordance with the applicable Mortgage Documents, the applicable Servicing Contract or Accepted Servicing Practices) collected by the Primary Servicer will be applied as provided in the applicable Mortgage Documents. To the extent that the applicable

Mortgage Documents do not provide for the application of insurance or condemnation proceeds otherwise, any such insurance proceeds and any condemnation proceeds will be applied in the manner and order determined by the Master Servicer either (A) to the restoration or repair of the related Mortgaged Property (including funding of any reserves), or (B) to amounts owed under the Mortgage Documents, in accordance with the Servicing Contract or Accepted Servicing Practices.

5.7(5) *Cost of Insurance.* Any cost incurred by the Primary Servicer in maintaining any insurance required by this Section 5.7 as a Servicing Advance may be recovered by the Primary Servicer from the related Borrower to the extent provided under the terms of the applicable Mortgage Documents and the Servicing Contract.

Section 5.8 *Mortgage Insurance.*

5.8(1) *Mortgage Insurance Providers.* If the insurer, guarantor or other third party provider of Mortgage Insurance is obligated, under the terms of the applicable program, to recognize or deal only with a specified Person (whether that Person is the Master Servicer, a Primary Servicer or another Person) regarding the mortgagee's rights, benefits and obligations under the related insurance contract, the Primary Servicer will be responsible for assisting the applicable Person in dealing with the insurer on behalf of the Trust. If a mortgage insurer, guarantor or other third party provider of Mortgage Insurance exercises an option under its Mortgage Insurance to purchase a Mortgage Loan, the proceeds of the purchase, minus any expenses, will be considered to be Pool Proceeds and will be distributed as provided in the Trust Documents.

5.8(2) *Maintenance of Mortgage Insurance.* If any Mortgage Insurance has been obtained at the expense of the Borrower and is in effect at the time the Mortgage Loan is transferred into the Trust, the Primary Servicer will take no action to impair the Mortgage Insurance and will require the Borrower to maintain in full force and effect such Mortgage Insurance with respect to that Mortgage Loan, including compliance with all terms of the insurance, until required to be terminated under the terms of the Mortgage Documents or by law or regulation.

5.8(3) *Assignment of Trust Assets.* If a defaulted Mortgage Loan is covered by Mortgage Insurance, the Primary Servicer will assign the Mortgage Loan or the related REO Property to the insurer, guarantor or other third party provider of the Mortgage Insurance, if such Person so requires, within the time required in order to obtain the benefits of the Mortgage Insurance. Consistent with Section 2.5, the defaulted Mortgage Loan or related REO Property will be conveyed out of the Trust as soon as practicable by assigning the Mortgage Loan or related REO Property to the Person providing the Mortgage Insurance.

Section 5.9 Transfers of Ownership; Enforcement of Due-on-Transfer Provisions.

5.9(1) *Duty to Enforce.* Except as otherwise provided in Subsection 5.9(2) and Section 5.10, the Primary Servicer will enforce any Due-on-Transfer Provision as provided in the Mortgage Documents, to the extent that the Primary Servicer has knowledge that a Mortgaged Property or any direct or indirect interest in a Borrower or a Key Principal has been or is about to be conveyed in violation of Due-on-Transfer Provision contained in the Mortgage Documents and the Primary Servicer reasonably believes that applicable law and governmental regulations permit such enforcement.

5.9(2) *Exceptions.* The Primary Servicer will not be required to enforce a Due-on-Transfer Provision if either (i) Section 5.10 applies, or (ii) one of the following applies and an interest in the related Mortgaged Property is transferred or any direct or indirect interest in a Borrower or a Key Principal is transferred:

(a) the Mortgage Documents do not contain a Due-on-Transfer Provision that is applicable to the proposed transfer of the related Mortgaged Property or of the direct or indirect interest in a Borrower or a Key Principal, or the contract of sale by which the Issuer acquired the Mortgage Loan provides that the Due-on-Transfer Provision contained in the Mortgage Loan will not be enforced;

(b) the proposed transfer is to a Person that is a permitted transferee under the Mortgage Documents or the proposed transfer is otherwise permitted under the Mortgage Documents;

(c) the transfer occurs by devise, descent or operation of law upon the death of a natural person;

(d) the transfer is of personal property or fixtures that are (i) contemporaneously replaced by items of equal or better function and quality and (ii) free of liens, encumbrances and security interests other than those created by the Mortgage Documents;

(e) the transfer is a grant of an easement, license or right of use, if before the grant the Master Servicer (or if permitted by the Servicing Contract, the Primary Servicer) determines that the easement, license or right of use will not materially adversely affect the operation or value of the Mortgaged Property and such transfer will not cause the Trust to incur any related cost or expense;

(f) the transfer is the creation of a tax lien, mechanic's or materialman's lien, or judgment lien against the Mortgaged Property that is bonded around, released of record or otherwise remedied as required by the

Mortgage Documents or otherwise, to the satisfaction of the Master Servicer (or if permitted by the Servicing Contract, the Primary Servicer);

(g) coverage under any applicable policy or program of Mortgage Insurance (including, in the case of a Government Mortgage Loan, the Mortgage Insurance of the applicable governmental agency) would be impaired by the enforcement of a Due-on-Transfer Provision;

(h) the transferee is a lienholder that acquired the Mortgaged Property after a default on the loan it held, including by purchase in foreclosure or by deed in lieu of foreclosure;

(i) the Borrower enters into a lease of the Mortgaged Property that is permitted by the Mortgage Documents;

(j) the Borrower grants a lien on the Mortgaged Property subordinate in priority to that of the Mortgage Loan;

(k) the Mortgage Documents include a Due-on-Transfer Provision that has an exception for a transfer of the Mortgaged Property or of direct or indirect interests in the Borrower or a Key Principal if the Master Servicer (or if permitted by its Servicing Contract, the Primary Servicer) determines that the transfer would be approved under the standards then used by the Issuer for its purchases of loans of the applicable type for its own account;

(l) the Borrower enters into a Defeasance of all or part of the Mortgage Loan and a Substitute Borrower assumes the allocable portion of the Mortgage Loan, provided that the Substitute Borrower satisfies either the criteria set forth in the Mortgage Documents to serve as such, or, if the Mortgage Documents do not so provide, the criteria the Issuer then applies for loans of a similar type being defeased;

(m) the Borrower substitutes other collateral in connection with a substitution or release of one or more Mortgaged Properties as permitted by the applicable Mortgage Documents;

(n) the Borrower is a natural person or a trust for the benefit of a natural person, and the transfer is to a descendant of the Borrower (or trust beneficiary) or a trust for the benefit of such a descendant;

(o) the Borrower is a natural person and the transfer occurs as a result of a divorce decree or legal separation agreement or from a related property settlement agreement; or

(p) the transfer is the creation of a lien, easement or other rights pursuant to a regulatory agreement with a governmental unit.

Section 5.10 *No Default; No Removal from Pool.* Neither the Master Servicer nor a Primary Servicer will be deemed to be in default, breach or other violation of its obligations under the Trust Documents, and no Mortgage Loan will be required to be purchased from the Trust, by virtue of any transfer or assumption of a Mortgage Loan or any transfer of any direct or indirect interest in a Borrower or a Key Principal (i) that occurs by operation of law, (ii) that occurs by the terms of the Mortgage Documents or the contract by which the Issuer acquired the Mortgage Loan from the Seller, (iii) that the Master Servicer or the related Primary Servicer, as applicable, cannot prevent because it is restricted by law (or the Master Servicer or Primary Servicer, as applicable, reasonably believes that it is restricted by law or that the Due-on-Transfer Provision would not be enforced by a court), (iv) in connection with a Defeasance or substitution of collateral carried out in accordance with the terms of the Mortgage Documents, or (v) pursuant to any other exception specified in Subsection 5.9(2).

Section 5.11 *Realization upon Defaulted Mortgage Loans; Determination of Excess Proceeds and Realized Losses.*

5.11(1) *Foreclosure and Loss Mitigation.*

(a) Consistent with the standard of care stated in Subsection 5.1(1), when taking the action required by this Subsection 5.11(1), the Master Servicer (or to the extent permitted by the Servicing Contract, the Primary Servicer) will use commercially reasonable efforts, consistent with the procedures that the Master Servicer (or, if permitted by the Servicing Contract, the Primary Servicer) would use in servicing loans for its own account or in servicing loans for other investors in foreclosing upon or otherwise comparably converting a lien of the same lien priority on a Multifamily Property in the same geographical area or jurisdiction.

(b) The Master Servicer or Primary Servicer will foreclose upon or otherwise comparably convert the ownership of those Mortgaged Properties securing Mortgage Loans that come into and continue in default and as to which no satisfactory arrangements can be made for the collection of delinquent payments, including acceptance of less than the full unpaid principal balance of the Mortgage Loan, consistent with the standard of care stated in paragraph (a) of this Subsection 5.11(1). The Master Servicer may direct the Primary Servicer to agree to a Loss Mitigation Plan only following a default on that Mortgage Loan, or if the Master Servicer reasonably believes that a default is reasonably foreseeable, including after receiving notice from the Borrower that it cannot make further payments or if pro forma operating statements or leasing records reflect insufficient funds to cover debt service and operating expenses, and a concession to the Borrower in the contractual payment terms is necessary to increase the probability of recovery on the Mortgage Loan. The Master Servicer may direct the Primary Servicer as to whether, or which, Mortgage Loans or mortgage loans should be accelerated in the event of a default under a Mortgage Loan that is cross-defaulted with other Mortgage Loans or mortgage loans. In

determining its course of action with respect to a defaulted Mortgage Loan (including whether to accelerate other Mortgage Loans or mortgage loans in the case of cross-defaults), the Master Servicer will pursue or cause to be pursued whichever course of action it determines, in its reasonable judgment, to be likely to produce the greatest recovery for the Trust.

(c) Without limiting the generality of this Subsection, each Primary Servicer will be required, at the direction of the Master Servicer (i) generally, to begin foreclosure proceedings not later than the time when a Mortgage Loan has been delinquent in whole or in part (even if any payment has been partially paid and without regard to any cure or grace period) for a period of six consecutive months or, if later, promptly after the Primary Servicer is first legally permitted to commence such proceedings under applicable law, including bankruptcy provisions, provided that foreclosure need not be commenced as long as a Loss Mitigation Plan is in effect, (ii) concurrently to continue working with the Borrower to attempt to cure the default and reinstate the Mortgage Loan, including developing a Loss Mitigation Plan or other loss mitigation alternative (such as a deed in lieu of foreclosure, a preforeclosure sale, or a loan modification, in each case subject to the limitations of Subsections 5.3(3) and 5.3(4)), unless the Primary Servicer determines in its reasonable judgment that there is no feasible prospect for success in such efforts, or (iii) to commence or resume foreclosure proceedings if a Borrower fails to comply with the terms of a Loss Mitigation Plan, except to the extent otherwise required by applicable law, including bankruptcy provisions. In determining its course of action with respect to a defaulted Mortgage Loan, the Primary Servicer will be required to pursue whichever course of action it determines, in its reasonable judgment, to be likely to produce the greatest recovery for the Trust, taking into consideration the time value of money.

(d) Notwithstanding the provisions of paragraph (c) of this Subsection 5.11(1), if the terms of any applicable Mortgage Insurance require a different timing or procedure, the Primary Servicer will comply with such timing and procedure if it reasonably believes it necessary to do so in order to retain the benefits of the Mortgage Insurance for the Trust; provided, however, that if those requirements are less restrictive than those provided in this Article V and following the more restrictive requirements of this Article V would violate the Mortgage Insurance requirements, the action required by clause (f) of Subsection 2.5(1) must be taken.

5.11(2) *Acquisition of REO Property.* With respect to any REO Property, except to the extent otherwise required for Government Mortgage Loans or to comply with any applicable program of Mortgage Insurance, the deed or certificate of sale will be taken in, or following foreclosure put into, the name of the Trustee for the benefit of Holders (or the Trustee's nominee, which may be the Master Servicer, the related Primary Servicer, or another Person on behalf of Holders). The Trustee's (or its nominee's) name will be placed on the title to the REO Property. The REO Property will be held solely by the Trustee or its

nominee in that capacity. Prior to the removal of the REO Property from the Trust pursuant to Section 2.5, the Master Servicer will, either itself or through an agent or independent contractor (which may be the Primary Servicer), manage, conserve, protect (including making capital expenditures, as necessary, to repair or restore the REO Property or to stabilize the REO Property's operations) and operate the REO Property. In the case of any Government Mortgage Loan or Mortgage Loan that is covered by Mortgage Insurance, the requirements of the applicable program of Mortgage Insurance must be followed; provided, however, that if those requirements are less restrictive than those provided in this Article V and following the more restrictive requirements of this Article V would violate the Mortgage Insurance requirements, the action required by clause (f) of Subsection 2.5(1) must be taken.

5.11(3) *Dispositions of and Limitations on Acts Relating to REO Property.* The Master Servicer will commence the process of disposition of REO Property immediately after (i) completion of both the acquisition of the REO Property and the resolution of any title issues, including the conclusion of any applicable redemption period, and (ii) completion of all improvements it deems necessary to address deferred maintenance, life safety and similar property conditions, and any improvements it deems necessary to repair and restore the REO Property or stabilize its operations. As provided in clause (i) of Subsection 2.5(2), the Guarantor may purchase any REO Property that is acquired as an asset of the Trust. The Primary Servicer or the Master Servicer may renew leases or enter into new leases on substantially similar terms for units in the REO Property (and, by so doing, preserve and protect the REO Property while it is an asset of the Trust). To the extent provided in the applicable Servicing Contract, the Primary Servicer may contract with an independent contractor for all or any portion of the operations, management, maintenance, marketing and disposition of REO Property, provided that any such contractor will be required to conform its actions to the requirements of this Section 5.11 for so long as the REO Property is an asset of the Trust.

5.11(4) *Environmental Considerations.* If the Master Servicer or the Primary Servicer has knowledge that a Mortgaged Property that may be acquired on behalf of a Trust through foreclosure, a deed in lieu of foreclosure or otherwise pursuant to this Section 5.11 may be subject to any environmental or hazardous waste risks, based on proximity or other environmental assessment of the Mortgaged Property or other sources of information known to the Master Servicer or the Primary Servicer, the Master Servicer or the Primary Servicer will consider these risks prior to causing the acquisition of the Mortgaged Property, and take action only in accordance with established environmental review procedures that are consistent with Accepted Servicing Practices. If applicable law prohibits or delays foreclosure or other realization upon default, the Master Servicer or the Primary Servicer will follow the procedures, consistent with Accepted Servicing Practices, that the Master Servicer or the Primary Servicer would use in realizing for its own account upon other mortgage loans secured by similar property to minimize loss on the Mortgage Loan, to the extent applicable law and such

practices permit, with a view toward achieving, in its reasonable judgment, the greatest recovery for the Trust, taking into consideration the time value of money.

Section 5.12 Changes to Mortgaged Property and Other Collateral; Monitoring of Mortgaged Property.

5.12(1) Collateral Substitutions.

(a) If the Mortgage Documents permit the Borrower to substitute a lien on one or more Multifamily Properties or other Supplemental Collateral for the collateral then securing a Mortgage Loan or MALA, the Master Servicer (or, if permitted by the Servicing Contract, the Primary Servicer) may allow the substitution in accordance with such Mortgage Documents.

(b) To the extent that the Mortgage Documents permit collateral substitutions but do not provide conditions for substitution, the following criteria will apply to any such substitution of collateral:

(i) after substitution, the Mortgage Loan will have a debt service coverage ratio not less than the lesser of (A) the underwritten debt service coverage ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (B) the debt service coverage ratio of the Mortgage Loan immediately before the substitution;

(ii) after substitution, the Mortgage Loan will have a loan-to-value ratio not greater than the greater of (A) the underwritten loan-to-value ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (B) the loan-to-value ratio of the Mortgage Loan immediately before the substitution;

(iii) no material default has occurred and is continuing under the applicable Mortgage Documents which default would not be cured by the substitution and any concurrent payment required to be made in connection with such substitution; and

(iv) partial prepayments will be permitted in connection with a substitution of collateral for a Mortgage Loan only to the extent permitted in the Mortgage Documents.

5.12(2) Releases.

(a) If the Mortgage Documents permit the Borrower to release all or part of a lien on one or more Multifamily Properties or other Supplemental Collateral, the Master Servicer (or, if permitted by the Servicing Contract, the Primary Servicer) may allow the release in accordance with such Mortgage Documents.

(b) To the extent that the Mortgage Documents permit such a release but do not provide conditions for the release, the following criteria will apply to any such full or partial release of collateral, as applicable:

(i) If the release is a partial release of a lien on a Mortgaged Property:

(A) the partial release may neither cause the debt service coverage ratio of the Mortgage Loan to be less than the lesser of (I) the underwritten debt service coverage ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (II) the debt service coverage ratio of the Mortgage Loan immediately before the partial release, nor have a materially negative impact on the operations, access, marketability or expected market value of the Mortgaged Property;

(B) no material default has occurred and is continuing under the applicable Mortgage Documents which default would not be cured by the partial release and any concurrent payment required to be made in connection with such release;

(C) the funds received, if any, in connection with the partial release will be used either to repair or restore the Mortgaged Property (including funding of any reserves) or will be applied to the Borrower's outstanding indebtedness under the Mortgage Documents, including partial prepayment of the Mortgage Loan; and

(D) partial prepayments of the Mortgage Loan will be permitted in connection with a partial release of the lien on a Mortgaged Property to the extent permitted in the Mortgage Documents, and if not expressly permitted under the Mortgage Documents, then partial prepayments may be made up to the amount necessary to maintain the debt service coverage ratio described in clause (A) of this paragraph (b)(i). Any such partial prepayment will be subject to any applicable Prepayment Premium under the Mortgage Documents.

(ii) If the release is a release of one or more Mortgaged Properties from the lien of a Mortgage Loan or a MALA secured by a lien on more than one Mortgaged Property:

(A) after the release, the Mortgage Loan will have a debt service coverage ratio not less than the lesser of (I) the underwritten debt service coverage ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (II) the debt service coverage ratio of the Mortgage Loan immediately before the release;

(B) after the release, the Mortgage Loan will have a loan-to-value ratio not greater than the greater of (I) the underwritten loan-to-value ratio of the Mortgage Loan determined at the time the Mortgage Loan

was originated or (II) the loan-to-value ratio of the Mortgage Loan immediately before the release;

(C) no material default has occurred and is continuing under the applicable Mortgage Documents which default would not be cured by the release and concurrent payment required to be made in connection with such release; and

(D) partial prepayments of the Mortgage Loan will be permitted in connection with a release of one or more Mortgaged Properties to the extent permitted in the Mortgage Documents, and if not expressly permitted under the Mortgage Documents, then partial prepayments may be made up to the amount necessary to maintain the debt service coverage and loan-to-value ratios described in clauses (A) and (B) of this paragraph (b)(ii). Any such partial prepayment will be subject to any applicable Prepayment Premium under the Mortgage Documents.

(iii) Notwithstanding paragraphs (b)(i) and (b)(ii) of this Subsection 5.12(2), in the event of a release resulting from an action by a governmental unit, utility or other entity having the power of eminent domain, a partial release of a lien on Mortgaged Property may be permitted in accordance with the Servicing Contract and Accepted Servicing Practices.

5.12(3) *Collateral Additions.*

(a) If the Mortgage Documents permit the Borrower to add one or more Mortgaged Properties as collateral for a Mortgage Loan or a MALA, the Master Servicer (or, if permitted by the Servicing Contract, the Primary Servicer) may allow the addition in accordance with such Mortgage Documents.

(b) To the extent that the Mortgage Documents permit the addition of collateral but do not provide conditions for such additions, the following criteria will apply to any such addition of collateral:

(i) after the addition, the Mortgage Loan will have a debt service coverage ratio that is not less than the lesser of (A) the underwritten debt service coverage ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (B) the debt service coverage ratio of the Mortgage Loan immediately before the addition;

(ii) after the addition, the Mortgage Loan will have a loan-to-value ratio not greater than the greater of (A) the underwritten loan-to-value ratio of the Mortgage Loan determined at the time the Mortgage Loan was originated or (B) the loan-to-value ratio of the Mortgage Loan immediately before the addition; and

(iii) no material default has occurred and is continuing under the applicable Mortgage Documents which default would not be cured by the addition.

5.12(4) *Change in Use.* No material change in the use of a Mortgaged Property may be permitted, unless required by applicable law or permitted in the Mortgage Documents, if the change would have a material adverse impact on the net operating income of the Mortgaged Property.

5.12(5) *Monitoring.* The Primary Servicer will follow an established process for monitoring the physical condition and financial operations of the Mortgaged Property, to the extent required by the Servicing Contract. The process may vary depending on the loan amount, loan product, market area, the character, age and quality of the property, the type of property, the level of debt service coverage, delinquency status and other pertinent physical or financial criteria.

5.12(6) *Calculations of Substitutions, Releases or Collateral Additions for a MALA or Loan with Multiple Advances.*

(a) If a Mortgage Loan is part of a MALA, the debt service coverage and loan-to-value ratios will be determined in accordance with the Mortgage Documents and other documents delivered in connection with the MALA. To the extent that the Mortgage Documents and such other documents do not provide the terms for determining such ratios, the debt service coverage and loan-to-value ratios for a MALA will be determined by reference to all of the mortgage loans then outstanding under that MALA and all collateral then securing such mortgage loans, and references to the debt service coverage and loan-to-value ratios as of the date of origination will mean the ratios at the date of the most recent MALA Advance.

(b) If the Mortgage Loan provides for multiple advances, the debt service coverage and loan-to-value ratios as of the date of origination will mean the ratios on the date of the most recent advance under the Mortgage Loan, unless the Mortgage Documents and other documents evidencing the MALA provide otherwise.

5.12(7) *Applicability of Article XIV.* Any waivers or modifications to the terms and conditions of Mortgage Documents relating to events described in Subsection 5.12(1) or 5.12(3), or paragraph (b)(ii) of Subsection 5.12(2), of this Agreement or to the conditions for future advances under a Mortgage Loan or a MALA will be subject to Holder consent pursuant to Subsection 14.4(2) of this Agreement if such waiver or modification is determined to be a Significant Change to a Permitted Activity or will have the effect described in clause (a) of Subsection 14.4(2).

ARTICLE VI
COLLECTIONS

Section 6.1 *Custodial Accounts.*

6.1(1) *Establishment and Maintenance of Custodial Accounts.*

(a) Each Primary Servicer, directly or indirectly, will establish and maintain one or more Custodial Accounts (which may be the Custodial Account for one or more Trusts and Other Fannie Mae Trusts, except as provided in paragraph (b) of this Subsection 6.1(1)). Any Custodial Account will be established with an Eligible Depository, except as provided in paragraph (b) of this Subsection 6.1(1), and may either be an insured demand deposit account (which for this purpose includes a money market deposit account) or an account through which funds are invested in Eligible Investments. The Custodial Account will be established in the name of the Master Servicer (or in the name of the Primary Servicer as agent, trustee, and/or bailee for the Master Servicer) and/or payments of various mortgagors and/or various owners of interests in mortgage-backed securities, and identified to the Eligible Depository as a Custodial Account.

(b) For PFP Loans, a Custodial Account (i) may also include funds that are principal and interest payments on other loans owned by the Issuer (and not held in trust) and serviced by the related Primary Servicer, and (ii) will be held in an Eligible Depository except that, if the Custodial Account is a demand deposit account from which the Master Servicer has the right to withdraw at any time all funds that exceed \$2,500, the Custodial Account may be held at an Eligible Depository or be established in a financial institution that has its accounts insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund or another governmental insurer or guarantor that is acceptable to the Guarantor.

(c) Each Primary Servicer will maintain or cause to be maintained detailed records, on a loan-by-loan basis, that will enable it to identify at any time the amount of funds in any Custodial Account that are attributable to each Pool.

6.1(2) *Deposit to Custodial Account.* The following payments and collections will be deposited into the Custodial Account:

(a) As soon as practicable, but not later than the second Business Day after receipt by the Primary Servicer, all payments from or on behalf of Borrowers of any principal and interest, other than the Servicing Fee and Excess Spread (to the extent permitted to be retained by the Primary Servicer as provided in Subsections 5.1(6) and 5.1(7)), and any amounts used to reimburse

Delinquency Advances of the Primary Servicer to the extent permitted by the Servicing Contract;

(b) On or before the Custodial Account Remittance Date, Delinquency Advances and any purchase price for Mortgage Loans purchased from a Trust pursuant to Section 2.5, in either case if and to the extent made or paid by the Primary Servicer;

(c) As soon as practicable, but not later than the second Business Day after receipt by the Primary Servicer, all Prepayments (except as provided in clause (b) of this Subsection 6.1(2) or in Subsection 7.2(3)), together with any Holders' Prepayment Premium Portion received, and other amounts received on any of the Mortgage Loans (other than any portion of insurance proceeds, condemnation proceeds and similar amounts that are to be used for renovation and repair of the Mortgaged Property or for the reimbursement of any insurance premiums advanced, to the extent not previously reimbursed from other sources); and

(d) Any other amounts specified in a related Issue Supplement that are required to be deposited in the Custodial Account.

The requirements in this Subsection 6.1(2) will be exclusive. Without limiting the generality of this Subsection 6.1(2), payments on the Mortgage Loans that are not expressly identified in clauses (a) through (d) of this Subsection 6.1(2) (including payments of principal and interest on the Mortgage Loans due on or before the Issue Date, Prepayment Premiums that are not required to be passed through to Holders, late payment charges or assumption fees and other ancillary charges) are not required to be deposited in the Custodial Account, and if so deposited may be withdrawn at any time. If the Primary Servicer holds funds in an Escrow Account or Supplemental Account that are not yet due to be applied against Mortgage Loan obligations or that are received in connection with a Loss Mitigation Plan, this Subsection 6.1(2) will apply to those funds only when they are so applied.

6.1(3) *Segregation of Funds.* The amounts described in Subsection 6.1(2) will be held in a Custodial Account. To the extent permitted by the Servicing Contract, and except as provided in clause (b) of Subsection 6.1(1), the Primary Servicer may commingle such funds only with collections on other mortgage loans that are held for other Trusts or Other Fannie Mae Trusts. Temporarily, however, prior to depositing such funds as contemplated by Subsection 6.1(2), a Primary Servicer may hold such funds in a clearing account that is either in an Eligible Depository or is a deposit account insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or another governmental insurer or guarantor that is acceptable to the Guarantor, and that in any case may include collections on other mortgage loans without regard to their ownership. In addition, for a period no longer than one Business Day immediately preceding a Custodial Account Remittance Date, such funds may be held in a consolidated drafting account that is a Custodial

Account but that may hold other funds owed to Fannie Mae, as well as funds of other Trusts or Other Fannie Mae Trusts. The Primary Servicer must maintain records on a loan-by-loan basis regarding the sources of the commingled funds.

6.1(4) *Investments.* Unless prohibited by applicable law, all amounts held in a Custodial Account must be either available on demand (funds in a money market deposit account being considered so available) or invested in investments that, at the time of their acquisition, are Eligible Investments maturing on or before the Custodial Account Remittance Date applicable to the funds so invested. Amounts held by a Primary Servicer in a Custodial Account are also subject to any additional limitations under the Servicing Contract, including the Primary Servicer's responsibility for any fees or penalties for withdrawals. Holders will have no right to interest or other investment earnings on amounts in any Custodial Account.

6.1(5) *Limitations on Permitted Sales.* If, with respect to any investment held in the Custodial Account, the rating accorded by the applicable rating agency to the applicable issuer or to the investment declines by two rating levels after acquisition of the investment (and, as a result of the decline, the investment ceases to be an Eligible Investment), then the Primary Servicer is required to cause that nonconforming investment to be sold as soon as practicable. Otherwise, except for correction of investments made in violation of this Trust Agreement, no investment may be sold while in the Custodial Account prior to its maturity.

Section 6.2 *Permitted Withdrawals from the Custodial Account.* The Master Servicer may, from time to time, make withdrawals or permit a Primary Servicer to make withdrawals from a Custodial Account for the following purposes:

- (i) to reimburse the Master Servicer or the Primary Servicer for previously unreimbursed Delinquency Advances;
- (ii) to withdraw and retain interest and other investment earnings;
- (iii) to pay to the Primary Servicer the Servicing Fee and any Excess Spread other than Securitized Excess Spread (unless previously withheld for these purposes pursuant to the Servicing Contract);
- (iv) to pay any Securitized Excess Spread to the trustee of the trust that holds the Securitized Excess Spread;
- (v) to withdraw from the Custodial Account any amount that was not required to be deposited in the Custodial Account, pursuant to Subsection 6.1(2);

(vi) to transfer the amounts described in Section 6.3, and any other amounts that are permitted or required to be deposited in the Certificate Account, for deposit in the Certificate Account;

(vii) to pay the Guarantor the Guaranty Fee, unless the Master Servicer or the Primary Servicer, as applicable, has received notice from the Trustee that a Guarantor Event of Default of the type described in clause (a) of Section 12.1 has occurred, and has not received a subsequent notice from the Trustee that such Guarantor Event of Default has been cured;

(viii) to withdraw amounts for such other purposes as may be specified in the related Issue Supplement or as permitted by the Servicing Contract; and

(ix) to clear or close the Custodial Account or transfer any funds to one or more other Custodial Accounts (which may be the Custodial Account for one or more Trusts and Other Fannie Mae Trusts, except as provided in paragraph (b) of Subsection 6.1(1)), in each case as permitted by the Servicing Contract.

Section 6.3 *Custodial Account Remittance Date.* On or before each Custodial Account Remittance Date, the Master Servicer must transfer or cause to be transferred for deposit to the Certificate Account (directly or through a clearing account as provided in Subsection 7.2(3)) funds held in the applicable Custodial Account or Accounts in an amount equal to all payments of principal and interest (with interest calculated at the Net Rate applicable to payment dates in the related Due Period, and reduced by any Deferred Interest on a Negative Amortization Mortgage Loan) to be included in the Certificate Distribution Amount for the related Distribution Date, including any required Delinquency Advances, for each Mortgage Loan in a Trust that is serviced by that Primary Servicer. If the funds available are less than such amounts, then the Master Servicer will transfer as much as is available.

ARTICLE VII

CERTIFICATE ACCOUNT; DISTRIBUTION; GUARANTY

Section 7.1 *Payments.* Payments of the Certificate Distribution Amount for each Trust will be made on each Distribution Date, beginning on the Distribution Date in the month immediately following the month that includes the Issue Date, unless otherwise provided in the related Issue Supplement; provided, however, that the Final Distribution Date is the sole Distribution Date for a Trust holding a Discount Participation Interest.

Section 7.2 *Certificate Account.*

7.2(1) *Establishment and Maintenance of Certificate Account; Records.* The Master Servicer or the Trustee will open with an Eligible

Depository one or more accounts in the name of the Trustee (or its designee) to hold funds for the benefit of the Holders under one or more Trusts. The Certificate Account may also contain funds that the Trustee holds in trust for Other Fannie Mae Trusts, provided that the Trustee keeps, or causes to be kept, separate records of funds held with respect to each Trust.

7.2(2) *Changes to Certificate Account.* The manner in which the Certificate Account is maintained may be changed at any time without notice to or the approval of Holders, so long as (a) the Certificate Account is maintained with an Eligible Depository and (b) funds held in the Certificate Account by, or for the account of, the Trustee of the related Trust are at all times identified.

7.2(3) *Transfers of Funds.* On each Custodial Account Remittance Date preceding each related Distribution Date, the Master Servicer will confirm that, pursuant to Section 6.3, funds have been transferred from the Custodial Accounts to the Certificate Account or a clearing account at an Eligible Depository, such clearing account to exist for the purpose of receiving funds held in trust. If and to the extent funds have been transferred to such a clearing account, the Master Servicer or the Trustee will promptly cause such funds to be transferred from the clearing account to the Certificate Account. Any Delinquency Advances, Estimated Funding, income from and proceeds of liquidation of Defeasance Securities, and Guaranty payments and payment of the purchase price for any Mortgage Loans purchased from a Trust pursuant to Section 2.5 also may be deposited in the Certificate Account. All amounts deposited in the Certificate Account, and all investments made with such funds, excluding all interest and other investment earnings, will be held in trust in the Certificate Account, subject to withdrawal by the Trustee for the purposes set forth in Section 7.4.

7.2(4) *Investment.* All or a portion of amounts on deposit in the Certificate Account may be invested and reinvested in one or more investments that, at the time of their acquisition, are Eligible Investments maturing not later than the applicable Distribution Date. Holders will have no right to interest or other investment earnings on such amounts, and such earnings will not be part of the Trust Fund. Earnings on the investments in the Certificate Account will be applied to the payment of the Issuer Fees, Trustee Fees and Master Servicer Fees.

7.2(5) *Limitations on Permitted Sales.* If, with respect to any investment held in the Certificate Account, the rating accorded by the applicable rating agency to the issuer of an investment or to the investment declines by two rating levels after acquisition of the investment (and, as a result of the decline, the investment ceases to be an Eligible Investment), then the Trustee must cause that nonconforming investment to be sold as soon as practicable. Otherwise, except for corrections of investments made in violation of this Trust Agreement, no investment may be sold while in the Certificate Account prior to its maturity.

Section 7.3 *Calculation of Certificate Distribution Amount or Other Amounts.*

The Master Servicer will calculate or cause to be calculated the Certificate Distribution Amount, if any, for each Pool for each Distribution Date, and unless the Master Servicer and Trustee are the same Person, will advise the Trustee of that amount prior to that Distribution Date. On or before the Distribution Date, the Trustee will notify the Paying Agent, or cause the Paying Agent to be notified, of the Certificate Distribution Amount for that Distribution Date.

Section 7.4 *Payment from the Certificate Account.*

7.4(1) *Transfer to Paying Agent.* No later than each Distribution Date, the Trustee will withdraw and deliver to the Paying Agent, or cause to be withdrawn and delivered, funds from the Certificate Account in the amount of the Certificate Distribution Amount for a Trust (or if sufficient funds for a Trust are not then available in the Certificate Account, as much as is available).

7.4(2) *Receipt of Guaranty Payments.* To the extent the amount withdrawn from the Certificate Account and delivered to the Paying Agent is insufficient to pay the Certificate Distribution Amount for a Trust, the Paying Agent will receive funds pursuant to the Guaranty as described in Section 7.5.

7.4(3) *Instruction to Paying Agent.* With respect to each Distribution Date, the Trustee will instruct the Paying Agent to distribute to Holders as of the immediately preceding Record Date, in immediately available funds, the Certificate Distribution Amount (or if sufficient funds are not available, as much as is available), in accordance with the respective Undivided Beneficial Interests of the Holders.

7.4(4) *Payments from Certificate Account.*

(a) At any time, the Trustee is authorized to withdraw or direct the withdrawal from the Certificate Account, and pay the following (in each case, to the extent not previously paid or retained), except that in the case of a Trust that holds a Discount Participation Interest, no amounts will be paid from the Certificate Account for any Servicing Fee, Excess Spread or Guaranty Fee with respect to a Trust, as such fees are to be funded from sources outside the related Trust Fund:

(i) to the Guarantor, (A) amounts to reimburse the Guarantor for funding or payments made by it with respect to amounts that are subsequently recovered by the Trust and transferred to the Certificate Account but are not required for payment to Holders, and (B) unless a Guarantor Event of Default of the type described in clause (a) of Section 12.1 has occurred and is continuing, any Guaranty Fee;

(ii) to the extent of interest and other investment earnings on the Certificate Account, to the Trustee, the Master Servicer and the Issuer, respectively, the Trustee Fee, the Master Servicer Fee and the Issuer Fee;

(iii) to the Trustee, any Other Trust Expenses that are then due and payable;

(iv) to the extent not withheld pursuant to Subsection 5.1(6), to the Primary Servicer, any Servicing Fee and any Excess Spread other than Securitized Excess Spread;

(v) to the extent of any Securitized Excess Spread, to the trustee of the trust that holds the Securitized Excess Spread;

(vi) to the Master Servicer and to each Primary Servicer, reimbursement of any unreimbursed Delinquency Advances, but only to the extent that payments of principal and interest have been received (including any liquidation proceeds) in respect of Mortgage Loans as to which the advances were made; and

(vii) to remove amounts deposited in error and any excess Estimated Funding.

(b) After all other distributions have been made on the Final Distribution Date for a Trust, to the extent of any remaining amounts in the Certificate Account attributable to that Trust, first to reimburse the Master Servicer and then to reimburse each Primary Servicer for any remaining unreimbursed Delinquency Advances and Servicing Advances to the extent provided in the applicable Servicing Contract, and if any funds remain after all other payments, to the Guarantor.

7.4(5) *Priority of Distribution.* If the funds available in the Certificate Account with respect to each Trust on any Distribution Date (after any payments are made under Section 7.5) are insufficient to pay all amounts then due, the available funds will be applied in the following order: in each case to the extent then due and payable with respect to that Trust: (i) Trustee Fees and other amounts due to the Trustee; (ii) the Master Servicer Fee; (iii) Securitized Excess Spread, and, to the extent provided in the applicable Servicing Contract, Servicing Fees and Excess Spread (other than Securitized Excess Spread, which is no longer available to pay servicing fees and expenses); (iv) Delinquency Advances; (v) the Certificate Interest Distribution Amount; and (vi) the Certificate Principal Distribution Amount. For a Trust that holds a Discount Participation Interest, Servicing Fees, Excess Spread and Guaranty Fees are not payable out of the Trust.

Section 7.5 *Fannie Mae Guaranty.*

7.5(1) *Limited Guaranty.* To the extent necessary with respect to each Trust, the Guarantor unconditionally and irrevocably agrees to pay to the related Trust the following amounts not otherwise available from funds in the Certificate Account pursuant to Section 7.4:

(a) on each Distribution Date, an amount equal to the Certificate Distribution Amount for that Trust on such Distribution Date; and

(b) on the Final Distribution Date for that Trust, after giving effect to payments under clause (a) of this Subsection 7.5(1), the full and final payment of any previously unpaid Certificate Principal Balance.

After the Guarantor is notified by the Master Servicer, the Trustee or Paying Agent of the insufficiency of funds in the Certificate Account to cover all such amounts, the Guarantor will transfer any such amounts to the Certificate Account or directly to the Paying Agent in immediately available funds on or before the applicable Distribution Date for payment to each related Trust. The Guaranty is limited to the payment of the amounts specified in this Subsection 7.5(1); such payments will be based on Mortgage Loan data reported to the Master Servicer by Primary Servicers in connection with that Distribution Date. Adjustments may be made in subsequent payments as provided in the definitions of Certificate Interest Distribution Amount and Certificate Principal Distribution Amount. In lieu of continuing to make payments of principal and interest with respect to a delinquent Mortgage Loan, the Guarantor may purchase that Mortgage Loan out of the Pool pursuant to the provisions of Section 2.5. Upon completing any such purchase at the purchase price specified in Subsection 2.5(3), the Guarantor will be considered to have satisfied its Guaranty obligation with respect to that Mortgage Loan.

7.5(2) *Enforcement; Unconditional Obligation.* The Guaranty obligations pursuant to this Section 7.5 will inure to the benefit of each Trust, and will be enforceable by the Trustee of that Trust, only as provided in this Trust Agreement. The Guarantor agrees that its obligation to pay on each Distribution Date the amounts guaranteed by it under Subsection 7.5(1) will be unconditional, regardless of: (i) the validity, legality or enforceability of, or any change in or amendment to, the Trust Documents; (ii) the failure of any Person to pay any Guaranty Fee; (iii) the absence of any action to enforce the payment obligation; (iv) the waiver or consent by the requisite vote of the Holders or by the Trustee with respect to any provisions of the Trust Documents, except pursuant to Section 14.4; or (v) any action to enforce, or other circumstance that might otherwise constitute, a legal or equitable discharge or defense of a guarantor. Except as expressly provided in Subsection 7.5(1) or Section 12.1, the Guarantor waives diligence, presentment, demands of payment or otherwise, protest or notice with respect to each Certificate or the interest represented by such Certificate, and all demands whatsoever, and covenants that this Guaranty will not be discharged

except upon complete and irrevocable payment of the amounts described in Subsection 7.5(1).

7.5(3) *Subrogation.* The Guarantor will be subrogated to all rights of Holders of Certificates in the related Trust with respect to amounts paid pursuant to the Guaranty. Nothing in this Subsection 7.5(3) will impair Fannie Mae's right to receive distributions in its capacity as a Holder, if it is a Holder of any Certificates.

7.5(4) *Estimated Funding.* From time to time, the Master Servicer or Guarantor may deposit Estimated Funding in the Certificate Account, determined on the basis of expected collections of principal and interest payments on the Mortgage Loans (including Delinquency Advances) and anticipated payments to be made to Holders on the following Distribution Date, which may be an estimated amount pending reconciliation and allocation of amounts owed to Holders. Any Estimated Funding amounts in excess of funds required to be distributed to Holders on a Distribution Date will, upon request of the Master Servicer or Guarantor, be reimbursed to the Master Servicer or Guarantor after reconciliation of funds actually collected with respect to a Trust.

7.5(5) *No United States Guaranty.* The Guaranty is solely a corporate obligation of Fannie Mae. Neither the Certificates nor payments of principal and interest on the Certificates are guaranteed by the United States and neither constitutes a debt or obligation of the United States or any other agency or instrumentality of the United States.

Section 7.6 *Reports.*

7.6(1) *Monthly Reports.* The Master Servicer will provide or cause to be provided to Holders of Certificates of each Trust access (consistent with Section 15.4) to monthly reports relating to the monthly distributions on the Certificates of that Trust as of each Distribution Date.

7.6(2) *Annual Reports.* Within a reasonable time after the end of each calendar year during any portion of which a Certificate is outstanding, the Master Servicer will either (i) furnish or cause to be furnished to each Holder listed on the records of the Fiscal Agent at any time during that year a statement containing the relevant information required under federal income tax laws, or (ii) disseminate in a manner consistent with Section 15.4 information from which such relevant information can be calculated.

Section 7.7 *Paying Agent.* Any payment obligations of any Person other than the Paying Agent to Holders will be fully satisfied upon transmittal of payment to the Paying Agent of the Certificate Distribution Amount on or before the related Distribution Date.

ARTICLE VIII

LIMITATION OF LIABILITY

Section 8.1 *General Limitation.* The liability of the Issuer, Master Servicer, Guarantor and Trustee and any successor extends only to its performance in good faith of the duties and responsibilities specifically imposed by the terms of the Trust Documents. No other duties or responsibilities will be implied.

Section 8.2 *Measure of Liability.*

8.2(1) *Good Faith.* None of the Issuer, Master Servicer, Guarantor or Trustee or any successor to any of them, or any of their respective directors, officers, employees or agents, will be liable for any action taken, or for refraining from taking any action, in good faith pursuant to the terms of the Trust Documents, or for errors in judgment; provided, however, that this provision will not protect the Issuer, Master Servicer, Guarantor or Trustee or any such other Person against any liability for action or inaction resulting from willful misfeasance, bad faith, gross negligence, or willful disregard of its obligations and duties under the Trust Documents.

8.2(2) *Standard of Care.* In performing their duties and exercising their rights, the Issuer, Master Servicer and Guarantor are obligated to act in good faith, as described in Subsection 8.2(1). The Trustee's standard of care is as described in Section 10.1. In ascertaining whether a Mortgage Loan is to be purchased from a Pool as described in Section 2.5, none of the Master Servicer, the applicable Primary Servicer, the Guarantor or the Trustee will be liable for taking into consideration the administrative costs of the Master Servicer, the Trustee or the Guarantor, as well as the costs of the Primary Servicer, or the Guarantor's possible exposure under the Guaranty.

8.2(3) *Acts of Parties.* In exercising any right under the Trust Documents, none of the Issuer, Master Servicer or Guarantor will be acting in a fiduciary capacity. Any failure by the Issuer, Master Servicer, Guarantor or Trustee to exercise any right under the Trust Documents in any instance will not be deemed a waiver of such right in any other instance.

ARTICLE IX

FANNIE MAE

Section 9.1 *Merger or Consolidation.* Any corporation or other entity into which Fannie Mae is merged, converted or consolidated, or any corporation or other entity resulting from any merger, conversion or consolidation to which Fannie Mae is a party, or any corporation or other entity succeeding to the business of Fannie Mae, will succeed to and assume all obligations and duties imposed upon Fannie Mae by the terms of the Trust Documents, without the filing

of any instrument or the performance of any further act by Fannie Mae or any Holder. Fannie Mae will give notice promptly of such succession to all Holders.

Section 9.2 *Fannie Mae as Holder*. Fannie Mae will have the right to purchase and hold for its own account any Certificate and will have the same rights as any other Holder, except as otherwise set forth in the Trust Documents.

ARTICLE X

TRUSTEE

Section 10.1 *Duties of Trustee*.

10.1(1) *In the Absence of a Guarantor Event of Default*. For so long as there is no Guarantor Event of Default, the duties and obligations of the Trustee will be determined solely by the express provisions of the Trust Documents. The Trustee will be responsible only for the performance of the duties and obligations specifically set forth in the Trust Documents; no implied covenants or obligations of the Trustee will be read into the Trust Documents. Any permissive right of the Trustee contained in the Trust Documents will not be construed as a duty.

10.1(2) *When a Guarantor Event of Default Exists*. While a Guarantor Event of Default exists, the Trustee will exercise the rights and powers vested in it by the Trust Documents and use the same degree of care and skill in their exercise as a prudent investor would exercise or use under the circumstances in the conduct of its own affairs.

10.1(3) *Liability*. No provision of the Trust Documents will be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own misconduct; provided, however, that:

(a) As provided in Subsection 8.2(1), the Trustee will not be personally liable for an error of judgment made in good faith by any authorized officer of the Trustee, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts;

(b) The Trustee will not be personally liable with respect to any action taken, permitted or omitted to be taken by it in good faith in accordance with the direction of Holders representing at least 5% of the Voting Rights of the related Trust (determined in accordance with Section 14.1) as to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or for exercising any trust or power conferred upon the Trustee, under the Trust Documents;

(c) For all purposes of the Trust Documents, unless the Trustee and the Guarantor are the same Person, the Trustee will not be deemed to have knowledge of any Guarantor Event of Default or event that, with notice or lapse of time, or both, would become a Guarantor Event of Default, unless an

authorized officer of the Trustee has received written notice of the event from the Master Servicer, or an authorized officer of the Trustee has actual knowledge of the event. In the absence of such written notice or actual knowledge, no provision of the Trust Documents requiring the Trustee to take any action or to assume any duty or responsibility following the occurrence of any Guarantor Event of Default or event that, with notice or lapse of time, or both, would become a Guarantor Event of Default, will be effective as to the Trustee; and

(d) For purposes of this Article X, references to the Trustee include its directors, officers, employees and agents.

Section 10.2 *Certain Matters Affecting the Trustee.*

10.2(1) *Reliance; Limitation of Duties.* Except as otherwise provided in Section 10.1:

(a) Unless a Guarantor Event of Default has occurred and has not been cured, the Trustee is entitled to rely on any direction rendered to it by any of the Issuer, Master Servicer (unless there is then an existing Servicing Event of Default that has not been cured) or Guarantor in exercising its rights pursuant to the terms of the Trust Documents without inquiry as to the propriety or validity of the direction, and will be protected in acting on such direction;

(b) The Trustee, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee that are specifically required to be furnished pursuant to any provision of the Trust Documents, will examine them to determine whether they appear to conform *prima facie* to the requirements of the Trust Documents. If any such instrument is found not to conform *prima facie* to the requirements of the Trust Documents in any material respect, the Trustee will take whatever action it deems appropriate to have the instrument corrected, in all material respects to the Trustee's satisfaction. Unless the Trustee has actual knowledge to the contrary, the Trustee will be entitled to rely, without further inquiry, on the apparent authority of the signer of any document, and upon the representation of the Person submitting documents to it (including the Issuer, the Master Servicer, the Guarantor, any Seller, any Primary Servicer, any Custodian and any attorney or accounting professional or adviser (including an attorney, accounting professional or adviser employed by the Issuer, Master Servicer, Guarantor or Trustee)) that the document is genuine, which representation will be deemed given by the process of submitting the documents to the Trustee in the ordinary course of business. If the Trustee is acting in good faith, the Trustee may conclusively rely as to the truth of the statements and the correctness of the opinions or advice expressed in any certificates or opinions that are furnished to the Trustee and that conform to the requirements of the Trust Documents. Except if there is a pending request to investigate as provided in paragraph (e) of this Subsection 10.2(1), the Trustee may request and if acting in good faith rely upon, and will be protected in acting or refraining from acting upon, any resolution, officers' certificate,

certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document *prima facie* in proper form and believed by it to be genuine and to have been signed or presented by the proper party;

(c) The Trustee may consult with attorneys, accounting professionals and other advisers (including attorneys, accounting professionals and advisers employed or retained by the Issuer, the Master Servicer, the Guarantor or the Trustee) with respect to any action taken or allowed to occur or omitted by it under the Trust Documents in good faith. If the Trustee is acting in good faith, any advice received from attorneys, accounting professionals or other advisers (including from attorneys, accounting professionals or other advisers employed or retained by the Issuer, the Master Servicer, the Guarantor or the Trustee) will be full and complete authorization and protection from liability as to any act or omission in accordance with such advice;

(d) The Trustee will not be obligated to exercise any of the trusts or powers vested in it by the Trust Documents or to institute, conduct or defend any litigation under or in relation to the Trust Documents at the request, order or direction of any Holder or, if the Trustee is someone other than the Guarantor, at the request, order or direction of the Guarantor, pursuant to the provisions of the Trust Documents, unless such Holders or the Guarantor, as the case may be, have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that it may incur; and

(e) Prior to the occurrence of a Guarantor Event of Default and after all previously existing Guarantor Events of Default have been cured, the Trustee will not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, as permitted by the Trust Documents, unless requested in writing so to do by (i) the Guarantor or (ii) Holders representing at least 25% of the Voting Rights of the related Trust (determined in accordance with Section 14.1); provided, however, that in either case, within a reasonable time the Guarantor or such Holders, as the case may be, have provided the Trustee with reasonable indemnification for costs, expenses or liabilities likely to be incurred by it in the making of such investigation if, in the opinion of the Trustee, the Trustee is not reasonably assured by the security afforded to it otherwise by the terms of the Trust Documents.

10.2(2) *No Obligation to Incur Liability; Indemnification of the Trustee.*

(a) No provision of the Trust Documents will require the Trustee, in its capacity as Trustee, to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if it has reasonable grounds to believe that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(b) Each Trust will indemnify the Trustee in its personal capacity and as Trustee and any director, officer, employee or agent of the Trustee in its personal capacity and as Trustee (each of them, an “indemnified party”) for, and hold each of them harmless against, any loss or liability incurred by any of them without negligence or bad faith on the part of the indemnified party arising out of or in connection with the acceptance or administration of the Trusts created pursuant to the Trust Documents, including any legal action described in Subsection 10.2(3). The amounts indemnified include the costs and expenses of defending the indemnified parties against any claim or liability incurred by any of them in connection with the exercise or performance of any of the powers or duties under the Trust Agreement, but not including any expenses incurred in the ordinary course of performing the Trustee’s duties as set forth in the Trust Documents.

10.2(3) *Legal Action.* The Trustee in its discretion may, but is not obligated to, undertake any legal action that it deems necessary or desirable in the interests of Holders. If the Trustee determines to undertake any such legal action, it will be entitled to be provided security or indemnity to its satisfaction for any expense or liability as described in Subsection 10.2(2) or to be reimbursed from the related Trust Fund for the expenses it incurs in undertaking the action. In determining whether to undertake legal action, the Trustee will be entitled to rely conclusively on the advice of legal counsel as to the reasonableness of such action and, consequently, the Trustee’s entitlement to such reimbursement will be deemed due.

10.2(4) *Authority to Delegate.* The Trustee may execute any of the trusts or powers, perform any duties under the Trust Documents, and carry out any or all of its functions under this Trust Agreement either directly or by or through one or more delegates, agents or attorneys engaged by it to act on its behalf.

10.2(5) *Authority to Commingle.* The Trustee may commingle Pool Proceeds and interest and other investment earnings with respect to two or more Trusts, and may also commingle Pool Proceeds and interest and other investment earnings with respect to any Trust with other proceeds and earnings held by the Trustee in trust, including assets of Other Fannie Mae Trusts, provided that the Trustee maintains or causes to be maintained records by which the separate interests of each Trust can be ascertained.

10.2(6) *Execution of Documents.* The Trustee is authorized to execute and deliver such documents as it determines to be necessary or appropriate to carry out the terms of the Trust Documents, including documents prepared by the Primary Servicer as described in Subsection 5.5(1) that are necessary or appropriate to enable the Primary Servicer to service the Mortgage Loans. The Trustee is authorized to rely on instructions received from the Primary Servicer as to the form and substance of such documents.

Section 10.3 *Trustee Not Liable*. Except as otherwise expressly provided in the Trust Documents, the Trustee will not be liable for the use or application by the Master Servicer or any Primary Servicer of any funds paid to the Master Servicer or any Primary Servicer in respect of the Mortgage Loans, or deposited in, or withdrawn from, the Custodial Account, or the calculation of the amount transferred to the Certificate Account by the Master Servicer or by any Primary Servicer or transferred to the Paying Agent. The Trustee makes no representations or warranties as to the validity or sufficiency of the Mortgage Documents.

Section 10.4 *Trustee May Own Certificates*. The Trustee in its personal or any other capacity may become the owner or pledgee of Certificates of any Trust with the same rights it would have if it were not Trustee.

Section 10.5 *Eligibility Requirements for Trustee*. Fannie Mae is eligible to act as the Trustee, and is initially the Trustee for Trusts created under this Trust Agreement. Any successor to Fannie Mae as Trustee must be a corporation or association acceptable to the Issuer and the Guarantor and organized and doing business under the laws of the applicable state or the United States, authorized under such laws to exercise corporate trust powers, having combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by federal or state financial regulatory authorities. If such other corporation or association publishes reports of condition at least annually pursuant to law or to the requirements of the supervising or examining authority, then for the purposes of this Section 10.5 the combined capital and surplus will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If any such successor Trustee ceases to be eligible under this Section 10.5 at any time, that successor Trustee will resign immediately in the manner and with the effect specified in Section 10.6.

Section 10.6 *Resignation and Removal of Trustee*.

10.6(1) *Resignation by Trustee*. The Trustee may resign at any time. Any successor Trustee will resign if it ceases to be eligible in accordance with the provisions of Section 10.5. In either case, the resignation of the Trustee will be effective, and the resigning Trustee will be discharged from the Trusts created by the Trust Documents, only by giving 90 days' written notice of the resignation to the Guarantor and upon the effectiveness of an appointment of a successor Trustee, which may be as of a date prior to the end of the 90-day period. Upon receiving such notice of resignation, the Guarantor (or if a Guarantor Event of Default has occurred and is continuing, the Master Servicer) will promptly appoint one or more successor Trustees by written instrument, one copy of which is delivered to the resigning Trustee and one copy of which is delivered to the successor Trustee. The successor Trustee need not be identical for all Trusts. If no successor Trustee has been appointed for a Trust, or one that has been appointed has not accepted the appointment within 90 days after giving such

notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

10.6(2) *Removal of Trustee for Cause.*

(a) Prior to a Guarantor Event of Default or if a Guarantor Event of Default has occurred and has been cured with respect to a Trust, Fannie Mae cannot be removed as Trustee with respect to that Trust. If a Guarantor Event of Default has occurred and is continuing while Fannie Mae is the Trustee, at the direction of Holders representing at least 51% of the Voting Rights of the related Trust (determined in accordance with Section 14.1), Fannie Mae will resign or be removed as the Trustee, and, to the extent permitted by law, all of the rights and obligations of the Trustee with respect to the related Trust only will be terminated by notifying the Trustee in writing. Holders representing at least 51% of the Voting Rights of the related Trust will then be authorized to name and appoint one or more successor Trustees. Notwithstanding the termination of the Trustee, its liability under the Trust Documents arising prior to such termination will survive such termination.

(b) If a successor Trustee is serving as the Trustee, the following events are “Trustee Events of Default”:

(i) with respect to a Trust, solely to the extent the applicable funds actually are received by the Trustee, any failure by the Trustee to withdraw and deliver to the Paying Agent (or cause to be withdrawn and delivered to the Paying Agent) any distribution required to be made under the terms of the Trust Documents, if such failure continues unremedied for a period of fifteen days after the date on which written notice of such failure, and a demand to remedy that failure, is given to the Trustee by either the Guarantor (except when a Guarantor Event of Default has occurred and is continuing) or the Holders of Certificates representing at least 5% of the Voting Rights of that Trust;

(ii) with respect to a Trust, failure on the part of the Trustee duly to observe or perform any other material covenant or agreement on the part of the Trustee set forth in the Trust Documents, if such failure continues unremedied for a period of 60 days after the date on which written notice of such failure and a demand to remedy that failure, is given to the Trustee by either the Guarantor (except when a Guarantor Event of Default has occurred and is continuing) or the Holders of Certificates representing at least 25% of the Voting Rights of that Trust;

(iii) the Trustee ceases to be eligible in accordance with the provisions of Section 10.5 and fails to resign;

(iv) the Trustee becomes substantially incapable of acting, or has been determined to be unable under applicable law and regulation to remain

as Trustee by (i) the governmental unit or regulatory entity that has primary supervisory authority for it or (ii) a court of competent jurisdiction;

(v) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, entered against the Trustee and such decree or order remains in force undischarged or unstayed for a period of 60 days;

(vi) the Trustee consents to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceeding relating to the Trustee or to all or substantially all of its property; or

(vii) the Trustee admits in writing its inability to pay its debts generally as they become due, files a petition to invoke any applicable insolvency or reorganization statute, makes an assignment for the benefit of its creditors, or voluntarily suspends payment of its obligations.

If at any time a Trustee Event of Default has occurred and is continuing, in addition to any rights of removal under Subsection 10.6(3), the Guarantor (or if a Guarantor Event of Default has occurred and is continuing, the Master Servicer), may, and if directed by Holders representing at least 51% of the Voting Rights of the related Trust, will remove the Trustee as to one or more Trusts and appoint a successor Trustee by written instrument, one copy of which will be delivered to the Trustee so removed and one copy of which will be delivered to the successor Trustee, and the Guarantor (or if a Guarantor Event of Default has occurred and is continuing, the Master Servicer) will give written notice of the successor Trustee to any Master Servicer, any Primary Servicer and Holders affected by the succession. Notwithstanding the termination of the Trustee, its liability under the Trust Documents arising prior to such termination will survive such termination.

10.6(3) *Removal of Successor Trustee Without Cause.* Except when a Guarantor Event of Default has occurred and is continuing, the Guarantor may remove a successor Trustee for any reason or no reason, solely pursuant to the Trust Documents, and appoint another successor Trustee by written instrument within 90 days after the date notice is given to such predecessor Trustee of its removal. If no successor Trustee has been appointed and has accepted appointment within 90 days after the giving of such notice of removal, the predecessor Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

10.6(4) *Time of Effectiveness.* Any resignation or removal of the Trustee and appointment of a successor Trustee pursuant to any of the provisions of this Article X will become effective upon acceptance of appointment by the successor Trustee as provided in Section 10.7, and in no event will such

resignation or removal become effective until a successor Trustee has been appointed and has accepted the duties of the Trustee.

Section 10.7 *Acceptance of Appointment by Successor Trustee.* Any successor Trustee appointed as provided in Section 10.6 will execute, acknowledge and deliver to the Guarantor and to its predecessor Trustee an instrument accepting such appointment under the Trust Documents. The successor Trustee may, at its own expense, secure an Opinion of Counsel to the effect that, or as to the extent to which, a Trust is exempt from federal income taxation, as well as state and local taxation in the jurisdiction where the successor Trustee is located, and qualifies as a fixed investment trust for federal tax purposes. The resignation or removal of the predecessor Trustee will become effective and the successor Trustee, without any further act, deed or conveyance, will become fully vested with all the rights, powers, duties and obligations of its predecessor Trustee, with the effect as if the successor Trustee had been originally named as Trustee under the Trust Documents. The predecessor Trustee will execute and deliver such instruments and do such other things as may reasonably be required to vest fully and confirm the successor Trustee in all such rights, powers, duties and obligations. The documentation for the succession of the successor Trustee, including any fee arrangement with such successor Trustee, is not considered an Amendment requiring approval pursuant to Article XIV.

Section 10.8 *Merger or Consolidation of Trustee.* Notwithstanding any provision in the Trust Documents to the contrary, any corporation or association into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee will be a party, or any corporation succeeding to the business of the Trustee, will be the successor Trustee under the Trust Documents, without the execution or filing of any paper or any further act on the part of any of the parties to the Trust Documents, provided, in the case of a Trustee other than Fannie Mae, that such corporation or association is eligible under the provisions of Section 10.5.

Section 10.9 *Appointment of Co-Trustee or Separate Trustee.*

10.9(1) *Authority to Appoint.* For the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Fund or property securing it may at the time be located, the Guarantor and the Trustee acting jointly (or, if a Guarantor Event of Default has occurred and is continuing, the Trustee acting alone) will have the power to execute and deliver all instruments necessary to appoint a Person approved by the Trustee to act jointly with the Trustee as co-trustee, or to appoint a separate trustee for any part of the related Trust Fund, and to vest in that Person, in its trustee capacity, legal title to that part of the Trust Fund, and those powers, duties, obligations, rights and trusts as the Guarantor and the Trustee (or if a Guarantor Event of Default has occurred and is continuing, the Trustee alone) consider necessary or desirable, subject to the other provisions of this Section 10.9 and consistent with the Trust Documents. No co-trustee or

separate trustee will be required, however, to meet the terms of eligibility as a successor Trustee under Section 10.5. Except as specifically provided in the first sentence of this Subsection 10.9(1), the Trustee will have no other right to appoint a co-trustee.

10.9(2) *Authority Granted.* In the case of any appointment of a co-trustee or separate trustee pursuant to this Section 10.9, all rights, powers, duties and obligations conferred or imposed upon the Trustee will be conferred or imposed upon, and exercised or performed by the Trustee and such separate trustee or co-trustee jointly, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Trustee is incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations (including the holding of title to all or any part of the related Trust Fund in any such jurisdiction) will be exercised and performed by that separate trustee or co-trustee at the direction of the Trustee.

10.9(3) *Notices.* Any notice, request or other writing given to the Trustee will be deemed to have been given to each separate trustee or co-trustee appointed under this Section 10.9, as effectively as if given to each of them. Every instrument appointing any separate trustee and co-trustee will refer to the Trust Documents and the conditions of this Article X.

10.9(4) *Agency Role.* Any separate trustee and co-trustee may appoint the Trustee as its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of the Trust Documents on its behalf and in its name. If any separate trustee or co-trustee dies, becomes incapable of acting, resigns or is removed, all of its estates, properties, rights, remedies and trusts will vest in and be exercised by the Trustee, without the appointment of a new or successor Trustee, to the extent permitted by law.

Section 10.10 *Trustee Fees.* The Trustee will be entitled to receive a Trustee Fee as compensation for its services under the Trust Documents. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Trustee Fee will be payable monthly and will be 2% of the remaining interest or other investment earnings, if any, on amounts in the Certificate Account, after payment of the Issuer Fee; provided that if a successor Trustee is appointed, the Trustee Fee may be such other amount as is agreed between the successor Trustee and the Guarantor (or Master Servicer, if a Guarantor Event of Default has occurred and is continuing). As long as Fannie Mae is the Trustee, the Trustee Fee for all Trusts under this Trust Agreement will be determined in the aggregate, and not for each Trust separately.

ARTICLE XI

MASTER SERVICER

Section 11.1 *Termination and Resignation of Master Servicer.*

11.1(1) *In the Absence of a Guarantor Default.* Prior to a Guarantor Event of Default or if a Guarantor Event of Default has occurred and has been cured with respect to a Trust, Fannie Mae cannot be removed as Master Servicer with respect to that Trust. A successor to Fannie Mae as Master Servicer (if Fannie Mae has resigned pursuant to Subsection 11.1(2)) may be removed by the Guarantor (or, if a Guarantor Event of Default has occurred and has not been cured, by the Trustee) upon not less than 60 days' written notice to that successor Master Servicer.

11.1(2) *Voluntary Resignation.* The Master Servicer may resign at any time, by giving 120 days' written notice of the resignation to the Trustee and the Guarantor.

11.1(3) *Servicing Events of Default.* If a successor Master Servicer is serving as such, the following events are "Servicing Events of Default" with respect to a Trust:

(a) any failure by the successor Master Servicer to remit, or cause the Primary Servicer to remit, funds for deposit to the Certificate Account on the Custodial Account Remittance Date for payment to Holders, as required by Section 6.3, which failure continues uncured for one Business Day following written notice of such failure to the successor Master Servicer by the Trustee or by Holders representing at least 25% of the Voting Rights of the related Trust (determined in accordance with Section 14.1);

(b) except as otherwise provided in clause (a) of this Subsection 11.1(3), any failure by the successor Master Servicer to perform in any material respect any of its covenants or agreements, which failure continues uncured for a period of 60 days following the earlier of written notice of the failure to the successor Master Servicer by the Trustee or by the Holders representing at least 25% of the Voting Rights of the related Trust (determined in accordance with Section 14.1);

(c) entry of a decree or order of a court or agency or supervisory authority having jurisdiction in a voluntary or involuntary case under any present or future federal or state bankruptcy, insolvency or similar law or the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceeding, or for the winding-up or liquidation of its affairs against the successor Master Servicer, and which remains in force undischarged or unstayed for a period of 60 days, if such proceeding is not being contested by that successor Master Servicer

in good faith, or results in the entry of an order for relief or any such adjudication or appointment;

(d) consent by the successor Master Servicer to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to the successor Master Servicer or of or relating to all or substantially all of its property;

(e) admission by the successor Master Servicer in writing of its inability to pay its debts generally as they become due, filing a petition to take advantage of any applicable insolvency or reorganization statute, making an assignment for the benefit of its creditors, or voluntarily suspending payment of its obligations; or

(f) failure of the successor Master Servicer to meet the standard of eligibility set forth in Subsection 11.2(3).

11.1(4) *Termination for Cause.*

(a) If a Guarantor Event of Default has occurred and is continuing while Fannie Mae is the Master Servicer, the Trustee may, or, at the direction of Holders representing at least 51% of the Voting Rights of the related Trust (determined in accordance with Section 14.1), the Trustee will, to the extent permitted by law, terminate all of the rights and obligations of the Master Servicer with respect to the related Trust only, and in and to the related Mortgage Loans and their proceeds, by notifying the Master Servicer in writing.

(b) If a Servicing Event of Default has occurred and is continuing, the Trustee may, or, at the direction of Holders representing at least 51% of the Voting Rights of the related Trust (determined in accordance with Section 14.1), the Trustee will, to the extent permitted by law, by notice in writing to the successor Master Servicer, terminate all of the rights and obligations of the successor Master Servicer with respect to the related Trust only, and in and to the related Mortgage Loans and their proceeds.

11.1(5) *Trustee to Succeed.* On or after the effective date of the Master Servicer's written termination or resignation notice, and until such time as a successor Master Servicer is appointed pursuant to Section 11.2, all authority and power of the Master Servicer under this Trust Agreement will pass to and be vested in the Trustee as provided in Subsection 11.2(2). The Trustee is authorized and empowered, as attorney-in-fact or otherwise, to execute and deliver on behalf of and at the expense of the terminated Master Servicer, any and all documents and other instruments, and to do or accomplish all other acts or things necessary or appropriate to effect the purposes of such notice of termination promptly, including actions necessary to complete the transfer and endorsement or

assignment of the Mortgage Loans and related Mortgage Documents, or otherwise.

11.1(6) *Cooperation; Transfer of Documents and Records.* The Master Servicer agrees, at its sole cost and expense (and in any event no later than ten Business Days after notice of its termination), to provide the Trustee with all documents and records requested by it to enable it (or its designee, or the successor Master Servicer when appointed) to assume the Master Servicer's functions under this Trust Agreement, and to cooperate with the Trustee in effecting the termination of its responsibilities and rights under this Trust Agreement in the capacity of Master Servicer, including the transfer within one Business Day to the Trustee for administration by it of any Trust assets that may be held by or on behalf of the terminated Master Servicer. The terminated or resigning Master Servicer will not be entitled to receive Master Servicer Fees for services after the effective date of the termination. The terminated or resigning Master Servicer will, however, continue to be entitled to receive all amounts accrued or owing to it (in its capacity as Master Servicer) under the Trust Documents on or prior to the date of such termination, whether in respect of Delinquency Advances or otherwise.

11.1(7) *Duty to Reimburse.* The terminated or resigning Master Servicer will reimburse the Trustee (or the Trustee will be reimbursed from the Trust Fund as Other Trust Expenses if the Master Servicer is unable to fulfill its obligations as such under the Trust Documents) for all costs associated with the transfer of servicing, including any costs or expenses associated with the complete transfer of all servicing data and the completion or correction of such servicing information as may be required by the Trustee to rectify any errors or insufficiencies in the servicing information or to enable the Trustee to service the Mortgage Loans properly and effectively.

11.1(8) *Limitation of Liability.* The Master Servicer will have no liability to any Holder other than for direct damages resulting from its failure or the failure of the Primary Servicer to service in accordance with the Trust Documents, the applicable Servicing Contract and Accepted Servicing Practices, or due to a Servicing Event of Default. The Master Servicer will have no liability for consequential damages. Nothing in this Section 11.1 modifies or affects the Guarantor's obligations under the Guaranty.

Section 11.2 *Appointment of Successor Master Servicer.*

11.2(1) *Trustee to Appoint.* As soon as practicable after receipt of notification that the Master Servicer has resigned or has been terminated in such capacity, the Trustee will undertake the procedure described in Subsection 11.2(4) to appoint a successor Master Servicer satisfying the requirements set forth in Subsection 11.2(3) and acceptable to the Guarantor (unless a Guarantor Event of Default has occurred and is continuing, in which case the Guarantor's acceptance

is not required). The successor Master Servicer need not be identical for all Trusts.

11.2(2) *Temporary Service by Trustee.* If the Trustee cannot appoint a successor Master Servicer prior to the effective time of the resignation or removal of the previous Master Servicer, and until the appointment of a successor Master Servicer, the Trustee will be the successor in all respects to the Master Servicer, as provided in Subsection 11.1(5), subject to all the responsibilities, duties and liabilities placed on the Master Servicer to the extent permitted by applicable laws and regulations. If the Trustee is prohibited by law or regulation from obligating itself to make Delinquency Advances or Servicing Advances, then the Trustee will not be obligated to make Delinquency Advances or Servicing Advances, as the case may be. In addition, any failure of the Trustee to perform such duties or responsibilities caused by the predecessor Master Servicer's failure to provide information required by Article V will not be considered a default by the Trustee as successor to the Master Servicer. As compensation for services rendered by it, effective upon assumption of the Master Servicer's obligations and for the period of time when it performs those obligations, the Trustee will be entitled to receive a fee on the same basis and in the same manner as if it were a successor Master Servicer as provided in this Trust Agreement. Notwithstanding Subsection 11.2(1) and subject to Subsection 11.2(4), if no Person is appointed who is willing and able to act as Master Servicer and Holders representing 51% of the Voting Rights of the related Trust (determined in accordance with Section 14.1) request in writing that the Trustee do so, the Trustee will petition a court of competent jurisdiction to appoint a successor Master Servicer.

11.2(3) *Eligibility Requirements for Master Servicer.* Fannie Mae is eligible to act as the Master Servicer and is initially the Master Servicer under this Trust Agreement. Any successor to Fannie Mae as Master Servicer must be a corporation or association acceptable to the Issuer and, unless a Guarantor Event of Default has occurred and has not been cured, the Guarantor, that is authorized under applicable law to purchase, sell and service loans secured by one or more Multifamily Properties, with experience in the monitoring and supervision of servicing of such loans, and having net worth of at least \$15,000,000. If such other corporation or association publishes reports of condition at least annually pursuant to law or to the requirements of a supervising or examining authority, then for the purposes of this Subsection 11.2(3) its net worth will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If any such successor Master Servicer ceases to be eligible under this Subsection 11.2(3) at any time, that successor Master Servicer will resign immediately in the manner and with the effect specified in Sections 11.1 and 11.2.

11.2(4) *Bid Procedure for Appointment.* Upon the resignation or removal of the Master Servicer and unless otherwise directed by the Guarantor (except if a Guarantor Event of Default has occurred and is continuing), the Trustee will solicit at least three bids from qualified housing and home finance institutions, banks and mortgage servicing institutions that satisfy the

requirements of Subsection 11.2(3) (which may include the Trustee or any of its affiliates). Within 30 days after the solicitation, the Trustee will negotiate in good faith and effect the sale, transfer and assignment of all rights and responsibilities of the Master Servicer to the qualified party submitting the most satisfactory bid. The compensation paid by the successful bidder will be paid to the predecessor Master Servicer, after deducting amounts sufficient to reimburse the Trustee for its expenses in conducting the bid procedure.

11.2(5) *Acceptance of Appointment.* No appointment of a successor Master Servicer will be effective until the assumption by the successor Master Servicer of all of the Master Servicer's responsibilities, duties and liabilities under this Trust Agreement. In connection with the appointment and assumption of a successor Master Servicer, the Trustee, subject to approval of the Guarantor (unless a Guarantor Event of Default has occurred and is continuing) may make such arrangements for the compensation of the successor Master Servicer as it and the successor Master Servicer may agree. No such compensation, however, that is payable from the Trust will exceed the Spread minus the sum of (i) any Securitized Excess Spread, (ii) the Servicing Fee and (iii) the Guaranty Fee. The Trustee and the successor Master Servicer will take such action as necessary to effectuate any succession. The documentation for the succession of the successor Master Servicer is not considered an Amendment requiring approval pursuant to Article XIV.

11.2(6) *Successor Master Servicer.*

(a) Any successor Master Servicer will succeed to the rights and obligations of the Master Servicer in all respects under this Article XI and Article V, relating to the servicing and administration of the Mortgage Loans, except that its fee will be as agreed between the Guarantor (or if a Guarantor Event of Default has occurred and is continuing, the Trustee) and such successor Master Servicer. The successor Master Servicer will not succeed to Fannie Mae's obligations under its Guaranty, the right (in the absence of a Guarantor Event of Default) to appoint a Paying Agent or successor Trustee, the right to amend or participate in the amendment of this Trust Agreement to the extent provided in Article XIV, or in any other respect, except as expressly provided above in this paragraph (a).

(b) Any successor Master Servicer will deliver to the Guarantor and the Trustee such periodic reports as are required by applicable laws or regulations, and as may be agreed in connection with the appointment of the successor Master Servicer.

11.2(7) *Concerning Reimbursement for Delinquency Advances, Servicing Advances and Guaranty Reimbursement Amounts.* If Fannie Mae is terminated or resigns as Master Servicer pursuant to Section 11.1, the successor Master Servicer will not be permitted to reimburse itself directly or indirectly for Delinquency Advances until the Guarantor has been fully paid all Guaranty

Reimbursement Amounts. Instead, on the related Custodial Account Remittance Date, the successor Master Servicer will include in its remittance to the Certificate Account all amounts collected from Borrowers in respect of delinquent payments to the extent of amounts on deposit in the related Custodial Account. After paying all Guaranty Reimbursement Amounts, the Trustee is authorized to pay to the Issuer (as the prior Master Servicer) and the successor Master Servicer, as applicable, reimbursements for Delinquency Advances and Servicing Advances to the same extent that each of them would otherwise have been entitled to reimbursement for their respective Delinquency Advances and Servicing Advances.

Section 11.3 *Notification to Holders upon Termination.* The Trustee will give prompt notice to Holders and the Guarantor upon any termination or resignation of the Master Servicer, or any appointment of a successor Master Servicer pursuant to Section 11.2.

ARTICLE XII

GUARANTOR EVENTS OF DEFAULT

Section 12.1 *Guarantor Events of Default.* With respect to any Trust, each of the following events will constitute a Guarantor Event of Default:

(a) any failure by the Guarantor to make Guaranty payments, which continues uncured for a period of fifteen days after receipt by the Guarantor and the Trustee of written notice from Holders representing at least 5% of the Voting Rights of the related Trust (determined in accordance with Section 14.1) of the failure and a demand that it be cured;

(b) any failure by the Guarantor to perform in any material respect any other covenant made by the Guarantor in the Trust Documents that continues unremedied for a period of 60 days after receipt by the Guarantor of written notice from Holders representing at least 25% of the Voting Rights of the related Trust (determined in accordance with Section 14.1) of such failure and a demand that it be cured;

(c) a decree or order of a court, agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, has been entered against the Guarantor and such decree or order has remained in force undischarged or unstayed for a period of 60 days;

(d) the Guarantor consents to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings relating to the Guarantor or to all or substantially all of its property; or

(e) the Guarantor admits in writing its inability to pay its debts generally as they become due, files a petition to invoke any applicable insolvency or reorganization statute, makes an assignment for the benefit of its creditors, or voluntarily suspends payment of its obligations.

ARTICLE XIII

TRUST TERMINATION

Section 13.1 *Termination*. Each Trust is irrevocable, and will terminate only in accordance with the terms of the Trust Documents. The obligations and responsibilities of the Issuer, the Master Servicer, the Guarantor, the Trustee, and of any successor Trustee or Master Servicer, will terminate as to a Trust and its Holders upon the distribution to Holders of all amounts required to be distributed under the related Trust Documents, including any amounts distributed pursuant to the Guaranty; provided, however, that in no event will any Trust created by the Trust Documents continue beyond the last day of the sixtieth year following the Issue Date for that Trust.

Section 13.2 *Notice of Termination*. In connection with any termination described in Section 13.1, the Trustee will notify Holders of record in the related Trust that the final distribution will be made on the Distribution Date specified in the notice. This requirement of notice will be deemed satisfied if the Issuer or the Trustee publishes the fact that the remaining Certificate Principal Balance is zero in the manner that it customarily uses for publishing the fraction of the original Certificate Principal Balance that remains outstanding.

ARTICLE XIV

AMENDMENTS

Section 14.1 *Voting Rights*.

14.1(1) *Transferor, Affiliates and Agents*. Except as otherwise provided in Subsection 14.1(2), in determining whether Holders of the requisite amount of Certificates of a related Trust have given any request, demand, authorization, direction, notice, consent or waiver requested or permitted under this Trust Agreement, any Certificate beneficially held by a Transferor of Mortgage Loans in that Trust, or the affiliates or agents of a Transferor, will be disregarded and deemed not to be outstanding.

14.1(2) *Exceptions*. Subsection 14.1(1) above will not apply when determining whether Holders of the requisite amount of Certificates of a related Trust have given any request, demand, authorization, direction, notice, consent or waiver under this Trust Agreement (i) in respect of any matter regarding a Guarantor Event of Default or succession upon a Guarantor Event of Default or (ii) in accordance with the consent requirements in Subsection 14.4(2) of this

Trust Agreement. In addition, if a Transferor beneficially owns 100% of the Certificates of a Trust, then those Certificates may be voted by the Transferor to the same extent as Certificates held by any other Holder.

14.1(3) *Guarantor as Holder.* Certificates of a Trust that are beneficially held by the Guarantor will be disregarded and deemed not to be outstanding for purposes of determining whether a Guarantor Event of Default has occurred and is continuing or whether to remove the Master Servicer or the Trustee when a Guarantor Event of Default has occurred and is continuing. In all other matters with respect to a Trust, Certificates of that Trust that are beneficially owned by the Guarantor will be deemed outstanding and may be voted by the Guarantor to the same extent as Certificates held by any other Holder, unless the Guarantor is also a Transferor with respect to that Trust. If, however, the Guarantor beneficially owns 100% of the Certificates of a Trust, the Certificates owned by the Guarantor will be deemed outstanding and may be voted by the Guarantor, even if it is a Transferor.

Section 14.2 *Amendments to Trust Documents.* This Trust Agreement and any other Trust Documents may be amended under the circumstances and in the manner described in this Article XIV. Upon satisfying the requirements set forth below, any such amendment (by waiver, modification or otherwise) will become part of the Trust Documents upon the effective date of such amendment. An Amendment may be effective to amend the Trust Documents as they relate to one or more Trusts, provided that no Amendment will be effective with respect to a Trust created prior to the date of the Amendment unless it has been approved by the Persons specified in Sections 14.3 or 14.4, as applicable.

Section 14.3 *Permissible without Action by Holders.* Subject to Section 14.5, the Issuer and the Trustee, from time to time and at any time, may, without the consent of or notice to any Holder, enter into an Amendment or other instrument supplemental to the Trust Documents, for any one or more of the following purposes:

(a) (i) to correct an error, (ii) to correct, modify or supplement any provision in the Trust Documents that is inconsistent with any other provision of the Trust Documents or the Prospectus, or (iii) to cure an ambiguity or supplement a provision of the Trust Documents, provided that such cure of an ambiguity or supplement of a provision is not otherwise inconsistent with the provisions of the Trust Documents; or

(b) to modify, eliminate or add to the provisions of the Trust Documents to the extent necessary to maintain the qualification of any Trust as a fixed investment trust under the Internal Revenue Code, as it may then be in effect, as evidenced by an Opinion of Counsel satisfactory to the Trustee;

provided that no Amendment may be made pursuant to clause (a)(iii) or (b) of this Section 14.3 that otherwise would require consent of Holders pursuant to Subsection 14.4(2) without first obtaining such consent.

Section 14.4 *Waivers and Amendments with Consent of Holders.*

14.4(1) *With 51% Holder Consent.* With the consent of the Holders of Certificates having Certificate Principal Balances aggregating not less than 51% of the aggregate Certificate Principal Balance of the related Trust, the Issuer and the Trustee may enter into any Amendment for any purpose or waive any provision of the Trust Documents, other than any change to which Subsection 14.4(2) applies.

14.4(2) *With 100% Holder Consent.* Without the consent of all Holders of the Certificates of the related Trust, the Issuer and the Trustee may not enter into any Amendment, or otherwise engage in any activity, that will:

(a) reduce in any manner the amount of, or delay the timing of, distributions which are required to be made on any Certificate;

(b) (i) terminate or modify the Guaranty or (ii) reduce the percentage of Voting Rights required to consent to any waiver or any Amendment;

(c) affect the status of the Trust as a fixed investment trust for federal tax purposes, or otherwise have the effect of materially increasing taxes payable in respect of that Trust; or

(d) result in a Significant Change to a Permitted Activity.

Section 14.5 *Documentation of Amendment.*

14.5(1) *Form of Amendment.* It will not be necessary for Holders of an affected Trust to approve the particular form of any proposed Amendment or waiver requiring Holder consent, but it is sufficient if Holders approve the substance of such proposed Amendment or waiver.

14.5(2) *Notice of Amendment.* Promptly after the execution of any waiver or Amendment pursuant to Section 14.4, the Trustee will give written notice to Holders of Certificates affected by the Amendment. Any failure of the Trustee to give such notice, or any defect in the notification, will not in any way impair or affect the validity of the waiver or Amendment.

ARTICLE XV

MISCELLANEOUS

Section 15.1 *Holder's*.

15.1(1) *Death or Incapacity.* The death or incapacity of any Holder will not operate to terminate any of the Trust Documents nor entitle such Holder's legal representative or heirs to claim an accounting or to take any action or proceeding in any court for a partition or winding up of the affairs of the related Trust, nor otherwise affect the rights, duties and obligations of any of the parties to the Trust Documents.

15.1(2) *No Right to Participate.* No Holder will have any right to control or to participate in the control and administration of any Trust or the related Trust Fund, nor will any of the terms of the Trust Documents be construed to constitute the Holders and Fannie Mae (in any capacity) as partners or members of an association, nor will any Holder have any duty or liability to any third person by reason of any action taken by the parties to the Trust Documents or pursuant to the provisions of the Trust Documents or Servicing Contracts.

15.1(3) *No Right to Act.* No Holder will have any right by virtue of any provision of the Trust Documents to institute any suit, action or proceeding in equity or at law unless a Guarantor Event of Default has occurred and is continuing. In addition, if a Guarantor Event of Default has occurred and is continuing, no Holder may institute any suit, action or proceeding in equity or at law against the Guarantor unless Holders of Certificates representing at least 25% of the Voting Rights of the related Trust have first requested in writing that the Trustee undertake enforcement efforts to collect under the Guaranty, and the Trustee has not undertaken any such action within 120 days after receiving such written request together with reasonable security or indemnity against the costs, expenses and liabilities that it may incur as required by paragraph (d) of Subsection 10.2(1). By accepting and purchasing the Certificates, each Holder is deemed to acknowledge and agree, and expressly to covenant with every other Holder and the Trustee, that no Holder will have any right by virtue of any provision of the Trust Documents to affect, disturb or prejudice the rights of any other Holder, to obtain or seek to obtain priority over or preference to any other Holder, or to enforce any right under the Trust Documents (except as expressly provided in this Trust Agreement), except for the equal, ratable and common benefit of all Holders. For the protection and enforcement of the provisions of this Section 15.1, each and every Holder and the Trustee will be entitled to such relief as can be given either at law or in equity.

Section 15.2 *Governing Law.* The terms of the Trust Documents will be construed in accordance with the laws of the District of Columbia (without giving effect to conflicts of laws principles).

Section 15.3 *Assignment*. This Trust Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. This Trust Agreement is for the sole benefit of the parties, the Holders and their respective successors, assigns and legal representatives and is not intended, nor shall be construed, to give any Person, other than the parties to this Trust Agreement, the Holders, and their respective successors, assigns and legal representatives, any legal or equitable right, remedy or claim under this Trust Agreement.

Section 15.4 *Demands, Notices and Communications*. All formal demands, notices and communications by and between (i) the Issuer, Guarantor, Master Servicer or Trustee, and (ii) any Holder must be in writing (which may include an electronic message, communication over the internet or other technological method that becomes available for the transfer of information) and delivered in person or by first class mail, postage prepaid, or by facsimile or electronic transmission (which transmission will be deemed received only upon telephonic or electronic confirmation of receipt, except in the case of a communication by means of posting on an internet site or other technological method by which the information is made available for access by the party to whom the communication is being given): (a) if to the Issuer, Master Servicer or Guarantor, to the General Counsel, Attention: Securitization Counsel, Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, or to such other address as will be set forth in a notification to Holders, (b) if to the Trustee, to the attention of the Office of the Trustee, Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, or to such other address as will be set forth in a notification to Holders, (c) if to a Holder, to the appropriate Fiscal Agent at the address (electronic or otherwise) provided to the Trustee by such Fiscal Agent, or in any other public manner as Fannie Mae uses to make its financial information available, including posting such information on the Fannie Mae Web site. Any notice that is mailed or sent electronically pursuant to clause (c) or posted within the time prescribed in the Trust Documents will be presumed conclusively to have been duly given, whether or not the Holder receives the notice. In the case of voting or consent of Holders, the communication may be through the use of a survey or voting procedure on the Fannie Mae Web site or other medium, provided the results are tallied in a manner that is secure and results in a report that can be and is maintained as part of the records of the Trust.

Section 15.5 *Severability of Provisions*. If any covenant, agreement, provision or term of the Trust Documents is for any reason whatsoever held invalid, then such covenant, agreement, provision or term will be deemed severable from the remaining covenants, agreements, provisions or terms of the Trust Documents and will in no way affect the validity or enforceability of the other provisions of the Trust Documents, the Certificates or the rights of the Holders.

Section 15.6 *Recordation*. The Issuer will have the right, in its discretion and at its own cost and expense, to record any of the Trust Documents in all

appropriate public offices for real property records in any county or comparable jurisdiction in which any Mortgaged Property is situated, and in any other appropriate public recording office or elsewhere. For the purpose of facilitating any recording or for other purposes, the parties may execute the Trust Documents, in any number of counterparts, and each such counterpart will be deemed to be an original and all such counterparts will constitute but one and the same instrument. The cost and expense of any such recording will be borne by the Issuer.

Section 15.7 *Authorized Officers and Signatures.* The manual, facsimile or electronic signature of any individual appearing on any document designated as the signature of an authorized officer of the Issuer, Master Servicer and Guarantor or the Trustee (or any successor to any of them) will constitute conclusive evidence that such individual is, in fact, authorized to execute such document, notwithstanding that such authorization may have lapsed prior to or subsequent to the effective date of the document or its delivery.

IN WITNESS WHEREOF, the parties execute this Trust Agreement as of the Effective Date.

FANNIE MAE, in its corporate
capacity as Issuer, Master Servicer
and Guarantor

By /s/ Mercy Jimenez
Mercy Jimenez
Senior Vice President

FANNIE MAE, in its capacity as
Trustee

By /s/ Curtis P. Lu
Curtis P. Lu
Senior Vice President and
Principal Deputy General Counsel

DISTRICT OF COLUMBIA

THIS instrument was acknowledged before me on this 15th day of August, 2007,
by Mercy Jimenez as Senior Vice President of Fannie Mae.

/s/ Nayo Lawrence

Notary Public

My commission expires: 4/14/2010

DISTRICT OF COLUMBIA

THIS instrument was acknowledged before me on this 15th day of August, 2007,
by Curtis P. Lu, as Senior Vice President of Fannie Mae.

/s/ Nayo Lawrence

Notary Public

My commission expires: 4/14/2010

EXHIBIT A
FORM OF ISSUE SUPPLEMENT
TO
MULTIFAMILY MASTER TRUST AGREEMENT
Effective September 1, 2007

FANNIE MAE
(Fixed-Rate Mortgage Loans)

Pool Number:	CUSIP Number:	Issue Date	Pool Balance:
_____	_____	_____	\$ _____
Pass-Through Rate:		Issue Date:	
_____		_____	

THIS IS AN ISSUE SUPPLEMENT under the Multifamily Master Trust Agreement for pools of multifamily Mortgage Loans, effective September 1, 2007, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such Trust Agreement.

The collective terms of the Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance, Issue Date and Pass-Through Rate are stated above.

Optional, if needed: [The following additional provision(s) apply with reference to the Trust evidenced by this Issue Supplement:]¹

¹ Specify additional provision, including (i) if Prepayment Premiums are not passed through to Holders; (ii) if any other ancillary charges are to be passed through to Holders; (iii) if Certificates will be in definitive, rather than book-entry form (and if so, the applicable transfer and exchange rules); (iv) denominations of Certificates, if other than \$1,000 minimum and \$1.00 increments above that; (v) any restrictions on the waiver of ancillary fees; (vi) any amounts required to be deposited in the Custodial Account that deviate from the requirements stated in Section 6.1 of the Trust Agreement; (vii) any amounts permitted to be distributed from the Custodial Account that deviate from the provisions of Section 6.2 of the Trust Agreement; and (viii) the first Distribution Date, if other than the 25th of the month following the month in which the Issue Date occurs.

EXHIBIT B
FORM OF ISSUE SUPPLEMENT
TO
MULTIFAMILY MASTER TRUST AGREEMENT
Effective September 1, 2007
FANNIE MAE
(Adjustable-Rate Mortgage Loans)

Pool Number:	CUSIP Number:	Issue Date Pool Balance:
_____	_____	\$_____
Spread Rate: ¹		Issue Date:
_____		_____

THIS IS AN ISSUE SUPPLEMENT under the Multifamily Master Trust Agreement for pools of multifamily Mortgage Loans, effective September 1, 2007, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such Trust Agreement.

The collective terms of the Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance and Issue Date are stated above. The Spread Rate [is stated above] or [for each Mortgage Loan is stated in the attached Mortgage Loan Schedule].

Optional, if needed: [The following additional provision(s) apply with reference to the Trust evidenced by this Issue Supplement:]²

¹ Complete only if Spread Rate is uniform for all Mortgage Loans in the Pool. If the Spread Rate varies among the Mortgage Loans, the Spread Rate for each Mortgage Loan is specified in the attached Mortgage Loan Schedule.

² Specify additional provision, including (i) if Prepayment Premiums are not passed through to Holders; (ii) if any other ancillary charges are to be passed through to Holders; (iii) if Certificates will be in definitive, rather than book-entry form (and if so, the applicable transfer and exchange rules); (iv) denominations of Certificates, if other than \$1,000 minimum and \$1.00 increments above that; (v) any restrictions on the waiver of ancillary fees; (vi) any amounts required to be deposited in the Custodial Account that deviate from the requirements stated in Section 6.1 of the Trust Agreement; (vii) any amounts permitted to be distributed from the Custodial Account that deviate from the provisions of Section 6.2 of the Trust Agreement; and (viii) the first Distribution Date, if other than the 25th of the month following the month in which the Issue Date occurs.

EXHIBIT C
FORM OF ISSUE SUPPLEMENT
TO
MULTIFAMILY MASTER TRUST AGREEMENT
Effective September 1, 2007

FANNIE MAE
(Discount Participation Interest)

Pool Number:	CUSIP Number:	Issue Date Pool Balance:
_____	_____	\$ _____
Issue Date:		Distribution Date:
_____		_____

THIS IS AN ISSUE SUPPLEMENT under the Multifamily Master Trust Agreement for pools of multifamily Mortgage Loans, effective September 1, 2007, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such Trust Agreement.

The collective terms of the Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Discount Participation Interests, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance, Issue Date and Distribution Date are stated above.

Optional, if needed: [The following additional provision(s) apply with reference to the Trust evidenced by this Issue Supplement].¹

¹ Specify additional provision, including (i) if Certificates will be in definitive, rather than book-entry form (and if so, the applicable transfer and exchange rules); (ii) denominations of Certificates, if other than \$1,000 minimum and \$1.00 increments above that; (iii) any restrictions on the waiver of ancillary fees; (iv) any amounts required to be deposited in the Custodial Account that deviate from the requirements stated in Section 6.1 of the Trust Agreement; and (v) any amounts permitted to be distributed from the Custodial Account that deviate from the provisions of Section 6.2 of the Trust Agreement.