

# **EXHIBIT J**

**MINUTES OF A MEETING OF THE  
BOARD OF DIRECTORS OF  
FANNIE MAE**

July 20, 2012  
9:00 a.m. to 12:00 p.m.

The Board of Directors (the "Board") of Fannie Mae (the "Company") met at the Company's headquarters in Washington, DC on July 20, 2012. The following members of the Board were present: Tom Forrester, Brenda Gaines, Charlynn Goins, Bart Harvey, Robert Herz, Phil Laskawy (Chair), Egbert Perry, Jonathan Plutzik, David Sidwell, and Timothy Mayopoulos.

Present for the entire meeting were Judith Dunn and Christine Reddy. Present for all but the Bank of America Executive Session were Timothy Mayopoulos, Anna Tilton and Brad Martin and Jeff Spohn of the Federal Housing Finance Agency ("FHFA"). Present for the Bank of America Update during the Executive Session were Terry Edwards, Joe Grassi, Jonathan Griffith, Susan McFarland, John Nichols, Zach Oppenheimer, and outside counsel, Michael Kim from Kobre and Kim LLP and Barton Winokur from Dechert LLP. Present for the Multifamily Asset Stabilization Update during the Executive Session were Jeff Hayward and Evan Stolove. Present for the Management Report portion of the meeting were David Benson, Patricia Black, Pascal Boillat, Andrew BonSalle, Doug Duncan, Terry Edwards, Greg Fink, Anne Gehring, Jeff Hayward, Nancy Jardini, Susan McFarland, Brian McQuaid, John Nichols, Zach Oppenheimer, and Kelli Parsons.

Chair Laskawy called the meeting to order in executive session at 9:00 a.m.

Executive Session

Multifamily Asset Stabilization Update

SVP Hayward, Head of Multifamily, provided the Board with an update on the status of the Multifamily Asset Stabilization program. At the last briefing of the Board, the possibility of requesting FHFA approval to [Redacted for Non-Responsiveness]

[Redacted] Several developments since that discussion took place have caused management to determine that such a request is no longer appropriate. Management has discussed the proposal to [Redacted for Non-Responsiveness]

[Redacted] In addition, Interim General Counsel and Corporate Secretary Dunn updated the Board on the [Redacted]

**Redacted for Non-Responsiveness**

SVP Hayward provided the Board with an update on the Multifamily Asset Stabilization Program and the performance of assets held in the joint venture. At [Redacted for Non-Responsiveness]

[Redacted] The Board requested that additional data regarding the performance of assets in the Program, including the internal rate of return and initial

investment be provided at an upcoming meeting. **Redacted for Non-Responsiveness**

Determination of Indemnification for Completed Matters

SVP Dunn, Interim General Counsel and Corporate Secretary, updated the Board on the status of several closed matters for which expenses had been advanced pursuant to the protection provided by the Bylaws and individual indemnification agreements. Interim General Counsel Dunn advised the Board that **Attorney-Client Privilege**

Upon a motion duly made and seconded, the Board approved the following resolutions:

**Attorney-Client Privilege**

# Attorney-Client Privilege



Redacted for Non-Responsiveness

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# Attorney-Client Privilege



Interim General Counsel Dunn and CEO Mayopoulos next provided the Board with an update on [REDACTED] Attorney-Client Privilege

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] Mr. Spohn and Mr. Martin of FHFA left the meeting.

Approve Minutes

Upon a motion duly made and seconded, the Board approved the minutes of its meetings held on May 17, 2012, May 18, 2012, May 30, 2012, and June 6, 2012.

Bank of America Update

**Redacted for Non-Responsiveness**

[REDACTED]

Redacted for Non-Responsiveness



Bank of America Executive Session

Redacted for Non-Responsiveness





Redacted for Non-Responsiveness

Attorney-Client Privilege

Redacted for Non-Responsiveness

Attorney-Client Privilege

# Attorney-Client Privilege

Redacted for Non-Responsiveness

Mr. Mayopoulos, Mr.

Benson, Ms. Black, Mr. BonSalle, Mr. Boillat, Ms. Deich, Mr. Edwards, Mr. Fink, Mr. Hayward, Ms. Jardini, Mr. McQuaid and Ms. Tilton of Fannie Mae and Mr. Martin and Mr. Spohn of FHFA joined the meeting. Board member Gaines left the meeting.

## Committee Reports

Audit Committee Chair Forrester provided a brief report on the Audit Committee meeting held the prior day. Board Chair Laskawy reminded the Board that the Board had been in attendance and had taken action on several matters during the Compensation Committee meeting the previous day, and so no additional discussion was required.

Risk Policy and Capital Committee Chair Sidwell next provided a report on the Committee's meeting held the prior day, and reminded the Board that, as was the case during the Compensation Committee, since the full Board was in attendance during the Joint Audit and Risk Policy and Capital Committee, Board Chair Laskawy had convened the Board and the Board had taken action to approve the counterparty risk limit framework during the joint Committee meeting. Risk Policy and Capital Committee Chair Sidwell provided an update on the meeting of the Risk Policy and Capital Committee held the previous day. He explained that the Chief Risk Officer had provided several reports, including an update on the sampling methodology and protocols used to establish underwriting standards. Stress scenarios and risk exposures were also discussed during the Committee meeting, and the impacts of

further economic declines were discussed. The composition of the Capital Markets portfolio, which includes some illiquid assets, particularly Single Family loans that are not performing was considered by the Committee. The non-performing loans are bought out of trust for purposes of loss mitigation, and delays in the foreclosure process have caused it to be difficult to dispose of these distressed assets. The remainder of the portfolio is reasonably liquid, and to comply with the reduction in the size of the portfolio required by the Preferred Stock Purchase Agreement with the U.S. Treasury, sales of some of the less liquid distressed assets will be required. The Committee will continue to oversee the composition and liquidity of assets in the Capital Markets portfolio. The Board discussed the projections for the portfolio size in 2015 and 2016, the ability of the Company to meet the requirements of the Preferred Stock Purchase Agreement, and current valuations of the distressed assets held in the portfolio.

Strategic Initiatives Committee Chair Laskawy next provided a brief report on the Committee's meeting held the prior day, and he indicated that the Committee primarily focused on the data center project, which is currently on-track.

### **Management Report**

CEO Mayopoulos asked that CFO McFarland provide the Board with a brief update on the current and projected financial performance of the Company.

### **Financial Update**

CFO McFarland explained that the books for the second quarter closed over the prior weekend and the results are \$2.4 billion higher than the first quarter, due to a credit related benefit. The credit related benefit is offset by fair-value losses caused by movement in interest rates. One factor in the change to the quarter results from the

forecast is an update to a Blackrock model. The model was changed to reflect the longer time frames to liquidation, and impacted the other-than-temporary impairment expenses by approximately \$600 million. Actual home prices have improved, and that improvement causes the Single Family allowance to decrease by about \$6.5 billion from the first quarter reserve amount.

The Board discussed key sensitivities and assumptions in the multi-year forecast, and drivers to credit-related expenses that might impact the forecast. Of these, changes to Home Prices have the most significant impact on the Company's net worth over a five-year time frame. The Board discussed expected trends in 2013, particularly allowance reductions and the ability to cover dividend obligations from earnings.

**Adjournment**

Board Chair Laskawy adjourned the meeting at 12:00 p.m.

  
Corporate Secretary