FEDERAL NATIONAL MORTGAGE ASSOCIATION
(“FANNIE MAE”)

Issuer and Trustee

TRUST AGREEMENT

Dated as of July 1, 1999

for

GUARANTEED GRANTOR TRUST REDEEMABLE/REDEMPTION CERTIFICATES

FANNIE MAE GRANTOR TRUST 1999-R2

[Authorized by Title III of the National Housing Act,
12 U.S.C. 1719(d)]
THIS TRUST AGREEMENT made, executed and published as of the first day of July 1999, at Washington, D.C. by the Federal National Mortgage Association (herein called “Fannie Mae”), a body corporate organized and existing under the laws of the United States, in its corporate capacity and in its capacity as trustee:

WITNESSETH:

WHEREAS, Fannie Mae is authorized pursuant to Section 304(d) of Title III of the National Housing Act (12 U.S.C. § 1719(d)) to set aside mortgage loans held by it under such Section 304 and to issue and sell securities based upon the mortgage loans so set aside; and

WHEREAS, Fannie Mae has purchased mortgage loans evidenced by a Fannie Mae Guaranteed MBS Pass-Through Certificate; and

WHEREAS, Fannie Mae intends to set aside into the Trust Fund (as defined herein) such mortgage loans evidenced by such Fannie Mae Guaranteed MBS Pass-Through Certificates; and

WHEREAS, Fannie Mae intends to issue four classes of Guaranteed Grantor Trust Redeemable/Redemption Certificates evidencing the entire interest in the Trust Fund formed hereunder;

NOW THEREFORE, the parties to this Trust Agreement, in the several capacities hereinabove set forth, do hereby declare and establish this Trust Agreement and do hereby undertake and otherwise agree as follows:
Article I.

Defined Terms

Section 1.01. General Definitions. Whenever used in this Trust Agreement, the following words and phrases shall have the following meanings:

Authorized Officer: The Chairman of the Board, the President or any Executive Vice President, Senior Vice President or Vice President of Fannie Mae.

Business Day: Any day other than (i) a Saturday or a Sunday or (ii) a day on which either the Federal Reserve Bank of New York or Boston authorizes banking institutions in the Second or First Federal Reserve District, respectively, to be closed.

Certificate: A Guaranteed Grantor Trust Redeemable/Redemption Certificate, in the case of each Redeemable Certificate issued in book-entry form and maintained in the name of a record owner as an entry on the books of a Reserve Bank under a designation specifying the class and denomination thereof; and in the case of each Redemption Certificate, issued in fully registered, certificated form as authorized by this Trust Agreement.

Certificate Account: The account created and maintained pursuant to Section 4.01.

Certificate Distribution Amount: As to any Distribution Date, beginning with the Distribution Date in August 1999, the sum of:

(i) all interest accrued on the Redeemable Certificates for the Interest Accrual Period immediately preceding such Distribution Date; and

(ii) the Principal Distribution Amount for such Distribution Date.

Certificate Interest Rate: With respect to each Redeemable Certificate, 7.5% per annum.

Certificate Principal Balance: As to any Redeemable Certificate prior to the initial Distribution Date, the denomination thereof; as to any Redeemable Certificate subsequent to such initial Distribution Date, the denomination thereof multiplied by the then applicable Certificate Principal Factor.

Certificate Principal Factor: As to any date of determination and each Class of Redeemable Certificates, a fraction the numerator of which is (i) the aggregate of the denominations of all Certificates of such Class less (ii) the aggregate amount of all Principal Distribution Amounts, if any, allocable thereto prior to such date of determination and the denominator of which is the original Class Certificate Principal Balance of such Class. As to any date of determination and the Class B1 Certificate, the then current Certificate Principal Factor for the Class A1 Certificates. As to any date of determination and the Class B2 Certificate, the then current Certificate Principal Factor for the Class A2 Certificates.

Certificate Register: The register maintained pursuant to Section 5.02.
Certificate Registrar: The registrar and Transfer Agent appointed pursuant to Section 5.02 hereof.

Certificateholder: As to any Redeemable Certificate, the record owner on the appropriate Reserve Banks’ books. As to any Redemption Certificate, the registered owner in the Certificate Register maintained by the Certificate Registrar pursuant to Section 5.02 hereof.


Class: As to the Certificates, all Certificates with the same terms.

Class Certificate Principal Balance: With respect to each Redeemable Class at any time, the aggregate of the Certificate Principal Balances of all Certificates of such Class.

Class Notional Principal Balance: With respect to each Redemption Class at any time, the denomination of the related Certificate multiplied by the then applicable Certificate Principal Factor.

Distribution Date: The 25th day (or if such 25th day is not a Business Day, the Business Day immediately following the 25th day) of each month, beginning in August 1999.

Eligible Depository: Any Reserve Bank or any depository institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, so long as at the time of determination of eligibility the commercial paper or other short-term debt obligations of such depository institution or trust company (or, in the case of a depository institution that is the principal subsidiary of a holding company, the commercial paper or other short-term debt obligations of such holding company) have the Highest Credit Rating Available from at least one Rating Agency.

Eligible Investments: Any direct obligations of, and obligations fully guaranteed by, the United States of America, Fannie Mae, the Federal Home Loan Banks, or any agency or instrumentality of the United States of America the obligations of which are backed by the full faith and credit of the United States of America.

Event of Default: As defined in Section 7.03.

Exchange Fee: With respect to any redemption of a Redeemable Class pursuant to Article VIII, the fee payable by the Holder of the related Redemption Class to Fannie Mae in an amount equal to the greater of (i) $5,000 or (ii) the lesser of $15,000 or 1/32 of 1% of the Class Certificate Principal Balance of the Redeemable Class being redeemed.

Fannie Mae: Federal National Mortgage Association, a body corporate organized and existing under the laws of the United States, or its successor in interest or any successor appointed as herein provided. Unless the context requires otherwise, the term “Fannie Mae” shall be deemed to refer to the Federal National Mortgage Association acting in its corporate capacity and not in its capacity as Trustee hereunder.
**Fannie Mae Security:** The Fannie Mae Guaranteed MBS Pass-Through Certificate that is transferred and assigned to the Trustee, included in the Trust Fund and identified in Exhibit A hereto.

**Final Distribution Date:** As to each Redeemable Class, the Distribution Date specified in Section 2.02 hereof as being the Distribution Date on or before which the Class Certificate Principal Balance thereof shall have been reduced to zero.

**Highest Credit Rating Available:** The highest rating category (disregarding any plus or minus or any numerical or other sub-category) of any Rating Agency.

**Holders:** With respect to the Trust Fund, all of the holders of Certificates.

**Interest Accrual Period:** With respect to each Redeemable Class and any Distribution Date, the calendar month prior to the month of such Distribution Date.

**Issue Date:** July 1, 1999.

**New York Presenting Agent:** State Street Bank and Trust Company, N.A., with its offices at 61 Broadway, New York, New York or such other office within the Borough of Manhattan, City of New York, State of New York, as Fannie Mae may appoint by notice to the Trustee.

**Opinion of Counsel:** A written opinion of counsel, who may be counsel for Fannie Mae.

**Paying Agent:** State Street Bank and Trust Company, a Massachusetts banking corporation, until a successor Person shall be appointed by Fannie Mae.

**Person:** Any legal person, including any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or any political subdivision thereof.

**Principal Distribution Amount:** With respect to any Distribution Date, the distribution of principal of the Fannie Mae Security on the concurrent Security Distribution Due Date.

**Prospectus:** The Prospectus dated June 22, 1999 relating to the Guaranteed Grantor Trust Redeemable/Redemption Certificates, Fannie Mae Grantor Trust 1999-R2.

**Rating Agency:** Either Standard & Poor’s Ratings Group or Moody’s Investors Service, Inc. and their respective successors in interest.

**Record Date:** As to any Distribution Date, the last day of the month preceding the month of such Distribution Date.

**Redeemable Certificates or Redeemable Classes:** The Class A1 and Class A2 Certificates.
Redemption Amount: With respect to any redemption of a Redeemable Class pursuant to Article VIII hereof, the amount payable by the Holder of the related Redemption Class to Fannie Mae which is equal to the sum of (i) 100% of the Class Certificate Principal Balance of such Redeemable Class immediately following the Distribution Date in the month prior to the month of redemption and (ii) an amount equal to interest on such Redeemable Class for the period from the first day of the month of redemption through the twenty-fourth day of such month of redemption, calculated based on such Class Certificate Principal Balance immediately following the Distribution Date in the month prior to the month of redemption.

Redemption Certificates or Redemption Classes: The Class B1 and Class B2 Certificates.

Redemption Price: With respect to any Redeemable Class to be redeemed pursuant to Article VIII hereof, the price payable by Fannie Mae on the Distribution Date in the month of redemption in an amount equal to the sum of: a) the Class Certificate Principal Balance of such Class, b) accrued interest at the Certificate Interest Rate for the related Interest Accrual Period and c) accrued interest at the Certificate Interest Rate for the period from the first day of the month of redemption through the twenty-fourth day of such month of redemption, calculated on the Class Certificate Principal Balance thereof that would have remained outstanding immediately after such Distribution Date if such redemption were not to occur.

Reserve Bank: Any Federal Reserve Bank, including its branches.

Security Distribution: As to any Security Distribution Due Date and any Fannie Mae Security, the amount of the distribution payable to the holder of such Fannie Mae Security in accordance with its terms.

Security Distribution Due Date: The date upon which a particular Security Distribution is payable to the holder of the related Fannie Mae Security in accordance with its terms.

Security Principal Balance: As of the date of determination with respect to any Fannie Mae Security, the then outstanding principal balance of such Fannie Mae Security.

Settlement Date: July 30, 1999.

Supplemental Agreement: Any supplemental agreement entered into pursuant to Article X.

Transfer Agent: State Street Bank and Trust Company, a Massachusetts banking corporation, until a successor Person shall be appointed by Fannie Mae.

Trust Agreement: This Trust Agreement, dated as of July 1, 1999, by and between Fannie Mae, in its corporate capacity, and Fannie Mae, in its capacity as Trustee, as the same is originally executed, or as modified, amended or supplemented in accordance with the applicable provisions hereof.

Trust Fund: The corpus of the trust created by this Trust Agreement, consisting of the Fannie Mae Security and all proceeds thereof.
Trustee: The Federal National Mortgage Association, in its capacity as trustee of the trust formed hereunder, or its successor in interest in such capacity, or any successor trustee appointed as herein provided.

Article II.

The Trust Fund

Section 2.01. Transfer of Fannie Mae Security. Fannie Mae, acting in its corporate capacity, does hereby transfer, assign, set over and otherwise convey to Fannie Mae, acting in its capacity as Trustee for the Holders of Certificates evidencing beneficial ownership interests in the Trust Fund established hereby, all of Fannie Mae’s right, title and interest in and to the Fannie Mae Security including all payments of principal and interest thereon received after the month of the Issue Date. Fannie Mae, acting in its capacity as Trustee, acknowledges the transfer and assignment to it of the Fannie Mae Security and hereby declares that it will hold the same in trust for the Certificateholders on the terms contained in this Trust Agreement.

Section 2.02. Classes of Certificates. The Certificates authorized by this Trust Agreement shall be divided into four Classes of Certificates having the terms and provisions hereinafter set forth. The Class designations, original Class Certificate Principal Balances, Certificate Interest Rates and Final Distribution Dates shall be as follows:

<table>
<thead>
<tr>
<th>Original Class Certificate</th>
<th>Certificate Interest Rate</th>
<th>Final Distribution Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A1</td>
<td>7.50%</td>
<td>August 2029</td>
</tr>
<tr>
<td>Class B1</td>
<td>(1)</td>
<td>N/A</td>
</tr>
<tr>
<td>Class A2</td>
<td>7.50</td>
<td>August 2029</td>
</tr>
<tr>
<td>Class B2</td>
<td>(1)</td>
<td>N/A</td>
</tr>
</tbody>
</table>

(1) These Classes are Redemption Classes and will not receive distributions of principal or interest. The Class Notional Principal Balance of each Redemption Class will be equal at any time to the product of the original Class Notional Principal Balance thereof and the Certificate Principal Factor for the related Redeemable Classes. The initial Class Notional Principal Balances of the Class B1 and Class B-2 Certificates will be $140,000,000 and $60,000,000 respectively.

Section 2.03. Delivery of Instruments. Fannie Mae shall furnish to each Holder, upon request, copies of this Trust Agreement, without attachments, applicable to the Certificate(s) held by such Holder.

Section 2.04. Notice. An original counterpart of this Trust Agreement is filed in the office of the Corporate Secretary of Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, and shall be available for inspection by any Holder of a Certificate upon request and during normal business hours.
Article III.

Distributions

Section 3.01. Distributions. The aggregate amount of principal of and interest distributable on the Redeemable Certificates on any Distribution Date shall be equal to the Certificate Distribution Amount. All distributions made with respect to any Redeemable Certificate on any Distribution Date shall be applied first to the interest distributable thereon on such Distribution Date and then to the principal thereof. All computations of interest accrued on any Redeemable Certificate shall be made as if each year consisted of twelve months of thirty days each.

Distributions on the Redeemable Certificates on any Distribution Date shall be made to Holders of record thereof on the previous Record Date. No distributions of principal or interest will be made on the Redemption Classes.

Interest on the each Class of Redeemable Certificates for the related Interest Accrual Period at the Certificate Interest Rate shall be distributed on each Distribution Date. The total amount of interest distributed on any Redeemable Certificate on any Distribution Date shall be equal to one month’s interest at the Certificate Interest Rate on the Certificate Principal Balance of such Certificate immediately prior to such Distribution Date.

On each Distribution Date, distributions in reduction of the Class Certificate Principal Balances of the Classes of Redeemable Certificates shall be made in an amount equal to the Principal Distribution Amount and shall be distributed as specified in the Prospectus.

Section 3.02. Issuance of Certificates. The Redeemable Certificates shall be issued in book-entry form and shall be maintained in the names of the record owners thereof as entries on the books of a Reserve Bank. The Redeemable Certificates shall be in authorized denominations of $1,000 and integral multiples of $1 in excess thereof. The Redeemable Certificates may be transferred or pledged in accordance with and subject to regulations governing Fannie Mae’s use of the book-entry system (as the same shall be in effect at the time of any such transfer or pledge), Federal Reserve Bank of New York Operating Circulars 21 and 21A and procedures that are followed generally for book-entry securities.

Each Redemption Certificate shall be evidenced by a single certificate the denomination of which will represent the original Class Notional Principal Balance thereof. Each Redemption Certificate shall be issued in certificated fully registered form in substantially the form of Exhibit B-1 hereto. The Redemption Certificates may be transferred and are otherwise subject to the provisions of Article V hereof.

In connection with the issuance of the Certificates, Fannie Mae has determined that distributions on the Fannie Mae Security will be sufficient to reduce the Class Certificate Principal Balance of each Redeemable Class to zero on or before its Final Distribution Date without the necessity of any call on Fannie Mae under its guaranty pursuant to Section 3.03.

Section 3.03. Distributions on Class A Certificates; Fannie Mae Guaranty.
On each Distribution Date, Fannie Mae shall withdraw from the Certificate Account the portion of the Certificate Distribution Amount distributable thereon and shall make the distributions to the Holders of each Class of Redeemable Certificates in the respective amounts and in the manner determined pursuant to Section 3.01. In the event that the amount on deposit in the Certificate Account with respect to any Distribution Date shall be less than the amount distributable on such date, Fannie Mae shall provide from its funds the amount of any such insufficiency. In the event that (i) amounts credited to the Certificate Account in respect of a particular Redeemable Class shall be insufficient to pay all interest due and payable on the Certificates of such Class on a Distribution Date or (ii) such Distribution Date is the Final Distribution Date for a Class of Redeemable Certificates and the distribution on such Distribution Date of the amount so credited will not be sufficient to reduce the Class Certificate Principal Balance thereof to zero on such Final Distribution Date, then Fannie Mae shall apply its own funds towards remedying the same. Any distribution of principal pursuant to the preceding sentence shall be deemed to be part of the Principal Distribution Amount for purposes of all future calculations of Certificate Principal Factors.

Section 3.04. Information to Certificateholders. As soon as practicable following the eleventh calendar day of each month, Fannie Mae will make available the principal factor (carried to eight decimal places) for each Class of Certificates after giving effect to the distribution of the Principal Distribution Amount on the following Distribution Date. Fannie Mae will also furnish to each Person who was a Certificateholder at any time during a calendar year such statements and information as shall be required to be furnished by the Code.

Article IV.
Certificate Account; Distributions

Section 4.01. Certificate Account; Security Distributions. On or before the issuance of the Certificates, Fannie Mae shall either (i) open with an Eligible Depository one or more trust accounts in the name of the Trustee of the Trust Fund that shall collectively be the “Certificate Account”, (ii) in lieu of maintaining any such account or accounts, maintain the Certificate Account by means of appropriate entries on its books and records designating all amounts credited thereto in respect of the Fannie Mae Security and all investments of any such amounts as being held by it in its capacity as Trustee for the benefit of the Holders of the Certificates or (iii) maintain the Certificate Account in the form of any combination of accounts or book entries described in clauses (i) and (ii) above. Any manner or manners in which the Certificate Account is maintained may at any time be changed without notice to, or the approval of, Holders of the Certificates so long as funds held in the Trust Fund by, or for the account of, the Trustee shall at all times be identified. To the extent that the Certificate Account is maintained by the Trustee in the manner provided for in clause (ii) above, all references herein to deposits and withdrawals from the Certificate Account shall be deemed to refer to credits and debits to the related books of the Trustee.

Fannie Mae shall deposit in the Certificate Account all Security Distributions received by it as Trustee hereunder. All Security Distributions deposited from time to time in the Certificate Account, all investments made with such moneys, including all income or other gain from such
investments, shall be held by the Trustee in the Certificate Account as part of the Trust Fund as herein provided, subject to withdrawal by Fannie Mae for the purposes set forth in Section 4.03.

Section 4.02. Investments. All or a portion of amounts in the Certificate Account maintained with an Eligible Depository pursuant to clause (i) in Section 4.01 shall be invested and reinvested at the discretion and direction of Fannie Mae in one or more Eligible Investments bearing interest or sold at a discount. Any investments in obligations of Fannie Mae shall be made on a basis substantially comparable to that available in an arm’s length transaction. No investment shall mature later than the Business Day immediately preceding the Distribution Date upon which the related amounts are required to be applied to distributions pursuant hereto, except that any investment in the federal funds market or on which the Eligible Depository, in its commercial capacity, or Fannie Mae is the obligor may mature on the related Distribution Date. No Eligible Investment may be sold while in the Certificate Account except to the extent that Fannie Mae believes that a sale of an Eligible Investment is desirable because of the possibility of a default by the obligor thereon.

All amounts held by the Trustee pursuant to clause (ii) of Section 4.01 may be commingled with other funds at any time held by Fannie Mae and applied, subject to its obligations herein contained, in its normal business operations or otherwise. Under no circumstance shall Fannie Mae be accountable to the Trust Fund for interest in respect of any amounts so commingled and applied.

Section 4.03. Withdrawals from the Certificate Account. Amounts credited to the Certificate Account on any Distribution Date shall be withdrawn by Fannie Mae for application towards the distributions required hereby.

Article V.

Redemption Certificates

Section 5.01. Execution, Authentication, Availability and Dating of the Redemption Certificates. The Redemption Certificates shall be executed on behalf of Fannie Mae by an Authorized Officer of Fannie Mae under the corporate seal of Fannie Mae, which may be in facsimile form and be imprinted or otherwise reproduced thereon, and shall be attested by the Secretary, Assistant Secretary or a second Authorized Officer of Fannie Mae. The signature of any of these Persons on the Redemption Certificates may be manual or facsimile.

Redemption Certificates bearing the manual or facsimile signature of individuals who were at any time officers of Fannie Mae shall bind Fannie Mae, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Certificate or did not hold such offices at the date of such Certificate.

At any time and from time to time after the execution and delivery of this Trust Agreement, Fannie Mae may deliver Redemption Certificates executed by Fannie Mae to the Certificate Registrar for authentication, and the Certificate Registrar shall authenticate and make available such Certificates as provided in this Trust Agreement and not otherwise.
No Redemption Certificate shall be entitled to any benefit under this Trust Agreement or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form provided for herein, executed by the Certificate Registrar by the manual or facsimile signature of one of its authorized signatories, and such certificate upon a Redemption Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and made available hereunder. Each Redemption Certificate shall be dated the date of its authentication.

Section 5.02. Registration and Registration of Transfer of Redemption Certificates.

(a) Fannie Mae shall cause to be kept at the office or agency to be maintained by it pursuant to Section 5.05 hereof, a register (the “Certificate Register”) in which, subject to such reasonable regulations as it may prescribe, Fannie Mae shall provide for the registration of the Redemption Certificates and the registration of transfer of the Redemption Certificates. Fannie Mae hereby initially appoints State Street Bank and Trust Company at its Corporate Trust Office as Certificate Registrar and Transfer Agent for the purpose of registration of the Redemption Certificates and transfer thereof, as provided herein. Upon any resignation of any Certificate Registrar or Transfer Agent, Fannie Mae shall promptly appoint a successor or, in the absence of such appointment, assume the duties of Certificate Registrar or Transfer Agent, as the case may be.

(b) Upon surrender for registration of transfer of a Redemption Certificate in accordance with this Section 5.02 at the office or agency of Fannie Mae maintained for such purpose pursuant to Section 5.05 hereof, Fannie Mae shall execute, and the Certificate Registrar shall authenticate and make available, in the name of the designated transferee, a new Redemption Certificate. A Redemption Certificate presented or surrendered for registration of transfer shall (if so required by Fannie Mae, the Trustee or the Certificate Registrar) be duly endorsed by, or be accompanied by a written instrument of transfer in form satisfactory to Fannie Mae and the Certificate Registrar duly executed by, the Holder thereof or such Holder’s attorney duly authorized in writing, and shall be accompanied by such other documents as Fannie Mae or the Trustee may require.

(c) A service charge in an amount determined by Fannie Mae (such amount being based on a service charge schedule on file in the Corporate Trust Office of the Certificate Registrar and in the office of the Corporate Secretary of Fannie Mae) shall be made for any registration of transfer of the Redemption Certificates, and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer of the Redemption Certificates.

Section 5.03. Mutilated, Destroyed, Lost or Stolen Redemption Certificates. If (i) any mutilated Redemption Certificate is surrendered to Fannie Mae or the Certificate Registrar or (ii) Fannie Mae receives evidence to its satisfaction of the destruction, loss or theft of a Redemption Certificate, and there is delivered to Fannie Mae such security or indemnity as may be required by it to save it harmless, then, in the absence of notice to Fannie Mae that such Redemption Certificate has been acquired by a bona fide purchaser, Fannie Mae shall execute and the Certificate Registrar shall authenticate and make available, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Redemption Certificate. Upon the issuance
of any new Redemption Certificate under this Section 5.03, Fannie Mae may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Certificate Registrar) connected therewith. Any duplicate Redemption Certificates issued pursuant to this Section 5.03 shall constitute complete and indefeasible evidence of ownership in the Trust Fund as if originally issued, whether or not the lost or stolen Certificate shall be found at any time.

Section 5.04. Persons Deemed Owners of the Redemption Certificates. Prior to due presentation of a Redemption Certificate for registration of transfer, Fannie Mae, the Trustee, the Certificate Registrar and any agent of Fannie Mae or the Trustee may treat the Person in whose name such Certificate is registered as the owner of such Certificate for the purpose of receiving distributions, if any, pursuant hereto and for all other purposes whatsoever, and neither Fannie Mae nor the Trustee, the Certificate Registrar or any agent of Fannie Mae or the Trustee shall be affected by notice to the contrary.

Section 5.05. Maintenance of Office or Agency for the Redemption Certificates. Fannie Mae shall maintain at its expense an office or agency where the Redemption Certificates may be surrendered for registration of transfer and where notices and demands to or upon Fannie Mae in respect of the Redemption Certificates and this Trust Agreement may be served. Fannie Mae initially appoints State Street Bank and Trust Company at its Corporate Trust Office as its office for said purposes. Fannie Mae will give prompt written notice to the Holder of the Redemption Certificates of any change in the location of any such office or agency.

Article VI.

Limitation of Liability

Section 6.01. General Limitation. Fannie Mae shall be liable under the terms of the Certificates and this Trust Agreement only to the extent of faithful performance of the duties and responsibilities imposed by the terms of the Certificates and this Trust Agreement.

Section 6.02. Measure of Liability. Neither Fannie Mae nor any of the directors, officers, employees or agents of Fannie Mae shall be under any liability for any action taken or for refraining from the taking of any action in good faith pursuant to the terms of this Trust Agreement, or for errors in judgment; provided, however, that this provision shall not protect Fannie Mae or any such person against any liability for action or inaction by reason of willful misfeasance, bad faith or gross negligence, or by reason of willful disregard of obligations and duties.

Fannie Mae shall have no obligation to appear in, prosecute or defend any legal action which is not incidental to its duties under this Trust Agreement and which in its opinion may involve it in expense or liability; provided, however, that Fannie Mae in its discretion may undertake any such legal action which it may deem necessary or desirable in the interests of the Holders.
In the event that Fannie Mae in its discretion so determines to undertake any such legal action, Fannie Mae for its own account shall pay and defray the expense of any such action, including attorneys’ fees.

Article VII.

Fannie Mae

Section 7.01. Resignation. Fannie Mae shall not resign from the duties imposed upon Fannie Mae in its corporate capacity or in its capacity as Trustee by the terms of this Trust Agreement except upon determination that the performance of such duties is not permissible under applicable law. Any such determination shall be based upon and consistent with an Opinion of Counsel. In the event that the basis of any such Opinion of Counsel shall relate to the dual nature of Fannie Mae’s activities hereunder and the conclusion of such Opinion of Counsel may be changed by Fannie Mae’s resigning in its corporate capacity or resigning in its capacity as Trustee, Fannie Mae shall resign in its capacity as Trustee and shall continue to act hereunder in its corporate capacity. No resignation shall become effective until a successor shall have been appointed and shall have assumed all duties imposed by the terms of this Trust Agreement; provided, however, that no successor to Fannie Mae in its corporate capacity hereunder shall be obligated to perform under Fannie Mae’s guaranty of the Certificates pursuant to Section 3.03. Fannie Mae, notwithstanding any such resignation, shall continue to be obligated under its guaranty of the Certificates pursuant to Section 3.03.

In the event of any such resignation, Fannie Mae promptly shall furnish written notice thereof to all Holders of Certificates, together with an explanation of the reason or reasons therefor, and at its own cost and expense shall proceed promptly to petition a court of competent jurisdiction for the appointment of a successor to assume the duties imposed by this Trust Agreement in respect of the capacity or capacities as to which Fannie Mae shall have resigned. Fannie Mae shall take all such action and execute and deliver all such instruments as may be necessary and appropriate to prosecute such petition and to comply with all final orders and decrees of the court.

Section 7.02. Merger or Consolidation. Any corporation or other entity into which Fannie Mae is merged or consolidated, or any corporation or other entity resulting from any merger, conversion or consolidation to which Fannie Mae shall be a party, or any corporation or other entity succeeding to the business of Fannie Mae, shall succeed to and assume all duties imposed upon Fannie Mae in its corporate capacity and in its capacity as Trustee by the terms of this Trust Agreement, without the filing of any instrument or the performance of any further act by Fannie Mae or any Certificateholder. Fannie Mae promptly shall furnish written notice of such succession to all Certificateholders.

Section 7.03. Succession Upon Default. Each of the following events shall constitute an Event of Default by Fannie Mae hereunder:

(a) any failure by Fannie Mae to distribute to Holders of Certificates of any Class any distribution required to be made under the terms of such Certificates and this Trust Agreement which continues unremedied for a period of fifteen days after the date
upon which written notice of such failure, requiring the same to be remedied, shall have been given to Fannie Mae by the Holders of Redeemable Certificates of such Class having Certificate Principal Balances aggregating not less than 5% of the Class Certificate Principal Balance thereof; or

(b) failure on the part of Fannie Mae duly to observe or perform in any material respect any other of the covenants or agreements on the part of Fannie Mae in the Certificates or in this Trust Agreement which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to Fannie Mae by the Holders of Certificates of any Redeemable Class having Certificate Principal Balances aggregating not less than 25% of the Class Certificate Principal Balance thereof or by the Holder of any Redemption Class affected thereby; or

(c) 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, shall have been entered against Fannie Mae and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days; or

(d) Fannie Mae shall consent 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 Fannie Mae or to all or substantially all of its property; or

(e) Fannie Mae shall admit in writing its inability to pay its debts generally as they become due, file a petition to invoke any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations.

Upon the occurrence of an Event of Default, and so long as such Event of Default shall not have been remedied, the Holders of Certificates of any Redeemable Class having Certificate Principal Balances aggregating not less than 25% of the Class Certificate Principal Balance thereof, or the Holder of any Redemption Class affected thereby, may (a) terminate all obligations and duties imposed upon Fannie Mae in its corporate capacity (other than its continuing obligations as set forth in the first paragraph of Section 7.01) and in its capacity as Trustee of the Trust under this Trust Agreement, and (b) name and appoint a successor or successors (in case such Holders of Certificates shall appoint a separate Person to act as Trustee) to succeed to and assume all of such obligations (other than its guaranty obligations as set forth in the first paragraph of Section 7.01) and duties and to the legal title to the Fannie Mae Security and other assets comprising the Trust Fund. Such actions shall be effected by notice in writing to Fannie Mae and shall become effective upon receipt of such notice by Fannie Mae and the acceptance of such appointment by such successor or successors.

On and after the receipt by Fannie Mae of such written notice and the acceptance by the successor or successors to Fannie Mae, all obligations (other than its continuing obligations as set forth in the first paragraph of Section 7.01) and duties imposed upon Fannie Mae in its
corporate capacity and in its capacity as Trustee under this Trust Agreement shall pass to and vest in the successor or successors named in the notice, and such successor or successors shall be authorized, and hereby are authorized, to take all such action and execute and deliver all such instruments and documents on behalf of Fannie Mae, as attorney in fact or otherwise, as may be necessary and appropriate to effect the purposes of such written notice, including, without limitation, the transfer of legal title in and to the Fannie Mae Security and all proceeds and avails thereof then held by Fannie Mae.

Section 7.04. Fannie Mae as Holder. Fannie Mae shall have the right to purchase and hold for its own account any Certificate issued pursuant to the terms of this Trust Agreement, notwithstanding the rights and duties conferred and imposed upon Fannie Mae by this Trust Agreement. In determining whether the Holders of the requisite amount of Certificates have given any request, demand, authorization, direction, notice, consent or waiver hereunder, any Certificate held by Fannie Mae in its corporate capacity shall be disregarded and deemed not to be outstanding.

Article VIII.
Redemption and Exchange

Section 8.01. Redemption.

(a) The Holder of the Class B1 Certificate and the Holder of the Class B2 Certificate shall have the right to direct Fannie Mae to redeem the Class A1 Certificates and the Class A2 Certificates, respectively, in whole but not in part, on any Distribution Date commencing with the Distribution Date in January 2000. The foregoing rights are exercisable by the respective Holders separately and independently of each other.

(b) The price payable by Fannie Mae for the related Class of Redeemable Certificates upon redemption shall be equal to the applicable Redemption Price. Fannie Mae shall redeem a Class of Redeemable Certificates only if (i) as of the date Fannie Mae receives notice from the Holder of the related Redemption Class directing Fannie Mae to redeem, the related Fannie Mae Security has a market value (exclusive of accrued interest) in excess of (x) 102% of its outstanding principal balance, in the case of a redemption prior to the Distribution Date in January 2002, and (y) 100% of its outstanding principal balance, in the case of a redemption on or after the Distribution Date in January 2002, and (ii) Fannie Mae shall have received from the Holder of the related Redemption Certificate the Redemption Amount and the related Exchange Fee, as provided below. For this purpose, the “market value” of a Fannie Mae Security shall be determined by reference to bid quotations obtained by Fannie Mae as of the date Fannie Mae receives notice of the intention to direct a redemption. The determination by Fannie Mae of the market value as described above shall (in the absence of manifest error) be final and binding.

(c) The Holder of a Redemption Certificate proposing to effect a redemption and exchange as of any applicable Distribution Date shall so notify Fannie Mae no sooner than the first Business Day and no later than 11:00 a.m. on the fifth Business Day occurring in the month of such Distribution Date. Not later than the fifth Business Day in the month of redemption the Holder of such Redemption Certificate shall deposit with Fannie Mae the applicable Redemption
Amount. Upon determination of a satisfactory market value and delivery of the Redemption Amount and Exchange Fee as specified in Section 8.01(b) hereof, the notice of redemption and exchange shall become irrevocable and redemption of the related Redeemable Certificates will be made on the following Distribution Date. The Certificate Principal Factor for the month of redemption for a Class of Redeemable Certificates and the related Redemption Class shall be zero. Fannie Mae shall distribute the Redemption Price to the Holders of the applicable Class of Redeemable Certificates on the Distribution Date in the month of redemption. Such distribution will be in lieu of any distribution of principal and interest that would otherwise be made on that Distribution Date.

(d) On the date any notice of redemption and exchange becomes irrevocable in accordance with Section 8.01(c) hereof, Fannie Mae shall notify the trustee of Lower Tier REMIC II, as described in the trust agreement relating to Fannie Mae REMIC Trust 1999-40, that the related Redeemable Certificate will be redeemed on the following Distribution Date.

Section 8.02. Exchange. On the day Fannie Mae receives the related Redemption Amount, Fannie Mae shall exchange a proportionate share of the Fannie Mae Security for the related Redemption Certificate and the Exchange Fee. The proportionate share of the Fannie Mae Security to be so exchanged is 70% in the case of the B1 Class, and 30% in the case of the B2 Class. On the Distribution Date in the month of redemption, Fannie Mae shall remit to the Holder of such Redemption Certificate (a) the excess of (i) the Redemption Amount paid to Fannie Mae by the Holder of such Certificate and the distributions received on the related Fannie Mae Security in the month of redemption over (ii) the Redemption Price for the related Redeemable Class and (b) interest on the Redemption Amount from the date the Redemption Amount is received through the twenty-fourth day of the month in which the redemption of such Redeemable Class occurs. Such interest will be calculated for each day at the prevailing daily Federal Funds rate determined as of the close of business, less 25 basis points.

Article IX.

Termination

Section 9.01. Termination. The respective obligations and responsibilities of Fannie Mae in its corporate capacity and in its capacity as Trustee created hereby shall terminate upon distribution by Fannie Mae to all Holders of the Certificates of all amounts required to be distributed hereunder; provided, however, that in no event shall the Trust Fund created hereby continue beyond the expiration of 21 years from the death of the survivor of the descendants of Joseph P. Kennedy, the late ambassador of the United States to the Court of St. James, living on the Issue Date.

Notice of any termination shall be given promptly by Fannie Mae to Holders of Certificates by publication of a Certificate Principal Factor equal to zero for each outstanding Class of Certificates not later than the eighth Business Day of the month of the related Distribution Date.
Article X.

Supplemental Agreements

Section 10.01. Permissible Without Action by Certificateholders. Fannie Mae and the Trustee, from time to time and at any time, may, without the consent of or notice (other than in the case of any instrument supplemental hereto pursuant to clause (b) below) to any Holder of a Certificate, enter into an agreement or other instrument supplemental hereto and which thereafter shall form a part hereof, for any one or more of the following purposes:

(a) to add to the covenants of Fannie Mae;

(b) to evidence the succession pursuant to Article VII of another Person or Persons to Fannie Mae and the assumption by such successor or successors of the obligations of Fannie Mae hereunder in its corporate capacity or in its capacity as Trustee or in both such capacities;

(c) to eliminate any right reserved to or conferred upon Fannie Mae in its corporate capacity; or

(d) to take such action to cure any ambiguity or correct or supplement any provision in this Trust Agreement as Fannie Mae may deem necessary or desirable.

Section 10.02. Waivers and Supplemental Agreements with Consent of Holders. With the consent of the Holders of Redeemable Certificates of each Class having Certificate Principal Balances aggregating not less than 66% of the Class Certificate Principal Balance thereof and the Holder of each Redemption Certificate (a) compliance by Fannie Mae with any of the terms of this Trust Agreement may be waived or (b) Fannie Mae, in its corporate capacity and in its capacity as Trustee, may enter into any Supplemental Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Trust Agreement or of modifying in any manner the rights of the Holders of the Certificates issued under this Trust Agreement; provided that no such waiver or Supplemental Agreement shall:

(A) without the consent of all Certificateholders affected thereby reduce in any manner the amount of, or delay the timing of, distributions which are required to be made on any Certificate; or

(B) without the consent of all Certificateholders (i) terminate or modify Fannie Mae’s guaranty of the Certificates pursuant to Section 3.03, or (ii) reduce the aforesaid percentages of Certificates, the Holders of which are required to consent to any waiver or any Supplemental Agreement.

It shall not be necessary for Holders to approve the particular form of any proposed Supplemental Agreement, but it shall be sufficient if such Holders shall approve the substance thereof.

Promptly after the execution of any Supplemental Agreement pursuant to this Section, Fannie Mae shall give written notice thereof to Holders of Certificates. Any failure of Fannie
Mae to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Agreement.

Article XI.

Miscellaneous

Section 11.01. Holders. The death or incapacity of any Holder shall not operate to terminate this Trust Agreement, 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 Trust Fund, nor otherwise affect the rights, duties and obligations of any of the parties to this Trust Agreement.

Except as provided in Article X, no Certificateholder shall have any right to vote or in any manner otherwise control the operation and management of the Trust Fund, or the obligations of the parties hereto, nor shall anything herein set forth, or contained in the terms of the Certificates, be construed so as to constitute the Certificateholders from time to time as partners or members of an association; nor shall any Certificateholder be under any liability to any third person by reason of any action taken by the parties to this Trust Agreement pursuant to any provision hereof.

No Certificateholder shall have any right by virtue of any provision of this Trust Agreement to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Trust Agreement an Event of Default shall have occurred and be continuing in respect of the Trust Agreement. It is understood and intended, and is expressly covenanted by each Certificateholder with every other Certificateholder and the Trustee, that no one or more Holders of Certificates shall have any right in any manner whatever by virtue of any provision of this Trust Agreement to affect, disturb or prejudice the rights of the Holders of any other such Certificates, or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under this Trust Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all Certificateholders. For the protection and enforcement of the provisions of this Section, each and every Certificateholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Section 11.02. Governing Law. The terms of this Trust Agreement shall be construed in accordance with the laws of the District of Columbia.

Section 11.03. Demands, Notices, Communications. All formal demands, notices and communications by and between Fannie Mae and the Holder of any Certificate shall be in writing and delivered in person or by first class mail, postage prepaid (a) if to Fannie Mae, to the Corporate Secretary of Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, or to such other address as shall be set forth in a notification to Holders or (b) if to the Holder of a Redemption Certificate, to such Holder at the address shown in the Certificate Register, (c) if to the Certificate Registrar, the Paying Agent or the Transfer Agent, to the Corporate Trust Office thereof located at 225 Franklin Street, Boston, Massachusetts 02110, or (d) if to the Holder of a Redeemable Certificate, to the appropriate Holder in care of the Reserve Bank to the address provided to Fannie Mae by such Reserve Bank. Any notice so mailed within the time prescribed
in this Trust Agreement shall be conclusively presumed to have been duly given whether or not the Holder receives such notice.

Section 11.04. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Trust Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Trust Agreement and shall in no way affect the validity or enforceability of the other provisions of this Trust Agreement or of the Certificates or the rights of the Holders thereof.
IN WITNESS WHEREOF, the parties hereto hereby execute this Trust Agreement, as of the day and year first above written.

FANNIE MAE,
in its corporate capacity,
and as Trustee

By:__________________________

[SEAL]

Attest:_______________________
Assistant Secretary
EXHIBIT B

THIS REDEMPTION CERTIFICATE HAS NO PRINCIPAL BALANCE, DOES NOT BEAR INTEREST AND WILL NOT RECEIVE ANY DISTRIBUTIONS EXCEPT AS PROVIDED HEREIN.

Pursuant to Trust Agreement Dated as of July 1, 1999

Fannie Mae

Guaranteed Grantor Trust Redemption Certificate
evidencing an interest in Fannie Mae Grantor Trust 1999-R2

Issued by
FEDERAL NATIONAL MORTGAGE ASSOCIATION

Class: [B1][B2]

Issue Date: July 1, 1999

Certificate No.: 1

CUSIP No.: 1

Original Class Notional
Principal Balance:

Registered Holder:

Taxpayer Identification Number:

FEDERAL NATIONAL MORTGAGE ASSOCIATION, a body corporate organized and existing under the laws of the United States (“Fannie Mae”, which term includes any successor), in its corporate capacity, for value received, hereby promises to distribute to the Registered Holder identified above or registered assigns (the “Holder”), subject to the terms and conditions of the trust agreement dated as of July 1, 1999 (the “Trust Agreement”), between Fannie Mae in its corporate capacity and Fannie Mae as trustee (the “Trustee”), all proceeds due to such Holder upon the exercise, if any, of the Holder’s right to cause Fannie Mae to redeem the Class [A1][A2] Certificates as described below.

This Redemption Certificate is one of a duly authorized issue of Guaranteed Grantor Trust Redeemable/Redemption Certificates of Fannie Mae (herein called the “Certificates”), representing interests in Fannie Mae Grantor Trust 1999-R2 (herein called the “Trust Fund”), all issued and to be issued under the Trust Agreement, to which Trust Agreement and all amendments supplemental thereto reference is hereby made for a statement of the respective rights thereunder of Fannie Mae, the Trustee, and the Holders of the Certificates of each Class thereof and the terms upon which this Redemption Certificate is, and is to be, authenticated and
made available. All capitalized terms used in this Redemption Certificate that are defined in the Trust Agreement shall have the meanings assigned to them in the Trust Agreement.

No distributions shall be made on this Redemption Certificate, except that any distribution of the proceeds due such Holder in a redemption and exchange transaction as set forth below shall be made only upon presentation and surrender of this Redemption Certificate at the Corporate Trust Office of the Paying Agent as specified in the Trust Agreement.

The Holder of this Redemption Certificate shall have the right to direct Fannie Mae to redeem the Class [A1][A2] Certificates, in whole but not in part, on any Distribution Date commencing with the Distribution Date in January 2000. Fannie Mae shall redeem the Class [A1][A2] Certificates only if (i) as of the date Fannie Mae receives notice from the Holder of the related Redemption Class directing Fannie Mae to redeem, the related Fannie Mae Security has a market value (exclusive of accrued interest) in excess of (x) 102% of its outstanding principal balance, in the case of a redemption prior to the Distribution Date in January 2002, and (y) 100% of its outstanding principal balance, in the case of a redemption on or after the Distribution Date in January 2002, and (ii) Fannie Mae shall have received payment by the Holder of this Redemption Certificate of the applicable Redemption Amount and the Exchange Fee, each as defined in the Trust Agreement.

The Holder of this Redemption Certificate proposing to effect a redemption and exchange as of any applicable Distribution Date must so notify Fannie Mae no sooner than the first Business Day and no later than 11:00 A.M. on the fifth Business Day occurring in the month of such Distribution Date. Not later than the fifth Business Day in the month of redemption, the Holder of this Redemption Certificate must deposit with Fannie Mae the Redemption Amount for the Class [A1][A2] Certificates as set forth in the Trust Agreement. Upon (i) determination of a satisfactory market value with respect to the Fannie Mae Security as specified in the Trust Agreement and (ii) delivery of the Redemption Amount and the Exchange Fee, the notice of redemption and exchange shall become irrevocable and redemption of the Class [A1][A2] Certificates shall be made on the Distribution Date.

On the day Fannie Mae receives the related Redemption Amount, Fannie Mae shall exchange a proportionate share of the Fannie Mae Security for the related Redemption Certificate and the Exchange Fee. The proportionate share of the Fannie Mae Security to be so exchanged is [70%][30%]. On the Distribution Date in the month of redemption, Fannie Mae shall remit to the Holder of this Redemption Certificate (a) the excess of (i) the Redemption Amount paid to Fannie Mae by the Holder of this Redemption Certificate and the distribution received on the Fannie Mae Security in the month of redemption over (ii) the Redemption Price for the Class [A1][A2] Certificates and (b) interest on the Redemption Amount from the date the Redemption Amount is received through the twenty-fourth day of the month in which the redemption of the Class [A1][A2] Certificates occurs. Such interest shall be calculated for each day at the prevailing daily Federal Funds rate determined as of the close of business, less 25 basis points.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of Fannie Mae and the rights of the Certificateholders under the Trust Agreement at any time by Fannie Mae with the consent of the
Holders of Redeemable Certificates of each Class having Certificate Principal Balances aggregating not less than 66% of the Class Certificate Principal Balance thereof and the Holder of each Redemption Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

Any consent by the Holder of this Redemption Certificate pursuant to the Trust Agreement shall be conclusive and binding on such Holder and upon all future Holders of this Redemption Certificate and of any Redemption Certificate issued upon the registration of transfer hereof or in lieu hereof whether or not notation of such consent is made upon this Redemption Certificate.

As provided in the Trust Agreement and subject to certain limitations set forth therein, the transfer of this Redemption Certificate is registrable in the Certificate Register of Fannie Mae upon surrender of this Redemption Certificate for registration of transfer at the office or agency maintained by Fannie Mae for such purpose, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to Fannie Mae and the Certificate Registrar duly executed by, the Holder hereof or such Holder’s attorney duly authorized in writing, and such other documents as Fannie Mae, the Trustee or the Certificate Registrar may require, and thereupon a new Redemption Certificate will be issued to the designated transferee. A service charge in an amount determined by Fannie Mae shall be imposed for any registration of transfer of this Redemption Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

Fannie Mae, the Trustee, the Certificate Registrar and any agent of Fannie Mae or the Trustee may treat the Person in whose name this Redemption Certificate is registered as the owner hereof for all purposes, and neither Fannie Mae nor the Trustee, the Certificate Registrar or any agent of Fannie Mae or the Trustee shall be affected by notice to the contrary.

This Redemption Certificate shall be construed in accordance with, and governed by, the substantive laws of the District of Columbia applicable to agreements made and to be performed therein.

This Redemption Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement, to which Trust Agreement the Holder of this Redemption Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

Unless the certificate of authentication hereon has been executed by or on behalf of the Certificate Registrar by manual or facsimile signature, this Redemption Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

************
IN WITNESS WHEREOF, Fannie Mae has caused this Redemption Certificate to be duly executed by manual or facsimile signature under its official seal.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By:__________________________________
    Vice President
(Seal)
Attest:

__________________________________
Assistant Secretary
CERTIFICATE OF AUTHENTICATION

This is the Class [B1][B2] Guaranteed Grantor Trust Redemption Certificate referred to in the within-mentioned Trust Agreement.

STATE STREET BANK AND TRUST COMPANY,
Certificate Registrar

Dated:     By:________________________________

Authorized Signatory