

Pricing Supplement dated July 25, 2019
(To Offering Circular dated November 3, 2017)



Universal Debt Facility

This Pricing Supplement relates to the Debt Securities described below (the “Notes”). You should read it together with the Offering Circular dated November 3, 2017 (the “Offering Circular”), relating to the Universal Debt Facility of the Federal National Mortgage Association (“Fannie Mae”). Unless defined below, capitalized terms have the meanings we gave to them in the Offering Circular.

The Notes, and interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than Fannie Mae.

Certain Securities Terms

1. Title: Variable Rate Notes Due January 29, 2021
2. Form: Fed Book-Entry Securities
3. Specified Payment Currency
 - a. Interest: U.S. dollars
 - b. Principal: U.S. dollars
4. Aggregate Original Principal Amount: \$2,000,000,000.00
5. Issue Date: July 29, 2019
6. Maturity Date: January 29, 2021
Amount Payable on the Maturity Date: 100.00% of principal amount
7. Subject to Redemption Prior to Maturity Date
 - No
 - Yes
8. Interest Category: Variable Rate Securities

9. Interest

- a. Frequency of Interest Payments: Quarterly
- b. Interest Payment Dates: the 29th day of each January, April, July and October
- c. First Interest Payment Date: October 29, 2019
- d. Interest Rate Determination:
 - (a) Interest Accrual: Since the rate of interest will reset within each Interest Period, accrued interest will be calculated by multiplying the principal amount of the Notes by an accrued interest factor. This accrued interest factor will be computed by totaling the interest factors calculated for all days in the Interest Period. The interest factor for each day will be computed by dividing the interest rate for that day by the number of days in the year referred to in the accrual method. See “Description of the Debt Securities—Interest—Variable Rate Securities” in the Offering Circular.
 - (b) Index (as more fully described below): SOFR
 - (c) Spread: +0.04%
 - (d) Multiplier: N/A
 - (e) Reset Frequency: Daily
 - (f) Reset Dates: each day in an Interest Period; provided, however, that in respect of any Interest Period, the period beginning two (2) U.S. Government Securities Business Days prior to an Interest Payment Date shall be a Suspension Period. During a Suspension Period, the index for each day during that Suspension Period will be the index value for the day immediately prior to the first day of such Suspension Period.
 - (g) First Reset Date: July 29, 2019
 - (h) Accrual method (i.e., day count convention): Actual/360
 - (i) Initial Calculation Agent: Fannie Mae

Additional Information Relating to the Notes

1. Identification Number(s)
 - a. CUSIP: 3135G0V83
 - b. ISIN: US3135G0V837
 - c. Common Code: 203559160

2. Listing Application

No
 Yes

Eligibility for Stripping on the Issue Date

No
 Yes

Minimum Principal Amount: _____

Offering

1. Pricing Date: July 25, 2019
2. Method of Distribution: Principal Non-underwritten
3. Dealers: Citigroup Global Markets Inc.
J.P. Morgan
TD Securities USA
Academy Securities
Williams Capital Group, L.P.

Stabilizing Manager: Citigroup Global Markets Inc.

4. Offering Price:

Fixed Offering Price: 100.00% of principal amount, plus accrued interest, if any, from the Settlement Date

Variable Price Offering

5. Dealer Purchase Price: 99.970% of principal amount

- a. Concession: N/A
 - b. Reallowance: N/A
6. Proceeds to Fannie Mae: \$1,999,400,000.00

Settlement

- 1. Settlement Date: July 29, 2019
- 2. Settlement Basis: delivery versus payment
- 3. Settlement Clearing System: U.S. Federal Reserve Banks

Additional Risk Factors

The Offering Circular and this Pricing Supplement do not describe all of the risks and other ramifications of an investment in the Notes. An investment in the Notes entails significant risks not associated with an investment in a conventional fixed rate or floating rate debt security. Investors should consult their own financial and legal advisors about the risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances, and possible scenarios for economic, interest rate and other factors that may affect their investment.

The Secured Overnight Financing Rate is published by the Federal Reserve Bank of New York (the “Federal Reserve”) and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. The Federal Reserve reports that the Secured Overnight Financing Rate includes all trades in the Broad General Collateral Rate, plus bilateral Treasury repurchase agreement transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the “FICC”), a subsidiary of the Depository Trust and Clearing Corporation (“DTCC”). The Secured Overnight Financing Rate is filtered by the Federal Reserve to remove a portion of the foregoing transactions considered to be “specials”.

The Federal Reserve reports that the Secured Overnight Financing Rate is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon as well as General Collateral Finance repurchase agreement transaction data and data on bilateral Treasury repurchase transactions cleared through the FICC’s delivery-versus-payment service. The Federal Reserve notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC. The Federal Reserve notes on its publication page for the Secured Overnight Financing Rate that use of the Secured Overnight Financing Rate is subject to important limitations and disclaimers, including that the Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of the Secured Overnight Financing Rate at any time without notice.

Because the Secured Overnight Financing Rate is published by the Federal Reserve based on data received from other sources, Fannie Mae has no control over its determination, calculation or publication. There can be no guarantee that the Secured Overnight Financing Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes. If the manner in which the Secured Overnight Financing Rate is calculated is changed, that change may result in a reduction of the amount of interest payable on the Notes and the trading prices of the Notes. If the rate at which interest accrues on any day (meaning Secured Overnight Financing Rate for that Reset Date plus or minus the applicable spread) declines to zero or becomes negative, no interest will be payable on the Notes in respect of that day.

The Federal Reserve began to publish the Secured Overnight Financing Rate in April 2018. The Federal Reserve has also begun publishing historical indicative Secured Overnight Financing Rates going back to 2014. Investors should not rely on any historical changes or trends in the Secured Overnight Financing Rate as an indicator of future changes in the Secured Overnight Financing Rate. Also, since the Secured Overnight Financing Rate is a relatively new market index, the Notes will likely have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to the Secured Overnight Financing Rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of the Notes may be lower than those of later-issued indexed debt securities as a result. Similarly, if the Secured Overnight Financing Rate does not prove to be widely used in securities like the Notes, the trading price of the Notes may be lower than those of notes linked to indices that are more widely used. Investors in the Notes may not be able to sell the Notes at all or may not be able to sell the Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

SOFR Definition

The following provisions will apply to the calculation of SOFR for the Notes:

“SOFR” means, with respect to any Reset Date:

- (1) the Secured Overnight Financing Rate published at 5:00 p.m. (New York time) on the Federal Reserve’s Website on the Reset Date (or, if such Reset Date is not a U.S. Government Securities Business Day, on the first U.S. Government Securities Business Day following such Reset Date) for trades made on the related Determination Date. (For example, the Secured Overnight Financing Rate for the May 6, 2019 Reset Date will be the rate published on May 6, 2019 for trades made on May 3, 2019.)
- (2) if the rate specified in (1) above does not so appear, and a SOFR Index Cessation Event and SOFR Index Cessation Date have not occurred, then the Calculation Agent shall use the Secured Overnight Financing Rate published on the Federal Reserve’s Website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the Federal Reserve’s Website.

- (3) if a SOFR Index Cessation Event and SOFR Index Cessation Date have occurred, the Calculation Agent shall calculate SOFR as if references to SOFR were references to the rate that was recommended as the replacement for the Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads). If no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event, then the Calculation Agent shall use the Overnight Bank Funding Rate published on the Federal Reserve's Website for any Reset Date after the SOFR Index Cessation Date (it being understood that the Overnight Bank Funding Rate for any such Reset Date will be for trades made on the related Determination Date).
- (4) If the Calculation Agent is required to use the Overnight Bank Funding Rate in paragraph (3) above and an OBFR Index Cessation Event has occurred, then for any Reset Date after the OBFR Index Cessation Date, the Calculation Agent shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website, or if the Federal Open Market Committee has not set a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range).

The following definitions apply to the preceding description of SOFR:

“Calculation Agent” means Fannie Mae or any other entity designated by Fannie Mae to make the calculations set forth in this definition.

“Determination Date” means, with respect to any Reset Date, the first U.S. Government Securities Business Day immediately preceding such Reset Date.

“Federal Reserve's Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York.

“OBFR Index Cessation Event” means the occurrence of one or more of the following events:

- (a) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide an Overnight Bank Funding Rate; or

- (b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) has ceased to provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate.

“OBFR Index Cessation Date” means, in respect of an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate, or the date as of which the Overnight Bank Funding Rate may no longer be used.

“SIFMA” means the Securities Industry and Financial Markets Association.

“SOFR Index Cessation Date” means, in respect of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used.

“SOFR Index Cessation Event” means the occurrence of one or more of the following events:

- (a) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide a Secured Overnight Financing Rate; or
- (b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) has ceased to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate.

“U.S. Government Securities Business Day” means any day except for a Saturday, Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. Government Securities.