

Prospectus Dated December 31, 1993

Federal National Mortgage Association



Guaranteed MBS Pass-Through Securities

("Mega Certificates")

(Backed by Residential Mortgage-Backed Securities)

Principal and Interest Payable on the 25th Day of Each Month

THE CERTIFICATES, TOGETHER WITH INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF THE CORPORATION AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN THE CORPORATION. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

The Guaranteed MBS Pass-Through Securities (the "Certificates") are issued and guaranteed as to timely distribution of principal and interest by the Federal National Mortgage Association, a corporation organized and existing under the laws of the United States (the "Corporation" or "Fannie Mae"). The Certificates represent beneficial ownership interests in the principal and interest distributions on certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "MBS Certificates") held, either directly or through one or more guaranteed MBS pass-through securities ("Pooled Mega Certificates"), for the Holders (as hereinafter defined) of Certificates by Fannie Mae in its capacity as Trustee of the related Trust (the "Trust"). All Certificates relating to a particular Trust are hereinafter referred to as an "Issue."

The MBS Certificates represent beneficial interests in pools ("Pools") of first lien, residential mortgage loans (the "Mortgage Loans"). The general characteristics of the MBS Certificates are described in the accompanying Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "MBS Prospectus"). In the case of Certificates that do not back Fannie Mae Stripped Mortgage-Backed Certificates, a Prospectus Supplement and Appendix thereto will specify the particular characteristics of the MBS Certificates and any Pooled Mega Certificates.

Each Issue of Certificates will be issued pursuant to a Trust Agreement dated as of April 1, 1988, executed by Fannie Mae in its corporate capacity and its capacity as Trustee, as supplemented by an Issue Supplement to the Trust Agreement, dated as of the Issue Date specified in the Prospectus Supplement, if applicable, or the Final Data Statement for Certificates that back Fannie Mae Stripped Mortgage-Backed Certificates (collectively, the "Trust Agreement"). The Certificates will evidence the entire beneficial interest in the distributions of principal and interest required to be distributed by Fannie Mae on the underlying MBS Certificates, either held directly or through one or more Pooled Mega Certificates. Principal and interest will be distributed monthly on the 25th day of each month (or if such 25th day is not a business day, on the first business day next succeeding such 25th day, commencing in the month following the Issue Date) (each a "Distribution Date"). The aggregate distributions of principal and interest required to be made by Fannie Mae on each Distribution Date to Holders of Certificates will be equal to the distributions of principal and interest required to be made by Fannie Mae on the underlying MBS Certificates, either held directly or through one or more Pooled Mega Certificates. See "Description of Certificates — Payments on Mortgage Loans; Distributions on Certificates" in the MBS Prospectus. The portion of principal and interest to which the Holder of each Certificate is entitled will be equal to the percentage obtained by dividing the original principal amount or "denomination" of such Certificate by the aggregate original principal amount of all Certificates of the related Issue.

This Prospectus does not contain complete information regarding this offering and should be read only in conjunction with the accompanying MBS Prospectus and either the Prospectus Supplement or the Prospectus for Fannie Mae Stripped Mortgage-Backed Certificates.

THE MBS CERTIFICATES

The MBS Certificates directly or indirectly underlying an Issue of Certificates are Fannie Mae Guaranteed Mortgage Pass-Through Certificates that satisfy the general characteristics described in the MBS Prospectus. All of the Mortgage Loans will be either conventional Mortgage Loans or Mortgage Loans that are either insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs ("FHA/VA Mortgage Loans"). Substantially all of the Mortgage Loans will have original maturities of either 8 to 15 years or 20 to 30 years. Each of the Mortgage Loans (other than cooperative share loans (as described below)) will be secured by a first mortgage or deed of trust on a one-to-four family ("single family") residential property or by a first mortgage or deed of trust on a multifamily residential property. Each Mortgage Loan that is a cooperative share loan will be secured by a first lien on the stock, shares, membership certificate or other contractual agreement evidencing ownership in a cooperative housing corporation and the assignment of the related proprietary lease or occupancy agreement (subject to the cooperative housing corporation's lien against such ownership interest for unpaid assessments that represent that ownership interest's pro rata share of certain payments of the cooperative housing corporation). If fixed-rate Mortgage Loans back the MBS Certificates, all of the MBS Certificates will have the same Pass-Through Rate. If adjustable-rate Mortgage Loans back the MBS Certificates, the characteristics of the MBS Certificates will be described in the Prospectus Supplement to this Prospectus.

THE CERTIFICATES

The following summaries describe certain provisions of the Trust Agreement. Certain capitalized terms in these summaries are used as defined in the Trust Agreement or the applicable Trust Indenture relating to the underlying MBS Certificates. These summaries do not purport to be complete and are subject to, and qualified in their entirety by reference to, the more complete provisions of the Trust Agreement.

Transfer of MBS Certificates to MBS Trust

The MBS Certificates or Pooled Mega Certificates transferred to a Trust will be identified in a Fannie Mae Security Schedule appearing as an exhibit to the Issue Supplement for such Trust. The MBS Certificates will be registered in Fannie Mae's name on the books of a Federal Reserve Bank and held for the Holders of Certificates by Fannie Mae in its capacity as Trustee of the Trust.

Book-Entry Form

The Certificates will be issued, maintained and may be transferred by Holders (as defined below) only on the book-entry system of the Federal Reserve Banks. Certificates will be issuable and transferable in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof.

Certificates may be held of record only by entities eligible to maintain book-entry accounts with a Federal Reserve Bank. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts Certificates have been deposited are herein referred to as "Holders." A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners will ordinarily hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder is not the beneficial owner of a Certificate, and each other financial intermediary in the chain to the beneficial owner, will have the responsibility of establishing and maintaining accounts for its respective customers. The rights of the beneficial owner of a Certificate with respect to Fannie Mae and the Federal Reserve Banks may be exercised only through the Holder thereof. Fannie Mae and the Federal Reserve Banks will have no direct obligation to a beneficial owner of a Certificate that is not also the Holder of the Certificate. A Federal Reserve Bank will act only upon the instructions of the Holder in recording transfers of a Certificate.

A Fiscal Agency Agreement between Fannie Mae and the Federal Reserve Bank of New York makes generally applicable to the Certificates (i) regulations governing Fannie Mae's use of the book-entry system, contained in 24 C.F.R. Part 81, Subpart E, and (ii) such procedures, insofar as applicable,

as may from time to time be established by regulations of the United States Department of the Treasury governing United States securities, as now set forth in Treasury Department Circular Number 300, 31 C.F.R. Part 306 (other than Subpart 0). The Certificates are also governed by applicable operating circulars and letters of the Federal Reserve Banks.

Distributions on Certificates

On each Distribution Date, Fannie Mae will, respecting each Trust, distribute to Holders of Certificates their respective Percentage Interests (as defined below) in the principal distributions and interest distributions on the underlying MBS Certificates. Distributions on any Distribution Date will be made to Holders of record on the prior Record Date (the close of business on the last day of the immediately preceding month). The Percentage Interest evidenced by a Certificate in principal and interest distributions on the underlying MBS Certificates is equal to the percentage equivalent of a fraction the numerator of which is the principal denomination of such Certificate and the denominator of which is the aggregate of the principal denominations of all Certificates of the related Issue.

Fannie Mae Guaranty

In the Trust Agreement, Fannie Mae guarantees to the Holders of Certificates that (i) the amount distributed by Fannie Mae in respect thereof on each Distribution Date will include an amount as to interest which is equal to one month's interest on the unpaid principal balance of the Certificates at the Pass-Through Rate borne by the underlying MBS Certificates (in the case of fixed-rate MBS Certificates) or at the weighted average of the then current Pool Accrual Rates of the underlying MBS Certificates (in the case of adjustable-rate MBS Certificates) and (ii) principal will be distributed on each Distribution Date in an amount equal to the aggregate of the concurrent distributions of principal in respect of the underlying MBS Certificates, the aggregate of such principal distributions over the life of the Certificates being equal to the original principal amount of the Certificates.

Information to Holders

With respect to each distribution on the Certificates, Fannie Mae will cause to be forwarded to each Holder thereof a statement setting forth the total cash distribution on such Distribution Date with respect to the Certificates held by such Holder together with information as to the allocation thereof as between principal and interest. Within a reasonable period of time after the end of each calendar year, Fannie Mae will furnish to each Holder who at any time during the calendar year was a Holder such information as shall be required pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), and interpretations thereof.

Certain Matters Regarding Fannie Mae

The Trust Agreement provides that Fannie Mae may not resign from its obligations and duties thereunder, except upon determination that those duties are no longer permissible under applicable law. No such resignation will become effective until a successor has assumed Fannie Mae's obligations and duties under the Trust Agreement; provided, however, that no successor will succeed to Fannie Mae's guaranty obligations described above. Fannie Mae will continue to be responsible under its guaranty notwithstanding any termination of its other duties and responsibilities under the Trust Agreement. See "Rights Upon Event of Default" below.

The Trust Agreement also provides that neither Fannie Mae nor any director, officer, employee, or agent of Fannie Mae will be under any liability to any Trust or to Holders for any action taken, or for refraining from the taking of any action, in good faith pursuant to the Trust Agreement or for errors in judgment; provided, however, that neither Fannie Mae nor any such person will be protected against any liability that would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence or by reason of willful disregard of obligations and duties.

In addition, the Trust Agreement provides that Fannie Mae is not under any obligation to appear in, prosecute, or defend any legal action that is not incidental to its responsibilities under the Trust Agreement and that in its opinion may involve it in any expense or liability. Fannie Mae may, however,

in its discretion undertake any such legal action that it may deem necessary or desirable in the interests of the Holders. In such event, the legal expenses and costs of such action will be expenses and costs of Fannie Mae that will not be reimbursable to Fannie Mae out of any Trust.

Any corporation into which Fannie Mae may be merged or consolidated, or any corporation resulting from any merger, conversion, or consolidation to which Fannie Mae is a party, or any corporation succeeding to the business of Fannie Mae, will be the successor to Fannie Mae under the terms of the Trust Agreement.

Voting

As set forth under "Description of Certificates — Rights Upon Events of Default" in the MBS Prospectus, the Holders of MBS Certificates evidencing Fractional Undivided Interests aggregating not less than 25% of the related Trust Fund may terminate certain obligations and duties of Fannie Mae with respect thereto if an Event of Default under the Trust Indenture has occurred and is continuing. The Trust Agreement provides that Holders of Certificates may, upon the occurrence of an Event of Default with respect to an MBS Certificate in the related Trust, take, or join in, any such action to the extent of the product of the Fractional Undivided Interest represented by such MBS Certificate and the aggregate Percentage Interest evidenced by Certificates voting in favor thereof. The Trust Agreement permits similar action by Holders of Certificates with respect to waivers under, or amendments of, the Trust Indenture pursuant to which any MBS Certificate in the related Trust was issued and is outstanding, except that, in the case of any such action, the vote of the Holders of Certificates evidencing Percentage Interests aggregating 66% is required in order for Fannie Mae to vote the entire Fractional Undivided Interest evidenced by such MBS Certificate.

Events of Default

Events of Default under the Trust Agreement will consist of (i) any failure by Fannie Mae to distribute to Holders any required payment that continues unremedied for 15 days after the giving of written notice of such failure to Fannie Mae by the Holders of Certificates evidencing Percentage Interests aggregating not less than five percent of the related Trust; (ii) any failure by Fannie Mae duly to observe or perform in any material respect any other of its covenants or agreements in the Trust Agreement, which failure continues unremedied for 60 days after the giving of written notice to Fannie Mae by the Holders of Certificates evidencing Percentage Interests aggregating not less than 25% of the related Trust; and (iii) certain events of insolvency, readjustment of debt, marshalling of assets and liabilities, or similar proceedings and certain actions by or against Fannie Mae indicating its insolvency, reorganization, or inability to pay its obligations.

Rights Upon Event of Default

As long as an Event of Default under the Trust Agreement for any Trust remains unremedied, the Holders of Certificates evidencing Percentage Interests aggregating not less than 25% of such Trust may, in writing, terminate all of the obligations and duties of Fannie Mae as Trustee and in its corporate capacity under the Trust Agreement in respect of such Trust (other than its guaranty obligations described above which continue notwithstanding any such termination) and name and appoint, in writing, a successor trustee that will succeed to all such responsibilities, duties, and obligations of Fannie Mae thereunder (other than Fannie Mae's guaranty obligations) and to the legal title to the MBS Certificates held in such Trust.

Amendment

The Trust Agreement as it relates to any Trust may be amended by Fannie Mae and the Trustee without the consent of the Holders, to cure any ambiguity, to correct or supplement any provisions therein or to make any other provisions with respect to matters or questions arising under the Trust Agreement provided such provisions do not adversely affect the interests of any Holder.

The Trust Agreement as it relates to any Trust may also be amended by Fannie Mae with the consent of the Holders of Certificates evidencing Percentage Interests aggregating not less than 66% for the purpose of adding any provisions to the Trust Agreement or of modifying in any manner the

rights of the Holders of Certificates. However, no amendment may, without the consent of all Holders, reduce the percentages of Certificates the Holders of which are required to consent to any amendment. In addition, no amendment shall, without the consent of each Holder affected thereby, reduce in any manner the amount of, or delay the timing of, payments received on the MBS Certificates that are required to be distributed on any Certificate or modify the guaranty obligations of Fannie Mae.

Termination

The Trust Agreement as it relates to each Trust terminates upon the distribution to Holders of all amounts required to be distributed. In no event, however, will any Trust continue beyond the expiration of 21 years from the death of the last survivor of the person named in the Trust Agreement. Fannie Mae will not at any time have an option to repurchase any or all MBS Certificates in any Trust and thereby retire the Certificates. Reference is made to "Description of Certificates — Termination" in the MBS Prospectus for a description of Fannie Mae's right to purchase all remaining Mortgage Loans in a Pool underlying an MBS Certificate in the related Trust so long as the Pool Principal Balance at the time of repurchase is less than one percent of the Pool Principal Balance on the Issue Date of the MBS Certificate. The Trust Agreement contains no restriction against Fannie Mae's exercise of such right. Accordingly, distributions on the Certificates on any Distribution Date may include the proceeds of the repurchase by Fannie Mae of the Mortgage Loans underlying one or more MBS Certificates in the related Trust. If no MBS Certificate remains in the related Trust after any such repurchase, the Trust will be terminated and the proceeds of such repurchase will constitute the final distribution in retirement of the Certificates.

MARGINABILITY; REPURCHASE AGREEMENTS

The Certificates are "exempted securities" for purposes of the margin rules of the Board of Governors of the Federal Reserve System and the New York Stock Exchange and transactions in the Certificates, including repurchase agreements, are treated under such rules in the same manner as transactions in the MBS Certificates.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

Dewey Ballantine, special tax counsel to Fannie Mae, have delivered an opinion to Fannie Mae that each Trust will not be classified as an association taxable as a corporation, but will be classified as a trust of which the beneficial owners of the Certificates (the "Owners") are the owners under Subpart E of Part I of Subchapter J of the Code. Accordingly, each Owner will be treated as the owner of a pro rata undivided interest in each of the MBS Certificates that underlie, directly or indirectly, the Certificates. For the tax consequences of ownership of the MBS Certificates, see "Certain Federal Income Tax Consequences" in the MBS Prospectus.

LEGAL OPINION

Any purchaser of Certificates will be furnished upon request an opinion by the General Counsel or Deputy General Counsel of the Corporation as to the validity of the Certificates and the Trust Agreement.

ERISA CONSIDERATIONS

The Department of Labor issued a final regulation on November 13, 1986, which provides that in the case where an employee benefit plan ("plan") subject to the Employee Retirement Income Security Act of 1974 ("ERISA") acquires a "guaranteed governmental mortgage pool certificate" then, for purposes of the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of the Code, the plan's assets include the certificate and all of its rights with respect to such certificate under applicable law, but do not, solely by reason of the plan's holding of such certificate, include any of the mortgages underlying such certificate. Under the regulation, the term "guaranteed governmental mortgage pool certificate" is specifically defined to include a certificate "backed by, or

evidencing an interest in specified mortgages or participation interests therein” and with respect to which interest and principal payable pursuant to the certificate are guaranteed by Fannie Mae. The effect of such regulation is to make clear that the sponsor (that is, the entity that organizes and services the trust, in this case Fannie Mae), the trustee, and other persons, in providing services with respect to the mortgages in the trust, would not be subject to the fiduciary responsibility provisions of Title I of ERISA, nor be subject to the prohibited transaction provisions of section 4975 of the Code, merely by reason of the plan’s investment in a certificate. At the time this Labor Department regulation was originally issued, certificates similar to the Certificates were not in existence. However, Fannie Mae has been advised by its counsel, Brown & Wood, that the Certificates qualify as “guaranteed governmental mortgage pool certificates,” and thus the acquisition and holding of the Certificates by plans would not be prohibited either by ERISA or related provisions of the Code.