

GLOBAL AGENCY AGREEMENT

Connecticut Avenue Securities, Series 2016-C03

GLOBAL AGENCY AGREEMENT, dated as of April 21, 2016 (as amended, modified and supplemented from time to time, this "Agreement"), between FEDERAL NATIONAL MORTGAGE ASSOCIATION ("Fannie Mae"), as issuer (the "Issuer"), and WELLS FARGO BANK, N.A., a national banking association organized under the laws of the United States of America, as agent, registrar, authenticating agent, calculation agent, paying agent and transfer agent (collectively in such capacities, the "Global Agent") and as exchange administrator (in such capacity, the "Exchange Administrator"), in connection with the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 (the "Notes"). All exhibits attached hereto are made a part hereof as if their full text were set forth and incorporated herein as part of this Agreement.

WHEREAS, the Issuer intends to issue the Notes in the form of registered book-entry securities, or in definitive form, from time to time, as provided herein;

WHEREAS, the Exchangeable Notes will be exchangeable for the related RCR Notes and vice versa;

WHEREAS, the Issuer desires to engage the Global Agent to perform, and the Global Agent desires to perform, certain services relating to the Notes, including authentication, registration, transfer and payment upon the duly authorized and accepted request of a holder; and

WHEREAS, the Issuer desires to engage the Exchange Administrator to perform, and the Exchange Administrator desires to perform, certain services relating to exchanges of the Exchangeable Notes and RCR Notes.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, and subject to the conditions herein set forth, the Issuer, the Global Agent and the Exchange Administrator agree as follows:

Section 1. Definitions.

All capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Debt Agreement.

"Agreement" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more agreements supplemental hereto.

"Authorized Officer" has the meaning specified in Section 3(a) hereof.

"Book-Entry Notes" means the DTC Notes, issued through the DTC system and subject to DTC's rules and procedures as amended from time to time, and any Notes issued through Euroclear or Clearstream.

"Business Day" means a day other than (i) a Saturday or Sunday or (ii) a day on which the Corporate Trust Offices of the Global Agent and the Exchange Administrator (currently

located at 9062 Old Annapolis Road, Columbia, Maryland 21045, Attention: Client Manager – CONN-AVE 2016-C03), DTC, the Federal Reserve Bank of New York or banking institutions in the City of New York are authorized or obligated by law or executive order to be closed.

"Clearstream" means Clearstream Banking, société anonyme, which holds securities for its participants and facilitates the clearance and settlement of securities transactions between its participants through electronic book-entry changes in accounts of its participants.

"Closing Date" means April 21, 2016.

"Code" means the Internal Revenue Code of 1986, as amended.

"Combination" means any of the available combinations and recombinations of Exchangeable Notes to be exchanged for RCR Notes, and vice versa, set forth in Exhibit J-1 hereto.

"Common Depository" means the common depository for Euroclear, Clearstream and/or any other applicable clearing system, which will hold Common Depository Notes on behalf of Euroclear, Clearstream and/or any such other applicable clearing system.

"Common Depository Notes" mean Notes that are deposited with a Common Depository and that will clear and settle through the systems operated by Euroclear, Clearstream and/or any such other applicable clearing system other than DTC.

"Corporate Trust Office" means the principal corporate trust office of the Global Agent and the Exchange Administrator at which at any particular time its corporate trust business with respect to this Agreement is conducted, which office at the date of the execution of this Agreement is located at 9062 Old Annapolis Road, Columbia, Maryland 21045-1951, Attention: Client Manager – CONN-AVE 2016-C03, and for Note transfer or exchange purposes is located at Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services – CONN-AVE 2016-C03, or at such other address as the Global Agent may designate from time to time by written notice to the holders of the Notes and the Issuer.

"Debt Agreement" means the debt agreement dated April 21, 2016 by and among Fannie Mae and the Holders of Notes, a copy of which is attached as Exhibit A hereto.

"Definitive Notes" means the Notes that are in registered, certificated form, as provided herein.

"DTC" means The Depository Trust Company of New York, a limited-purpose trust company.

"DTC Custodian" means the custodian of the DTC Notes on behalf of DTC, which initially shall be the Global Agent.

"DTC Notes" means the Notes cleared, settled and maintained on the DTC System, registered in the name of a nominee of DTC and substantially in the form of Exhibit B hereto. The Notes will be DTC Notes at issuance.

"DTC System" means the book-entry system of DTC.

"Exchange Administrator" has the meaning specified in the preamble, and any duly qualified and appointed successor to Wells Fargo in such capacity. Wells Fargo will perform its duties as Exchange Administrator hereunder through its Corporate Trust Services division.

"Euroclear" means the Euroclear System, a depository that holds securities for its participants and clears and settles transactions between its participants through simultaneous electronic book-entry delivery against payment.

"Fannie Mae" means the Federal National Mortgage Association.

"FATCA" has the meaning specified in Section 6(i) hereof.

"Financial Intermediary" means each brokerage firm, bank, thrift institution or other financial intermediary that maintains the account for each Person who owns a beneficial ownership interest in the Book-Entry Notes.

"Global Agent" has the meaning specified in the preamble, and any duly qualified and appointed successor to Wells Fargo in such capacity. Wells Fargo will perform its duties as Global Agent hereunder through its Corporate Trust Services division.

"Holder" means in the case of (i) DTC Notes, DTC or its nominee; (ii) Common Depository Notes, the depository or its nominee in whose name the Notes are registered on behalf of a related clearing system; and (iii) Notes in definitive registered form, the Person or entity in whose name such Notes are registered in the Note Register.

"Incumbency Certificate" has the meaning specified in Section 3(b) hereof.

"Initial Note Notional Balance" means (a) \$56,342,000 with respect to the Class 1M-2I Notes and (b) \$156,792,000 with respect to the Class 2M-2I Notes.

"Initial Note Principal Balance" means (a) \$157,758,000 with respect to the Class 1M-1 Notes, (b) \$180,295,000 with respect to the Class 1M-2 Notes, (c) \$56,342,000 with respect to the Class 1M-2A Notes, (d) \$56,342,000 with respect to the Class 1M-2F Notes, (e) \$123,953,000 with respect to the Class 1M-2B Notes, (f) \$59,000,000 with respect to the Class 1B Notes, (g) \$241,218,000 with respect to the Class 2M-1 Notes, (h) \$482,437,000 with respect to the Class 2M-2 Notes, (i) \$156,792,000 with respect to the Class 2M-2A Notes, (j) \$156,792,000 with respect to the Class 2M-2F Notes, (k) \$325,645,000 with respect to the Class 2M-2B Notes and (l) \$45,000,000 with respect to the Class 2B Notes.

"Issuance Reference Pool File" has the meaning specified in Section 6(a) hereof.

"Issuer" means Fannie Mae and any successor to the obligations of Fannie Mae under the Notes.

"Issuer Order" means a written order or request signed in the name of the Issuer by any of its Authorized Officers and delivered to the Global Agent.

"Letter of Representations" means the letter agreement, dated as of April 21, 2016, executed by the Issuer and delivered to DTC.

"Minimum Denomination" has the meaning set forth on Appendix I of the Debt Agreement.

"Monthly Reference Pool File" has the meaning specified in Section 6(a) hereof.

"NMWHFIT" means a "non-mortgage widely held fixed investment trust" as that term is defined in Treasury Regulations section 1.671-5(b)(12) or successor provisions.

"Note Collection Account" means the segregated trust account established and maintained by the Global Agent entitled "Note Collection Account of Wells Fargo Bank, N.A., Global Agent for the benefit of the Holders of Connecticut Avenue Securities, Series 2016-C03."

"Note Register" means the book or books of registration kept by the Global Agent in which are maintained the names and addresses and principal amounts registered to each registered owner.

"Notes" means the Fannie Mae Connecticut Avenue Securities, Series 2016-C03, Class 1M-1 Notes, Class 1M-2 Notes, Class 1M-2A Notes, Class 1M-2F Notes, Class 1M-2I Notes, Class 1M-2B Notes, Class 1B Notes, Class 2M-1 Notes, Class 2M-2 Notes, Class 2M-2A Notes, Class 2M-2F Notes, Class 2M-2I Notes, Class 2M-2B Notes and Class 2B Notes issued pursuant to the Debt Agreement, which shall be substantially in the respective forms set forth in Exhibit B hereto.

"OID" means original issue discount for U.S. federal income tax purposes.

"Payment Date" means the twenty-fifth (25th) day of each calendar month (or, if not a Business Day, the following Business Day), commencing in May 2016.

"Payment Date Statement" means a report setting forth certain information relating to the Reference Pool and the related Loan Groups, the Notes, the Reference Tranches and the hypothetical structure described in the Prospectus, which shall be substantially in the form of Exhibit G hereto.

"Permitted Investments" means any one or more of the obligations that the Issuer and the Global Agent mutually agree to in writing.

"Person" means any individual, corporation, estate, partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

"Prospectus" means the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus dated April 19, 2016.

"RCR Pool" means the discrete pool consisting of such interests in the related Exchangeable Notes as may be held of record by the Exchange Administrator, from time to time, as a result of exchanges pursuant to Section 8 of this Agreement.

"Registrar" has the meaning set forth in Section 4(a).

"Remittance Date" has the meaning set forth in Section 7(a).

"Responsible Officer" means any officer or employee of the Corporate Trust Office of the Global Agent or the Exchange Administrator with responsibility for the administration of this Agreement and, with respect to a particular matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Tax Agent" has the meaning set forth in Section 6(g).

"Terms" as used herein with respect to a particular issue of Notes means, unless the context otherwise requires, the terms applicable to all Notes, as described in the Debt Agreement.

"Treasury Regulations" means the United States Federal Income Tax Regulations promulgated under the Code.

"Wells Fargo" means Wells Fargo Bank, N.A., a national banking association organized under the laws of the United States of America.

"WHFIT" means "widely held fixed investment trust" as that term is defined in Treasury Regulations § 1.671-5(b)(22) or successor provisions.

Section 2. Appointment.

(a) Global Agent. The Issuer hereby appoints Wells Fargo, acting through its Corporate Trust Office (and, as may be required by applicable law, any other corporate trust office thereof in the relevant jurisdiction), as Global Agent of the Issuer in respect of the Notes, upon the terms and subject to the conditions set forth herein, and Wells Fargo hereby accepts such appointment. The Global Agent shall have the powers and authority granted to and conferred upon it in this Agreement and such further powers and authority to act on behalf of the Issuer as may be mutually agreed upon in writing by the Issuer and the Global Agent. Subject to the provisions of Section 11(b) hereof, the Issuer may vary or terminate the appointment of any agent appointed by the Global Agent at any time and from time to time upon giving not less than 30 days' written notice to such agent and to the Global Agent. Payments of principal and interest in respect of Notes shall be made by the Issuer through the Global Agent in accordance with the terms set forth in the Debt Agreement. In respect of the Notes, the Issuer shall cause notice of any resignation, termination of the appointment of the Global Agent or any other agent and of any change in the office through which any such agent will act to be given as provided in the terms of such Notes and in accordance with Section 11(b) hereof.

(b) Exchange Administrator. The Issuer hereby appoints Wells Fargo, acting through its Corporate Trust Office (and, as may be required by applicable law, any other corporate trust

office thereof in the relevant jurisdiction), as Exchange Administrator in respect of the Exchangeable Notes and the RCR Notes, upon the terms and subject to the conditions set forth herein, and Wells Fargo hereby accepts such appointment. The Exchange Administrator shall have the powers and authority granted to and conferred upon it in this Agreement and such further powers and authority to act on behalf of the Issuer as may be mutually agreed upon in writing by the Issuer and the Exchange Administrator. The Exchange Administrator shall hold and administer, or supervise the administration of, the RCR Pool in substantially the same manner as the Exchange Administrator holds and administers assets of the same or similar type held for its own account or for the account of others. Subject to the provisions of Section 11(b) hereof, the Issuer may vary or terminate the appointment of any agent appointed by the Exchange Administrator at any time and from time to time upon giving not less than 30 days' written notice to such agent and to the Exchange Administrator. Payments of principal and interest in respect of Notes shall be made by the Issuer through the Global Agent in accordance with the terms set forth in the Debt Agreement. In respect of the Notes, the Issuer shall cause notice of any resignation, termination of the appointment of the Global Agent or any other agent and of any change in the office through which any such agent will act to be given as provided in the terms of such Notes and in accordance with Section 11(b) hereof.

Section 3. Execution, Completion, Authentication and Delivery.

(a) The Notes shall be executed on behalf of the Issuer by one or more officers of the Issuer authorized to do so pursuant to one or more resolutions of the Issuer, whose signatures may be manual or facsimile (an "Authorized Officer"). Notes bearing the manual or facsimile signature of an Authorized Officer shall bind the Issuer, notwithstanding that such person no longer serves as the official so authorized to execute the Notes prior to the authentication and delivery of the Notes or was not such an official at the date of execution of such Notes. The Global Agent shall have no responsibility to the Issuer to determine by whom or by what means a facsimile signature may have been affixed on the Notes, or to determine whether any facsimile or manual signature is genuine.

(b) From time to time the Issuer shall furnish the Global Agent with a certificate of the Issuer, substantially in the form of Exhibit C hereto, certifying the incumbency and specimen signatures of each Authorized Officer of the Issuer (the "Incumbency Certificate"). Until the Global Agent receives a subsequent Incumbency Certificate, the Global Agent shall be entitled to rely on the last such Incumbency Certificate delivered to it for purposes of determining who is an Authorized Officer.

(c) The Global Agent shall authenticate and deliver the Notes, each substantially in the forms attached hereto.

(d) The Global Agent shall hold on deposit each DTC Note executed and authenticated as provided in this Section 3(d) as DTC Custodian. Upon issuance of any Common Depository Note to be held on deposit by the Global Agent, the Registrar or its duly appointed agent shall record the name of Cede & Co. as the nominee of the Common Depository as the registered Holder of such Common Depository Note. Upon issuance of any DTC Note to be held on deposit by the Global Agent as custodian for the benefit of DTC, the Registrar or its

duly appointed agent shall record Cede & Co. as the nominee of DTC as the registered Holder of such DTC Note.

(e) The Notes are subject to early redemption by the Issuer as set forth in Section 3.08 of the Debt Agreement. If the Issuer elects to exercise the Group 1 Early Redemption Option with respect to the Group 1 Notes or the Group 2 Early Redemption Option with respect to the Group 2 Notes, the Issuer shall give written notice by an Authorized Officer of its intention to exercise such option to the Global Agent of the principal amount of the related Notes to be so redeemed in accordance with the Terms applicable to such Notes. At the request of the Issuer, the Global Agent shall cause notice of redemption to be given to the related Holders in accordance with the notice requirements set forth in the Debt Agreement in the name of and at the expense of the Issuer.

Section 4. Registration and Transfer.

(a) The Registrar shall cause to be kept a Note Register (the "Note Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of the Notes and the registration of transfers and exchanges of Notes (including transfers of RCR Notes but excluding exchanges of Exchangeable Notes for RCR Notes and vice versa, which will be administered by the Exchange Administrator hereunder) as herein provided. The Global Agent shall be the "Registrar" for the purpose of registration and transfers of Notes as herein provided. The Note Register shall contain the name, address and remittance instructions for each Holder of a Note.

(b) Each Note shall be issued in minimum denominations of not less than the Minimum Denomination, so that on the Closing Date the sum of the denominations of all outstanding Notes shall equal the applicable Initial Note Principal Balance. On the Closing Date and pursuant to an Issuer Order, the Registrar will execute and authenticate one or more DTC Notes in an aggregate principal amount that shall equal the applicable Initial Note Principal Balance.

(c) The DTC Notes shall be delivered by the Issuer to DTC or, pursuant to DTC's instructions, shall be delivered by the Issuer on behalf of DTC to and deposited with the DTC Custodian, and in each case shall be registered in the name of Cede & Co. The Book-Entry Notes may be deposited with such other depository as the Issuer may from time to time designate, and shall bear such legend as may be appropriate; provided that such successor depository maintains a book-entry system that qualifies to be treated as "registered form" under Section 163(f)(3) of the Code.

(d) With respect to Notes registered in the Note Register in the name of Cede & Co., as nominee of DTC, the Issuer and the Global Agent shall have no responsibility or obligation to direct or indirect participants or Beneficial Owners for which DTC holds Notes from time to time as a depository. Without limiting the immediately preceding sentence, the Issuer and the Global Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any direct or indirect participant with respect to the ownership interest in the Notes, (ii) the delivery to any direct or indirect participant or any other Person, other than a registered Holder, of a Note, (iii) the payment to any direct or indirect participant or

any other Person, other than a registered Holder of a Note as shown in the Note Register, of any amount with respect to any distribution of principal or interest on the Notes or (iv) the making of book-entry transfers among participants of DTC with respect to Notes registered in the Note Register in the name of the nominee of DTC. No Person other than a registered Holder of a Note as shown in the Note Register shall receive a physical Note evidencing such Note.

(e) Upon delivery by DTC to the Global Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of distributions by the mailing of checks or drafts to the registered Holders of Notes appearing as registered owners in the Note Register on a Record Date, the name "Cede & Co." in this Agreement shall refer to such new nominee of DTC.

(f) In the event that DTC advises the Global Agent in writing that DTC is no longer willing or able to discharge properly its responsibilities as nominee and depository with respect to the DTC Notes and the Issuer is unable to locate a qualified successor in accordance with Section 5(a) hereof, the DTC Notes shall no longer be restricted to being registered in the Note Register in the name of Cede & Co. (or a successor nominee) as nominee of DTC. At that time, the Issuer may determine that the DTC Notes shall be registered in the name of and deposited with a successor depository operating a global book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee but, if the Issuer does not select such alternative global book-entry system, then upon surrender to the Registrar of the DTC Notes by DTC, accompanied by the registration instructions from DTC for registration, the Global Agent shall at the Issuer's expense authenticate Definitive Notes in accordance with Section 5 hereof. Neither the Issuer nor the Global Agent shall be liable for any delay in DTC's delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Notes, the Global Agent, the Registrar and the Issuer shall recognize the Holders of the Definitive Notes as Holders hereunder.

(g) Notwithstanding any other provision of this Agreement to the contrary, so long as any DTC Notes are registered in the name of Cede & Co., as nominee of DTC, all distributions of principal and interest on such DTC Notes and all notices with respect to such DTC Notes shall be made and given, respectively, in the manner provided in the Letter of Representations and the Debt Agreement.

(h) Subject to the preceding paragraphs, upon surrender for registration of transfer of any Note at the office of the Registrar and, upon satisfaction of the conditions set forth below, the Issuer shall execute and the Global Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes, in any authorized denominations, of the same class and percentage interest and dated the date of authentication by the Global Agent. The Registrar shall maintain a record of any such transfer and deliver it to the Issuer upon request.

(i) Except as otherwise provided herein, the Issuer and the Global Agent may deem and treat as the absolute owner of such Note the registered holder of such Note that appears in the Note Register, in each case for the purpose of receiving payments on such Note and for all other purposes whatsoever. For purposes of any DTC Note deposited with or held on behalf of

DTC (or any nominee of DTC), DTC (or such nominee) shall be considered the sole holder of any Notes related thereto.

(j) In case any Note shall become mutilated, defaced, destroyed, lost or stolen, upon written application of the Holder thereof, the Issuer will execute and, upon the Issuer's written request, the Global Agent shall authenticate and deliver a new Note, having a number not contemporaneously outstanding, of like tenor and equal principal amount, registered in the same manner, and dated and bearing interest from the date to which interest has been paid on such mutilated, defaced, destroyed, lost or stolen Note, in exchange and substitution for the mutilated or defaced Note (upon surrender and cancellation thereof) or in lieu of and substitution for the Note destroyed, lost or stolen. In the case of a destroyed, lost or stolen Note, the applicant for a substituted Note shall furnish to the Issuer and the Global Agent such security or indemnity as may be required by them to save each of them harmless, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Issuer and the Global Agent satisfactory evidence of the destruction, loss or theft of such Note and of the ownership thereof. Any mutilated or defaced Notes shall be surrendered before replacements will be issued. The Global Agent may authenticate any such substituted Note and deliver or cause the relevant transfer agent to deliver the same upon written request or authorization of any Authorized Officer of the Issuer. Upon the issuance of any substituted Note, the Issuer and the Global Agent may require the payment by the Holder thereof of a sum sufficient to cover any taxes and expenses connected therewith. In case any Note which has matured or is about to mature shall be mutilated, defaced, destroyed, lost or stolen, the Issuer may (if the Holder so agrees), instead of issuing a substitute Note, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated or defaced Note) upon compliance by the Holder with the provisions of this Section 4.

Section 5. Exchange of Book-Entry Notes for Definitive Notes.

(a) The Notes will initially be issued as Book-Entry Notes. Interests in a Book-Entry Note may be exchanged for Definitive Notes only if such exchange is permitted by applicable law and (i) in the case of a DTC Note, DTC notifies the Global Agent that it is no longer willing, qualified or able to discharge properly its responsibilities as nominee and depository with respect to the Book-Entry Notes and in each case the Issuer is unable to locate a successor within 90 calendar days of receiving notice of such ineligibility on the part of DTC, (ii) in the case of any Common Depository Note, if all of the systems through which it is cleared or settled are closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) or are permanently closed for business or have announced an intention to permanently cease business and in each such situation the Issuer is unable to locate a single successor within 90 calendar days of such closure, or (iii) an Event of Default occurs under the Debt Agreement and a majority of the Holders of DTC Notes related to a Group of Notes advise the Global Agent and DTC through the Financial Intermediaries in writing that the continuation of a book-entry system through DTC is no longer in the best interests of such Holders. A Person having an interest in a DTC Note or Common Depository Note issued in global form shall provide the Issuer or the Global Agent with a written order containing instructions and such other information as the Issuer or the Global Agent may require to complete, execute and deliver such Definitive Notes in authorized denominations. In such circumstances, the Issuer shall cause sufficient Definitive Notes to be executed and delivered as soon as practicable (and in any event within 45 calendar days of the Issuer receiving notice of the occurrence of such circumstances)

to the Global Agent or its agent for completion, authentication and delivery to the relevant registered Holders of such Definitive Notes.

The Issuer shall, from time to time, deliver to the Global Agent adequate supplies of Definitive Note certificates substantially in the form of Exhibit D hereto, executed by the manual or facsimile signature of an Authorized Officer of the Issuer. The Global Agent shall acknowledge receipt of any Definitive Notes received from the Issuer and shall hold the Definitive Notes in safekeeping for the Issuer.

(b) If interests in any Book-Entry Note are to be exchanged for Definitive Notes pursuant to this Section 5, such Book-Entry Note shall be surrendered by DTC, Euroclear and/or Clearstream or such other clearing system in which the Book-Entry Note has been deposited to the Registrar for exchange, without charge, and the Registrar shall authenticate and deliver as soon as practicable upon such exchange of interests in such Book-Entry Note (and in any event within 45 calendar days after the occurrence of such circumstances), an equal aggregate principal amount, in authorized denominations, of Definitive Notes. The Definitive Notes exchanged pursuant to this Section 5 shall be registered by the Registrar in such names as DTC, Euroclear and/or Clearstream or such other clearing system shall direct in writing in accordance with its records.

(c) In respect of an issue of Notes sold in primary distribution both within and outside the United States, an interest in any Book-Entry Note deposited with DTC or its nominee may be exchanged for an interest in one or more other Book-Entry Notes representing Notes sold outside the United States upon the request by a Holder to the Registrar, and the Registrar shall record the relevant decrease and increase in the principal amounts in authorized denominations, of such respective Book-Entry Notes in the Note Register.

(d) Every Note presented or surrendered for transfer or exchange shall be accompanied by wiring instructions, if applicable, in the form of Exhibit E hereto. The preceding provisions of this section notwithstanding, the Issuer shall not be required to make and the Registrar shall not register transfers or exchanges of Notes called for redemption.

(e) Until exchanged in full, a Book-Entry Note of a particular issue shall in all respects be entitled to the same benefits under this Agreement as a Definitive Note of such issue authenticated and delivered hereunder. If, after any presentation thereof to the Global Agent, the principal amount of Notes represented by any Book-Entry Note of a particular issue is reduced to zero, such Book-Entry Note shall be immediately cancelled and destroyed by the Global Agent in accordance with the terms hereof.

(f) No service charge shall be imposed for any transfer or exchange of Notes, but prior to transfer the Registrar may require payment by the transferor of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Notes.

(g) All Notes surrendered for payment, transfer and exchange or redemption shall be marked canceled by the Registrar and retained and destroyed in accordance with its policies and procedures.

(h) Upon presentation of any Definitive Notes or Book-Entry Notes, accompanied by a written instrument of assignment and transfer in form set forth in the form of the Note, executed by the registered Holder, in person or by attorney thereunto duly authorized, such Note shall be transferred upon the register for the same and a transferred Note shall be authenticated and registered in the name of the transferee. Transfers and exchanges of Notes may be subject to such restrictions as shall be set forth in the text of the instrument and subject to such reasonable requirements as may be prescribed by the Issuer.

Section 6. Calculations of Payments, Certificate Reports, Site Access Reports, Holder Elections and Tax Reporting.

(a) The Issuer shall provide to the Global Agent no later than the fourth (4th) Business Day of each month the monthly reference pool file for such month and each Loan Group, which as of the Closing Date includes the data fields listed in Exhibit F-1 hereto (such file, the "Monthly Reference Pool File"); provided, that the Issuer may in its sole discretion from time to time modify or eliminate data fields in the Monthly Reference Pool File, subject in each case to (i) the provision of reasonable advance written notice to the Global Agent, (ii) the ability of the Global Agent to implement such modifications as determined by standards of commercial reasonableness and (iii) such timeline for implementation as the Issuer and the Global Agent shall reasonably agree; and provided, further, that no change the Issuer makes to the Monthly Reference Pool File will have a material adverse effect on the ability of the Holders of the Notes to calculate losses allocable to the Notes or Reference Tranches or to calculate payments due on the Notes. In addition, the Issuer shall provide to the Global Agent, not less than two (2) Business Days prior to the Closing Date, the issuance reference pool file for each Loan Group, which shall be in similar format to Exhibit F-1, as of the Closing Date (such file, the "Issuance Reference Pool File").

(b) The Global Agent shall perform all calculations required in Article III of the Debt Agreement. Additionally, the Global Agent shall perform certain loan-level calculations based on the Monthly Reference Pool File, which calculations shall be set forth in Exhibit F-2 hereto. The Issuer shall furnish the initial version of Exhibit F-2 to the Global Agent within a reasonable period of time following the Closing Date and may in its sole discretion modify such exhibit from time to time, subject in each case to (i) the provision of reasonable advance written notice to the Global Agent, (ii) the ability of the Global Agent to implement such modifications as determined by standards of commercial reasonableness and (iii) such timeline for implementation as the Issuer and the Global Agent shall reasonably agree. No amendment to the Debt Agreement shall become effective without the prior written consent of the Global Agent (which consent shall not be unreasonably withheld, conditioned or delayed).

(c) (i) As soon as practicable after the principal and interest payments for the Notes are determined for any Payment Date, and in no event later than the tenth (10th) Business Day of each month, the Global Agent shall forward to the Issuer's secure portal, the preliminary Payment Date Statement, which shall be substantially in the form of Exhibit G hereto. The Issuer and the Global Agent shall reconcile each payment amount no later than two (2) Business Days prior to a Payment Date. The reconciliation method shall be as agreed upon between the operations group of the Issuer and the Global Agent, respectively. The determination by the Issuer and the Global Agent of any interest rate or any payment on any Note (or any interim

calculation in the determination of any such interest rate, index or payment) will, absent manifest error, be binding on the Holders of the relevant Notes. If a principal or interest payment error occurs, the Issuer or the Global Agent will be entitled to correct it by adjusting payments to be made on later Payment Dates or in any other manner the Issuer or the Global Agent considers appropriate. The Global Agent shall, after any reconciliation with the Issuer, prepare and make the final Payment Date Statement (and, upon request of any Holders and with the Issuer's prior written approval, any additional files containing the same information in an alternative format) and the Reference Pool File for each Payment Date available on such Payment Date to Holders that provide appropriate certification in the form acceptable to the Global Agent (which may be submitted electronically via the Global Agent's internet site) and to any designee of the Issuer via the Global Agent's internet site. The Global Agent's internet site initially is located at "www.ctslink.com". Parties that are unable to use the above distribution options are entitled to have a paper copy mailed to them via first class mail by calling the customer service desk at (866) 846-4526 and indicating such. Upon prior written consent from the Issuer, the Global Agent may change the way the Payment Date Statement is distributed in order to make such distribution more convenient or more accessible to such persons or entities. The Global Agent shall provide timely and adequate notification to all above parties regarding any such changes.

(ii) The Global Agent agrees to cooperate with the Issuer and the Federal Housing Finance Agency, in its capacity as the Issuer's federal regulator, in the investigation of any alleged unlawful use of, or breach of privacy laws relating to, data furnished by the Issuer to the Global Agent in the Reference Pool File, any Monthly Reference Pool File or otherwise for disclosure via the internet site described in clause (i) above. The Issuer shall provide to the Global Agent in written form the specific information, legal process, or regulatory inquiry indicating that potential unlawful use or breach of privacy laws may have occurred. Thereafter, the Global Agent agrees to provide such cooperation (including, without limitation, disclosure to the Issuer and its federal regulator of the names of any parties that have or may have accessed such data) as may be reasonably necessary to assist in such investigation, subject in all cases to Section 11(a).

(d) The Global Agent is entitled to rely on, and will not be responsible for the content or accuracy of, any information provided by third parties for purposes of preparing the Payment Date Statement and may affix thereto any disclaimer it deems appropriate in its reasonable discretion (without suggesting liability on the part of any other party hereto).

(e) On each Payment Date and at any time upon the reasonable request of the Issuer, the Global Agent shall furnish to the Issuer a report listing, for each download of information relating to the Notes or any other of the Issuer's Connecticut Avenue Securities from the Global Agent's internet site during the calendar month immediately preceding the month of such Payment Date or such request, (i) the business entity affiliation of the person performing such download, (ii) the date of such person's download and (iii) the series of Connecticut Avenue Securities to which such person's download relates.

(f) The Issuer may in its discretion from time to time provide to the Global Agent rules and procedures governing the actions to be taken by Holders under Sections 3.09, 5.02 and 6.06 of the Debt Agreement; provided, that no such rules or procedures shall impair the ability of any Holder to exercise its rights under the Debt Agreement.

(g) The Global Agent (or its designated agent) shall furnish, with respect to each Class of Notes, to the Issuer and each Holder or Beneficial Owner of Notes such information as required by U.S. federal tax law (including any required Form 1099 reporting) to enable the Issuer and Holders and Beneficial Owners of Notes to prepare their U.S. federal income tax returns, if applicable. Fannie Mae hereby acknowledges that the Global Agent intends to engage a nationally-recognized accounting firm (the "Tax Agent") approved by Fannie Mae to perform tax reporting for the Class B Notes under Section 6(g)(ii). To the extent that the Issuer has timely complied with the requirement to provide information to the Global Agent set forth in this Section 6, the Global Agent shall indemnify Fannie Mae and shall hold Fannie Mae harmless from and against any cost, fine, penalty, or other expense incurred by the Issuer, in each case directly resulting from the Global Agent's failure to furnish the information required by the Code and Treasury Regulations in the time and manner specified by the Code and Treasury Regulations. The information provided by the Global Agent shall include, but shall not be limited to:

(i) for the Class 1M-1, Class 1M-2A, Class 1M-2B, Class 2M-1, Class 2M-2A and Class 2M-2B Notes, the following: (A) the CUSIP, (B) Issuer Type: Fannie Mae Debt, (C) Initial Note Principal Balance, (D) Issue Price: [Par/Part OID/Premium (as applicable)], (E) Date Paid, (F) Accrual Days, (G) Qualified Stated Interest (per Original Par), (H) Daily Qualified Stated Interest (per \$1000 of Original Par), (I) OID accrued (per Original Par), (J) Daily OID (per \$1000 of Original Par), (K) Market Discount Fraction and (L) Adjusted Issue Price at the beginning of each Accrual Period (per \$1000 of Original Par);

(ii) for the Class 1B and Class 2B Notes, the following: (A) the CUSIP, (B) the Loan Rate (which equals the deemed loan interest rate specified in the tax section of the Prospectus), (C) the On-Market NPC Rate (which equals the Class Coupon minus the deemed loan interest rate specified in the tax section of the Prospectus), (D) Issuer Type: Fannie Mae Derivative and Deemed Loan, (E) Initial Note Principal Balance, (F) Issue Price: Par, (G) Date Paid, (H) Accrual Days, (I) Qualified Stated Interest (per Original Par) (using the deemed loan interest rate specified in the tax section of the Prospectus), (J) Daily Qualified Stated Interest (per \$1000 of Original Par), (K) periodic payments deemed paid to investor (using the Class Coupon less the deemed loan interest rate specified in the tax section of the Prospectus); (L) Write-Down/Write-Up Amounts; (M) Modification Event Amount (Gain/(Loss)); (N) Modification Event Amount (Gain/(Loss)) Affecting the Class Coupon; (O) Modification Event (Loss) Affecting Principal; (P) Principal Payments; (Q) Class Fair Market Value at Calendar Year End; (R) Class (Deemed Loan & Deemed NPC) Beginning AIP/Notional Balance (\$1000 of Original Par); and (S) Class (Deemed Loan & Deemed NPC) Ending UPB Factor;

For purposes of reporting deemed interest, the Global Agent (or its designated agent) shall include amounts set forth in Qualified Stated Interest (per Original Par) set forth in clause (ii)(I) for the periods during which the Holder owned its Class 1B or Class 2B Notes. For purposes of reporting NPC payments, in the case of periodic payments, the Global Agent (or its designated agent) shall include the aggregate amount of periodic payments deemed paid to investor set forth in clause (ii)(K) for the periods during which the Beneficial Owner owned

its Class 1B or Class 2B Note, and in the case of contingent payments, the Global Agent (or its designated agent) shall take the sum of (x) the ending Class 1B or Class 2B Fair Market Value at Calendar Year End set forth in clause (ii)(Q), (y) the Principal Payments received set forth in clause (ii)(P) and (z) the Modification Event Amount (Gain/(Loss)) Affecting the Class Coupon set forth in clause (ii)(N) and subtract from it the Class (Deemed Loan & Deemed NPC) Beginning AIP/Notional Balance at the beginning of the year set forth in clause (ii)(R).

(iii) for the Class 1M-2 and Class 2M-2 Notes, the following: (A) the names of the Exchangeable Notes that were exchanged into such RCR Notes, (B) the CUSIP, (C) the Initial Note Principal Balance, (D) Issuer Type: Interest in Fannie Mae Debt and (E) all of the information listed under clause (i) above for each such Exchangeable Note; and

(iv) for the Class 1M-2F, Class 1M-2I, Class 2M-2F and Class 2M-2I Notes, the following: (A) the CUSIP, (B) Issuer Type: Interest in Fannie Mae Debt, (C) Initial Note Principal Balance, (D) Issue Price: All OID, (E) Date Paid, (F) Accrual Days, (G) OID accrued (per Original Par), (H) Daily OID (per \$1000 of Original Par), (I) Market Discount Fraction and (J) Adjusted Issue Price at the beginning of each Accrual Period (per \$1000 of Original Par).

All payments on Class 1M-2F, Class 1M-2I, Class 2M-2F and Class 2M-2I Notes are included in the stated redemption price at maturity. Consequently, there will be no qualified periodic interest payments and OID will be based on the yield as computed using the One-Month LIBOR rate as of the Closing Date, which is 0.44115%. For the purpose of projecting cash flows, the Global Agent shall assume a Constant Prepayment Rate of 10% and a One-Month LIBOR rate of 0.44115% such that the interest projections for each variable rate will be a fixed rate equal to the value of the variable rate as of the Closing Date.

Terms used in this Section 6(g) that are not otherwise defined in this Agreement have the meaning assigned to them under the applicable federal income tax law. The information specified in this Section 6(g) shall be furnished in the time and manner specified by applicable law or as reasonably requested by the Issuer (including publishing the monthly tax information on a website at least quarterly within 45 days (or within a shorter period as required by law) after the end of each calendar quarter except with respect to the fair market value information for the Class 1B Notes, which information is published within 45 days (or within a shorter period as required by law) after the end of the calendar year). The Global Agent agrees to prepare such U.S. federal tax reporting information in accordance with the methodology described under "*Certain United States Federal Tax Consequences*" in the Prospectus, unless it has been notified otherwise by the Issuer.

(h) Additionally, the Global Agent shall prepare Form 8281 to be filed with the IRS for each Class 1M-1, Class 1M-2A, Class 1M-2B, Class 2M-1, Class 2M-2A or Class 2M-2B Note issued with OID. In the event that there is a write-down (as described in Section 7(b) of this Agreement) or a reduction in the Interest Payment Amount as a result of a Modification Loss Amount with respect to the Class 1M-1, Class 1M-2A, Class 1M-2B, Class 2M-1, Class 2M-2A

or Class 2M-2B Notes, such Class of Notes will be treated as reissued solely for purposes of Sections 1272 and 1273 of the Code with OID at that time (*i.e.*, all remaining stated interest on such Class of Notes will no longer be qualified stated interest), and the Global Agent shall prepare Form 8281 with respect to such Class of Notes at such time, such form to include (in lieu of an OID schedule) a statement describing the prepayment assumption made in accordance with Section 1272(a)(6) of the Code and its regulations. Unless otherwise instructed by the Issuer, the Global Agent shall use for such purpose the prepayment assumption used in pricing the original issuance of the Notes, which is a 10% CPR. In the event of any change in the prepayment assumption, the Issuer agrees to pay the Global Agent a reasonable additional one-time fee to compensate for additional expenses incurred by the Global Agent related to processing such change. The Form 8281 must be completed and sent to the Fannie Mae Corporate Tax Department by the 15th day after the applicable Notes are treated as issued or reissued with OID.

(i) The Global Agent (or its designated agent) hereby represents to the Issuer that it will comply with (i) the Foreign Account Tax Compliance Act provisions of Sections 1471 through 1474 of the Code (commonly known as "FATCA") and (ii) any and all U.S. federal withholding tax requirements and related U.S. federal withholding tax information reporting requirements applicable to any payments made with respect to the Notes, including the collection of any forms, certifications or other statements required to be provided by Holders of Notes to establish any exemption or reduction in U.S. federal withholding tax. The parties hereto agree that upon the occurrence of a Credit Event that results in a write-down of a Class 1M-1, Class 1M-2A, Class 1M-2B, Class 2M-1, Class 2M-2A or Class 2M-2B Note, then solely for purposes of Sections 1272 and 1273 of the Code, such Class of Notes will be treated as retired and reissued on such date. In addition, the Global Agent hereby represents to the Issuer that, for U.S. federal income tax purposes, it is treated as a U.S. person, and that it has provided a properly completed Form W-9 (or other appropriate tax form) to the Issuer on or before the Closing Date.

(j) If the Global Agent determines that any substantial ambiguity exists in the interpretation of any definition, provision or term contained in this Agreement pertaining to the performance of its duties hereunder, or if more than one methodology can be used to make any of the determinations or calculations to be performed by the Global Agent hereunder, the Global Agent may request written direction from the Issuer regarding the interpretation or methodology it should adopt with respect thereto. The Issuer shall promptly provide such written direction, and the Global Agent shall be entitled conclusively to rely upon, and shall be protected and held harmless in acting upon, such written direction.

(k) The RCR Notes will be created, sold and administered pursuant to an arrangement that will be classified as a grantor trust under subpart E, part I of subchapter J of chapter 1 of subtitle A of the Code. The Exchangeable Notes that back the RCR Notes will be the assets of the grantor trust, and the RCR Notes will represent an ownership interest in the applicable Exchangeable Notes. The arrangement under which the RCR Notes will be created is a WHFIT that is an NMWHFIT. The parties intend that the reporting for the RCR Notes described under Section 6(g) will satisfy Treasury Regulations section 1.671-5.

(l) In the event that Definitive Notes are issued at any time hereunder, the Global Agent shall act as withholding agent with respect to any payments made to the Holders of such Definitive Notes. Any amounts withheld shall be treated as cash paid to such Holder. Neither

the Issuer nor the Global Agent, nor any of their respective agents, shall pay any additional amounts in respect of such amounts withheld.

Section 7. Payments in Respect of Notes.

(a) Payment to Global Agent. The Issuer shall send via ACH payment to the Note Collection Account by 12:00 p.m. New York City time one (1) Business Day before the Payment Date (the "Remittance Date") pursuant to the instructions set forth in Exhibit H hereto, the principal and interest payments due on the Notes for such Payment Date and the monthly portion of the annual fee due to the Global Agent. For purposes of this paragraph (a), the date on which a payment in respect of a Note becomes due means the first date on which the Holder of a Note could claim the relevant payment under the Terms of the applicable Note. The Global Agent shall retain on deposit, for the benefit of the Holders of the Notes, such amount until the related Payment Date. The Global Agent shall invest funds in the Note Collection Account in Permitted Investments in accordance with the written direction of the Issuer for the period from each Remittance Date to the related Payment Date, which investments shall mature not later than the related Payment Date. All such Permitted Investments shall be made in the name of the Global Agent for the benefit of the Holders. Absent written direction from the Issuer, the Global Agent shall hold all funds on deposit in the Note Collection Account uninvested. All income and gain realized from any Permitted Investment shall be retained by the Global Agent on each Payment Date. The Global Agent shall remit for deposit in the Note Collection Account the amount of any losses incurred in respect of any such investments out of its own funds, without any right of reimbursement therefor, immediately as realized; provided, that if for any reason the Global Agent shall not have remitted any such loss amount to the Note Collection Account by 9:00 AM on any Payment Date, the Global Agent shall promptly so notify the Issuer by facsimile, e-mail or other rapid means of communication, upon receipt of which the Issuer shall remit the related deficiency to the Note Collection Account so as to ensure the full payment amount due in respect of the Notes is available for payment to Holders on such Payment Date. Following the remittance by the Issuer of any such deficiency amount, the Global Agent shall promptly reimburse the Issuer in full for the amount so remitted. All payments made hereunder shall be in accordance with the Terms of the applicable Note and the Debt Agreement. The Note Collection Account for U.S. federal income tax reporting and withholding purposes will be owned by the Issuer. The Issuer hereby represents to the Global Agent that, for U.S. federal income tax purposes, it is treated as a U.S. person, and that it has provided a properly completed Form W-9 (or other appropriate tax form) to the Global Agent on or before the Closing Date.

(b) Write-ups and Write-downs. On each Payment Date, the Global Agent shall write-up or write-down the Class Principal Balance or Class Notional Amount, as applicable, of each Class of Notes, as applicable, as determined pursuant to Section 3.04(a) and (b) of the Debt Agreement and agreed to by the Issuer and the Global Agent.

(c) Notification of Non-payment. The Global Agent shall forthwith notify the Issuer by facsimile, e-mail or other rapid means of communication if it has not received the full amount for any payment due in respect of the Notes on the Remittance Date. The Global Agent shall have no liability, responsibility, duty or obligation to any Holder or Beneficial Owner of Notes to take any action against the Issuer in the event the Issuer fails to make available funds sufficient

to pay amounts due and payable and owing to any Holder or Beneficial Owner on any Payment Date.

(d) Payment by Global Agent. The Global Agent shall, subject to and in accordance with the Terms of the applicable Note and the Debt Agreement, pay or cause to be paid on behalf of the Issuer on and after each due date therefor the amount due in respect of the Notes.

(e) Late Payment. If any payment provided for in paragraph (a) of this Section 7 is remitted to the Global Agent after the time specified therein but otherwise in accordance with this Agreement, the Global Agent shall nevertheless make such payments in respect of the Notes promptly upon receipt thereof; provided, however, the Global Agent shall not make any such payment unless and until any such payment has been remitted to the Global Agent. Upon receipt of such amount, the Global Agent shall forthwith give notice thereof on the Global Agent's internet site to the other agents and the Holders of Notes on behalf of the Issuer.

(f) Method of Payment to Global Agent. All sums payable to the Global Agent hereunder shall be paid via ACH payment to the account specified in Exhibit H hereto or to such other account as the Global Agent may specify in a written notice to the Issuer.

(g) Money Held by Global Agent. Money paid by the Issuer to the Global Agent for payment of amounts owing in respect of the Notes may be held by the Global Agent in the same manner as other funds it holds for customers except that the Global Agent shall not (i) exercise any lien, right of set-off or similar claim in respect of them or (ii) be liable to anyone for interest on any sums held by it under this Agreement.

(h) Cancelled Notes. All Definitive Notes surrendered for payment shall be delivered to the Global Agent. All Definitive Notes so delivered shall be promptly cancelled by the Global Agent. All cancelled Notes held by the Global Agent shall be destroyed, and the Global Agent shall furnish to the Issuer, upon request, a certificate with respect to such destruction.

(i) Binding Payments. All payments of principal, interest and other amounts owing with respect to any Notes made on any Payment Date shall be binding upon the Holder of such Notes and of any Notes issued upon the registration of transfer thereof or in exchange therefore or in lieu thereof.

(j) Maturity or Early Redemption. On any day when a Note matures or is to be redeemed, the Issuer shall transmit or cause to be transmitted to the Global Agent, prior to 10:00 a.m., New York City time, one (1) Business Day prior to the Maturity Date, Group 1 Early Redemption Date or Group 2 Early Redemption Date, as applicable, to the account specified in Exhibit H hereto, or such other account as the Global Agent may specify by written notice to the Issuer, an amount sufficient to pay the aggregate amount due on such Note as determined pursuant to the Debt Agreement.

(k) Presentment. The Global Agent shall pay any amounts due on Definitive Notes at the maturity thereof or upon early redemption thereof solely upon presentment and surrender of such Notes at the Corporate Trust Office of the Global Agent or such other location as specified by the Global Agent. The Global Agent may, without liability to the Issuer, refuse to pay any

Note that would result in an overdraft to the account in which the Global Agent holds funds for the payment of the Notes.

Section 8. Exchange of Notes.

(a) Transfer to Exchange Administrator. Upon the presentation and surrender by any Noteholder of its Exchangeable Note(s) or RCR Note(s), as applicable, in the appropriate combinations as set forth on Exhibit J-1, such Noteholder shall hereunder transfer, assign, set over and otherwise convey to the Exchange Administrator all of such Noteholder's right, title and interest in and to such Exchangeable Note(s) or RCR Note(s), as applicable.

(b) DTC. The Exchangeable Notes and the RCR Notes, as applicable, shall be exchangeable on the books of DTC for the Exchangeable Notes or RCR Notes, as applicable, at any time on or after the Closing Date, in the combinations set forth on Exhibit J-1 hereto and in accordance with the terms and conditions set forth in, and otherwise in accordance with the procedures specified in, Section 9 hereof.

(c) Subject to Debt Agreement. The Exchangeable Notes and RCR Notes exchanged pursuant to this Agreement shall have the characteristics set forth in the Debt Agreement, and shall be subject to the terms and provisions set forth therein.

(d) Available Combinations. The Exchangeable Notes may be exchanged, in whole or in part, for the RCR Notes and vice versa in accordance with the Combinations and subject to the constraints set forth on Exhibit J-1.

(e) No Limitation. There shall be no limitation on the number of exchanges authorized pursuant to this Agreement, and, except as provided below, no fee or other charge shall be payable to the Exchange Administrator or DTC in connection therewith.

Section 9. Procedures for Exchange.

(a) Notice to Exchange Administrator. In order to effect an exchange of Exchangeable Notes, the Noteholder shall notify the Exchange Administrator in writing, substantially in the form of Exhibit K hereto, by e-mail at ctsspgexchanges@wellsfargo.com, and in accordance with the requirements set forth herein, no later than two Business Days before the proposed exchange date. The exchange date with respect to any exchange can be any Business Day other than the first or last Business Day of the month, the Payment Date, the Record Date related to the next Payment Date or the Business Day following such Record Date. The notice must be on the Noteholder's letterhead, carry a medallion stamp guarantee and set forth the following information: (i) the CUSIP number of each Exchangeable Note or Notes (as applicable) to be exchanged and of each Exchangeable Note or Notes and/or RCR Note or Notes (as applicable) to be received; (ii) the outstanding Class Principal Balance (or Class Notional Amount) and the original Class Principal Balance (or Class Notional Amount) of the Exchangeable Note or Notes and/or RCR Note or Notes to be exchanged; (iii) the Noteholder's DTC participant numbers to be debited and credited; and (iv) the proposed exchange date. After receiving the notice, the Exchange Administrator will e-mail the Noteholder with wire payment instructions relating to the exchange fee. The Noteholder will utilize the "Deposit and

Withdrawal System" at DTC to exchange the Exchangeable Notes and/or RCR Notes. A notice becomes irrevocable on the second Business Day before the proposed exchange date.

(b) Exchange Fee. Notwithstanding any other provision herein set forth, a fee equal to \$5,000 shall be payable by the exchanging Noteholder to the Exchange Administrator in connection with each exchange. Such fee must be received by the Exchange Administrator no later than one Business Day prior to the exchange date or such exchange will not be effected. In addition, any Holder wishing to effect an exchange must pay any other expenses related to such exchange, including any fees charged by DTC.

(c) Notice to Global Agent. The Exchange Administrator shall notify the Global Agent with respect to any exchanges of Exchangeable Notes for RCR Notes (and vice versa) at the time of such exchange.

(d) Record Date for Exchange. The Global Agent will make the first distribution on an Exchangeable Note or RCR Note received in an exchange transaction on the Payment Date in the month following the exchange to the Noteholder of record as of the close of business on the last day of the month of the exchange.

(e) Notice to Irish Stock Exchange. Upon each exchange of Exchangeable Notes for RCR Notes (and vice versa), the Exchange Administrator shall provide a notice, substantially in the form of Exhibit J-2, to www.isedirect.ie, with all expenses in connection with such notice to be reimbursed to the Exchange Administrator by the Issuer.

Section 10. Representations.

(a) Issuer's Representations and Warranties. The Issuer represents and warrants to the Global Agent that the issuance and delivery of the Notes have been duly and validly authorized by the Issuer and that the Notes, when executed, countersigned for authentication and delivered pursuant hereto, will constitute the valid and legally binding obligations of the Issuer.

(b) Global Agent's Representations and Warranties. The Global Agent represents and warrants that it has duly authorized and properly executed this Agreement, is currently in compliance with this Agreement and with the rules and procedures of DTC, is authorized to act as a custodian for DTC for any DTC Note relating to the Notes, and to serve in all capacities set forth in this Agreement.

(c) Exchange Administrator's Representations and Warranties. The Exchange Administrator represents and warrants that it has duly authorized and properly executed this Agreement, is currently in compliance with this Agreement and is authorized to serve in all capacities set forth in this Agreement.

Section 11. Conditions of Global Agent's and Exchange Administrator's Obligations and Changes in Agents and Administrators.

(a) Conditions of Global Agent's and Exchange Administrator's Obligations. Each of the Global Agent and the Exchange Administrator accepts its obligations as set forth herein, upon the terms and conditions hereof, including the following, to all of which the Issuer agrees.

References to the Global Agent or the Exchange Administrator in (i)-(vii) below shall apply, *mutatis mutandis*, to any agent appointed hereunder.

(i) Compensation and Expenses. The Issuer agrees to promptly pay the Global Agent all compensation as set forth in Exhibit I hereto, or as otherwise agreed upon with the Issuer in writing and to reimburse the Global Agent for the reasonable out-of-pocket expenses (including but not limited to reasonable counsel fees and expenses) incurred by the Global Agent for all services rendered hereunder during the term of this Agreement. The obligations of the Issuer under this Section 11(a)(i) shall survive the assignment or termination of this Agreement, including any termination of this Agreement pursuant to any applicable bankruptcy or insolvency law, and any termination or resignation of the Global Agent.

(ii) Indemnification. Wells Fargo Bank, N.A., in its individual capacity and its capacities as Global Agent and Exchange Administrator hereunder, and each of its directors, officers, employees and agents shall be indemnified and held harmless by, and entitled to reimbursement from, the Issuer for any claim, loss, liability, damage, cost, or expense reasonably incurred in connection with any actions or omissions of the Global Agent or the Exchange Administrator under this Agreement, the Debt Agreement or the Notes (except any such claim, loss, liability, damage, cost or expense caused by the negligence or willful misconduct or bad faith of any such indemnified party, in each case, as determined by a court of competent jurisdiction pursuant to final order or verdict not subject to appeal), including without limitation any legal fees and expenses and any extraordinary or unanticipated expense, incurred or expended in connection with (i) investigating, preparing for, defending itself or themselves against or prosecuting for itself or themselves any legal proceeding, whether pending or threatened, related to this Agreement, the Debt Agreement or the Notes (including without limitation the initial offering, any secondary trading and any transfer and exchange of the Notes), (ii) pursuing enforcement (including without limitation by means of any action, claim, or suit brought by the Global Agent and Exchange Administrator for such purpose) of any indemnification or other obligation of Issuer (with the indemnification afforded under this clause (ii) to include, without limitation, any legal fees, costs and expenses incurred by the Global Agent and Exchange Administrator in connection therewith) and (iii) the performance of any and all of its or their duties or responsibilities and the exercise or lack of exercise of any and all of its or their powers, rights or privileges hereunder or thereunder, including without limitation (A) complying with any new or updated law or regulation directly related to the performance by it of its obligations under this Agreement (with such costs to be allocated on a reasonable basis among all affected transactions) and (B) addressing any bankruptcy-related matters arising in connection with the transaction; including, as applicable, all costs incurred in connection with the use of default specialists within or outside of Wells Fargo Bank, N.A. (in the case of Wells Fargo Bank, N.A. personnel, such costs to be calculated using standard market rates). The indemnification obligations set forth in this Section shall survive the assignment or discharge of this Agreement and the termination or resignation of the Global Agent and/or the Exchange Administrator.

(iii) Documents. The Global Agent and the Exchange Administrator may conclusively rely upon, shall be fully protected in its reliance upon, and shall incur no liability for or in respect of any action taken, omitted to be taken or suffered to be taken in reliance upon, any Note, opinion, notice, direction, consent, certificate, affidavit, statement or other paper or document (including facsimile or electronic mail transmission) reasonably believed by it to be genuine and to have been signed or submitted by the proper parties. The Global Agent and the Exchange Administrator may conclusively rely upon, and shall be fully protected in its reliance upon, written instructions (which shall include any instructions given or confirmed in writing by facsimile or through a time-sharing terminal) given by the Issuer pursuant to this Agreement which the Global Agent or the Exchange Administrator, as applicable, believes in good faith to have been given by an Authorized Officer.

(iv) No Liability for Interest. Neither the Global Agent nor the Exchange Administrator shall be under any liability for interest on any monies at any time received or held by it pursuant to any of the provisions of this Agreement or of any of the Notes.

(v) No Liability for Invalidity. The representations of the Issuer contained herein, in the Debt Agreement and in the Prospectus (except in the Global Agent's certificates of authentication of the Notes) shall be taken as the statements of the Issuer, and neither the Global Agent nor the Exchange Administrator assumes any responsibility for the correctness of the same. Neither the Global Agent nor the Exchange Administrator makes any representation as to the validity or sufficiency of this Agreement or the Notes except for its respective due authorization to execute this Agreement. None of the Global Agent, the Exchange Administrator or any other agent of the Issuer shall be accountable for the use or application by the Issuer of the proceeds of any Notes authenticated and delivered by the Global Agent or exchanged by the Exchange Administrator in conformity with the provisions of this Agreement and of the Notes.

(vi) No Implied Obligations. Each of the Global Agent and the Exchange Administrator shall be obligated to perform such duties and only such duties as are set forth herein and in the Debt Agreement and no implied duties or obligations shall be read into this Agreement or any of the Notes against the Global Agent or the Exchange Administrator. Any permissive right of the Global Agent or the Exchange Administrator set forth in this Agreement shall not be construed as a duty. Neither the Global Agent nor the Exchange Administrator shall be under any obligation to risk or expend its own funds or take any action hereunder which may tend to involve it in any expense or liability the payment or indemnification of which within a reasonable time is not, in its reasonable opinion, assured to it. Neither the Global Agent nor the Exchange Administrator shall be liable for any action taken, suffered or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

(vii) Account of Issuer. Each of the Global Agent and the Exchange Administrator, in acting under this Agreement and in connection with the Notes, is acting solely as agent of the Issuer and does not assume any obligation or relationship of agency

or trust for or with any of the Holders of the Notes. All funds held by the Global Agent or any other agent of the Issuer for payment of principal of, premium (if any), or interest on the Notes shall be held for the benefit of Holders thereof but need not be segregated from other funds except as required by law and as required in this Agreement or the Notes, and shall be applied as set forth herein and in the Debt Agreement; provided, however, that subject to applicable state escheatment law, any funds paid by the Issuer and held by the Global Agent in respect of the principal of, or premium (if any), or interest on any Notes that remain unclaimed at the end of one year after such principal, premium or interest shall have become due and payable shall be repaid to the Issuer by the Global Agent; and provided, further, that the Global Agent shall not be required to repay to the Issuer any monies claimed by a Holder of Notes and paid to such Holder prior to the receipt by the Global Agent of express written instructions from the Issuer to repay such unclaimed monies. Upon such repayment, Global Agent's obligations with respect to such funds shall terminate and all obligation of the Global Agent with respect to such monies shall thereupon cease and the Holder of any such Note shall thereafter, as an unsecured general creditor, look only to the Issuer for payment thereof.

(viii) Forwarding of Notices. If the Global Agent or the Exchange Administrator or any other agent shall receive any notice or demand addressed to the Issuer by any Holder of a Note, the Global Agent or the Exchange Administrator or such other agent, as applicable, shall promptly forward such notice or demand to the Issuer in the manner provided under Section 12(d) hereof. The Global Agent shall give notices to Holders of Notes to the extent required by the terms of such Notes or the provisions of this Agreement and, in each case, as directed by and pursuant to written instructions of the Issuer. Such notices shall be given in the name of and at the expense of the Issuer.

(ix) Consultation with Counsel; Officer's Certificate of Issuer.

(A) Each of the Global Agent and the Exchange Administrator may consult with counsel satisfactory to it in its reasonable judgment and any advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted to be taken or suffered by the Global Agent or the Exchange Administrator, as applicable, in the performance of its duties hereunder in accordance with such advice or opinion of counsel; provided, that no such duties shall be reduced, eliminated or otherwise impaired, irrespective of such advice or opinion of counsel.

(B) In connection with any request that the Global Agent or the Exchange Administrator take any action or refrain from taking any action, the Global Agent or the Exchange Administrator, as applicable, shall be entitled to request and conclusively rely upon, and shall be protected in acting or refraining from acting upon, an officer's certificate or opinion of counsel of the Issuer. Any opinion of counsel requested by the Global Agent or the Exchange Administrator shall be an expense of the Person requesting the Global Agent or the Exchange Administrator, as applicable, to act or refrain from acting or otherwise may be an expense of the Issuer.

(x) Communication from Issuer. Unless otherwise provided herein, any order, certificate, notice, request, direction or other communication from the Issuer made or given by it under any provisions of this Agreement shall be deemed sufficient if signed by an Authorized Officer of the Issuer.

(xi) Damages. Anything in this Agreement to the contrary notwithstanding, in no event shall the Global Agent or the Exchange Administrator be personally liable for any special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits).

(xii) Reliance on Reports. Except as expressly provided herein, nothing herein shall be construed to impose an obligation on the part of the Global Agent to recalculate, evaluate or otherwise verify the accuracy of any report, certificate or information received by it from the Issuer or to otherwise monitor the activities of the Issuer.

(xiii) Force Majeure. In no event shall the Global Agent or the Exchange Administrator be liable for any failure or delay in the performance of its obligations hereunder caused directly or indirectly by an event or condition beyond the control of such party, including without limitation strikes, work stoppages, acts of war, terrorism, civil or military disturbances, nuclear catastrophes, fires, floods, earthquakes, storms, hurricanes or other natural catastrophes and interruptions, loss or failures of mechanical, electronic or communication systems; provided, that such party uses reasonable efforts consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(xiv) No Action in Violation of Applicable Law. Neither the Global Agent nor the Exchange Administrator shall be under any obligation to take any action in the performance of its duties hereunder or under the Debt Agreement that would be in violation of applicable law.

(xv) Validity. The recitals contained herein and in the Notes (other than the signature and authentication of the Global Agent on the Notes) shall not be taken as the statements of the Global Agent or the Exchange Administrator and neither the Global Agent nor the Exchange Administrator assumes any responsibility for their correctness. Neither the Global Agent nor the Exchange makes any representations as to the validity, enforceability or sufficiency of this Agreement (other than its execution of this Agreement), the Notes or of the related documents except as expressly set forth herein or therein.

(xvi) Not Responsible for Other Parties. Neither the Global Agent nor the Exchange Administrator shall be responsible for any act or omission of any other party to this Agreement (except to the extent the same legal entity is serving in more than one such role).

(xvii) Imputation of Knowledge. Except as otherwise expressly set forth in this Agreement, knowledge or information acquired by (i) Wells Fargo in any of its respective capacities hereunder or under any other document related to this transaction shall not be

imputed to Wells Fargo in any of its other capacities hereunder or under such other documents, and (ii) any affiliate of Wells Fargo shall not be imputed to Wells Fargo in any of its respective capacities hereunder and vice versa.

(xviii) Knowledge of Responsible Officer. Other than with respect to any information that the Global Agent or the Exchange Administrator has an express duty hereunder to review, neither the Global Agent nor the Exchange Administrator shall be deemed to have knowledge of any fact or matter for purposes of this Agreement unless a Responsible Officer of the Global Agent or the Exchange Administrator, as applicable, (i) has actual knowledge thereof or (ii) receives written notice with respect thereto.

(xix) Action at Direction of Holders or Issuer.

(A) Neither the Global Agent nor the Exchange Administrator shall be under any obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Holders pursuant to this Agreement or the Debt Agreement, unless such request or direction is made by the percentage of Holders required hereunder or thereunder (or if no percentage is specified, by a majority of the Holders), and such Holders shall have offered to such party security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(B) Neither the Global Agent nor the Exchange Administrator shall be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the written direction of the Issuer or of Holders of a majority in principal balance of Notes (or, if a lower or higher percentage of Holders is expressly permitted or required to authorize such action, such lower or higher percentage); provided, that each of the Global Agent and the Exchange Administrator shall take reasonable action to correct any errors in the performance of its respective obligations hereunder.

(xx) Each of the Global Agent and the Exchange Administrator shall be entitled to perform any of their respective duties hereunder either directly or by and through agents; provided, that each such party shall be liable for such performance through agents to the same extent as if performed by such party. Notwithstanding the foregoing proviso, with respect to the Tax Agent appointed by the Global Agent pursuant to Section 6(g)(ii) hereof to perform tax reporting for the Class B Notes, the total liability of the Global Agent to the Issuer for any damages resulting from, or arising out of or related to, services performed by the Tax Agent, as a result of breach of contract, negligence or other tort committed by the Tax Agent (regardless of the theory of liability asserted), shall be limited to the aggregate amount specified in a writing between the Global Agent and the Issuer entered into on or before the Closing Date; provided, however, that the limitation on liability of the Global Agent under this Section 11(a)(xx) shall not limit any indemnification amounts otherwise owed by the Global Agent to the Issuer (*i.e.*, indemnification amounts not related to any action or inaction of the Tax Agent) pursuant to the indemnification provided by the Global Agent under Section 6(g).

(b) Changes in Agents and Administrators.

(i) Appointment and Termination of Appointment. The Issuer may at any time appoint additional or alternative agents to provide the service(s) to be provided by the Global Agent or the Exchange Administrator hereunder. The Issuer may terminate the appointment of (A) the Global Agent or any part of such agency or any other agent by giving to the Global Agent or such other agent at least 30 calendar days' written notice to such effect or (B) the Exchange Administrator by giving to the Exchange Administrator at least 30 calendar days' written notice to such effect. The Issuer may replace the Global Agent and/or the Exchange Administrator in any of its roles hereunder and appoint one or more other authenticating agents, paying agents, transfer agents, registrars or calculation agents for any issuance of the Notes or for the exchange of Exchangeable Notes and RCR Notes as the Issuer may determine in its sole discretion; provided, however, that until all of the Notes have been delivered to the Global Agent for cancellation and destruction, or monies sufficient to pay the principal and interest, if any, on such Notes have been made available for payment and either paid or returned to the Issuer as provided herein, the Issuer will at all times maintain a paying agent; provided further, in the event Wells Fargo is removed as Global Agent or as Exchange Administrator, it shall also be removed in such other capacity.

(ii) Resignation. Each of the Global Agent and the Exchange Administrator may resign any appointment hereunder by giving the Issuer at least 60 days' written notice to such effect.

(iii) Conditions to Resignation and Termination. Subject to paragraph 11(b)(v) below, no resignation or termination of the Global Agent or the Exchange Administrator shall take effect until a new agent or exchange administrator has been appointed and has accepted such appointment and no resignation or termination of an agent shall take effect if there would not then be agents as required by the Terms of any Notes. The Issuer shall use its best efforts to appoint a new agent not later than 30 calendar days after (A) the Issuer's receipt of the notice of resignation delivered by the Global Agent or Exchange Administrator, as applicable, in accordance with paragraph 11(b)(ii) above or (ii) the delivery by the Issuer of notice of termination delivered to the Global Agent or Exchange Administrator, as applicable, in accordance with paragraph 11(b)(i) above. The Issuer agrees with the Global Agent that if the Issuer fails to appoint a successor within such period, the Global Agent may (i) select a bank to act as the new Global Agent hereunder or (B) petition a court of competent jurisdiction to appoint a successor Global Agent (with all costs associated with such petition to be paid by the Issuer) and the Issuer shall accept the appointment of such bank as the successor to the Global Agent. The Issuer agrees with the Exchange Administrator that if the Issuer fails to appoint a successor within such period, the Exchange Administrator may (i) select a bank to act as the new Exchange Administrator hereunder or (B) petition a court of competent jurisdiction to appoint a successor Exchange Administrator (with all costs associated with such petition to be paid by the Issuer) and the Issuer shall accept the appointment of such bank as the successor to the Exchange Administrator.

(iv) Other Agents and Administrators.

(A) The Global Agent may, with the express written consent (which may be in e-mail form) of the Issuer (which consent shall not be unreasonably withheld or delayed), appoint by an instrument or instruments in writing one or more agents to act hereunder and, upon written notice with such consent, vary or terminate any such appointment. The Issuer (by written notice to the Global Agent and any agent whose appointment is to be terminated) may also terminate any such appointment at any time. With respect to any agent the Global Agent appoints, the Global Agent shall remain obligated and liable to the Issuer and the Holders of the Notes for the performance of its obligations under this Agreement.

(B) The Exchange Administrator may, with the express written consent (which may be in e-mail form) of the Issuer (which consent shall not be unreasonably withheld or delayed), appoint by an instrument or instruments in writing one or more agents to act hereunder and, upon written notice with such consent, vary or terminate any such appointment. The Issuer (by written notice to the Exchange Administrator and any agent whose appointment is to be terminated) may also terminate any such appointment at any time. In its acceptance of such appointment, each such agent shall agree to act as an agent pursuant to and be bound by this Agreement and the Terms of the Notes. With respect to any agent the Exchange Administrator appoints, the Exchange Administrator shall remain obligated and liable to the Issuer and the Holders of the Notes for the performance of its obligations under this Agreement.

(v) Change of Office. If the Global Agent or the Exchange Administrator changes the address of its specified Corporate Trust Office, it shall give the Issuer at least 60 calendar days' written notice of the change, such notice to provide the new address and the date on which such change is to take effect.

(vi) Automatic Termination. The appointment of the Global Agent or the Exchange Administrator, as applicable, shall immediately terminate if it becomes incapable of acting, is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors, consents to the appointment of a receiver, administrator or other similar official of all or a substantial part of its property or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, if a resolution is passed or an order is made for the winding up or dissolution of the Global Agent or Exchange Administrator, as applicable, a receiver, administrator or other similar official is appointed with respect to all or a substantial part of the Global Agent's or Exchange Administrator's property, as applicable, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law, or a public officer takes charge or control of the Global Agent or the Exchange Administrator, as applicable, or its respective property or affairs for the purpose of rehabilitation, conservation or liquidation.

(vii) Delivery of Records.

(A) If the Global Agent resigns or is terminated, it shall, on the date on which the resignation or termination takes effect, forward to any new agent any

amount held by it for payment in respect of the Notes and deliver to such new agent the records kept by it and all certificates and other records necessary for the administration of, and performance of its duties with respect to, the Notes held by it pursuant to this Agreement; provided, however, that the Global Agent may retain a copy of such records in order to comply with any applicable law, rule or regulation or its own document retention policies.

(B) If the Exchange Administrator resigns or is terminated, it shall, on the date on which the resignation or termination takes effect, forward to any new administrator the records kept by it and all Exchangeable Notes and other records necessary for the administration of, and performance of its duties with respect to this Agreement; provided, however, that the Exchange Administrator may retain a copy of such records in order to comply with any applicable law, rule or regulation or its own document retention policies.

(viii) Merger. Any successor bank or other entity into which the Global Agent or Exchange Administrator is merged or converted or with which it is consolidated or which results from any merger, conversion or consolidation to which it is a party, or any entity which succeeds to all or substantially all of the corporate trust business of the Global Agent or Exchange Administrator, as applicable, shall, to the extent permitted by applicable law, be deemed the Global Agent or the Exchange Administrator, as applicable, under this Agreement. Such Global Agent or Exchange Administrator shall promptly notify the Issuer of any such event.

(ix) Written Notices. The Global Agent or the Exchange Administrator, as applicable, shall give Holders of Notes at least 30 calendar days' written notice of any proposed appointment, termination, resignation or change under paragraphs (i) through (vii) of this Section of which a Responsible Officer of the Global Agent or Exchange Administrator, as applicable, has actual knowledge and, as soon as practicable, written notice of any succession under paragraph (viii) above of which it is aware. The Issuer shall give Holders of Notes written notice of any change under paragraph (v) of which it is aware within 30 calendar days of such change.

Section 12. Miscellaneous.

(a) Amendments. This Agreement may be amended or supplemented by the Issuer, the Global Agent and the Exchange Administrator, with prior written notice to each NRSRO, and without the consent of the Holder of any Note, for the purpose of curing any ambiguity or of correcting or supplementing any provision contained herein which may be defective or inconsistent with any other provision contained herein, in the Debt Agreement or in the Prospectus, or in any other manner that the Issuer may deem necessary or desirable and that will not, in the reasonable opinion of the Issuer, materially adversely affect the interests of the Holders of the Notes. Each of the Global Agent and the Exchange Administrator may, but shall have no obligation to, agree to any amendment or supplement which adversely affects its respective rights, privileges, immunities or obligations. Each of the Global Agent and the Exchange Administrator shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that (i) the execution of any amendment is authorized or permitted

by this Agreement and (ii) that all conditions precedent have been satisfied. The cost of any amendment entered into pursuant to this Section 12(a) shall be paid by the Issuer.

(b) Execution of Additional Agreements. In executing or accepting the agencies created by any additional agreement permitted by this Agreement, or any modification of the agencies created by this Agreement, each of the Global Agent and the Exchange Administrator shall be entitled conclusively to rely upon a written opinion of counsel provided by the Issuer stating that the execution of such additional agreement is authorized or permitted by this Agreement, that all conditions precedent to such additional agreement have been satisfied and that such additional agreement constitutes the legal, valid and binding obligation of the Issuer enforceable in accordance with its terms and subject to customary exceptions.

(c) Governing Law, Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the United States. Insofar as there may be no applicable precedent and insofar as to do so would not frustrate the purposes of the Federal National Mortgage Association Charter Act or any provision of this Agreement or the transactions governed thereby, the local laws of the State of New York shall be deemed reflective of the laws of the United States. The parties agree that any judicial proceedings in relation to any matter arising under this Agreement may be instituted against any party to this Agreement in the United States federal courts located in the Borough of Manhattan in such manner as may be permitted by applicable law. EACH PARTY HEREBY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

(d) Notices. Any notices pursuant to, or communications with respect to, this Agreement shall be deemed to have been given when delivered in person, or by first class registered or certified mail, postage prepaid, or by facsimile or e-mail transmission; provided, however, in the case of any communication by facsimile or e-mail, written confirmation is dispatched within 24 hours by overnight courier, in the case of the Global Agent or the Exchange Administrator, to:

Wells Fargo Bank, N.A.
Corporate Trust Services
9062 Old Annapolis Road
Columbia, Maryland 21045
Attention: Client Manager – CONN-AVE 2016-C03

with copies to:

Wells Fargo Bank, N.A.
Corporate Trust Services
Sixth Street and Marquette Ave.
Minneapolis, Minnesota 55479
Attention: Corporate Trust Services – CONN-AVE 2016-C03

and, in the case of the Issuer, to:

Fannie Mae
3900 Wisconsin Avenue, NW
Washington, DC 20016
Attention: Vice-President, Structured Transactions, Capital Markets
Email: structured_transactions@fanniemae.com

with copies to:

Fannie Mae, Legal Department, Securitization Group
3900 Wisconsin Avenue, NW
Washington, DC 20016
Attention: Vice-President, Deputy General Counsel, Securitization

or such other address, telephone, facsimile or e-mail as shall be specified in writing by the party in question to the other party hereto.

(e) Counterparts. This Agreement may be executed in separate counterparts, and by each party separately on a separate counterpart, each such counterpart, when so executed and delivered, to be an original. Such counterparts shall together constitute but one and the same instrument.

(f) Cancellation of Unissued Notes. Upon the written request of the Issuer, the Global Agent shall cancel and return to the Issuer all unissued Notes in its possession at the time of such request.

(g) Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

(h) Benefit of Agreement. This Agreement is solely for the benefit of the parties hereto, their successors and assigns and the Holders of Notes and no other Person shall acquire or have any right hereunder by virtue hereof.

(i) Severability. In case any provision in this Agreement or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(j) Entire Agreement. This Agreement, together with the exhibits attached hereto, constitutes the entire agreement between the Global Agent, the Exchange Administrator and the Issuer with respect to the subject matter hereof and supersedes in all respects all prior proposals, negotiations, communications, discussions and agreements between the parties concerning the subject matter of this Agreement.

(k) Waiver. No failure or delay on the part of any party in exercising any power or right under this Agreement shall operate as a waiver, nor does any single or partial exercise of any power or right preclude any other or further exercise, or the exercise of any other power or right. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given.

(l) Assignment. Subject to Section 11(b), neither this Agreement nor any right or obligation hereunder may be assigned or transferred by one party to any third party without the express written consent of the other party to this Agreement. Any purported assignment or transfer not in compliance with this provision shall be void and of no force or effect.

(m) Patriot Act. The parties hereto acknowledge that in accordance with requirements established under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) and its implementing regulations (collectively, the “Patriot Act”), each of the Global Agent and the Exchange Administrator, in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Global Agent or the Exchange Administrator, as applicable. Each party hereby agrees that it shall provide the Global Agent and the Exchange Administrator, as applicable, with such information in its possession as the Global Agent or the Exchange Administrator may request from time to time in order to comply with any applicable requirements of the Patriot Act.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Agreement has been entered into as of the date hereinabove set forth.

WELLS FARGO BANK, N.A.,
as Global Agent

By: _____
Name:
Title:

WELLS FARGO BANK, N.A.,
as Exchange Administrator

By: _____
Name:
Title:

FANNIE MAE,
as Issuer

By: _____
Name:
Title:

DEBT AGREEMENT

Exhibit A

FORM OF NOTE

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CK8

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-1

Original Note Amount: \$157,758,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

THIS NOTE IS AN OBLIGATION OF FANNIE MAE ONLY. THE NOTES, INCLUDING ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES AND DO NOT CONSTITUTE DEBT OR OBLIGATIONS OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FANNIE MAE.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OF SUCH NOTE OR ITS AGENT (THE "ISSUER") FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR THE USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SUBJECT TO LIMITED EXCEPTIONS IN CONNECTION WITH THE INITIAL SALE OF THE NOTES AS PROVIDED IN THE DEBT AGREEMENT, BY ITS ACCEPTANCE OF THIS NOTE THE HOLDER OF THIS NOTE IS DEEMED TO REPRESENT THAT IT IS A QUALIFIED INSTITUTIONAL BUYER (AS SUCH TERM IS DEFINED IN THE DEBT AGREEMENT, DATED APRIL 21, 2016) AND IS ACQUIRING SUCH NOTE FOR ITS OWN ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS.

NO SALE, PLEDGE OR OTHER TRANSFER OF THIS NOTE MAY BE MADE BY ANY PERSON UNLESS (I) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO THE ISSUER OR (II) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES AFTER DUE INQUIRY IS A QUALIFIED INSTITUTIONAL BUYER ACTING FOR ITS OWN

ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS. ANY ATTEMPTED TRANSFER IN CONTRAVENTION OF THE IMMEDIATELY PRECEDING RESTRICTIONS WILL BE VOID AB INITIO AND THE PURPORTED TRANSFEROR WILL CONTINUE TO BE TREATED AS THE OWNER OF THE NOTES FOR ALL PURPOSES.

BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the principal and interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the principal and interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

This Note may not be exchanged for a Note in bearer form.

This Note is an obligation of the Issuer only. This Note, including any interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Issuer.

This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CL6

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-2

Original Note Amount: \$180,295,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

THIS NOTE IS AN OBLIGATION OF FANNIE MAE ONLY. THE NOTES, INCLUDING ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES AND DO NOT CONSTITUTE DEBT OR OBLIGATIONS OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FANNIE MAE.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OF SUCH NOTE OR ITS AGENT (THE "ISSUER") FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR THE USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SUBJECT TO LIMITED EXCEPTIONS IN CONNECTION WITH THE INITIAL SALE OF THE NOTES AS PROVIDED IN THE DEBT AGREEMENT, BY ITS ACCEPTANCE OF THIS NOTE THE HOLDER OF THIS NOTE IS DEEMED TO REPRESENT THAT IT IS A QUALIFIED INSTITUTIONAL BUYER (AS SUCH TERM IS DEFINED IN THE DEBT AGREEMENT, DATED APRIL 21, 2016) AND IS ACQUIRING SUCH NOTE FOR ITS OWN ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS.

NO SALE, PLEDGE OR OTHER TRANSFER OF THIS NOTE MAY BE MADE BY ANY PERSON UNLESS (I) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO THE ISSUER OR (II) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES AFTER DUE INQUIRY IS A QUALIFIED INSTITUTIONAL BUYER ACTING FOR ITS OWN ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS. ANY ATTEMPTED

TRANSFER IN CONTRAVENTION OF THE IMMEDIATELY PRECEDING RESTRICTIONS WILL BE VOID AB INITIO AND THE PURPORTED TRANSFEROR WILL CONTINUE TO BE TREATED AS THE OWNER OF THE NOTES FOR ALL PURPOSES.

BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the principal and interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the principal and interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

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This Note is an obligation of the Issuer only. This Note, including any interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Issuer.

This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CM4

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-2A

Original Note Amount: \$0

Maximum Note Amount: \$56,342,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OF SUCH NOTE OR ITS AGENT (THE "ISSUER") FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR THE USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

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The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

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The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CP7

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-2F

Original Note Amount: \$0

Maximum Note Amount: \$56,342,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

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WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CQ5

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-2I

Original Note Amount: \$0

Maximum Note Amount: \$56,342,000¹

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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¹ Class Notional Amount. The Class Notional Amount of this Note at any time will be the Class Principal Balance of the related Exchangeable Note at such time.

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IT IS EXPECTED THAT THE CLASS NOTIONAL AMOUNT OF THIS NOTE WILL BE REDUCED FROM TIME TO TIME AS SET FORTH HEREIN. ACCORDINGLY, THE CLASS NOTIONAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

This Note may not be exchanged for a Note in bearer form.

This Note is an obligation of the Issuer only. This Note, including any interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Issuer.

This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such notional amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CN2

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1M-2B

Original Note Amount: \$0

Maximum Note Amount: \$123,953,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OF SUCH NOTE OR ITS AGENT (THE "ISSUER") FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR THE USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SUBJECT TO LIMITED EXCEPTIONS IN CONNECTION WITH THE INITIAL SALE OF THE NOTES AS PROVIDED IN THE DEBT AGREEMENT, BY ITS ACCEPTANCE OF THIS NOTE THE HOLDER OF THIS NOTE IS DEEMED TO REPRESENT THAT IT IS A QUALIFIED INSTITUTIONAL BUYER (AS SUCH TERM IS DEFINED IN THE DEBT AGREEMENT, DATED APRIL 21, 2016) AND IS ACQUIRING SUCH NOTE FOR ITS OWN ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS.

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RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS. ANY ATTEMPTED TRANSFER IN CONTRAVENTION OF THE IMMEDIATELY PRECEDING RESTRICTIONS WILL BE VOID AB INITIO AND THE PURPORTED TRANSFEROR WILL CONTINUE TO BE TREATED AS THE OWNER OF THE NOTES FOR ALL PURPOSES.

BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

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This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CR3

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 1B

Original Note Amount: \$59,000,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION
CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CS1

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-1

Original Note Amount: \$241,218,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

THIS NOTE IS AN OBLIGATION OF FANNIE MAE ONLY. THE NOTES, INCLUDING ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES AND DO NOT CONSTITUTE DEBT OR OBLIGATIONS OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FANNIE MAE.

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IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

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WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

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(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CT9

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-2

Original Note Amount: \$482,437,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OF SUCH NOTE OR ITS AGENT (THE "ISSUER") FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR THE USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

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TRANSFER IN CONTRAVENTION OF THE IMMEDIATELY PRECEDING RESTRICTIONS WILL BE VOID AB INITIO AND THE PURPORTED TRANSFEROR WILL CONTINUE TO BE TREATED AS THE OWNER OF THE NOTES FOR ALL PURPOSES.

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The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the principal and interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the principal and interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

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This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CU6

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-2A

Original Note Amount: \$0

Maximum Note Amount: \$156,792,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

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WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

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(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

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(Signature)

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CW2

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-2F

Original Note Amount: \$0

Maximum Note Amount: \$156,792,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

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By: _____

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(name, address, and taxpayer identification number of assignee)

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CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CX0

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-2I

Original Note Amount: \$0

Maximum Note Amount: \$156,792,000¹

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

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NO SALE, PLEDGE OR OTHER TRANSFER OF THIS NOTE MAY BE MADE BY ANY PERSON UNLESS (I) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO THE ISSUER OR (II) SUCH SALE, PLEDGE OR OTHER TRANSFER IS MADE TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES AFTER DUE INQUIRY IS A QUALIFIED INSTITUTIONAL BUYER ACTING FOR ITS OWN

¹ Class Notional Amount. The Class Notional Amount of this Note at any time will be the Class Principal Balance of the related Exchangeable Note at such time.

ACCOUNT (AND NOT FOR THE ACCOUNT OF OTHERS) OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS ALSO ARE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS RESTRICTED TO QUALIFIED INSTITUTIONAL BUYERS. ANY ATTEMPTED TRANSFER IN CONTRAVENTION OF THE IMMEDIATELY PRECEDING RESTRICTIONS WILL BE VOID AB INITIO AND THE PURPORTED TRANSFEROR WILL CONTINUE TO BE TREATED AS THE OWNER OF THE NOTES FOR ALL PURPOSES.

BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

IT IS EXPECTED THAT THE CLASS NOTIONAL AMOUNT OF THIS NOTE WILL BE REDUCED FROM TIME TO TIME AS SET FORTH HEREIN. ACCORDINGLY, THE CLASS NOTIONAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

This Note may not be exchanged for a Note in bearer form.

This Note is an obligation of the Issuer only. This Note, including any interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Issuer.

This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such notional amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CV4

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2M-2B

Original Note Amount: \$0

Maximum Note Amount: \$325,645,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

The Federal National Mortgage Association or Fannie Mae ("Issuer"), for value received, hereby promises to pay to Cede & Co., or its registered assigns, with respect to the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 represented hereby ("Notes"), the principal and interest amounts due on each Payment Date and the Maturity Date, unless earlier redeemed or repaid, in accordance with the terms of the Securities Documents (as defined herein), until the principal and interest due on the Notes represented hereby is paid in full or made available for payment.

The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

This Note may not be exchanged for a Note in bearer form.

This Note is an obligation of the Issuer only. This Note, including any interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Issuer.

This Note is a valid and binding obligation of the Issuer.

The Holder of this Note is entitled to the benefit of, and is deemed to have notice of, all of the provisions of the Securities Documents. This Note is a master security representing the above-reference Class of Notes, which are duly authorized securities of the Issuer issued pursuant to the Securities Documents and identified on the records of the Global Agent (which records are maintained by Wells Fargo Bank, N.A., as Global Agent) as being represented by this Note with the issue date, maturity date, redemption, repayment and other provisions specified in the Securities Documents, and bearing interest on such principal amount at the rate of interest specified in such Securities Documents.

At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: 30711X CY8

Class Coupon: See Prospectus

Holder: CEDE & CO

Note Class: 2B

Original Note Amount: \$45,000,000

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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The terms of (i) the Fannie Mae Connecticut Avenue Securities, Series 2016-C03 Prospectus, dated April 19, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Prospectus"), (ii) the Debt Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), and (iii) the Global Agency Agreement, dated as of April 21, 2016 (as amended, supplemented or otherwise modified from time to time in accordance with its terms, the "Global Agency Agreement"), and collectively with the Prospectus and the Debt Agreement, the "Securities Documents"), between the Issuer and Wells Fargo Bank, N.A., as global agent (the "Global Agent") and as exchange administrator (the "Exchange Administrator"), are incorporated by reference herein verbatim. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the applicable Securities Document.

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At the request of the registered owner, the Issuer shall promptly issue and deliver one or more separate definitive certificates evidencing each obligation evidenced by this Note under the circumstances and subject to the terms set forth in the Securities Documents. As of the date any such definitive certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Note.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____
Name:
Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: April 21, 2016

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

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FORM OF INCUMBENCY CERTIFICATE

The following individual has been selected for, and continues to hold, the position referred to below and the specimen facsimile signature below represents his/her genuine facsimile signature:

Name and Title

Signature

FORM OF DEFINITIVE NOTE

FEDERAL NATIONAL MORTGAGE ASSOCIATION

CONNECTICUT AVENUE SECURITIES

Series 2016-C03

Certificate Number: R-1

CUSIP Number: _____

Class Coupon: See Prospectus

Holder: _____

Note Class: ____

Original Note Amount: \$ _____

Date of Initial Issue: April 21, 2016

Maturity Date: October 2028

Initial Payment Date: May 25, 2016

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BY ITS PURCHASE OF A NOTE (OR A BENEFICIAL INTEREST THEREIN), THE PURCHASER THEREOF WILL REPRESENT OR WILL BE DEEMED TO REPRESENT AND WARRANT EITHER THAT (A) IT IS NOT AND IS NOT ACTING ON

BEHALF OF: (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN SECTION 4975I(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY SUCH PLAN PURSUANT TO 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, WHICH EMPLOYEE BENEFIT PLAN, PLAN OR ENTITY IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR FOREIGN PLAN WHICH IS SUBJECT TO SIMILAR LAW OR (B) ITS PURCHASE, OWNERSHIP OR DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, OR FOREIGN PLAN, ANY VIOLATION OF SIMILAR LAW).

[For Notes other than Class 1M-2I and Class 2M-2I Notes: THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.] **[For Class 1M-2I and Class 2M-2I Notes only:** IT IS EXPECTED THAT THE CLASS NOTIONAL AMOUNT OF THIS NOTE WILL BE REDUCED FROM TIME TO TIME AS SET FORTH HEREIN. ACCORDINGLY, THE CLASS NOTIONAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.]

This Note is issued pursuant to the Debt Agreement dated as of April 21, 2016 (as amended, supplement or otherwise modified from time to time in accordance with its terms, the "Debt Agreement"), as supplemented by a Prospectus applicable to the Notes, copies of which are on file and available for inspection at the Corporate Trust Office of Wells Fargo Bank, N.A., as Global Agent (the "Global Agent"). The Holder of this Note is entitled to the benefit of, is bound by and is deemed to have notice of, all the provisions of the Debt Agreement. Capitalized terms used in this Note and not otherwise defined herein have the meanings assigned in the Debt Agreement.

Fannie Mae, for value received, hereby promises to pay the Holder all payments due under the Debt Agreement in accordance with Article III thereof.

As used herein, the term "Holder" means the person in whose name a Note is registered in the Register (as defined in the Debt Agreement).

In accordance with Section 4.04(d) of the Debt Agreement, definitive Notes shall be presented for registration of transfer or exchange (with the form of transfer included thereon properly endorsed, or accompanied by a written instrument of transfer, with such evidence of due authorization and guaranty of signature as may be required by Fannie Mae, duly executed) at the office of the Registrar or any other transfer agent upon payment of any taxes and other governmental charges and other amounts, but without payment of any service charge to the Registrar or such transfer agent for such transfer or exchange. A transfer or exchange shall not be effective unless, and until, recorded in the Register.

A transfer or exchange of a definitive Note shall be effected upon satisfying the Global Agent with regard to the documents and identity of the person making the request and subject to such reasonable regulations as Fannie Mae may from time to time agree with the Global Agent. Such documents may include forms prescribed by U.S. tax authorities to establish the applicability of, or the exemption from, withholding or other taxes regarding the transferee Holder. Definitive Notes may be transferred or exchanged in whole or in part only in the authorized denominations of the DTC Notes or other Notes issued in global form for which they were exchanged. In the case of a transfer of a definitive Note in part, a new Note in respect of the balance not transferred shall be issued to the transferor. In addition, replacement of mutilated, destroyed, stolen or lost definitive Notes also is subject to the conditions discussed above with respect to transfers and exchanges generally. Each new definitive Note to be issued upon transfer of such a definitive Note, as well as the definitive Note issued in respect of the balance not transferred, shall be mailed to such address as may be specified in the form or instrument of transfer at the risk of the Holder entitled thereto in accordance with the customary procedures of the Global Agent.

Any Note in definitive form that becomes mutilated, destroyed, stolen or lost shall be replaced by Fannie Mae at the expense of the Holder upon delivery to Global Agent of evidence of the destruction, theft or loss thereof, and an indemnity satisfactory to Fannie Mae and the Global Agent. Upon the issuance of any substituted definitive Note, Fannie Mae or the Global Agent may require the payment by the Holder of a sum sufficient to cover any taxes and expenses connected therewith.

Reference is hereby made to the further provision of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Terms used but not defined or stated on the face hereof are used as defined in the Debt Agreement.

Unless the certificate of authentication hereon has been executed by the Global Agent by signature of one of its authorized officers, this Note shall not be entitled to any benefits under the Debt Agreement or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, Fannie Mae has caused this instrument to be duly executed.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: _____

Name:

Title:

Certificate of Authentication

This is the Note for the obligations designated on the face hereof and referred to in the within-mentioned Securities Documents.

WELLS FARGO BANK, N.A.,
as Authenticating Agent

By: _____

Dated: _____

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(name, address, and taxpayer identification number of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Note, in every particular, without alteration or enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or the Global Agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or to such other entity as is requested by an authorized representative of DTC, (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

FORM OF WIRING INSTRUCTIONS
FOR NOTE TRANSFERS AND EXCHANGES

Account Name:
Wire Amount: \$
ABA#:
Account #:
Ref:
Attn:

ISSUANCE REFERENCE POOL FILE and MONTHLY REFERENCE POOL FILE
(Contents of)

Data Elements
REFERENCE POOL ID
LOAN IDENTIFIER
MONTHLY REPORTING PERIOD
ORINATION CHANNEL
SELLER NAME
SERVICER NAME
MASTER SERVICER
ORIGINAL INTEREST RATE
CURRENT INTEREST RATE
ORIGINAL UPB
UPB AT ISSUANCE
CURRENT ACTUAL UPB
ORIGINAL LOAN TERM
ORINATION DATE
FIRST PAYMENT DATE
LOAN AGE
REMAINING MONTHS TO LEGAL MATURITY
ADJUSTED MONTHS TO MATURITY
MATURITY DATE
ORIGINAL LOAN TO VALUE RATIO (LTV)
ORIGINAL COMBINED LOAN TO VALUE RATIO (CLTV)
NUMBER OF BORROWERS
ORIGINAL DEBT TO INCOME RATIO
BORROWER/CO CREDIT SCORE
FIRST TIME HOME BUYER INDICATOR
LOAN PURPOSE
PROPERTY TYPE
NUMBER OF UNITS
OCCUPANCY TYPE
PROPERTY STATE
METROPOLITAN STATISTICAL AREA
ZIP Code Short
PRIMARY MORTGAGE INSURANCE PERCENT
PRODUCT TYPE
PREPAYMENT PREMIUM MORTGAGE FLAG
INTEREST ONLY INDICATOR
FIRST PRINCIPAL AND INTEREST PAYMENT DATE FOR INTEREST ONLY PRODUCTS
MONTHS TO AMORTIZATION FOR INTEREST ONLY PRODUCTS
CURRENT LOAN DELINQUENCY STATUS
LOAN PAYMENT HISTORY
MODIFICATION FLAG
ZERO BALANCE CODE

ZERO BALANCE EFFECTIVE DATE
UPB AT THE TIME OF REMOVAL FROM THE REFERENCE POOL
REPURCHASE DATE
PURPOSE – CASH OUT
SCHEDULED UPB

CALCULATIONS TO BE PROVIDED BY GLOBAL AGENT

[to be provided]

FORM OF PAYMENT DATE STATEMENT

WELLS FARGO BANK, N.A. ACCOUNT FOR PAYMENTS

Direct to:	Wells Fargo Bank, N.A.
Wells Fargo ACH Company ID:	WFCTSPACS
Bank Number ABA:	091000019
Beneficiary Account #:	3970771416
Beneficiary Account Name:	SAS Clearing
Reference:	78928400 CONN-AVE 2016-C03

SCHEDULE OF FEES

Acceptance Fee: \$20,000

Annual Fee: \$230,000 payable in monthly installments of \$19,166.66

**CONNECTICUT AVENUE SECURITIES, SERIES 2016-C03
RCR NOTES
AVAILABLE COMBINATIONS AND RECOMBINATIONS**

Combination	Class of Exchangeable Note	Original Balance (\$)	Class Coupon (%)	CUSIP Number	Expected Ratings (Fitch/KBRA)	Exchange Proportions (%)⁽¹⁾	Class of RCR Note	Maximum Original Balance / Notional Amount (\$)	Exchange Proportions (%)⁽¹⁾	Class Coupon (%)	CUSIP Number	Expected Ratings (Fitch/KBRA)
1	1M-2A	56,342,000	1mL + ___%	30711XCM4	BB+(sf)/BBB(sf)	31.2498960038%	1M-2	180,295,000	100%	1mL + ___%	30711XCL6	B+(sf)/BB(sf)
	1M-2B	123,953,000	1mL + ___%	30711XCN2	B+(sf)/BB(sf)	68.7501039962%						
2	1M-2A	56,342,000	1mL + ___%	30711XCM4	BB+(sf)/BBB(sf)	100%	1M-2F	56,342,000	100%	1mL + ___%	30711XCP7	BB+(sf)/BBB(sf)
							1M-2I	56,342,000 ⁽²⁾	⁽³⁾	___%	30711XCQ5	BB+(sf)/BBB(sf)
3	2M-2A	156,792,000	1mL + ___%	30711XCU6	BB+(sf)/BBB-(sf)	32.4999948180%	2M-2	482,437,000	100%	1mL + ___%	30711XCT9	B(sf)/B+(sf)
	2M-2B	325,645,000	1mL + ___%	30711XCV4	B(sf)/B+(sf)	67.5000051820%						
4	2M-2A	156,792,000	1mL + ___%	30711XCU6	BB+(sf)/BBB-(sf)	100%	2M-2F	156,792,000	100%	1mL + ___%	30711XCW2	BB+(sf)/BBB-(sf)
							2M-2I	156,792,000 ⁽²⁾	⁽³⁾	___%	30711XCX0	BB+(sf)/BBB-(sf)

⁽¹⁾ Exchange proportions are constant proportions of the original Class Principal Balances or Class Notional Amounts, as applicable, of the Class or Classes of Exchangeable Notes or RCR Notes being exchanged. In accordance with the exchange proportions, Holders of Exchangeable Notes may exchange those Notes for RCR Notes, and vice versa.

⁽²⁾ Class Notional Amount.

⁽³⁾ The Class Notional Amount of this RCR Note will equal the Class Principal Balance of the related Exchangeable Note.

Exchanges

We permit any exchange of Classes within a Combination, subject to the following constraints:

- The Classes must be exchanged in the applicable "exchange proportions" shown above. As described below, these are based on the original Class Principal Balances (or original Class Notional Amounts, if applicable) of the Exchangeable or RCR Notes, as applicable.

- The aggregate Class Principal Balance (rounded to whole dollars) of the Notes received in the exchange, immediately after the exchange, must equal that of the Notes surrendered for exchange immediately before the exchange (for this purpose, the Class Notional Amount of any Interest Only RCR Note always equals \$0).
- The aggregate "Annual Interest Amount" (rounded to whole dollars) of the Notes received in the exchange must equal that of the Notes surrendered for exchange. The "**Annual Interest Amount**" for any Note equals its outstanding Class Principal Balance or Class Notional Amount multiplied by its Class Coupon. The Annual Interest Amount for the Classes received and the Classes surrendered must be equal at all levels of LIBOR.

We base the "exchange proportions" on the original, rather than on the outstanding, Class Principal Balance or Class Notional Amount of the Classes.

FORM OF NOTICE TO IRISH STOCK EXCHANGE

Company Announcement

For immediate release

_____, 20__

**FANNIE MAE (THE ISSUER)
CONNECTICUT AVENUE SECURITIES,
Series 2016-C03 Notes Due October 2028**

[classes affected by the exchange]
(the Notes)

Re: Exchangeable and Combinable Notes:

The Issuer wishes to advise that as at today's date the following notes are outstanding:

Class	Notes Outstanding
Class 1M-2	
Class 1M-2A	
Class 1M-2B	
Class 1M-2I	
Class 1M-2F	
Class 2M-2	
Class 2M-2A	
Class 2M-2B	
Class 2M-2I	
Class 2M-2F	

For further information please contact:

[name and phone number]

FORM OF EXCHANGE LETTER

Noteholder Letterhead

_____, 20__

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479
Attention: Connecticut Avenue Securities, Series 2016-C03

Re: Fannie Mae Connecticut Avenue Securities, Series 2016-C03

Ladies and Gentlemen:

Pursuant to the terms of that certain Global Agency Agreement, dated as of April 21, 2016 (the "Global Agency Agreement"), between FEDERAL NATIONAL MORTGAGE ASSOCIATION ("Fannie Mae"), as issuer (the "Issuer"), and WELLS FARGO BANK, N.A., a national banking association organized under the laws of the United States of America, as agent, registrar, authenticating agent, calculation agent, paying agent and transfer agent (collectively in such capacities, the "Global Agent") and as exchange administrator (in such capacity, the "Exchange Administrator"), we hereby present and surrender the [Exchangeable Note(s)] [RCR Note (s)] specified on Schedule I attached hereto [(the "Exchangeable Notes") [(the "RCR Notes")]] and transfer, assign, set over and otherwise convey, all of our rights, title and interest in and to the [Exchangeable Notes] [RCR Notes] including all payments of interest thereon received after _____, 20__, in exchange for the [RCR Notes][Exchangeable Notes] specified on Schedule I attached hereto.

We agree that upon such exchange the portions of the [Exchangeable Notes] [RCR Notes] designated for exchange shall be deemed exchanged and replaced by the [RCR Notes] [Exchangeable Notes] issued in exchange therefor, and we further agree that our rights to receive payments in respect of such [Exchangeable Notes][RCR Notes] will be replaced with rights to receive payments in respect of [RCR Notes][Exchangeable Notes].

We confirm that we have paid a fee of \$5,000 to the Exchange Administrator in connection with such exchange.

[Remainder of Page Intentionally Left Blank]

We hereby represent that we are the holder of 100% of the [Exchangeable Notes] [RCR Notes] to be exchanged hereunder.

Sincerely,

By: _____

Name:

Title:

Signature must be guaranteed by an eligible guarantor institution which is a participant in the Securities Transfer Agent's Medallion Program (STAMP) or similar signature guarantee program.

Notice: The signature(s) on this assignment must correspond with the name(s) as it appears on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever

(Authorized Officer)

Acknowledged by:

WELLS FARGO BANK, N.A.,
as Exchange Administrator

By: _____

Name:

Title:

Schedule I to Exchange Letter

Surrendered Class(es) of [Exchangeable Notes] and/or [RCR Notes]			In Exchange For Class(es) of [RCR Notes] and/or [Exchangeable Notes]		
CUSIP Number	Class(es) of [Exchangeable Notes] / [RCR Notes]	Exchange Proportions	CUSIP Number	Class(es) of [RCR Notes] / [Exchangeable Notes]	Exchange Proportions
[] []	[Exchangeable Note] [Exchangeable Note]	[]% []%	[]	[RCR Note]	[]%
[]	[Exchangeable Note]	[]%	[] []	[RCR Note] [RCR Note]	[]% []%
[] []	[Exchangeable Note] [Exchangeable Note]	[]% []%	[]	[RCR Note]	[]%
[]	[Exchangeable Note]	[]%	[] []	[RCR Note] [RCR Note]	[]% []%