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

as

Issuer, Master Servicer, Guarantor and Trustee

**2016 SINGLE-FAMILY MASTER TRUST
AGREEMENT**

for

**GUARANTEED MORTGAGE
PASS-THROUGH CERTIFICATES**

evidencing undivided beneficial interests in

POOLS OF RESIDENTIAL MORTGAGE LOANS

June 1, 2016

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2016 SINGLE-FAMILY MASTER TRUST AGREEMENT

THIS 2016 SINGLE-FAMILY MASTER TRUST AGREEMENT is executed by Federal National Mortgage Association (“Fannie Mae”), in its corporate capacities as Issuer, Master Servicer and Guarantor, and in its capacity as Trustee.

RECITALS:

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

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

ARTICLE I

DEFINED TERMS AND RULES OF CONSTRUCTION

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

Accepted Servicing Practices: To the extent particular servicing practices are specified in the Trust Documents, such servicing practices; to the extent not specified in the Trust Documents, the servicing practices specified in the related Servicing Contract; and to the extent not specified in the Trust Documents or the related Servicing Contract, the customary servicing practices of prudent servicers in servicing and administering mortgage loans similar to the Mortgage Loans for their own accounts. For purposes of clarification, in the event that specific provisions contained in the related Servicing Contract are supplemental to and otherwise not

inconsistent with the express terms of the Trust Documents, then such specific provisions will be included in Accepted Servicing Practices. Similarly, if the customary servicing practices of prudent servicers in servicing and administering mortgage loans similar to the Mortgage Loans for their own accounts are supplemental to and otherwise not inconsistent with either the express terms of the Trust Agreement or the specific provisions of the related Servicing Contract, then such customary servicing practices will be included in Accepted Servicing Practices. Accepted Servicing Practices will at all times be subject to applicable law and regulation.

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

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

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

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

Book-Entry Rules: The provisions in effect from time to time, currently contained in Title 12, Part 1249, of the Code of Federal Regulations, which govern the terms and conditions under which the Issuer may issue securities on the book-entry system of the Federal Reserve Banks and authorize a Federal Reserve Bank to act as the Issuer's agent in connection with such securities.

Books and Records: As to any Trust, the records, as determined by the Trustee, used to account for the activity of the Mortgage Loans in the related Pool and other assets of the related Trust Fund, including electronic records as well as physical documents, which may include accounting records.

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

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

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

Certificate Account: Any account or accounts created and maintained pursuant to Section 7.2, which may hold funds of one or more Trusts and Other Fannie Mae Trusts.

Certificate Distribution Amount: For each Distribution Date with respect to a Trust, the sum of the Certificate Interest Distribution Amount (determined without giving effect to any Loss Mitigation Alternative or other loan modification) and the Certificate Principal Distribution Amount for that Trust.

Certificate Interest Distribution Amount: For each Distribution Date with respect to a Trust, one month's interest (based on a 360-day year consisting of twelve 30-day months) calculated as (a) the product of (x) the Pass-Through Rate and (y) the aggregate Certificate Principal Balance for all outstanding Certificates of that Trust as of the immediately preceding Distribution Date (or in the case of the initial Distribution Date, the original aggregate Certificate Principal Balance); provided, however, that the Master Servicer in calculating or causing to be calculated the amount to be distributed on any Distribution Date will make any adjustments as are necessary to reconcile prior payments made in error.

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

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

- (i) scheduled principal due on those Mortgage Loans during the related Due Period (as adjusted for any change in the amortization schedule resulting from a Prepayment but without giving effect to any Loss Mitigation Alternative or other loan modification);
- (ii) the Stated Principal Balance of each of those Mortgage Loans as to which a Prepayment in full (whether by or on behalf of the Borrower or through a purchase from the related Trust) was received during the calendar month immediately preceding the month in which that Distribution Date occurs; and
- (iii) any partial Prepayment received in respect of any of those Mortgage Loans during the calendar month preceding the month in which that Distribution Date occurs;

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

Notwithstanding the provision in clause (ii) above, the Master Servicer may deem any full Prepayment of a Mortgage Loan from or on behalf of a Borrower that is received by the first Business Day of a month as received in the prior calendar month for purposes of distribution, rather than on the date of receipt, if the related Servicing Contract with the Direct Servicer (or, if applicable, the related Subservicer) so provides.

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

Code: The Internal Revenue Code of 1986, as amended; references to any section refer to that section or any successor or replacement section.

Custodial Account: Any account or accounts created and maintained pursuant to Section 6.1.

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

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

Direct Servicer: A Person obligated to service any Mortgage Loan or Pool pursuant to a Servicing Contract, which may include an independent contractor of the Master Servicer or of Fannie Mae (acting individually or in its capacity as Master Servicer).

Distribution Date: The 25th day of any month, or if that day is not a Business Day, the next Business Day. The first Distribution Date with respect to a Trust will occur in the first month that follows the month in which the Issue Date occurs.

Due-on-Transfer Provision: A provision in the Mortgage Documents that permits the owner of that Mortgage Loan to accelerate the maturity of that Mortgage Loan upon certain transfers or changes in ownership of the Mortgaged Property, whether voluntary or involuntary (which may include a sale, transfer by operation of law, or other transfer), or upon a change in ownership of the Person that owns the Mortgaged Property, if other than a natural Person.

Due Period: As to any Distribution Date, the period beginning on the second calendar day of the month immediately preceding the month in which such Distribution Date occurs and ending on the first calendar day of the month of such Distribution Date.

Effective Date: June 1, 2016.

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

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

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

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

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

- (i) obligations of, or obligations guaranteed as to the full and timely payment of principal and interest by, the United States;
- (ii) obligations of any agency or instrumentality of the United States that have a long-term rating or a short-term rating, as applicable, from S&P or from Moody’s, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;

- (iii) certificates of deposit, time deposits and bankers' acceptances of any depository institution or trust company, provided that the short-term securities of the depository institution or trust company are rated by S&P or Moody's in the highest applicable ratings category for short-term securities;
- (iv) commercial paper of any corporation that is rated by S&P or Moody's in its highest short-term ratings category;
- (v) asset-backed commercial paper that is rated by S&P or Moody's in its highest short-term ratings category;
- (vi) debt securities that have a long-term rating or a short-term rating, as applicable, from S&P or from Moody's, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;
- (vii) money market funds that are rated by S&P or Moody's in one of its two highest ratings categories for money market funds;
- (viii) discount notes and other short-term debt obligations issued by Fannie Mae, the Federal Home Loan Banks, the Federal Farm Credit Bank or another entity that is an agency or instrumentality of the United States, provided that the issuer then has a long-term rating or short-term rating, as applicable, from S&P or Moody's, in either case in one of its two highest ratings categories for long-term securities or in its highest ratings category for short-term securities;
- (ix) repurchase agreements on obligations that are either specified in any of clauses (i), (ii) or (vi) above or are mortgage-backed securities insured or guaranteed by Fannie Mae or another entity that is an agency or instrumentality of the United States; provided that the counterparty to the repurchase agreement is an entity whose short-term debt securities are rated by S&P or Moody's in its highest ratings category for short-term securities; and
- (x) any other investment that is approved by the Guarantor and is rated in one of the two highest ratings categories of the applicable rating agency for long-term securities or the highest ratings category of the applicable rating agency for short-term securities.

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

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

Excess Spread: With respect to a Mortgage Loan, that portion of the Spread that exceeds the sum of (i) the related Servicing Fee, (ii) any related LPMI Charge, (iii) the related Guaranty Fee, and (iv) any other fee or expense authorized by the related Servicing Contract to be paid out of the Spread as provided pursuant to paragraph (b) of Subsection 5.1(6); provided, however, that as of any date of determination with respect to that Mortgage Loan, Excess Spread will be deemed to exclude any Securitized Excess Spread.

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

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

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

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

Final Distribution Date: With respect to a Trust, the first Distribution Date after the Due Period or calendar month, as applicable, in which the final payment on the last Mortgage Loan then remaining in that Trust is made or would be considered made for purposes of determining the Certificate Principal Distribution Amount (whether the final payment is made by a Borrower or by means of a Delinquency Advance, Guaranty payment, a purchase pursuant to Section 2.5, any other full Prepayment or otherwise), but in no event later than the first Distribution Date after the Final Maturity Date.

Final Maturity Date: With respect to a Trust, the date, calculated as of the Issue Date, that is (i) the first day of the month coinciding with the last scheduled payment date of the Mortgage Loan in that Trust that has the latest final scheduled payment date, as shown in the related Issue Supplement or (ii) if the Mortgage Loan's scheduled payment dates do not fall on the first day of the month, then the first day of the month next following such last scheduled payment date.

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

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

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

GAAP: United States generally accepted accounting principles, as in effect from time to time.

Guarantor: Fannie Mae, in its corporate capacity as guarantor under this Trust Agreement, or any successor or assign that assumes the responsibilities provided for this capacity in the Trust Documents.

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

Guaranty: The Guarantor's guaranty obligations to a Trust, as described in Section 7.5. For purposes of clause (a) of Subsection 7.4(4) and Subsection 7.5(3), any Delinquency Advance deposited to a Certificate Account will be treated as a payment made under the Guaranty.

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

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

Guide: The Issuer's Servicing Guide, as it is amended, supplemented, restated or succeeded from time to time, as applicable to loans of the type included in the Pool with respect to any Trust.

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

IDC: IDC Financial Publishing, Inc. or its successor.

Interest-Only Mortgage Loan: A Mortgage Loan, which may be a Fixed-Rate Mortgage Loan or an Adjustable-Rate Mortgage Loan, that provides for scheduled payments solely of interest on one or more payment dates, and not for payment of any principal on such dates.

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

Issue Date Loan Balance: As to any Mortgage Loan, the principal balance of that Mortgage Loan as of the related Issue Date (after giving effect to all scheduled payments of principal due on or before such Issue Date and any unscheduled payments of principal received and applied on or before such Issue Date), as that principal balance is specified in the Mortgage Loan Schedule.

Issue Date Pool Balance: As to any Trust, the sum of the Issue Date Loan Balances of all Mortgage Loans included in that Trust as of the Issue Date.

Issue Supplement: Any one or more physical or electronic documents or records (signed or unsigned) prepared by the Issuer as provided in Section 3.1, that, together with this Trust

Agreement, documents the establishment of a Trust, as such documents or records may be amended, modified or supplemented from time to time. An Issue Supplement may be comprised of a document or record in one of the forms appended to this Trust Agreement as Exhibits A through F, or such other form as the Issuer may designate from time to time.

Issuer: Fannie Mae, in its capacity as sponsor of each issuance of Certificates and settlor of each of the Trusts, or any successor or assign that assumes the responsibilities specified for this capacity in the Trust Documents.

Kroll: Kroll Bond Rating Agency, Inc. or its successor.

Latest Servicer Remittance Date: With respect to each Distribution Date and Direct Servicer or Subservicer, the latest related Servicer Remittance Date under the related Servicing Contract on which funds to be distributed to Holders on that Distribution Date are required to be transferred for deposit to a Certificate Account.

Loss Mitigation Alternative: Any action or series of actions (x) pursuant to one or more agreements between the Borrower and the Trustee or the Master Servicer (or, if permitted by the Servicing Contract, the Direct Servicer) or (y) as a result of any concessions to the Borrower by the Trustee or the Master Servicer (or, if permitted by the related Servicing Contract, the Direct Servicer) that, in each case, satisfy the requirements set forth in this definition and in Subsection 5.3(3) and under which the parties may agree to refrain from pursuing remedies for default under the Mortgage Documents while attempts to resolve the default are continuing. The agreement(s) may include whatever loss mitigation alternatives are considered by the Master Servicer (or, if permitted under the related Servicing Contract, by the Direct Servicer) to be appropriate to that Borrower under the applicable facts, consistent with Accepted Servicing Practices, including providing for a period of forbearance, reduced payments, loan modifications or any other actions that, taken as a whole, would have the effect of curing the default on the Mortgage Loan, require the Borrower to cure the default on the Mortgage Loan during the combined term of all such actions, or result in satisfaction of the Mortgage Loan.

LPMI Charge: A premium required to be paid by a Direct Servicer for Mortgage Insurance if the Borrower is not required under the terms of the Mortgage Documents to pay such charges and the Direct Servicer is required under its Servicing Contract to pay such charges (sometimes called “lender paid mortgage insurance”).

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

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

Mortgage: The mortgage, deed of trust, deed to secure debt, security agreement, security instrument and any other instrument creating a lien or encumbrance on the Mortgaged Property securing a Mortgage Note, including, in the case of a cooperative share loan, the loan security agreement or other security instrument creating a lien or encumbrance on the Mortgaged Property securing a Mortgage Note.

Mortgage Documents: With respect to each Mortgage Loan, the applicable documents identified in Subsection 3.4(1).

Mortgage Insurance: A policy, contract, guaranty (other than the Guaranty) or arrangement (including any statutory arrangement) with respect to a single Mortgage Loan, issued under or arising from a program established by a Person (whether a governmental unit or other than a governmental unit), under which all or a portion of the obligations owing under the Mortgage Loan, if not paid by the Borrower, will be paid by the applicable Person unless an exclusion under such single-loan policy, contract, guaranty or arrangement applies.

Mortgage Interest Rate: With respect to a Mortgage Loan on any date, the annualized rate at which interest accrues on such Mortgage Loan in accordance with the provisions of the related Mortgage Note.

Mortgage Loan: (i) A loan secured by a Mortgage on a one- to four-unit residential dwelling, (ii) a residential cooperative share loan, (iii) a Participation Interest, or (iv) a loan secured by a lien on a manufactured housing unit, any of which has been identified in the Mortgage Loan Schedule for the related Trust. Any reference to “Mortgage Loans” or “residential mortgage loans” will be deemed to include any loan or interest described in (i) through (iv) above as the context requires in order to effectuate the purposes of the Trust Documents.

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

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

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

Mortgaged Property: The real property, all improvements (without regard to when erected) on and appurtenant to any such real property, and any personal property that secures a Mortgage Loan through the lien or encumbrance of a Mortgage, whether the property is real or personal property under applicable law, including manufactured housing that is not considered real property under applicable law and, in the case of a Mortgage Loan that is a cooperative share loan, the cooperative housing corporation stock, shares, membership certificate or other contractual agreement evidencing ownership, and the appurtenant proprietary lease or occupancy agreement, or other security interest that secures a Mortgage Loan.

Negative Amortization Mortgage Loan: As further described in any related Issue Supplement, a Mortgage Loan under the terms of which the required periodic interest payment, at one or more times during the life of the Mortgage Loan, may be less than the interest accrued for the period to which that payment relates.

Net Rate: With respect to a Mortgage Loan on any date, (a) for a Fixed-Rate Mortgage Loan, the Pass-Through Rate of the related Trust, and (b) for an Adjustable-Rate Mortgage Loan, the related Mortgage Interest Rate minus the Spread Rate for that Mortgage Loan.

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

Other Fannie Mae Trust: Any trust established pursuant to a document (other than this Trust Agreement) under which mortgage-backed securities have been issued by Fannie Mae.

Participation Interest: An undivided beneficial interest, represented by a certificate or other written document or book entry, in one or more mortgage loans, each secured by a lien on one or more one- to four-unit residential dwellings, cooperative shares in a residential dwelling or one or more units of manufactured housing.

Pass-Through Rate: As to any Pool of Mortgage Loans and any Distribution Date, the per annum rate of interest that is used to calculate the Certificate Interest Distribution Amount for the applicable one-month period, which per annum rate is either (a) as to a Pool of Fixed-Rate Mortgage Loans, the rate specified as such in the Issue Supplement, or (b) as to a Pool of Adjustable-Rate Mortgage Loans, the rate equal to the weighted average of the Net Rates applicable to payments due during the related Due Period for all of the Mortgage Loans in the Pool, weighted on the basis of their respective Stated Principal Balances as of that Distribution Date before giving effect to any distribution of principal on that Distribution Date. Unless otherwise provided in the related Issue Supplement, the Pass-Through Rate will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

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

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

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

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

Pool Proceeds: As to any Pool, all payments and recoveries received by or on behalf of a Subservicer, a Direct Servicer, the Master Servicer or the Trustee with respect to any of the Mortgage Loans in such Pool, regardless of their source, including any scheduled payment received from or on behalf of the related Borrower, any Prepayment, any insurance proceeds, any contractual right to receive the purchase price of any Mortgage Loan or REO Property purchased out of the Pool, any Estimated Funding and Guaranty payment, in each case received after the Issue Date, **excluding**:

- (i) any Borrower principal or interest payment that was due on or before the Issue Date;
- (ii) any Prepayment received after the Issue Date and applied prior to the establishment of the Issue Date Loan Balance as shown on the Mortgage Loan Schedule;
- (iii) any Borrower payments on account of property taxes, special assessments, ground rents, insurance premiums and similar expenses; and
- (iv) any interest earnings or other earnings on funds on deposit in any Custodial Account or any Certificate Account.

Prepayment: Any unscheduled payment of principal on a Mortgage Loan, whether made voluntarily by the Borrower or otherwise, including payments received from foreclosure, liquidation, condemnation or insurance proceeds (other than condemnation or insurance proceeds used for repair and renovation in accordance with the Mortgage Documents), other similar proceeds (including environmental recoveries and governmental payments), proceeds of purchases or other removal of a Mortgage Loan from a Pool or any other unscheduled payment. A Prepayment may represent a partial prepayment or full prepayment of principal on a Mortgage Loan and, to the extent the payment affects the Borrower's obligations, is subject to application as provided in the Mortgage Documents or, if not so provided, by applicable law.

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

Reasonably Foreseeable: With respect to an anticipated or imminent payment default, as defined under the Code or applicable Treasury Regulations and otherwise in accord with Accepted Servicing Practices.

Record Date: As to any Distribution Date, the close of business on the last day of the calendar month immediately preceding the calendar month in which that Distribution Date occurs.

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

REO Property: A Mortgaged Property or, with respect to a Participation Interest, an interest in a Mortgaged Property as evidenced by the related participation certificate, acquired on behalf of the Trust through foreclosure or deed-in-lieu of foreclosure or other means of conversion by which title to a Mortgaged Property or interests in that Mortgaged Property may be transferred to or for the benefit of the Trust.

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

Securitized Excess Spread: Any portion of the Spread that has been transferred to an Other Fannie Mae Trust.

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

Servicer Remittance Date: The date or dates under the related Servicing Contract on which a Direct Servicer or Subservicer is required to transfer amounts in the Custodial Account to the Master Servicer or the Trustee for deposit to a Certificate Account. In no event will any Servicer Remittance Date for amounts due to be distributed on a particular Distribution Date be later than the Business Day immediately preceding the Distribution Date on which these funds are to be distributed to Holders.

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

Servicing Contract: An agreement between the Master Servicer and a Direct Servicer or Subservicer that relates to the servicing of Mortgage Loans and is comprised of the mortgage selling and servicing contract (which incorporates the Guide), as the same may be amended from time to time by any other written agreements between the parties (including master agreements and any related pool purchase contracts). The Servicing Contract applies to the servicing of Mortgage Loans at time of delivery, and may apply to Mortgage Loans in one or more Pools and loans in other Fannie Mae Trusts or loans owned by one or more other Persons.

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

Servicing Fee: With respect to a Mortgage Loan, any minimum fee determined in accordance with the related Servicing Contract that is payable from time to time to the Master Servicer or to a Direct Servicer (or Subservicer) for the collection of payments, loan administration and management of operational procedures and other services related to servicing that Mortgage Loan, as provided pursuant to paragraph (a) of Subsection 5.1(6).

Spread: With respect to a Mortgage Loan, an amount calculated as the product of the Spread Rate and the Stated Principal Balance of such Mortgage Loan.

Spread Rate: The annualized rate equal to either (a) as to any Fixed-Rate Mortgage Loan, the Mortgage Interest Rate minus the Net Rate, or (b) as to any Adjustable-Rate Mortgage Loan, the rate specified as such in the related Issue Supplement.

Stated Principal Balance: With respect to a Mortgage Loan in any Trust on any date of determination, the Issue Date Loan Balance, reduced by all distributions from whatever source with respect to principal on that Mortgage Loan that have been paid to Holders after the Issue Date. Any adjustment to the Stated Principal Balance of a Mortgage Loan will be effective only as of a Distribution Date.

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

Transferor: For purposes of Article XIV, (a) a Person, acting in its capacity as principal, that transfers Mortgage Loans to the Issuer for securitization in exchange for cash or Certificates, or a combination of cash and Certificates; or (b) in the case of a Pool of PFP Loans, the Issuer. This definition of Transferor will be interpreted in a manner consistent with the requirements of GAAP and any other relevant authoritative accounting literature, as such requirements are applicable from time to time.

Treasury Regulations: Temporary and final regulations promulgated under the Code, revenue rulings and other public interpretations of the Code by the Internal Revenue Service, as such regulations, rulings and interpretations may be amended or otherwise revised from time to time.

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

Trust Administration Fee: Any fee payable pursuant to Section 2.8 (or, if applicable, Subsection 5.1(5) or Section 10.10) as compensation for services to the Trusts.

Trust Agreement: This 2016 Single-Family Master Trust Agreement, by and among Fannie Mae in its corporate capacities as Issuer, Master Servicer and Guarantor, and Fannie Mae in its capacity as Trustee, as it may be amended in accordance with its terms.

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

Trust Fund: As to any Trust, the assets consisting of (a) the Mortgage Loans that constitute the Pool, (b) Pool Proceeds, (c) any REO Property, (d) any other assets related to or derived from such Mortgage Loans, Pool Proceeds and REO Property that may from time to time serve as collateral for a Mortgage Loan (including insurance proceeds held pending their application to repair damage) and (e) the right to receive payments under the Guaranty, but excluding (i) any interest earnings or other investment earnings on any of those assets when held pursuant to this Trust Agreement in any account established under this Trust Agreement, (ii) the Spread, (iii) ancillary charges, and (iv) any amounts received upon the liquidation or other final

payment of a Mortgage Loan (including any insurance payments) that exceed the Stated Principal Balance of that Mortgage Loan.

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

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

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

United States: The United States of America.

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

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

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

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

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

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

1.2(5) *Written Statements.* Every "request," "order," "demand," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action by any party will be

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

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

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

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

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

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

1.2(11) *Rating Agency.* Whenever reference is made to any rating agency (i) if that rating agency has been merged into another entity, no longer exists, no longer rates the type of security or entity that is the subject of the reference, or no longer uses the ratings system that is included in the reference, and if there is a successor rating agency, then the reference will be deemed to mean that successor rating agency; (ii) it may include a nationally recognized statistical rating organization, other than one named in this Trust Agreement, that has been designated as such by the Securities and Exchange Commission (or successor governmental agency) and selected by the Issuer for purposes of this Trust Agreement; or (iii) for money market funds, if neither S&P nor Moody’s has rated, or if each has ceased to rate, a money market fund, then the Issuer may select any other rating agency widely used by the market for

rating money market funds, such as Morningstar RatingsTM, Fitch, Inc., Lipper, Inc., Duff & Phelps Credit Rating Co., Dominion Bond Rating Service or any comparable rating agency. For purposes of this provision, if the legal form and status of a rating agency is unchanged but (x) such rating agency no longer rates the type of security or entity that is the subject of the rating or (y) such rating agency no longer uses the ratings system that is included in the reference, the term “successor rating agency” will also include any rating agency designated by the Issuer that continues to rate the relevant type of security or entity and/or continues to use a comparable ratings system, as applicable, and that otherwise satisfies the criteria set forth in (ii) and (iii) above. In the case of (i), (ii) or (iii), the referenced ratings categories will be deemed to refer to the comparable ratings categories in the rating system used by the rating agency that succeeds that rating agency. In determining the number of applicable ratings categories of a particular rating agency, pluses and minuses (or numbered subcategories) will be ignored, except that a minimum alpha-numeric rating that is followed by a minus sign (or by the least desirable numeric indication) will not be considered to be in the required category. For example, as of the Effective Date, (a) the two highest ratings categories for long-term securities are “AAA” and “AA” for S&P and “Aaa” and “Aa” for Moody’s; (b) the highest ratings categories for short-term securities are “A-1” for S&P and “P-1” for Moody’s; (c) the two highest ratings categories for money market funds are “AAAm” and “AAM” for S&P and “Aaam” and “Aam” for Moody’s; and (d) a long-term rating of “AA-” by S&P or “Aa3” by Moody’s will not be considered in the two highest ratings categories.

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

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

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

governmental unit. A Person may exercise any of the rights or powers granted to it or perform any duties under the Trust Documents either directly or by or through agents or attorneys.

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

1.2(16) *Will.* Whenever the word “will” is used as a verb, such word means that an obligation is imposed and is not intended merely as an expression of the future tense.

1.2(17) *Court.* Whenever the word “court” is used, such word means a court of competent jurisdiction.

ARTICLE II

CREATION OF TRUST; CONVEYANCE OF LOANS; PURCHASES OF LOANS

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

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

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

(a) the Trustee (i) accepts the Mortgage Loans so conveyed, (ii) acknowledges that it holds all of the related Trust Fund in trust for the exclusive benefit of the related Holders, and (iii) agrees to administer the related Trust Fund and the related Certificates in accordance with the terms of the related Trust Documents;

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

(c) the Guarantor agrees to make Guaranty payments in accordance with the terms of the related Trust Documents.

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

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

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

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

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

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

(v) immediately upon default of the deemed indebtedness of the Issuer with respect to any Trust, the Trustee, without any further action, become the absolute owner (in its capacity as Trustee of the related Trust) of the Mortgage Loans securing such deemed indebtedness, free and clear of any and all interests of the Issuer in such Mortgage Loans.

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

2.1(5) *Prohibition Against Encumbrance.* Except as may otherwise be provided expressly in the Trust Documents, neither Fannie Mae (in any of its corporate capacities) nor the Trustee will, directly or indirectly (by causing or permitting a Direct Servicer, a Custodian or other agent or independent contractor to do so), assign, sell, dispose of or transfer all or any portion of or interest in the Trust Fund, or permit all or any portion of the Trust Fund to be

subject to any lien, claim, mortgage, security interest, pledge or other encumbrance of any other Person. Nothing in this Subsection 2.1(5) prevents the Borrower from causing the Mortgaged Property that secures a Mortgage Loan included in such Trust Fund to become subject to another lien, nor a Direct Servicer from pledging or transferring its rights under and in accordance with the provisions of the Servicing Contract or from transferring a portion of the Excess Spread with respect to a Mortgage Loan as provided in paragraph (b) of Subsection 5.1(6) or Subsection 5.1(7).

2.1(6) *Status of Trust.* For federal income tax purposes, each Trust formed under this Trust Agreement will be treated as a fixed investment trust under the Code and applicable Treasury Regulations, and not as an association taxable as a corporation. The Trust Documents will be interpreted so as not to provide any “power to vary the investment” (within the meaning of the applicable Treasury Regulations) of any Trust formed under this Trust Agreement. The Trustee will take any action or cause the Trust to take any action necessary (i) to create and maintain the status of each Trust as a fixed investment trust for federal income tax purposes; and (ii) to the extent not inconsistent with clause (i), to maintain the federal income tax status of any REMIC or Other Fannie Mae Trust that holds Certificates of any Trust. In addition, the Trustee will refrain from taking any action, including any action otherwise permitted or required under this Agreement, that would disqualify any Trust as a fixed investment trust or change the federal income tax status of any REMIC or Other Fannie Mae Trust that holds Certificates of any Trust.

2.1(7) *Use of Information.* Notwithstanding anything to the contrary in Subsection 2.1(1), Fannie Mae, in each of its capacities, retains or is and will be granted, as applicable, on a nonexclusive basis, any and all licenses and rights to store, reproduce, edit, analyze, distribute and use in any manner all or part of information or data contained in the Mortgage Documents and in any other records and documentation regarding the Mortgage Loans, and all accounts, insurance policies and other matters relating to any Mortgage Loan or Pool under Article V or otherwise under the Trust Documents. Successors and assigns of the Issuer, the Trustee, the Master Servicer and the Guarantor are and will be granted, on a nonexclusive basis, any and all licenses and rights to store, reproduce, edit, analyze, distribute and use all or part of such information or data for the purpose of carrying out their respective functions.

2.1(8) *Payment for Services to Trusts.* In order that services to the Trusts will be provided, fees and expenses payable under the Trust Documents for a Trust (including Servicing Fees and ancillary charges, LPMI Charges, Excess Spread, Trust Administration Fees and Guaranty Fees) are payable prior to any distribution to Holders.

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

consideration for those additional Certificates. By settlement of and transfer of consideration for a Certificate, a Holder acknowledges, accepts and agrees to be bound by all of the terms and conditions of the Trust Documents, and is deemed to waive any rights that are inconsistent with the Trust Documents.

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

Section 2.4 *Determination of Pool.* The Issuer will determine the Issue Date Pool Balance of, and specify the Mortgage Loans constituting, a Pool as of the Issue Date by listing the Mortgage Loans in that Pool on the Mortgage Loan Schedule. The Issuer may amend the Mortgage Loan Schedule to correct administrative errors at any time prior to the first Distribution Date. Thereafter, the identity of the Mortgage Loans included in the Pool will not change except that (a) Mortgage Loans may be paid off, purchased, liquidated, foreclosed upon, or become REO Property (as permitted and described in this Trust Agreement) and (b) errors in data pertaining to the Mortgage Loans may be corrected at any time. Not later than the first Distribution Date, the Issuer will establish the final Issue Date Pool Balance of the Pool on the Books and Records.

Section 2.5 *Limited Purchase of Mortgage Loans or REO Property from Trusts.*

2.5(1) *Mandatory Purchase by Issuer.* The Issuer will purchase a Mortgage Loan or REO Property, or cause a Mortgage Loan or REO Property to be purchased, from a Trust at the purchase price specified in Subsection 2.5(4) under any of the following circumstances:

(a) as soon as practicable, if (i) the Issuer determines that its acquisition of that Mortgage Loan was unauthorized and that a purchase of that Mortgage Loan is necessary to comply with applicable law; or (ii) a court or governmental agency requires the Issuer to purchase that Mortgage Loan from a Trust to comply with applicable law;

(b) as soon as practicable, if any governmental unit, agency or court requires (x) the transfer of the Mortgage Loan or Mortgaged Property (other than to a co-Borrower or in connection with a transfer permitted under the Mortgage Documents or as provided in Subsection 5.8(2) or Section 5.9), including a transfer required as a result of an environmental hazard, seizure by a law enforcement agency, or as part of a settlement of a legal controversy, or (y) the full or partial destruction of any improvements located on the Mortgaged Property if, as a result, (I) the remaining improvements are rendered uninhabitable or unsafe or (II) the value of the Mortgaged Property no longer provides adequate security for the Mortgage Loan;

(c) as soon as practicable, if any insurer or guarantor of the Mortgage Loan or Mortgaged Property (other than the Guarantor under the Guaranty) requires transfer to it of the Mortgage Loan or REO Property in order to obtain the benefits of the Mortgage Insurance;

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

(e) if the Master Servicer or the Trustee is advised by counsel that removal of that Mortgage Loan from the Trust is necessary or advisable in order to maintain the status of the Trust as a fixed investment trust for federal income tax purposes or to otherwise comply with the requirements of Subsection 2.1(6).

2.5(2) *Optional Purchase by Issuer.* The Issuer may purchase a Mortgage Loan or REO Property, or cause a Mortgage Loan or REO Property to be purchased, from a Trust at the purchase price specified in Subsection 2.5(4) under any of the following circumstances:

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

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

(c) if there is a material breach of a representation, warranty or covenant with respect to that Mortgage Loan under this Trust Agreement or the related Servicing Contract; provided, however, that in no event will such a purchase result in a “prohibited transaction” within the meaning of Section 860F(a)(2) of the Code;

(d) prior to an assumption of that Mortgage Loan or before a transfer of an interest in the related Mortgaged Property or a direct or indirect interest in the Borrower (if an entity), or as soon as practicable after the Direct Servicer becomes aware of such a transfer, if the Direct Servicer has been notified or otherwise made aware that the Mortgage Loan will be or has been assumed or an interest in the Mortgaged Property or a direct or indirect interest in the Borrower (if an entity) will be or has been transferred, under circumstances in which the Master Servicer or Direct Servicer reasonably believes that a Due-on-Transfer Provision is enforceable, unless an exception set forth in Subsection 5.8(2) or Section 5.9 otherwise applies; or

(e) if an event of any of the following types occurs: (i) the Mortgage Interest Rate becomes a fixed rate following the Borrower’s exercise of an option in the related Mortgage Documents to convert the Mortgage Interest Rate from an adjustable rate to a fixed rate; (ii) a different Adjustment Reference is applied to calculate the Mortgage Interest Rate, following the Borrower’s exercise of an option in the Mortgage Documents to change the Adjustment Reference for an Adjustable-Rate Mortgage Loan; (iii) a modification of the Mortgage Loan is effective (other than a modification resulting from a transfer or an assumption that is permitted under the Mortgage Documents or is included as an exception in Subsection 5.8(2) or Section 5.9) following the Borrower’s exercise of a conditional modification option in the related Mortgage Documents; or (iv) in the case of an Adjustable-Rate Mortgage Loan, the maximum or

minimum Mortgage Interest Rate or the margin used in calculating the Mortgage Interest Rate changes as the result of an assumption of the Mortgage Loan.

2.5(3) *Optional Purchase by Guarantor.* The Guarantor may purchase a Mortgage Loan or REO Property, or cause a Mortgage Loan or REO Property to be purchased, from a Trust at the purchase price specified in Subsection 2.5(4) under any of the following circumstances:

(a) at any time after that Mortgage Loan has been in a state of continuous delinquency, without having been fully cured with respect to payments required by the related Mortgage Documents, during the period from the first missed payment date through the fourth consecutive payment date (or eighth consecutive payment date, in the case of a bi-weekly Mortgage Loan), without regard to (i) whether any particular payment was made in whole or in part during the period extending from the earliest through the latest payment date, (ii) any grace or cure period (with respect to the latest such payment date) under the related Mortgage Documents, and (iii) any period during which a Loss Mitigation Alternative is in effect (unless such Loss Mitigation Alternative is deemed to cure the payment default, in which case any previous delinquency with respect to that Mortgage Loan will be disregarded for purposes of calculations of future delinquency on that Mortgage Loan);

(b) at any time after a payment default with respect to that Mortgage Loan becomes Reasonably Foreseeable;

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

(d) if compliance with applicable law (including a Relief Act) requires a change in any of the terms of that Mortgage Loan (including a change in the Mortgage Interest Rate, principal balance, amortization schedule, timing of payments or last scheduled payment date);

(e) if a Mortgage Loan has been modified through a Loss Mitigation Alternative under Subsection 5.3(3) and as a direct result of that modification the Guarantor is thereafter required to make Guaranty payments for that Mortgage Loan to meet its Guaranty obligations under Section 7.5; *provided, however*, that in no event will such a purchase result in a “Prohibited Transaction” within the meaning of Section 860F(a)(2) of the Code;

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

(g) if the Mortgage Loan has ceased to be secured by the related Mortgaged Property.

2.5(4) *Purchase Price.* The purchase price for any Mortgage Loan or REO Property purchased from a Trust on any date in accordance with Subsection 2.5(1), 2.5(2) or 2.5(3) will be equal to the sum of (a) the Stated Principal Balance of that Mortgage Loan on the Distribution

Date on which the purchase price is required to be included in the Certificate Distribution Amount (before giving effect to distributions of principal to be made on that Distribution Date), plus (b) one month's interest on the Stated Principal Balance in clause (a) calculated at the Net Rate applicable to payments due on the Mortgage Loan during the Due Period related to the Distribution Date on which the purchase price is required to be included in the Certificate Distribution Amount. In the case of REO Property, the Net Rate will be determined on the basis of the contractual terms of the related Mortgage Loan as if that Mortgage Loan had remained outstanding.

Section 2.6 [Reserved]

Section 2.7 *Removal of Mortgage Loan from Pool.* Any Mortgage Loan with respect to which (x) either a Prepayment in full or a final payment of all amounts due is received from or on behalf of the Borrower or (y) the Stated Principal Balance has been reduced to zero will cease to be included in the Pool when the Direct Servicer, on behalf of the Trust, receives the funds for the Prepayment or final payment in full. A Mortgage Loan or REO Property that is purchased from a Trust in accordance with this Trust Agreement will cease to be included in the Pool when (a) an appropriate entry is made in the Books and Records reflecting the purchase of the Mortgage Loan or REO Property from the Trust and (b) the Trust receives either funds or a contract right to receive funds in the amount of the purchase price as calculated in Subsection 2.5(4) for inclusion in the Certificate Distribution Amount on the applicable Distribution Date as otherwise provided in the Trust Documents. The funds for the purchase price, other Prepayment or final scheduled payment, as applicable, will be deposited to a Custodial Account or a Certificate Account and will be passed through to Holders at the time and to the extent provided in Article VII. As to any Mortgage Loan that has not been paid in full at the time the Mortgage Loan ceases to be included in a Trust, the Mortgage Loan will be assigned to, or at the direction of, the Guarantor.

Section 2.8 *Trust Administration Fee.* For its services to the Trusts, Fannie Mae will be entitled to a fee, payable as provided in Subsection 7.2(4), from interest earnings and other investment earnings on all Certificate Accounts. As long as Fannie Mae is the Master Servicer or Trustee for all Trusts under this Trust Agreement, the Trust Administration Fee will be determined in the aggregate, and not for each Trust separately. A fee for any successor Master Servicer or any successor Trustee will be established as provided in Subsection 5.1(5) or Section 10.10, respectively.

Section 2.9 *Purchase Execution.* In executing the Issuer's mandatory purchase obligations under Subsection 2.5(1), the Issuer's optional purchase rights under Subsection 2.5(2) or the Guarantor's optional purchase rights under Subsection 2.5(3), the Issuer or the Guarantor, as applicable, may either purchase a Mortgage Loan or REO Property itself or arrange, by contract or otherwise, for another Person to purchase that Mortgage Loan or REO Property directly from a Trust, in each case in accordance with the applicable terms and conditions set forth in Subsection 2.5(1), Subsection 2.5(2) or Subsection 2.5(3).

ARTICLE III

APPLICABLE DOCUMENTATION

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

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

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

Section 3.4 *Custody of Mortgage Documents.*

3.4(1) *Delivery.*

(a) *Documents Delivered to Trustee or Custodian.* In connection with any transfer of a Mortgage Loan into a Trust, subject to paragraph (d) of this Subsection 3.4(1), the following documents, if applicable to that Mortgage Loan, will be delivered (electronically or otherwise) to the Trustee or a Custodian:

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

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

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

(b) *Other Mortgage Documents.* Subject to paragraph (d) of this Subsection 3.4(1), the following documents (or the documents, if any, as are then required by the Issuer for delivery of loans), if applicable for a Mortgage Loan, will be held by the Direct Servicer or, upon a request by the Master Servicer or Trustee, will be delivered to the Trustee or a Custodian, in either case in a file that is clearly identified by electronic or other means as being held for the benefit of the Trustee:

(i) the original or a copy of the applicable power of attorney, if an attorney-in-fact signed the Mortgage Note on behalf of the Borrower;

(ii) the original or a copy of a name affidavit;

(iii) the original or a copy of the Mortgage;

(iv) with respect to a cooperative share loan, in lieu of the items listed in (iii) above, the original of the cooperative housing corporation stock, shares, membership certificate or other contractual agreement evidencing ownership that secures a Mortgage Loan; and

(v) with respect to a loan secured by manufactured housing if under applicable law security interests in the manufactured housing unit are subject to creation and assignment through the use of certificates of title, in lieu of the item listed in (iii) above, a duly issued certificate of title, endorsed by the title holder in blank or to the Issuer or the Trustee, or if such security interests are subject to creation through a security agreement, a UCC-1 financing statement that has been filed in the appropriate place and a UCC-3 assignment in favor of the Issuer or the Trustee, in form and substance acceptable for filing.

If permitted by the Servicing Contract, documents required under this paragraph (b) may be held in electronic form.

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

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

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

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

Section 3.5 *Review, Certification and Safekeeping of Mortgage Documents.* The Master Servicer will establish procedures for the review and maintenance of Mortgage Documents, including provisions for the release of documents by the Custodian in connection with the servicing of the Mortgage Loans. The Master Servicer may amend the procedures from time to time with respect to the administrative and ministerial aspects of the safekeeping and monitoring of the Mortgage Documents and Mortgage Loan files.

ARTICLE IV

THE CERTIFICATES

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

Section 4.2 *Issuance of Certificates.*

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

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

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

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

ARTICLE V

ADMINISTRATION AND SERVICING OF THE MORTGAGE LOANS

Section 5.1 *Servicing of Mortgage Loans.*

5.1(1) *General.* The Mortgage Loans in each Pool will be serviced for and on behalf of Holders in accordance with Accepted Servicing Practices.

5.1(2) *Master Servicer Responsibilities.* The Master Servicer will supervise, monitor and oversee the obligation of the Direct Servicers to service and administer the applicable Mortgage Loans in accordance with Accepted Servicing Practices and will have full power and authority to do any and all things which it may deem necessary or appropriate in its sole discretion in connection with such master servicing and administration in a manner consistent with Accepted Servicing Practices.

If the Master Servicer is otherwise eligible to do so, and in the case of Fannie Mae as Master Servicer no Guarantor Event of Default of the type described in clause (a) of Section 12.1 has occurred and is continuing, then it may act as an interim servicer (when replacing a Direct Servicer) or as a Direct Servicer, and in such capacity will be responsible for performing all of the obligations listed under Subsection 5.1(3) and Sections 5.2 through 5.10 as it deems necessary and appropriate in servicing the Mortgage Loans in each Pool for and on behalf of Holders. Any or all of the obligations of the Direct Servicer may be performed by the Master Servicer if the Direct Servicer is not required by the related Servicing Contract or under paragraph (a) of Subsection 5.1(4) to perform them.

5.1(3) *Direct Servicer Responsibilities.* Each Direct Servicer will be responsible, on behalf of and for the benefit of each Trust for which the Direct Servicer services Mortgage Loans, to service the related Mortgage Loans pursuant to Accepted Servicing Practices. Direct servicing will be performed by Direct Servicers engaged by contract with the Master Servicer or by Subservicers engaged by contract between a Subservicer and a Direct Servicer or the Master Servicer. If a Direct Servicer is terminated or resigns before a replacement Direct Servicer can be engaged, the Master Servicer may engage (or act as) an interim servicer to perform such services.

5.1(4) *Servicing Contracts.*

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

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

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

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

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

(v) as compensation for its services to each applicable Trust, the Direct Servicer will be entitled to receive the Servicing Fee and such other amounts (which may include LPMI Charges, any Excess Spread, and additional amounts permitted to be retained by the Direct Servicer as described in paragraph (c) of Subsection 5.1(6)), or as otherwise agreed by the Master Servicer and the Direct Servicer in the related Servicing Contract.

(b) To the extent permitted by Accepted Servicing Practices, the Direct Servicer may engage in the solicitation of Borrowers for the purpose of mortgage loan refinancing.

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

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

5.1(5) *Successor Master Servicer Compensation.* A successor Master Servicer designated pursuant to Article XI will be entitled to a fee for its services as agreed between the successor Master Servicer and the Guarantor (or, if a Guarantor Event of Default has occurred and is continuing, the Trustee).

5.1(6) *Direct Servicer Compensation.*

(a) Unless otherwise provided in the related Servicing Contract, each Direct Servicer will be entitled to a Servicing Fee for its direct servicing activities with respect to the Trusts that include Mortgage Loans serviced by it. If and to the extent provided in the related Servicing Contract, the Direct Servicer, in payment for its services to the Trust, will be permitted to retain its Servicing Fee and, if applicable, LPMI Charges, prior to depositing the remaining portion of principal and interest collections to the Custodial Account.

(b) Subject to the related Servicing Contract, all or any portion of any Excess Spread with respect to certain Mortgage Loans serviced by a Direct Servicer may be paid to that Direct Servicer as additional compensation while that Direct Servicer is servicing those Mortgage Loans under its Servicing Contract. Subject to the related Servicing Contract, the Direct Servicer may retain such Excess Spread, at the same time and in the same manner as the Servicing Fee. To the extent permitted in the Servicing Contract, the Direct Servicer may

(i) transfer all or any portion of the Excess Spread with respect to the Mortgage Loans serviced by that Direct Servicer to the Issuer for deposit to an Other Fannie Mae Trust or pursuant to Subsection 5.1(7). The transfer of any portion of Excess Spread that has become Securitized Excess Spread is irrevocable. None of the Direct Servicer, the Master Servicer or any successor Direct Servicer or Master Servicer will have any right to any Securitized Excess Spread as a result of its servicing relationship and the Other Fannie Mae Trust through which the Securitized Excess Spread is securitized will continue to receive the Securitized Excess Spread in accordance with the terms of the transfer.

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

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

Section 5.2 *Servicing Advances.*

5.2(1) *Making and Reimbursement of Servicing Advances.* The Master Servicer or the Direct Servicer will make Servicing Advances as and to the extent provided in the Servicing Contract. Servicing Advances may not be recovered out of Pool Proceeds except from amounts received with respect to the Mortgage Loan as to which such Servicing Advances were made, or as otherwise permitted under the related Mortgage Documents or Servicing Contract.

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

Section 5.3 *Collection of Mortgage Loan Payments; Limitations on Changes.*

5.3(1) *Payments of Principal and Interest.* Subject to the Servicing Contract, each Direct Servicer will make reasonable efforts to collect all payments required under the terms and provisions of the Mortgage Documents. Each Servicing Contract will require that the related Direct Servicer will become obligated to the related Trust to pay to the Trustee (or as otherwise directed in this Trust Agreement) any principal and interest (to the extent of the Pass-Through Rate) received from or paid on behalf of a Borrower or otherwise realized on a Mortgage Loan or a Mortgaged Property. Each Direct Servicer will deposit payments of principal and interest received on each Mortgage Loan as provided in Section 6.1. The Direct Servicer will be deemed to have complied with this requirement if its collections and deposits are made in accordance with practices that achieve substantial compliance in all material respects. If the amount received by a Direct Servicer from or on behalf of any Borrower for any payment date is more or less than the amount required to be paid under the related Mortgage Documents, then the Direct Servicer will apply or hold the payment as provided in the related Mortgage Documents and the related Servicing Contract. The Direct Servicer may temporarily hold partial or additional payments as unapplied funds in a Custodial Account, or other account established for that Borrower to the extent consistent with the Mortgage Documents and applicable law.

5.3(2) *Escrow and Other Accounts.* To the extent that any Mortgage Loan in a Pool provides for the collection of funds from the Borrower for payments of a Borrower's property taxes and assessments by special assessment districts, ground rents, insurance premiums, and similar expenses, the Direct Servicer will establish one or more escrow accounts with an Eligible Depository or, if approved by the Master Servicer, a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or such other governmental insurer or guarantor as may be acceptable to the Guarantor. Each escrow account will be either a demand deposit account (which for this purpose includes a money market deposit account) or an account through which funds are invested in Eligible Investments or such comparable investments as may be acceptable to the Master Servicer. Collection of such taxes, assessments, insurance premiums and related items may be waived, delayed or reinstated, unless prohibited in the related Servicing Contract.

5.3(3) *Limited Right to Waive, Engage in Loss Mitigation Activity or Modify Mortgage Loans in the Trust.*

(a) The Direct Servicer will, to the extent provided in the Servicing Contract, be permitted to (i) waive any prepayment charge, (ii) waive any assumption fee, late payment charge, or other administrative or servicing-related fee permitted by the Mortgage Documents (except as may otherwise be provided in the related Issue Supplement and in Subsection 5.3(4)), (iii) grant a Borrower relief during the period needed to ascertain the facts if a disaster, terrorist attack, unusual hardship or other catastrophe occurs that was caused by either nature or a Person other than the Borrower and that the Direct Servicer reasonably believes may adversely affect either the value or habitability of the related Mortgaged Property or the Borrower's ability to make further payments or payment in full on a Mortgage Loan, (iv) commit to a Loss Mitigation Alternative subject to the conditions provided in paragraph (b) of this Subsection 5.3(3), (v) modify the terms of any Mortgage Loan if such modification (x) does not constitute a "significant modification" under applicable Treasury Regulations or (y) becomes effective within

90 days following the Issue Date of the related Trust, and (vi) modify the terms of any Mortgage Loan to cure the material breach of any representation or warranty made in connection with the sale of such Mortgage Loan to the Issuer; provided, that such modification becomes effective no later than two years following the Issue Date. With respect to any Mortgage Loan, the conditions related to the modifications specified in clauses (v) and (vi) of the preceding sentence will apply only until such time as the Guarantor is provided an Opinion of Counsel to the effect that the restrictions are no longer required to comply with the Code or applicable Treasury Regulations. Furthermore, notwithstanding any other provision herein contained, the modifications specified in sub-clause (y) of clause (v) of the second preceding sentence will be permitted only in the event that no payment under the Guaranty will be required as a direct result of such modification. Neither (a) an adjustment to the interest rate or other terms of any Mortgage Loan as required to comply with a Relief Act or to comply with a decision or order of a court nor (b) the re-amortization of any Mortgage Loan following a partial Prepayment to provide for a lower monthly payment under the related Mortgage Documents or as permitted by the related Servicing Contract, will be subject to any of the limitations on modification provided in this Subsection 5.3(3) and either may be entered into without regard to whether the Mortgage Loan is in payment default.

(b) The Direct Servicer may agree to a Loss Mitigation Alternative as provided in clause (iv) of paragraph (a) of this Subsection 5.3(3) only if (x) a payment default on that Mortgage Loan has occurred and is continuing, or (y) the Direct Servicer or Master Servicer determines that a payment default on that Mortgage Loan is Reasonably Foreseeable, and in either case a concession to the Borrower in the payment terms is advisable under Accepted Servicing Practices for the purpose of maximizing recovery for the related Trust. The Direct Servicer or the Master Servicer will also maintain a record of each Mortgage Loan in the Trust that has been modified through implementation of a Loss Mitigation Alternative. In making an evaluation that a payment default on a Mortgage Loan is reasonably foreseeable, a Direct Servicer or the Master Servicer may consider the following factors to the extent that they are not inconsistent with the Code or applicable Treasury Regulations: (i) the credit scores of the Borrowers(s); (ii) the payment history of the Borrower(s) (as reported by a credit bureau) on other indebtedness; (iii) the loan to value ratio of the Mortgage Loan at the time the loan was originated; (iv) the current loan to value ratio, determined by using the outstanding principal balance of the Mortgage Loan and an estimated value of the Mortgaged Property; (v) whether the scheduled payments on the Mortgage Loan have recently changed or will soon change; (vi) information received from the Borrower(s) (including change of employment, change in income or change in family medical status); and (vii) the occurrence of a disaster (including a tornado, hurricane or flood), terrorist attack or other catastrophe caused by either nature or a Person other than the Borrower(s) that the Direct Servicer or Master Servicer reasonably believes adversely affects the value or habitability of the Mortgaged Property or the Borrower(s)' ability to continue to make payments or payment in full on that Mortgage Loan. Additionally, for so long as the above stated conditions are applicable, each Servicing Contract will require that a Direct Servicer will maintain records that support its conclusion that a payment default with respect to a Mortgage Loan is Reasonably Foreseeable and that the Loss Mitigation Alternative(s) taken are expected to maximize recovery for the related Trust.

5.3(4) *Limitation on Waiver of Prepayment Charges and Other Ancillary Charges.*
If the Issue Supplement provides for any prepayment charge collected on a Mortgage Loan to be

passed through to Holders, the Direct Servicer will not waive any portion of a prepayment charge that is to be passed through to Holders unless (i) the Mortgage Loan is in default, and the Direct Servicer determines that the waiver makes it more likely that there will be a recovery of the remaining principal and interest payments due on the Mortgage Loan, or (ii) (A) the enforceability of the prepayment charge is limited (1) by court order, (2) by bankruptcy, insolvency, moratorium, receivership, or other similar law relating to creditors' rights generally or (3) due to acceleration of the Mortgage Loan's maturity in connection with a foreclosure or other involuntary payment, or (B) the Direct Servicer reasonably believes that enforceability is otherwise limited or prohibited by applicable law. The Direct Servicer may waive other ancillary service charges if permitted by the Servicing Contract.

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

Section 5.4 *Mortgage Files.*

5.4(1) *Release, Satisfaction and Reconveyance.* Upon the payment in full of any Mortgage Loan, the Direct Servicer will be responsible for processing the reconveyance, satisfaction or release appropriate in the applicable jurisdiction or on the applicable Mortgage Registry System and any related documentation in accordance with Accepted Servicing Practices, including releasing the lien within the time and as required by applicable law.

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

(a) The Direct Servicer will transmit to the related Custodian, or hold in the Direct Servicer's possession, in a file that is clearly identified by electronic or other means as being held for the benefit of the Trustee, all Mortgage Documents coming into its possession from time to time, as provided in Subsection 3.4(1). All Mortgage Documents and funds collected or held by, or under the control of, the Direct Servicer with respect to any Mortgage Loan will be held by the Direct Servicer for and on behalf of the Trust and will be and remain the sole and exclusive property of the Trust, until any release in accordance with Section 5.4(1).

(b) The Direct Servicer will be required to keep, or cause to be kept, accurate records of its servicing activities with respect to each Mortgage Loan that it services so as to evidence compliance with the requirements of the applicable provisions of this Article V. Each Servicing Contract will require the Direct Servicer to make these records available to the Issuer, the Master Servicer, the Guarantor and the Trustee at all times. The Issuer, Master Servicer, Guarantor and Trustee will have the right to receive, retain and use all information contained in such records.

5.4(3) *Access to Certain Documentation and Information Regarding the Mortgage Loans.* The Direct Servicer and the Custodian will provide the Master Servicer, the Trustee, the Issuer and the Guarantor with access, without charge, to the Mortgage Documents, any other records and documentation regarding the Mortgage Loans, and all accounts, insurance policies and other matters relating to the Mortgage Loans and the Trusts.

5.4(4) *Pool Activity Records.* As to each Trust, the Master Servicer or, if required by the Servicing Contract, the Direct Servicer will keep the records necessary to account for activity on the related Pool, including records of the Pool Proceeds, distributions to Holders, assumptions or transfers and Prepayments (including purchases from a Trust). Such records will be maintained until such time as the related Trust Documents are no longer in effect. In the case of a discrepancy, the Master Servicer will assess the particular facts and circumstances to determine, in a manner consistent with Accepted Servicing Practices, whether the records of the Direct Servicer or the Master Servicer should control.

Section 5.5 *Reliance on Direct Servicer.*

5.5(1) *Receipt of Mortgage Loan Payments.* For purposes of calculations under the Trust Documents, the Trust will be deemed to have received any collections, recoveries or payments with respect to the Mortgage Loans that are received by a Direct Servicer or a Subservicer, regardless of whether such collections, recoveries and payments so received are remitted by a Direct Servicer or a Subservicer to the Master Servicer or the Trustee. A Direct Servicer will not be relieved of any liability, obligation or responsibility under its Servicing Contract with respect to any such remittance as a result of this Subsection 5.5(1).

5.5(2) *Information and Reports.* The Master Servicer and the Trustee may rely on the applicable Direct Servicers' reports of Mortgage Loan activity to calculate the Certificate Distribution Amount. It is understood that there may be delays or errors in processing Mortgage Loan information, such as a Direct Servicer's failure to file an accurate or timely report of its collection of principal or interest or its having filed a report that cannot be processed. The Master Servicer, the Issuer, the Trustee and the Guarantor may rely on the Direct Servicer's reports. If the amount calculated as the Certificate Distribution Amount by the Master Servicer does not reflect actual payments on the related Mortgage Loans, any differences will be reconciled as soon as practicable after the applicable collection report is received or processing error is corrected.

Section 5.6 *Hazard or Property Insurance.*

5.6(1) *Hazard or Property Insurance.* For each Mortgage Loan that is secured by a first lien, the Direct Servicer will cause hazard insurance, if available and not unreasonably expensive in keeping with Accepted Servicing Practices, to be maintained on the related Mortgaged Property in an amount consistent with the related Mortgage Documents, unless such insurance is not required under either the related Mortgage Documents or the related Servicing Contract for that Mortgage Loan when it is transferred to the Trust.

Section 5.7 *Mortgage Insurance.*

5.7(1) *Mortgage Insurance Providers.* If an insurer, guarantor or other third-party provider of Mortgage Insurance is obligated, under the terms of the applicable program, to recognize or deal only with a specified Person (whether that Person is the Master Servicer, a Direct Servicer or another Person) regarding the mortgagee's rights, benefits and obligations under the related insurance contract, the Direct Servicer will be responsible for assisting the applicable Person in dealing with the insurer on behalf of the Trust. If an insurer, guarantor or other third-party provider of Mortgage Insurance exercises an option under its Mortgage Insurance to purchase a Mortgage Loan or REO Property, the proceeds of the purchase, minus expenses, will be considered to be Pool Proceeds and will be distributed as provided in the related Trust Documents.

5.7(2) *Assignment of Trust Assets.* If a defaulted Mortgage Loan is covered by Mortgage Insurance, the Direct Servicer will assign the Mortgage Loan or the related REO Property to the insurer, guarantor or other third-party provider of the Mortgage Insurance, if such Person so requires, within the time required to obtain the benefits of the Mortgage Insurance. Consistent with Section 2.5, the defaulted Mortgage Loan or related REO Property will be conveyed out of the Trust as soon as practicable by assigning the Mortgage Loan or related REO Property to the Person providing the Mortgage Insurance.

Section 5.8 *Transfers of Ownership; Enforcement of Due-on-Transfer Provisions.*

5.8(1) *Duty to Enforce.* Except as otherwise provided in Subsection 5.8(2) and Section 5.9, the Direct Servicer will enforce any Due-on-Transfer Provision as provided in the related Mortgage Documents, if (i) the Direct Servicer has knowledge that a Mortgaged Property, or an ownership interest in a Person that owns the Mortgaged Property, has been or is about to be transferred, (ii) the transfer would permit acceleration of the Mortgage Loan under the related Mortgage Documents, and (iii) the Direct Servicer reasonably believes that the related Mortgage Documents and applicable law and regulation permit such enforcement.

5.8(2) *Exceptions.* The Direct Servicer will not be required to enforce a Due-on-Transfer Provision if either (i) Section 5.9 applies or (ii) an interest in the related Mortgaged Property is transferred to a Person other than a Borrower or an interest in a Person that owns the Mortgaged Property is transferred, and one of the following applies:

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

(b) an applicable exception to the Direct Servicer's requirement to enforce the Due-on-Transfer is provided in the related Servicing Contract.

Section 5.9 *No Default; No Removal from Pool.* Neither the Master Servicer nor a Direct Servicer will be deemed to be in default, breach or other violation of its obligations under the Trust Documents, and no Mortgage Loan will be required to be purchased from the Trust, by virtue of any transfer of an interest in the related Mortgaged Property (or, if the Borrower is an

entity, in the Borrower) or any assumption of the Mortgage Loan that occurs (i) by operation of law, (ii) in accordance with the terms of the related Mortgage Documents or the contract by which the Issuer acquired that Mortgage Loan from the Seller, (iii) due to any assumption that the Master Servicer or the related Direct Servicer, as applicable, cannot prevent because it is restricted by law (or the Master Servicer or Direct Servicer reasonably believes that it is restricted by law or that the Due-on-Transfer Provision would not be enforced by a court), or (iv) pursuant to any other exception specified in Subsection 5.8(2). For purposes of paragraphs (d) and (e) of Subsection 2.5(2) and this Section 5.9, the term “assumption” is deemed to include a sale of a Mortgaged Property whether or not the sale is accompanied by an assumption or transfer of liability agreement.

Section 5.10 Realization upon Non-Performing Mortgage Loans; Determination of Excess Proceeds and Realized Losses.

5.10(1) *Exercise of Remedies for Non-Performing Loans.* As soon as practicable after a Direct Servicer or the Master Servicer determines, in accordance with Accepted Servicing Practices, that no satisfactory loss mitigation measures can be taken in connection with a Mortgage Loan in payment default or with respect to which a payment default is Reasonably Foreseeable, the Direct Servicer or the Master Servicer may (i) begin foreclosure proceedings upon the related Mortgaged Property, in accordance with the Mortgage Documents and applicable law, (ii) otherwise comparably convert the ownership of such Mortgaged Property (including accepting a deed-in-lieu of foreclosure or conducting a preforeclosure sale of such Mortgaged Property that may be for an amount less than the full unpaid principal balance of the Mortgage Loan) or (iii) otherwise accept less than the full unpaid principal balance of the Mortgage Loan, subject in each case to any environmental concerns or other risks of foreclosure. The Master Servicer (or to the extent provided in the Servicing Contract, the Direct Servicer) also may determine that foreclosure proceedings should be commenced concurrently with the pursuit of any Loss Mitigation Alternatives. Subject to the foregoing, the course of action to be followed will be determined by the Direct Servicer or the Master Servicer, in accordance with Accepted Servicing Practices, to be the course of action most likely to produce the greatest recovery for the Trust. For purposes of this Subsection 5.10(1), loss mitigation measures include the arrangements specified in Subsection 5.3(3).

5.10(2) *Acquisition of REO Property.* With respect to any REO Property, except to the extent otherwise required for Government Mortgage Loans or to comply with any applicable program of Mortgage Insurance, the deed or certificate of sale will be taken in, or following foreclosure put into, the name of the Trustee for the benefit of Holders (or the Trustee’s nominee, which may be the Master Servicer, the related Direct Servicer, or another Person, on behalf of Holders). The Trustee’s (or its nominee’s) name will be placed on the title to the REO Property. The REO Property will be held solely by the Trustee or its nominee in that capacity. Prior to the removal of the REO Property from the Trust pursuant to Section 2.5, the Master Servicer will, either itself or through an agent or independent contractor (which may be the Direct Servicer), manage, conserve, protect and operate the REO Property.

5.10(3) *Dispositions of and Limitations on Acts Relating to REO Property.* The Master Servicer may commence the process of disposition of REO Property immediately after (i) completion of the acquisition of the REO Property, (ii) resolution of any title issues, including

conclusion of any applicable redemption period and (iii) completion of all improvements it deems necessary to address deferred maintenance, life safety and similar property conditions and to repair and restore the REO Property. Any REO Property may remain in a Trust for so long as that REO Property would qualify as “foreclosure property” (within the meaning of Section 860G(a)(8) of the Code and applicable Treasury Regulations) had it been held in a REMIC (as defined in Section 860D of the Code). As provided in clause (f) of Subsection 2.5(3), the Guarantor may purchase any REO Property that is acquired as an asset of the Trust. To the extent provided in the related Servicing Contract, the Direct Servicer or the Master Servicer, as applicable, may renew existing leases or enter into new leases for units within the REO Property on terms similar to those then available in the relevant market area while it remains an asset of the Trust.

ARTICLE VI

COLLECTIONS

Section 6.1 *Custodial Accounts.*

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

(a) Each Direct Servicer, directly or indirectly, will establish and maintain one or more Custodial Accounts (which may be the Custodial Account for one or more Trusts and Other Fannie Mae Trusts, except as provided in paragraph (b) of this Subsection 6.1(1)). Each Custodial Account will be established with an Eligible Depository, except as provided in paragraph (b) of this Subsection 6.1(1), and may be either a demand deposit account (which for this purpose includes a money market deposit account) or an account through which funds may be invested in Eligible Investments. Each Custodial Account will be established in the name of the Master Servicer or the Trustee for the benefit of the Holders under one or more Trusts (or as otherwise directed in the related Servicing Contract) and so identified to the Eligible Depository (or other depository if permitted by paragraph (b) of this Subsection 6.1(1)) as a Custodial Account for the Master Servicer or the Trustee. The terms of each Custodial Account will permit the Master Servicer or the Trustee to withdraw funds from that account or to transfer or liquidate any investments at any time; provided, however, that neither the Master Servicer nor the Trustee will liquidate any investment except as provided in Subsection 6.1(5). The terms of any Custodial Account that permits the investment of funds on deposit will be subject to such conditions as may be imposed from time to time by the Master Servicer or the Trustee.

(b) (i) If a Direct Servicer or Subservicer holds a Custodial Account for any Mortgage Loans at an institution that at any time ceases to be an Eligible Depository, that Direct Servicer or Subservicer will take such corrective actions as may be required by the Master Servicer and the Trustee to maintain similar protections for the funds held in any Custodial Account.

(ii) A Custodial Account for PFP Loans (A) may include funds that are principal and interest payments on other loans owned by the Issuer (and not held in trust) and serviced by the related Direct Servicer and (B) will be held at an Eligible Depository, except that if the Custodial Account is a demand deposit account from which the Master Servicer has the

right to withdraw funds at any time, the Custodial Account will be (I) held at an Eligible Depository or (II) established at a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or such other governmental insurer or guarantor as may be acceptable to the Guarantor.

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

6.1(2) *Deposits to Custodial Accounts.* Except as otherwise provided in the related Servicing Contract, the following payments and collections will be deposited to a Custodial Account:

(a) As soon as practicable, but not later than the second Business Day (including any time during which funds were in a clearing or general ledger account) after receipt by the Direct Servicer, all payments of principal and interest from or on behalf of Borrowers (including Prepayments) other than any Servicing Fee, LPMI Charges, Excess Spread, and any amounts used to reimburse Delinquency Advances of the Direct Servicer to the extent permitted by the Servicing Contract; provided that Securitized Excess Spread will be deposited as required by the terms of the related securitization documents;

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

(i) in satisfaction of any obligation to so deposit Delinquency Advances, the Direct Servicer will be permitted to apply funds, if any, held in the related Custodial Account on or before such Latest Servicer Remittance Date to the extent attributable to Prepayments of the Mortgage Loans serviced by the Direct Servicer in the related Trust or other Trusts and scheduled Borrower payments on such Mortgage Loans, in each case that are not required to be included in the Certificate Distribution Amount on that same Distribution Date; and

(ii) in each case, the Master Servicer will require that the Direct Servicer make an appropriate entry in its books and records noting that such funds have been applied by the Direct Servicer toward such Delinquency Advances;

(c) As soon as practicable, but not later than the second Business Day (including any time during which funds were in a clearing or general ledger account) after receipt by the Direct Servicer, all Prepayments (except as provided in clause (b) of this Subsection 6.1(2) and Subsection 7.2(3)) and other amounts received on any of the Mortgage Loans (other than any portion of insurance proceeds, condemnation proceeds and similar amounts that are to be used for restoration and repair of the Mortgaged Property, or for the reimbursement of any insurance premiums advanced, to the extent not previously reimbursed from other sources); and

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

The requirements in this Subsection 6.1(2) will be exclusive. Without limiting the generality of this Subsection 6.1(2), payments on the Mortgage Loans that are not expressly identified in paragraphs (a) through (d) of this Subsection 6.1(2) (including payments of principal and interest on the Mortgage Loans due on or before the Issue Date, prepayment charges that are not required to be passed through to Holders, late payment charges or assumption fees and other ancillary charges) are not required to be deposited to a Custodial Account, and if so deposited may be withdrawn at any time. The Master Servicer may reimburse a Direct Servicer for previously unreimbursed Delinquency Advances or Servicing Advances by making a deposit to a Custodial Account or otherwise as the related Servicing Contract provides.

6.1(3) *Segregation of Funds.* The amounts set forth in Subsection 6.1(2) will be held in a Custodial Account. To the extent permitted by the related Servicing Contract, and except as provided in paragraph (b) of Subsection 6.1(1), a Direct Servicer may commingle such funds only with collections on other mortgage loans that are not part of that Trust but are held for other Trusts or Other Fannie Mae Trusts. Temporarily, however, prior to depositing such funds as contemplated by Subsection 6.1(2), a Direct Servicer may hold such funds in a clearing account that is either in an Eligible Depository or is a deposit account insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or such other governmental insurer or guarantor as may be acceptable to the Guarantor, and that in any case may include collections on other mortgage loans without regard to their ownership. In addition, if permitted by the related Servicing Contract, for a period no longer than one Business Day immediately preceding the Latest Servicer Remittance Date with respect to the related Distribution Date, such funds may be held in a consolidated drafting account that is a Custodial Account in which funds of other Trusts or Other Fannie Mae Trusts may be held. The Direct Servicer will maintain records on a loan-by-loan basis regarding the sources of the commingled funds.

6.1(4) *Investments.* Unless prohibited by applicable law, all amounts held in a Custodial Account will be either available on demand (including funds in a money market deposit account) or invested in investments that, at the time of their acquisition, are Eligible Investments maturing on or before the Servicer Remittance Date applicable to the funds so invested. Any Custodial Account in which funds are invested will be required to comply with such additional limitations as may be imposed by the Master Servicer or the Trustee from time to time. Amounts held by a Direct Servicer in a Custodial Account are also subject to any additional limitations under the Servicing Contract, including the Direct Servicer's responsibility for any fees or penalties for withdrawals. Holders will have no right to interest earnings or other investment earnings on amounts in any Custodial Account. Only if the related Servicing Contract so permits may the Direct Servicer retain interest earnings or other investment earnings on amounts held in a Custodial Account; if the Servicing Contract does not so permit, the Direct Servicer will have no right to retain such interest earnings or other investment earnings. If the Trustee or the Master Servicer removes funds or investments from a Custodial Account prior to the applicable Servicer Remittance Date, neither the Direct Servicer nor any Subservicer will have any right to interest earnings or other investment earnings on amounts so withdrawn after the withdrawal date.

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

Section 6.2 *Permitted Withdrawals from a Custodial Account.* The Master Servicer or the Trustee may, from time to time, make withdrawals or permit a Direct Servicer or a Subservicer to make withdrawals from a Custodial Account for the following purposes (in each case, to the extent not previously paid or retained):

(i) to reimburse the Master Servicer or the Direct Servicer for (x) Delinquency Advances that were made by the Master Servicer or the Direct Servicer, as applicable, from its own corporate funds and not previously reimbursed, (I) from payments on the related Mortgage Loan and (II) from Prepayments of the Mortgage Loans in the related Trust and scheduled Borrower payments on such Mortgage Loans that in each case are not required to be included in the Certificate Distribution Amount on the immediately following Distribution Date, and (y) previously unreimbursed Servicing Advances only from payments on the related Mortgage Loan;

(ii) to withdraw and retain interest earnings and other investment earnings on the funds held in such Custodial Account to the extent permitted by the related Servicing Contract;

(iii) to pay to the Direct Servicer the Servicing Fee, LPMI Charges and any Excess Spread prior to the effective date of any termination of the Direct Servicer that made the designation (in each case unless previously withheld for these purposes pursuant to the related Servicing Contract);

(iv) to pay any Securitized Excess Spread to the trustee of the Other Fannie Mae Trust that holds the Securitized Excess Spread;

(v) to withdraw from a Custodial Account any amount that was not required to be deposited to a Custodial Account pursuant to Subsection 6.1(2);

(vi) to transfer the amounts described in Section 6.3, and any other amounts that are permitted or required to be deposited to a Certificate Account, for deposit to a Certificate Account as provided in Subsection 7.2(3);

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

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

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

Section 6.3 *Latest Servicer Remittance Date.* On or before the Latest Servicer Remittance Date preceding each Distribution Date, the Master Servicer or the Trustee will transfer or cause to be transferred for deposit to a Certificate Account (directly or through a clearing account as provided in Subsection 7.2(3)) certain funds deposited to one or more Custodial Accounts by a Direct Servicer or Subservicer for each Mortgage Loan that is serviced by that Direct Servicer or Subservicer. On or before the Latest Servicer Remittance Date, the Direct Servicer or Subservicer will be obligated to make available to the Master Servicer or the Trustee an amount at least equal to the sum of (x) all payments of principal and interest (with interest calculated at the Net Rate applicable to payment dates in the related Due Period) received by the Direct Servicer or Subservicer that are required to be included in the Certificate Distribution Amount for the related Distribution Date and (y) any required Delinquency Advances for each Mortgage Loan that is serviced by that Direct Servicer or Subservicer. If certain fees, Excess Spread and expenses are not retained by the Direct Servicer prior to deposit to a Custodial Account or withdrawn from such Custodial Account and paid to the Direct Servicer pursuant to clause (iii) of Section 6.2, those fees, Excess Spread and expenses also may be transferred to a Certificate Account by the Master Servicer or the Trustee.

ARTICLE VII

CERTIFICATE ACCOUNTS; DISTRIBUTION; GUARANTY

Section 7.1 *Payments.* Payments of the Certificate Distribution Amount for each Trust will be made on each Distribution Date, beginning on the Distribution Date in the month immediately following the month that includes the Issue Date, unless otherwise provided in the related Issue Supplement.

Section 7.2 *Certificate Accounts.*

7.2(1) *Establishment and Maintenance of Certificate Accounts; Records.* The Trustee will open with an Eligible Depository one or more segregated accounts in the name of the Trustee (or its designee) to hold funds for the benefit of the Holders under one or more Trusts. A Certificate Account may also contain funds that the Trustee holds in trust for Other Fannie Mae Trusts, provided that the Trustee keeps, or causes to be kept, separate records of funds held with respect to each Trust.

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

may move funds from one Certificate Account to another Certificate Account at any time, as long as the criteria specified in clauses (a) and (b) above are satisfied.

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

7.2(4) *Investment.* All or a portion of amounts on deposit in any Certificate Account may be invested and reinvested in one or more investments that, at the time of their acquisition, are Eligible Investments maturing not later than the applicable Distribution Date or, if funds in a Certificate Account are to be transferred to another Certificate Account, by the expected date of transfer. Neither Holders nor Direct Servicers will have any right to interest earnings or other investment earnings on funds held in any Certificate Account, and such earnings will not be part of the Trust Fund. Earnings on the investments in any Certificate Account will be applied to the payment of the Trust Administration Fee unless otherwise agreed by Fannie Mae.

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

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

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

Section 7.4 *Payment from Certificate Accounts.*

7.4(1) *Transfer to Paying Agent.*

(a) No later than each Distribution Date, the Trustee will withdraw and deliver to the Paying Agent from funds on deposit in one or more Certificate Accounts an amount equal to the Certificate Distribution Amount for each Trust; provided, however, that such withdrawal and delivery from any Certificate Account in respect of the portion of the Certificate Distribution Amount attributable to Mortgage Loans serviced by a particular Direct Servicer will be limited to funds relating to Mortgage Loans included in that Trust or in any other Trust or Other Fannie Mae Trust that are serviced by the related Direct Servicer; and provided further, that if such funds are insufficient, the Trustee will withdraw and deliver such funds as are then available on deposit subject to the limitation set forth in the preceding clause. The Trustee may consolidate funds in one or more Certificate Accounts (or through a clearing account at an Eligible Depository) prior to transfer to the Paying Agent.

(b) At the direction of the Master Servicer, the Trustee will apply funds held in one or more Certificate Accounts that relate to Mortgage Loans serviced by a particular Direct Servicer in the same manner and subject to the same restrictions as permitted under Subsection 6.1(2)(b)(i) and (ii) and Section 6.2(i).

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

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

7.4(4) *Other Payments from Certificate Accounts.* At any time, the Trustee is authorized to withdraw or direct the withdrawal from any Certificate Account, and pay the following (in each case, to the extent not previously paid or retained) to the extent funds for such purpose have been deposited to any such Certificate Account:

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

(b) to the Trustee, to the extent of interest earnings and other investment earnings on the funds held in any Certificate Account, for payment of the Trust Administration Fee;

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

(d) to the extent not withheld pursuant to Subsection 5.1(6), to the Direct Servicer, any Servicing Fee, LPMI Charges and any Excess Spread;

(e) to the trustee of the Other Fannie Mae Trust that holds the Securitized Excess Spread, to the extent of any Securitized Excess Spread;

(f) first to the Master Servicer and then to each Direct Servicer as reimbursement of any unreimbursed Delinquency Advances, provided that the Master Servicer or such Direct Servicer, as applicable, effected the payment of such Delinquency Advances from its own corporate funds;

(g) to the Issuer, any amounts held in such account with respect to mortgage loans owned by the Issuer;

(h) to remove amounts that were not required to be deposited pursuant to Section 6.3 and any excess Estimated Funding; and

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

7.4(5) *Priority of Distribution.* If, after any payments by the Guarantor are made pursuant to Section 7.5, the funds available in the Certificate Accounts with respect to each Trust on any Distribution Date that are required to be included in the Certificate Distribution Amount for such date are insufficient to pay all amounts then due, the available funds will be applied in the following order, in each case to the extent then due and payable with respect to that Trust: (i) Trust Administration Fees and other amounts due to the Trustee; (ii) Securitized Excess Spread (unless previously transferred to an Other Fannie Mae Trust) and, to the extent provided in the related Servicing Contract, Servicing Fees, LPMI Charges and Excess Spread; (iii) reimbursement of Delinquency Advances that were made by the Master Servicer or the Direct Servicer, as applicable, from its own corporate funds and not previously reimbursed, but only to the extent that the Master Servicer or the Direct Servicer deems such Delinquency Advances to be non-recoverable, in accordance with Accepted Servicing Practices, from the Mortgage Loans as to which such Delinquency Advances were made; (iv) the Certificate Interest Distribution Amount; and (v) the Certificate Principal Distribution Amount.

Section 7.5 *Fannie Mae Guaranty.*

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

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

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

After the Guarantor is notified by the Master Servicer, the Trustee or Paying Agent of the insufficiency of funds in the Certificate Accounts to cover all such amounts, the Guarantor will transfer any such amounts to cover the insufficiency to one or more Certificate Accounts or directly to the Paying Agent in immediately available funds on or before the applicable Distribution Date for payment to each related Trust. The Guaranty is limited to the payment of the amounts specified in this Subsection 7.5(1); such payments will be based on Mortgage Loan data reported to the Master Servicer by Direct Servicers in connection with that Distribution Date. Adjustments may be made in subsequent payments as provided in the definitions of Certificate Interest Distribution Amount and Certificate Principal Distribution Amount. In lieu of continuing to make payments of principal and interest with respect to a delinquent Mortgage Loan or a Mortgage Loan that has been modified pursuant to Subsection 5.3(3), the Guarantor may purchase that Mortgage Loan from the Trust if the requirements of Subsection 2.5(3) are satisfied. Upon completing any such purchase at the purchase price specified in Subsection 2.5(4), the Guarantor will be considered to have satisfied its Guaranty obligation with respect to that Mortgage Loan.

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

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

7.5(4) *Estimated Funding.* From time to time, the Master Servicer or Guarantor may deposit Estimated Funding to a Certificate Account, determined on the basis of expected collections of principal and interest payments on the Mortgage Loans (including Delinquency Advances) and anticipated payments to be made to Holders on the following Distribution Date or any subsequent Distribution Date, as applicable, which amount may be an estimated amount pending reconciliation of receipts and allocation of amounts owed to Holders. Any Estimated

Funding amounts in excess of funds required to be distributed to Holders on a Distribution Date will, upon request of the Master Servicer or Guarantor, be reimbursed to the Master Servicer or Guarantor after reconciliation of funds actually collected.

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

Section 7.6 *Reports.*

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

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

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

ARTICLE VIII LIMITATION OF LIABILITY

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

Section 8.2 *Measure of Liability.*

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

8.2(2) *Standard of Care.* In performing their duties and exercising their rights, the Issuer, Master Servicer and Guarantor are obligated to act in good faith, as described in Subsection 8.2(1). The Trustee's standard of care is as described in Section 10.1. In ascertaining whether a Mortgage Loan is to be purchased from a Pool as described in Section 2.5, none of the

Master Servicer, the applicable Direct Servicer, the Guarantor or the Trustee will be liable for taking into consideration the costs of the Master Servicer, the related Direct Servicer, the Trustee or the Guarantor or the Guarantor's possible exposure under the Guaranty.

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

ARTICLE IX FANNIE MAE

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

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

ARTICLE X TRUSTEE

Section 10.1 *Duties of Trustee.*

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

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

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

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

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

(c) For all purposes of the Trust Documents, unless the Trustee and the Guarantor are the same Person, the Trustee will not be deemed to have knowledge of any Guarantor Event of Default or event that, with notice or lapse of time, or both, would become a Guarantor Event of Default, unless an authorized officer of the Trustee has received written notice of the event from the Master Servicer, or an authorized officer of the Trustee has actual knowledge of the event. In the absence of such written notice or actual knowledge, no provision of the Trust Documents requiring the Trustee to take any action or to assume any duty or responsibility following the occurrence of any Guarantor Event of Default or event that, with notice or lapse of time, or both, would become a Guarantor Event of Default, will be effective as to the Trustee; and

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

Section 10.2 *Certain Matters Affecting the Trustee.*

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

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

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

and the correctness of the opinions or advice expressed in any certificates or opinions that are furnished to the Trustee and that conform to the requirements of the Trust Documents. Except if there is a pending request to investigate as provided in paragraph (e) of this Subsection 10.2(1), the Trustee may request and if acting in good faith rely upon, and will be protected in acting or refraining from acting upon, any resolution, officers' certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document prima facie in proper form and believed by it to be genuine and to have been signed or presented by the proper party;

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

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

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

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

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

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

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

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

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

10.2(6) *Execution of Documents.* The Trustee is authorized to execute and deliver such documents as it determines to be necessary or appropriate to carry out the terms of the Trust Documents, including documents prepared by the Direct Servicer or a Subservicer in accordance with Accepted Servicing Practices that are necessary or appropriate to enable the Direct Servicer or a Subservicer to service the Mortgage Loans. The Trustee is authorized to rely on instructions received from the Direct Servicer or a Subservicer as to the form and substance of such documents.

Section 10.3 *Trustee Not Liable.* Except as otherwise expressly provided in the Trust Documents, the Trustee will not be liable for the use or application by the Master Servicer or any Direct Servicer of any funds paid to the Master Servicer or any Direct Servicer in respect of the Mortgage Loans, or deposited to, or withdrawn from, any Custodial Account, or the calculation of the amount transferred to any Certificate Account by the Master Servicer or by any Direct

Servicer or transferred to the Paying Agent. The Trustee makes no representations or warranties as to the validity or sufficiency of the Mortgage Documents.

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

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

Section 10.6 *Resignation and Removal of Trustee.*

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

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

(a) Prior to a Guarantor Event of Default or if a Guarantor Event of Default has occurred and has been cured with respect to a Trust, Fannie Mae cannot be removed as Trustee with respect to that Trust. If a Guarantor Event of Default has occurred and is continuing while Fannie Mae is the Trustee, at the direction of Holders representing at least 51% of the Voting Rights of the related Trust (determined in accordance with Section 14.1), Fannie Mae will resign or be removed as the Trustee, and, to the extent permitted by law, all of the rights and obligations of the Trustee with respect to the related Trust only will be terminated by

notifying the Trustee in writing. Holders representing at least 51% of the Voting Rights of the related Trust will then be authorized to name and appoint one or more successor Trustees. Notwithstanding the termination of the Trustee, its liability under the Trust Documents arising prior to such termination will survive such termination.

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

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

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

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

(iv) the Trustee becomes substantially incapable of acting, or has been determined to be unable under applicable law or regulation to remain as Trustee by either (A) the governmental unit or regulatory entity that has primary supervisory authority for it or (B) a court;

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

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

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

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

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

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

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

Section 10.8 *Merger or Consolidation of Trustee.* Notwithstanding any provision in the Trust Documents to the contrary, any corporation or association into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee will be a party, or any corporation succeeding to the business of the Trustee, will be the successor Trustee under the Trust

Documents, without the execution or filing of any paper or any further act on the part of any of the parties to the Trust Documents, provided, in the case of a Trustee other than Fannie Mae, that such corporation or association is eligible under the provisions of Section 10.5.

Section 10.9 Appointment of Co-Trustee or Separate Trustee.

10.9(1) *Authority to Appoint.* For the purpose of meeting any legal requirements of any jurisdiction in which any part of a Trust Fund or property securing it may at the time be located, the Guarantor and the Trustee acting jointly (or, if a Guarantor Event of Default has occurred and is continuing, the Trustee acting alone) will have the power to execute and deliver all instruments necessary to appoint a Person approved by the Trustee to act jointly with the Trustee as co-trustee, or to appoint a separate trustee for any part of the related Trust Fund, and to vest in that Person, in its trustee capacity, legal title to that part of the Trust Fund, and those powers, duties, obligations, rights and trusts as the Guarantor and the Trustee (or if a Guarantor Event of Default has occurred and is continuing, the Trustee alone) consider necessary or desirable, subject to the other provisions of this Section 10.9 and consistent with the Trust Documents. No co-trustee or separate trustee will be required, however, to meet the terms of eligibility as a successor Trustee under Section 10.5. Except as specifically provided in the first sentence of this Subsection 10.9(1), the Trustee will have no other right to appoint a co-trustee.

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

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

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

Section 10.10 Successor Trustee Fee. A successor Trustee designated pursuant to Article X will be entitled to a fee for its services as agreed between the successor Trustee and the Guarantor (or, if a Guarantor Event of Default has occurred and is continuing, the Master Servicer).

ARTICLE XI MASTER SERVICER

Section 11.1 *Termination and Resignation of Master Servicer.*

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

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

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

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

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

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

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

(e) admission by the successor Master Servicer in writing of its inability to pay its debts generally as they become due, filing a petition to take advantage of any applicable

insolvency or reorganization statute, making an assignment for the benefit of its creditors, or voluntarily suspending payment of its obligations; or

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

11.1(4) *Termination for Cause.*

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

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

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

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

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

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

Section 11.2 *Appointment of Successor Master Servicer.*

11.2(1) *Trustee to Appoint.* As soon as practicable after receipt of notification that the Master Servicer has resigned or has been terminated in such capacity, the Trustee will undertake the procedure described in Subsection 11.2(4) to appoint a successor Master Servicer satisfying the requirements set forth in Subsection 11.2(3) and acceptable to the Guarantor (unless a Guarantor Event of Default has occurred and is continuing, in which case the Guarantor's acceptance is not required). The successor Master Servicer need not be identical for all Trusts.

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

11.2(3) *Eligibility Requirements for Master Servicer.* Fannie Mae is eligible to act as the Master Servicer and is initially the Master Servicer under this Trust Agreement. Any successor to Fannie Mae as Master Servicer will be a corporation or association acceptable to the

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

11.2(4) *Bid Procedure for Appointment.* Upon the resignation or removal of the Master Servicer and unless otherwise directed by the Guarantor (except if a Guarantor Event of Default has occurred and is continuing), the Trustee will solicit at least three bids from qualified housing and home finance institutions, banks or mortgage servicing institutions that satisfy the requirements of Subsection 11.2(3) (which may include the Trustee or any of its affiliates). Within 30 days after the solicitation, the Trustee will negotiate in good faith and effect the sale, transfer and assignment of all rights and responsibilities of the Master Servicer to the qualified party submitting the most satisfactory bid. The compensation paid by the successful bidder will be paid to the predecessor Master Servicer, after deducting amounts sufficient to reimburse the Trustee for its expenses in conducting the bid procedure.

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

11.2(6) *Successor Master Servicer.*

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

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

11.2(7) *Concerning Reimbursement for Delinquency Advances, Servicing Advances and Guaranty Reimbursement Amounts.* If Fannie Mae is terminated or resigns as Master Servicer pursuant to Section 11.1, the successor Master Servicer will not be permitted to reimburse itself directly or indirectly for Delinquency Advances until the Guarantor has been fully paid all Guaranty Reimbursement Amounts. Instead, on or before the Latest Servicer Remittance Date with respect to the related Distribution Date, the successor Master Servicer will include in its remittance to any Certificate Account all amounts collected from Borrowers in respect of delinquent payments, to the extent of amounts on deposit in the related Custodial Accounts. After paying all Guaranty Reimbursement Amounts, the Trustee is authorized to pay to the Issuer (as the prior Master Servicer) and the successor Master Servicer, as applicable, reimbursements for Delinquency Advances and Servicing Advances to the same extent that each of them would otherwise have been entitled to reimbursement for their respective Delinquency Advances and Servicing Advances.

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

ARTICLE XII GUARANTOR EVENTS OF DEFAULT

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

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

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

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

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

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

ARTICLE XIII TRUST TERMINATION

Section 13.1 *Termination.* Each Trust is irrevocable, and will terminate only in accordance with the terms of the Trust Documents. The obligations and responsibilities of the Issuer, the Master Servicer, the Guarantor, the Trustee, and of any successor Trustee or Master Servicer, will terminate as to a Trust and its Holders upon the distribution to Holders of all amounts required to be distributed under the related Trust Documents, including any amounts distributed pursuant to the Guaranty; provided, however, that in no event will any Trust created by the Trust Documents continue beyond the last day of the 60th year following the Issue Date for that Trust.

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

ARTICLE XIV AMENDMENTS

Section 14.1 *Voting Rights.*

14.1(1) *Transferor, Affiliates and Agents.* Except as provided below in subsections 14.1(3) and 14.1(4), in determining whether Holders of the requisite amount of Certificates of a Trust have given any request, demand, authorization, direction, notice, consent or waiver requested or permitted under this Trust Agreement, any Certificate beneficially held by a Transferor with respect to that Trust, or the affiliates or agents of that Transferor, may be voted by that Transferor or the affiliates or agents of that Transferor, as the case may be, without restriction.

14.1(2) *Reserved.*

14.1(3) *Guarantor as Holder.* Certificates of a Trust that are beneficially held by the Guarantor will be disregarded and deemed not to be outstanding for purposes of determining whether a Guarantor Event of Default has occurred and is continuing or whether to remove the Master Servicer or the Trustee when a Guarantor Event of Default has occurred and is continuing. In all other matters with respect to a Trust, Certificates of that Trust that are beneficially owned by the Guarantor will be deemed outstanding and may be voted by the Guarantor to the same extent as Certificates held by any other Holder. If, however, the Guarantor beneficially owns 100% of the Certificates of a Trust, the Certificates owned by the Guarantor will be deemed outstanding and may be voted by the Guarantor without restriction.

14.1(4) *Successor Trustee as Holder.* Certificates of a Trust that are beneficially held by a successor Trustee will be disregarded and deemed not to be outstanding for purposes of determining whether a Trustee Event of Default has occurred and is continuing or whether to remove that successor Trustee when a Trustee Event of Default has occurred and is continuing. In all other matters with respect to a Trust, Certificates of that Series that are beneficially owned by a successor Trustee will be deemed outstanding and may be voted by that successor Trustee to the same extent as Certificates held by another Holder. If, however, a successor Trustee beneficially owns 100% of the Certificates of a Series, the Certificates owned by that successor Trustee will be deemed outstanding and may be voted by that successor Trustee without restriction.

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

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

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

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

(c) to make any other amendments with respect to matters or questions under this Agreement so long as such action will not (i) materially and adversely affect the related Holders or (ii) have any material adverse tax consequences for Holders, in either case as evidenced by an Opinion of Counsel to the Issuer;

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

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

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

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

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

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

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

Section 14.5 *Documentation of Amendment.*

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

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

**ARTICLE XV
MISCELLANEOUS**

Section 15.1 *Holders.*

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

15.1(2) *No Right to Participate.* No Holder will have any right to control or to participate in the control and administration of any Trust or the related Trust Fund, nor will any of the terms of the Trust Documents be construed to constitute the Holders and Fannie Mae (in

any capacity) as partners or members of an association, nor will any Holder have any duty or liability to any third person by reason of any action taken by the parties to the Trust Documents or pursuant to the provisions of the Trust Documents or Servicing Contracts.

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

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

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

Section 15.4 *Demands, Notices and Communications.* All formal demands, notices and communications by and between (i) the Issuer, Guarantor, Master Servicer or Trustee, and (ii) any Holder will be in writing (which may include an electronic message, communication over the internet or other technological method that becomes available for the transfer of information) and delivered in person or by first class mail, postage prepaid, or by facsimile or electronic transmission (which transmission will be deemed received only upon telephonic or electronic confirmation of receipt, except in the case of a communication by means of posting on an internet site or other technological method by which the information is made available for access by the party to whom the communication is being given): (a) if to the Issuer, Master Servicer or Guarantor, to the General Counsel, Attention: Securitization Counsel, Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, or to such other address as will be set forth in a notification to Holders, (b) if to the Trustee, to the attention of the Office of the

Trustee, Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, or to such other address as will be set forth in a notification to Holders, (c) if to a Holder, to the appropriate Fiscal Agent at the address (electronic or otherwise) provided to the Trustee by such Fiscal Agent, or in any other public manner as Fannie Mae uses to make its financial information available, including posting such information on the Fannie Mae Web site. Any notice that is mailed or sent electronically pursuant to clause (c) or posted within the time prescribed in the Trust Documents will be presumed conclusively to have been duly given, whether or not the Holder receives the notice. In the case of voting or consent of Holders, the communication may be through the use of a survey or voting procedure on the Fannie Mae Web site or other medium, provided the results are tallied in a manner that is secure and results in a report that can be and is maintained as part of the records of the Trust.

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

Section 15.6 *Recordation.* The Issuer will have the right, in its discretion and at its own cost and expense, to record any of the Trust Documents in all appropriate public offices for real property records in any county or comparable jurisdiction in which any Mortgaged Property is situated, and in any other appropriate public recording office or elsewhere. For the purpose of facilitating any recording or for other purposes, the parties may execute the Trust Documents, in any number of counterparts, and each such counterpart will be deemed to be an original and all such counterparts will constitute but one and the same instrument. The cost and expense of any such recording will be borne by the Issuer.

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

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

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

FANNIE MAE, in its capacity as Trustee

By: /s/ Renee Schultz
Renee Schultz
Senior Vice President
Capital Markets

By: /s/ Stephen H. McElhennon
Stephen H. McElhennon
Vice President and Deputy General
Counsel

DISTRICT OF COLUMBIA

THIS instrument was acknowledged before me on this 24th day of May, 2016, by Renee Schultz as Senior Vice President, Capital Markets, of Fannie Mae.

/s/ Laneen A. Hollis
Notary Public

My commission expires: November 14, 2016

DISTRICT OF COLUMBIA

THIS instrument was acknowledged before me on this 24th day of May, 2016, by Stephen H. McElhennon, Vice President and Deputy General Counsel of Fannie Mae.

/s/ Laneen A. Hollis
Notary Public

My commission expires: November 14, 2016

EXHIBIT A

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAE (Fixed-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: \$
Pass-Through Rate: %	Issue Date:
Security Description:	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

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

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

¹ Specify additional provisions to apply if Pool contains any Mortgage Loans whose terms provide for an initial fixed-rate period followed by an adjustment to a different fixed interest rate following the initial fixed-rate period. In the case of certain Mortgage Loans whose terms were modified prior to the Issue Date of the Pool, the initial fixed-rate period may be followed by a series of adjustments to different fixed interest rates on a series of designated dates.

EXHIBIT B

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAJORS^{®1} (Fixed-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: <i>[To be inserted on the Settlement Date]</i> \$
Pass-Through Rate: %	Issue Date:
Security Description: <i>[To be inserted on the Settlement Date]</i>	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

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

¹ This issue supplement for a Fannie Majors[®] pool can provide for multiple deliveries of Mortgage Loans and therefore includes (i) an updated Issue Date Pool Balance and (ii) an updated Mortgage Loan Schedule upon each delivery of Mortgage Loans from the time of the first Mortgage Loan delivery until the last Business Day of the month in which the Issue Date occurs.

EXHIBIT C

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAJORS® (Fixed-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: \$
Pass-Through Rate: %	Issue Date:
Security Description:	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

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

EXHIBIT D

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAE (Adjustable-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: \$
Initial Pass-Through Rate: %	Issue Date:
Security Description:	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance, Issue Date and Initial Pass-Through Rate are stated above. The Spread Rate for each Mortgage Loan is stated in the attached Mortgage Loan Schedule.

EXHIBIT E

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAJORS^{®1} (Adjustable-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: <i>[To be inserted on the Settlement Date]</i> \$
Initial Pass-Through Rate: %	Issue Date:
Security Description: <i>[To be inserted on the Settlement Date]</i>	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance, Issue Date and Initial Pass-Through Rate are stated above. The Spread Rate for each Mortgage Loan is stated in the attached Mortgage Loan Schedule.

¹ This issue supplement for a Fannie Majors[®] pool can provide for multiple deliveries of Mortgage Loans and therefore includes (i) an updated Issue Date Pool Balance and (ii) an updated Mortgage Loan Schedule upon each delivery of Mortgage Loans from the time of the first Mortgage Loan delivery until the last Business Day of the month in which the Issue Date occurs.

EXHIBIT F

**ISSUE SUPPLEMENT TO 2016 SINGLE-FAMILY
MASTER TRUST AGREEMENT**

Effective June 1, 2016

FANNIE MAJORS® (Adjustable-Rate Single-Family Mortgage Loans)

Fannie Mae Pool Number:	Issue Date Pool Balance: \$
Initial Pass-Through Rate: %	Issue Date:
Security Description:	CUSIP:

THIS IS AN ISSUE SUPPLEMENT under the 2016 Single-Family Master Trust Agreement, effective June 1, 2016, by the Federal National Mortgage Association (“Fannie Mae”). Capitalized terms in this Issue Supplement have the meanings given to them in such 2016 Single-Family Master Trust Agreement.

The collective terms of the 2016 Single-Family Master Trust Agreement and this Issue Supplement govern the composition of the Pool identified by the Pool Number appearing above, the servicing of the Mortgage Loans, the issuance and administration of Certificates related to such Pool, and all matters related to the related Trust, and have no applicability to any other Pool or Trust.

The Issue Date Pool Balance, Issue Date and Initial Pass-Through Rate are stated above. The Spread Rate for each Mortgage Loan is stated in the attached Mortgage Loan Schedule.