

**From:** Mudd, Daniel H [REDACTED]  
**Sent:** Sunday, October 29, 2006 12:42 PM  
**To:** Dallavecchia, Enrico [REDACTED]  
**Subject:** RE: Subprime

---

This is a serious matter and if the facts are supportive, we (you and I) will come down hard.

Daniel Mudd

—Original Message—

**From:** Dallavecchia, Enrico  
**Sent:** Saturday, October 28, 2006 01:39 PM Eastern Standard Time  
**To:** Mudd, Daniel H  
**Subject:** Subprime

Dan, I have a serious problem with the control process around subprime limits.

The business actions in terms of ramping up business much faster than what would be consistent with the \$5bn limit for year end we agreed upon less than two months ago is de facto preventing me to exercise my reserved authority to determine limits without damaging relationships with customers.

This is on top of the recent lack of process on the Chase deal (also a limit excess on concentration and debt to income ratios), and after we approved twice (in March and in June) to buy subprime loans without having completed the new business initiative.

There is a pattern emerging of inadequate regard for the control process.

We need to talk on Monday.

Enrico Dallavecchia  
Fannie Mae  
[REDACTED]

—Original Message—

**From:** Levin, Robert  
**Sent:** Friday, October 27, 2006 03:55 PM Eastern Standard Time  
**To:** Mirra, Sal; Lund, Thomas A; Dallavecchia, Enrico; Johnson, Pamela; Shaw, Michael A  
**Subject:** RE: REQUEST

I'd like Tom L. to tell us what the business is going to do consistent with today's direction.

R.

The electronic mail message you have received and any files transmitted with it are confidential and solely for the intended addressee (s)'s attention. Do not divulge, copy, forward, or use the contents, attachments, or information without permission of Fannie Mae. Information contained in this message is provided solely for the purpose stated in the message or its attachment(s) and must not be disclosed to any third party or used for any other purpose without consent of Fannie Mae. If you have received this message and/or any files transmitted with it in error, please delete them from your system, destroy any hard copies of them, and contact the sender.