

RE: Voice Mail from 3017676642 (1 minute and 39 seconds)

Item ID: 42958
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Voice Mail from (b) (6) (1 minute and 39 seconds)
Sent: August 17, 2012 10:11 AM
Received: August 17, 2012 10:11 AM

Hi Old Salt, Given our conversation, my suggested course of action is: (b) (5)

(b) (5) Please let me know if you agree. Tim From: Parker, Richard Sent: Thursday, August 16, 2012 2:57 PM To: Lee, Timothy Subject: RE: Voice Mail from (b) (6) (1 minute and 39 seconds) (b) (5)

(b) (5) Tx, - R From: Lee, Timothy Sent: Thursday, August 16, 2012 1:59 PM To: Parker, Richard Subject: FW: Voice Mail from (b) (6) (1 minute and 39 seconds) Hi Old Salt, (b) (5)

(b) (5) Tim From: Microsoft Outlook On Behalf Of (b) (6) Sent: Thursday, August 16, 2012 10:38 AM To: Lee, Timothy Subject: Voice Mail from (b) (6) (1 minute and 39 seconds) Voice Mail Preview isn't available for this message. The message is too long. You received a voice mail from (b) (6)
Caller-Id: (b) (6)

FW: Follow-up on numbers

Item ID: 42963

From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>

To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>

Subject: FW: Follow-up on numbers

Sent: August 17, 2012 12:03 PM

Received: August 17, 2012 12:03 PM

Hi Old Salt, I should call him today, even if only to say we'll be back to him. Tim From: (b) (6)

(b) (6) Sent: Friday, August 17, 2012 11:36 AM To: Lee, Timothy Subject: RE: Follow-up on numbers Tim, please give me a call at (b) (6) Thanks. (b) (6) From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov] Sent: Wednesday, August 15, 2012 3:23 PM To: (b) (6)

(b) (6) Cc: Parker, Richard; (b) (6) Subject: Follow-up on numbers Gentlemen, By way of addressing one question that arose yesterday (b) (5)

[REDACTED]. Hope this helps. Let me know if questions arise. Tim -----

Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821 Confidentiality Notice: The information in this email and any attachments may be confidential or privileged under applicable law, or otherwise protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error.

Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Item ID: 42971
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Wu, Simon </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=144fe221a23346a2820093edb75d9ec8-Simon Wu>
Subject: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Sent: August 17, 2012 1:38 PM
Received: August 17, 2012 1:38 PM

Hi Simon,

Here is that Excel file with the existing graphics for the derivatives white paper. I've also attached an Excel sheet with quarterly stats on swaps outstanding; if we want, it's a fairly simple matter to extend this out and include reported options totals to come up with a figure of how much notional balance the Enterprises have had over time.

This is the latest; you may want to save the file with your edits to SharePoint.

Tim

Attachment #1

Derivatives White Paper Graphs.xlsx

Original view

6 pages (displayed on pages 3 to 8)

Figure 1

30 Year Loan

1-Jul-12 Closing Date
 1-Jul-42 Maturity Date
 4.00% Fixed Rate

Market Yie Price

1.0%	177.4231
1.5%	160.0396
2.0%	144.7929
2.5%	131.3954
3.0%	119.6004
3.5%	109.196
4.0%	100
4.5%	91.85556
5.0%	84.62755
5.5%	78.19938
6.0%	72.47034
6.5%	67.35331

Figure 2

5 Year Loan

1-Jul-12 Closing Date
 1-Jul-17 Maturity Date
 4.00% Fixed Rate

Market Yie Price

1.0%	114.5603
1.5%	111.9566
2.0%	109.4269
2.5%	106.9687
3.0%	104.5797
3.5%	102.2575
4.0%	100
4.5%	97.80501
5.0%	95.67052
5.5%	93.59457
6.0%	91.57527
6.5%	89.6108

Figure 3

5 Year Swap (right axis

1-Jul-12 Closing Dat
 1-Jul-17 Maturity Di
 4.00% Fixed Rate
 100 Notional

Market Yie Price

1.0%	-14.5603
1.5%	-11.9566
2.0%	-9.42692
2.5%	-6.96874
3.0%	-4.57971
3.5%	-2.25753
4.0%	0
4.5%	2.194988
5.0%	4.329477
5.5%	6.405427
6.0%	8.424728
6.5%	10.3892

Figure 3

Loan and Swap

e
ate

	Date	Conventional Mortgage Rates, Federal Reserve Data
100	1Q00	8.24%
100	2Q00	8.29%
100	3Q00	7.91%
100	4Q00	7.38%
100	1Q01	6.95%
100	2Q01	7.16%
100	3Q01	6.82%
100	4Q01	7.07%
100	1Q02	7.01%
100	2Q02	6.65%
100	3Q02	6.09%
100	4Q02	6.05%
	1Q03	5.75%
	2Q03	5.23%
	3Q03	6.15%
	4Q03	5.88%
	1Q04	5.45%
	2Q04	6.29%
	3Q04	5.75%
	4Q04	5.75%
	1Q05	5.93%
	2Q05	5.58%
	3Q05	5.77%
	4Q05	6.27%
	1Q06	6.32%
	2Q06	6.68%
	3Q06	6.40%
	4Q06	6.14%
	1Q07	6.16%
	2Q07	6.66%
	3Q07	6.38%
	4Q07	6.10%

Figure 4

Date	3 Month LIBOR	Conventional Mortgage Rates, Federal Reserve Data
1-Jan-78	7.32%	9.02%
1-Feb-78	7.28%	9.16%
1-Mar-78	7.29%	9.20%
1-Apr-78	7.38%	9.36%
1-May-78	7.82%	9.58%
1-Jun-78	8.33%	9.71%
1-Jul-78	8.52%	9.74%
1-Aug-78	8.48%	9.79%
1-Sep-78	9.12%	9.76%
1-Oct-78	10.12%	9.86%
1-Nov-78	11.51%	10.11%
1-Dec-78	11.62%	10.35%
1-Jan-79	11.16%	10.39%
1-Feb-79	10.79%	10.41%
1-Mar-79	10.64%	10.43%
1-Apr-79	10.60%	10.50%
1-May-79	10.74%	10.69%
1-Jun-79	10.52%	11.04%
1-Jul-79	10.87%	11.09%
1-Aug-79	11.53%	11.09%
1-Sep-79	12.61%	11.30%
1-Oct-79	14.59%	11.64%
1-Nov-79	15.00%	12.83%
1-Dec-79	14.51%	12.90%
1-Jan-80	14.33%	12.88%
1-Feb-80	15.32%	13.04%
1-Mar-80	18.71%	15.28%
1-Apr-80	17.81%	16.33%
1-May-80	11.20%	14.26%
1-Jun-80	9.41%	12.71%
1-Jul-80	9.33%	12.19%
1-Aug-80	10.82%	12.56%

1Q08	5.97%	1-Sep-80	12.07%	13.20%
2Q08	6.32%	1-Oct-80	13.55%	13.79%
3Q08	6.04%	1-Nov-80	16.46%	14.21%
4Q08	5.33%	1-Dec-80	19.47%	14.79%
1Q09	5.00%	1-Jan-81	18.07%	14.90%
2Q09	5.42%	1-Feb-81	17.18%	15.13%
3Q09	5.06%	1-Mar-81	15.36%	15.40%
4Q09	4.93%	1-Apr-81	15.95%	15.58%
1Q10	4.97%	1-May-81	19.06%	16.40%
2Q10	4.74%	1-Jun-81	17.86%	16.70%
3Q10	4.35%	1-Jul-81	18.49%	16.83%
4Q10	4.71%	1-Aug-81	18.79%	17.29%
		1-Sep-81	17.80%	18.16%
		1-Oct-81	16.34%	18.45%
		1-Nov-81	13.32%	17.83%
		1-Dec-81	13.24%	16.92%
		1-Jan-82	14.29%	17.40%
		1-Feb-82	15.75%	17.60%
		1-Mar-82	14.90%	17.16%
		1-Apr-82	15.18%	16.89%
		1-May-82	14.53%	16.68%
		1-Jun-82	15.45%	16.70%
		1-Jul-82	14.37%	16.82%
		1-Aug-82	11.57%	16.27%
		1-Sep-82	11.74%	15.43%
		1-Oct-82	10.43%	14.61%
		1-Nov-82	9.77%	13.83%
		1-Dec-82	9.47%	13.62%

Figure 5

Date	Fannie Mae 1-4 Family MBS Outstanding, Year End	Freddie Mac 1-4 Family MBS Outstanding, Year End
1972		331
1973		617
1974		608
1975		1,349
1976		2,282
1977		5,621
1978		9,657
1979		12,149
1980		13,471
1981	717	19,501
1982	14,450	42,560
1983	25,121	57,273
1984	35,965	70,253
1985	54,036	99,515
1986	95,791	166,667
1987	137,988	205,977
1988	172,331	219,988
1989	219,577	266,060
1990	291,194	308,369
1991	362,667	351,906
1992	435,979	401,525
1993	486,804	442,612
1994	520,763	487,725
1995	569,724	512,238
1996	633,209	551,513
1997	687,981	576,846
1998	804,204	643,465
1999	924,941	744,619
2000	1,016,398	816,602
2001	1,238,125	940,933
2002	1,478,610	1,072,990

Figure 6

	Fannie Mae	Freddie Mac
Interest Rate	456.6	548.6
Call and Prepayment	98	114.2
Forward Assets	1.2	41.3
Other	26.3	31

Notional Amounts of US Dollar Derivatives Outstanding, Period End, \$trillions

<http://www.bis.org/statistics/otcder/dt07.csv>

	Forwards and swaps	Options
All counterparties (net)	All counterparties (net)	All counterparties (net)
1998-H1	11.2	3.5
1998-H2	11.2	2.9
1999-H1	8.7	2.6
1999-H2	8.8	2.0
2000-H1	9.8	2.0
2000-H2	9.3	2.1
2001-H1	10.0	2.1
2001-H2	9.6	2.2
2002-H1	9.6	2.9
2002-H2	9.7	2.8
2003-H1	11.1	3.8
2003-H2	11.1	4.9
2004-H1	12.9	5.7
2004-H2	13.5	5.4
2005-H1	14.3	6.1
2005-H2	13.9	5.2
2006-H1	16.9	6.9
2006-H2	17.2	7.6
2007-H1	21.2	8.9
2007-H2	25.2	9.6
2008-H1	27.7	10.9
2008-H2	21.2	8.3
2009-H1	20.0	8.2
2009-H2	19.4	7.5
2010-H1	21.9	8.9
2010-H2	24.0	8.1
2011-H1	26.3	8.6
2011-H2	26.3	7.6

Attachment #2

LIBOR proposal.xlsx

Original view

2 pages (displayed on pages 10 to 11)

Cash Flow Shortfall from LIBOR Suppression

Enterprises Interest Rate Swaps

dollars in millions

Swap Notic	31-Dec-08	31-Mar-09	30-Jun-09	30-Sep-09	31-Dec-09	31-Mar-10	30-Jun-10
Fannie Mae							
Pay Fixed S	546,916	620,850	650,447	435,693	382,600	315,857	317,259
Less: Recei	451,081	549,823	571,802	340,384	275,417	229,293	234,901
Plus: Basis	24,560	19,815	22,200	11,000	3,225	3,220	3,020
Net Receiv	120,395	90,842	100,845	106,309	110,408	89,784	85,378
Freddie Mac							
Less: Rece	266,685	336,207	284,244	320,458	271,403	255,940	349,545
Plus: Pay F	404,359	342,747	401,904	414,776	382,259	382,145	386,194
Plus: Basis Swaps		82,090	51,065	51,615	52,045	54,070	53,910
Net Receiv	137,674	88,630	168,725	145,933	162,901	180,275	90,559
Enterprises							
Net Receiv	258,069	179,472	269,570	252,242	273,309	270,059	175,937
Swap Cash Flow Shortfall - Quarterly Totals							
0.10%	64.5	44.9	67.4	63.1	68.3	67.5	44.0
0.20%	129.0	89.7	134.8	126.1	136.7	135.0	88.0
0.30%	193.6	134.6	202.2	189.2	205.0	202.5	132.0
0.40%	258.1	179.5	269.6	252.2	273.3	270.1	175.9
Swap Cash Flow Shortfall - Cumulative							
0.10%	64.5	109.4	176.8	239.8	308.2	375.7	419.7
0.20%	129.0	218.8	353.6	479.7	616.3	751.4	839.3
0.30%	193.6	328.2	530.3	719.5	924.5	1,127.0	1,259.0
0.40%	258.1	437.5	707.1	959.4	1,232.7	1,502.7	1,678.7

30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	31-Dec-11	31-Mar-12	30-Jun-12
296,877	277,227	270,250	205,084	193,882	186,757	206,307	229,227
233,613	224,177	214,777	161,151	179,808	229,695	250,322	265,593
2,485	485	1,565	2,552	6,997	9,622	18,673	20,922
65,749	53,535	57,038	46,485	21,071	(33,316)	(25,342)	(15,444)
316,574	324,590	249,793	215,758	220,668	211,808	248,453	260,428
363,668	394,294	330,015	321,870	293,683	289,335	296,573	292,660
2,775	2,375	3,375	3,275	2,275	2,750	2,400	2,350
49,869	72,079	83,597	109,387	75,290	80,277	50,520	34,582
115,618	125,614	140,635	155,872	96,361	46,961	25,178	19,138
28.9	31.4	35.2	39.0	24.1	11.7	6.3	4.8
57.8	62.8	70.3	77.9	48.2	23.5	12.6	9.6
86.7	94.2	105.5	116.9	72.3	35.2	18.9	14.4
115.6	125.6	140.6	155.9	96.4	47.0	25.2	19.1
448.6	480.0	515.1	554.1	578.2	589.9	596.2	601.0
897.1	959.9	1,030.3	1,108.2	1,156.4	1,179.9	1,192.4	1,202.0
1,345.7	1,439.9	1,545.4	1,662.3	1,734.6	1,769.8	1,788.7	1,803.0
1,794.3	1,919.9	2,060.5	2,216.4	2,312.8	2,359.7	2,384.9	2,404.0

RE: LIBOR

Item ID: 42972
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Rau, Russell </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=a1f96ed5284340bcb4523383666a913e-Russell Rau>
Subject: RE: LIBOR
Sent: August 17, 2012 1:46 PM
Received: August 17, 2012 1:46 PM

Hi Russ, Came by but missed you. Let me know when you'd like to catch up. Tim From: Rau, Russell Sent: Thursday, August 16, 2012 11:14 AM To: Parker, Richard; Lee, Timothy Cc: DiSanto, Emilia Subject: RE: LIBOR While it may be emergent, it is not urgent. Russell A. Rau Deputy Inspector General for Audits Office of Inspector General Federal Housing Finance Agency 400 7 th Street SW, Room 3129 Washington, DC 20024 Voice: (b) (6) From: Parker, Richard Sent: Thursday, August 16, 2012 11:04 AM To: Rau, Russell; Lee, Timothy Cc: DiSanto, Emilia Subject: RE: LIBOR Russ, Tim is on this, but he's tied-up today. He'll circle-back with you. If this is in any way emergent or time sensitive, then please feel free to stop-by. I'm in all day. Rich Richard Parker Director, Policy, Oversight & Review Office of the Inspector General Federal Housing Finance Agency 400 7 th Street, SW Washington, D.C. 20024 Tel: (b) (6) From: Rau, Russell Sent: Thursday, August 16, 2012 10:34 AM To: Lee, Timothy Cc: Parker, Richard; DiSanto, Emilia Subject: LIBOR Tim – Are you continuing with the research on LIBOR. I have one aspect thsat I would like to discuss with however is doing the research. Please let me know. Thanks. Russell A. Rau Deputy Inspector General for Audits Office of Inspector General Federal Housing Finance Agency 400 7 th Street SW, Room 3129 Washington, DC 20024 Voice: (b) (6)

RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Item ID: 42973
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Wu, Simon </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=144fe221a23346a2820093edb75d9ec8-Simon Wu>
Cc: Phillips, Wesley </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=c1881bcb698c45b096269b8112f87787-Wesley Phil>
Subject: RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Sent: August 17, 2012 2:23 PM
Received: August 17, 2012 2:23 PM

Here is the latest.

You may want to develop graphics off the document for now. Wes plans to reorganize the paper after he is back from leave, in order to meet our general standard. It probably makes sense to insert graphics after that is done.

Tim

-----Original Message-----

From: Wu, Simon

Sent: Friday, August 17, 2012 2:13 PM

To: Lee, Timothy

Subject: RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Ok thanks. Could you forward me the latest draft too? No rush...any time before you leave is fine... I may insert some of the analysis into the draft next week.

-----Original Message-----

From: Lee, Timothy

Sent: Friday, August 17, 2012 1:39 PM

To: Wu, Simon

Subject: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Hi Simon,

Here is that Excel file with the existing graphics for the derivatives white paper. I've also attached an Excel sheet with quarterly stats on swaps outstanding; if we want, it's a fairly simple matter to extend this out and include reported options totals to come up with a figure of how much notional balance the Enterprises have had over time.

This is the latest; you may want to save the file with your edits to SharePoint.

Tim

RE: Weekly Assignments

Item ID: 42982
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=7c708af923dc48348ff2d1ae45bece6c-(b) (6)>
Subject: RE: Weekly Assignments
Sent: August 27, 2012 9:21 AM
Received: August 27, 2012 9:21 AM

LIBOR 20% Derivatives white paper 20% Counterparty 20% SAR 40% From: (b) (6) Sent: Monday, August 27, 2012 9:20 AM To: (b) (6); Lee, Timothy; Rhinesmith, Alan; Wu, Simon Subject: Weekly Assignments Hi all, If possible, could you please send me your assignments for this week before 10:00 AM? Thanks (b) (6)
(b) (6) Program Analyst Office of Inspector General Federal Housing Finance Agency (b) (6)
(b) (6)

RE: Weekly Assignments DUE

Item ID: 43019
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=48365f24fdff45e6bfd8ec790e2cc95-(b) (6)>
Subject: RE: Weekly Assignments DUE
Sent: August 31, 2012 8:47 AM
Received: August 31, 2012 8:47 AM

SAR 25% Derivatives white paper 25% Sampling study 25% LIBOR 25% From: (b) (6) Sent: Friday, August 31, 2012 8:19 AM To: (b) (6); Jernigan, Tina; Lee, Timothy; (b) (6); Parker, Richard; Phillips, Wesley; Rhinesmith, Alan; Wu, Simon Subject: Weekly Assignments DUE Please turn in your weekly assignments today. (b) (6) Administrative Specialist Federal Housing Finance Agency | Office of the Inspector General Desk (b) (6) | Main (b) (6) | Cell (b) (6)
(b) (6) Notary Public for the District of Columbia

RE: Weekly Assignments DUE

Item ID: 43020
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=48365f24fdff45e6bfd8ec790e2cc95-(b) (6) >
Subject: RE: Weekly Assignments DUE
Sent: August 31, 2012 9:18 AM
Received: August 31, 2012 9:18 AM

Absolutely not. And please remind Rich to get out of his saddle and put down his M-16 until Tuesday. From: (b) (6) Sent: Friday, August 31, 2012 9:17 AM To: Lee, Timothy Subject: RE: Weekly Assignments DUE Are you working the holiday? From: Lee, Timothy Sent: Friday, August 31, 2012 8:48 AM To: (b) (6) Subject: RE: Weekly Assignments DUE SAR 25% Derivatives white paper 25% Sampling study 25% LIBOR 25% From: (b) (6) Sent: Friday, August 31, 2012 8:19 AM To: (b) (6); Lee, Timothy; (b) (6); Parker, Richard; Phillips, Wesley; Rhinesmith, Alan; Wu, Simon Subject: Weekly Assignments DUE Please turn in your weekly assignments today. (b) (6) | Administrative Specialist Federal Housing Finance Agency | Office of the Inspector General Desk (b) (6) | Main (b) (6) | Cell (b) (6) (b) (6) Notary Public for the District of Columbia

Plus ca change, plus c'est la meme chose

Item ID: 43079
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: Plus ca change, plus c'est la meme chose
Sent: September 6, 2012 9:10 AM
Received: September 6, 2012 9:10 AM

Hi Old Salt, For a number of reasons, I've recently wanted to read more about counterinsurgency. Accordingly, I am now reading Caesar's Commentaries on the Gallic War , and came across this quote describing one of his adversaries: "...for a great many years he has been in the habit of contracting for the customs and all the other taxes of the Aedui at a small cost, because when he bids, no one dares to bid against him. By these means he has both increased his own private property, and amassed great means for giving largesses; ...not only at home, but among the neighboring states, he has great influence." It never ceases to amaze me how the same situation comes up over and over again in people's lives, with only slightly different particulars. See you at the 1500 LIBOR meeting. Tim -----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: LIBOR and the GSEs

Item ID: 43102
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Millman, Phillip <Phillip.Millman@fhfa.gov>
Subject: RE: LIBOR and the GSEs
Sent: September 7, 2012 9:13 AM
Received: September 7, 2012 9:13 AM

Secure Email by Voltage Security Secure Email by Voltage Security Sure. I hope you feel better. From: Millman, Phillip [mailto:Phillip.Millman@fhfa.gov] Sent: Friday, September 07, 2012 9:13 AM To: Lee, Timothy Subject: Re: LIBOR and the GSEs Sensitivity: Confidential Out sick today. Can we chat on Monday? From : Timothy Lee Sent : Friday, September 07, 2012 09:09 AM To : Millman, Phillip; Singh, Manoj Subject : FW: LIBOR and the GSEs This is a secure, encrypted message. To view this secure message: Desktop users: Open the attachment (message_zdm.html) and follow the instructions. Disclaimer: This email and any attachments are confidential and for the sole use of the recipients. If you have received this email in error please notify the sender. Email Security Powered by Voltage IBE™ Copyright 2011 Microsoft Corporation. All rights reserved. Legal | Privacy . -----BEGIN VOLTAGE SECURE BLOCK V3----- MIIa9gYJKoZIhvcNAQcDolla5zCCGuMCAQAxxggJ6MIIBOQIBADCBvDCBtjGBszCB sAYDVQQPE4GoTUHvd0RBWUtZSVpJQVliOUhnSUJBUXd0Wlc1amNubHdkR2x2Ymk1 dFpYTnpZV2RwYm1jdWJXbGpjbTl6YjJaMExtTnZiU014TVRRNU16QXhOamt6TURz d0dnd0pibTkWUW1WbWlzMmxQCTB4TWpBNU1EY3dNREF3TURCYU1CME1BbWxrQkJK MGFxMXZkR2g1TG14bFpVQm1hR1poYjJsbkxtZHkZz09AgEBMA8GC2CGSAGG/R4B AQIGBQAEZJPHckxsxpiMQpbouLUuJBBJKUhJqgOx7h/CRsT66xj6hIrnONDvPcK8s6 cInwR/4MTGY0iMR2Y+KrASwMmHg4FNZiiVU6bHEj0/SlqplclGxzMFfJPKJ+VA9E /kNYa1UchrKz+y0wggE5AgEAMIG8MIG2MYGzMIGwBgNVBCKTgahNSHN3REFZS1Uj WklBWwI5SGdJQkFRd3RaVzVqY25sd2RHbHZiaTV0WlhOellXZHBibWN1YldsamNt OXpiMlowTG1OdmJTTXhNVFE1TXpBeE5qa3pNRHd3R2d3SmJtOTBRbVZtYjNKbEJB MHhNakE1TURJd01EQXdNREJhTUI0TUFtbGtCQmh3YUdsc2JHbHdMbTFwYkd4dFIX NUFabWhtWVM1bmlzWT0CAQEwDwYLYIZIAYb9HgEBAgYFAARkntkvd7PPeIXsU/MS ofn2fZHO4bpC6yBKsKBeApvObM/izRA7x5sBXsF9BXwPUEo1v7JlxE581RvKPLB6 uqpi34ySdFWtRY8JSg95mYhZh2fWORQw7SUHsrSq9fCQJSapzGhsyzCCGF4GCSqG Slb3DQEHATAdbglghkgBZQMEAAQIEEA20D5LJbA22cvdDwsIO8YWAghgw/cJG3pKU vDG6kz9BkYF4aJwO8e6pt0lgJyd/68mhHl0oi1M42gdcPPVGuYBU0MbmBPmL4h3o /8pUovjo1HfbrpFd8tQj7i6xaEFsL7AWjMND8ZtAEzkrXO2uh0KCCqOarMRrV52 qYR0MeY176F+4DGIqK6cpTrDKM490eU9U7rWNxRKhk+AGNunQLQO1mHjkP6xAyUV 9TNdUjw45tiVKprV3rlbQYN6tasM6zfOWoOsojvVt7uQ8JrxLOxKrGWpxSKh0qRv BSQGEjzMxVZtRUxTSdulc09c7KMQLU3rywhM3moEJW9hKhoUy+IhkFRbVUXTXjas 2NAdQ772MeFj7qBKGGur4A+mDlGTAACDmG91ug6uytE/fjkjBh/Y7RNhKDt+blw 9Pj0Y1BvM/wtAchg/yg2O0u77Z1G4ZiR7Dn/pnegkE5miysJxlElvtIOPbuthbfc qawRFecjJhIIWkLCHuV4bdBKTTnFZH8GFTSfD0ns5PZjrjJfxLSFcxwCP64f1 u5zEBzp0jGjIOuFoAS0FWSAa5mB/SfsqjABQE9EIJ1LjcpoWHoFk8iyOaEqKjqQC 4yfnZNxc2XF1M39qWD8KDge9abu0ba5+3pcps/cbBLdKcA9bq5ZXQpErCftJRF9N ASNE0AaMFhnl+6c9JsmkL8nF2LPvHdecXFOVGdzszowM22pb1Xr0CjfbNn76D0r HKJcAvRkdbSIGIU51Ip5eZn0wdr+HyPZceUHd2qills2ZXKMvmX8jmL792Z/wRN/ UGzFX6SsFNYfkt+V+DucTOOQUYzWlQSYp57+hsa+HLDbW9X1I14Pc6G/fH9ewaCH imfCYS4n7rJhMKOKC1T2XVsEOimqENO91wF4PoHw8XxVOdS7Jxu4dakovGWcixPU Mu38sXogJF6HHfzqnTUPXlBONp0Jw2L9YNEvvLlrdWCivH6kIOGkuAmx9K/nMI6a K1RKhmSS+i8A6crkxQYTB378EDvXheCC6K0IW/YmQkVyzDqqdS94Hqn1KUjeOacl K7TR9709aVu5qjAFsvAvgu6pHx4O4mpK7cF8MEjfrk7E/H9+WI/r3Hmg2++gHdbw

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5eWvFJrRiG/6GMfVwEOiwATRLsei1N5uoAHhMLeBC0lv4iBmK6Q9Ery9 -----END VOLTAGE SECURE BLOCK V3---

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RE: Friendly reminder of weekly assignments

Item ID: 43103
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=48365f24fdff45e6bfd8ec790e2cc95-(b) (6)>
Subject: RE: Friendly reminder of weekly assignments
Sent: September 7, 2012 9:17 AM
Received: September 7, 2012 9:17 AM

Thanks. I would have hated to get the hostile reminder. SAR 30% Derivatives white paper 40% Counterparty 10% Fee misapplication sampling 10% LIBOR 10% From: (b) (6) Sent: Friday, September 07, 2012 9:15 AM To: (b) (6); Lee, Timothy; Wu, Simon Subject: Friendly reminder of weekly assignments (b) (6) | Administrative Specialist Federal Housing Finance Agency | Office of the Inspector General Desk (b) (6) | Main (b) (6) | Cell (b) (6) Fax (b) (6) Notary Public for the District of Columbia

Questioned costs

Item ID: 43124
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: Questioned costs
Sent: September 8, 2012 11:21 AM
Received: September 8, 2012 11:21 AM

Hi Old Salt, Here is a question that came to me at the Greenmarket (or at least what passes for a Greenmarket in the South): what is the definition of "questioned costs" under the Inspector General Act? (b) (5)

Just a thought. Getting a letter out over the next couple of days is eminently doable. (b) (5)

. Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Next up...RBS

Item ID: 43127
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Millman, Phillip <Phillip.Millman@fhfa.gov>
Subject: Next up...RBS
Sent: September 8, 2012 11:32 AM
Received: September 8, 2012 11:32 AM

http://www.nytimes.com/reuters/2012/09/08/business/08reuters-rbs-libor.html?_r=1&hp Hi Phillip, Do you happen to know anyone at the Fed who would be amenable to a conversation? Would (b) (6), perhaps? Tim ----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Next up...RBS

Item ID: 43135
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Millman, Phillip <Phillip.Millman@fhfa.gov>
Subject: RE: Next up...RBS
Sent: September 10, 2012 9:49 AM
Received: September 10, 2012 9:49 AM

I am in the office today. Brought my lunch with me, though if you want to go offsite, we can do that too. From: Millman, Phillip [mailto:Phillip.Millman@fhfa.gov] Sent: Monday, September 10, 2012 8:07 AM To: Lee, Timothy Subject: RE: Next up...RBS Let me know when you are around and we'll grab a cup of coffee. From: Timothy Lee Sent: Saturday, September 08, 2012 11:32 AM To: Millman, Phillip Subject: Next up...RBS
http://www.nytimes.com/reuters/2012/09/08/business/08reuters-rbs-libor.html?_r=1&hp Hi Phillip, Do you happen to know anyone at the Fed who would be amenable to a conversation? Would (b) (6), perhaps? Tim ----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821 Confidentiality Notice: The information in this email and any attachments may be confidential or privileged under applicable law, or otherwise protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error.

Non-Responsive

Item ID: 43186
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=(b) (6)>
Subject: Fee misapplication sampling
Sent: September 11, 2012 4:31 PM
Received: September 11, 2012 4:31 PM

Hi Bruce, Have you had a chance to look at the original contractor work plan? I'm buried under LIBOR and the SAR at the moment, but wanted to make certain our project doesn't fall off the radar. If you are buried too and we need to split up the work, let's find time to talk. Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Capital Markets Update...Markets stable before FOMC statement...QE3 scenarios...Credit Spreads...Initial Claims...PPI...GSE debt/MBS...EU...Later

Item ID: 43226
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Hynes, Robert <Robert.Hynes@fhfa.gov>
Subject: RE: Capital Markets Update...Markets stable before FOMC statement...QE3 scenarios...Credit Spreads...Initial Claims...PPI...GSE debt/MBS...EU...Later
Sent: September 13, 2012 1:06 PM
Received: September 13, 2012 1:06 PM

I think my buddy at an MBS hedge fund just made some money. From: Hynes, Robert [mailto:Robert.Hynes@fhfa.gov]
Sent: Thursday, September 13, 2012 10:19 AM To: !DHMG Office of Systemic Risk and Market Surveillance; Ashley, Timothy; Barabasz, Andrew; Barnes, Kenneth; Beard, Michael; Bell, James; Bravenec, Bill; (b) (6); Burns, Meg; Calhoun, Peter; Callahan, Jim; Campbell, Linda; (b) (6); Chu, Sai-Cheong; Collender, Robert; Cross, Stephen; DeMarco, Edward; Dickerson, Chris; Dickey, Jerimiah (Intern); DiVenti, Theresa; Duarte, Ricardo; Dunskey, Robert; Freimuth, David; Galeano, Andre D.; Galloway, Chris; Graham, Fred C.; Greenlee, Jon; Gubich, Denise; Hemphill, James M; (b) (6); Holmes, Ira; Hornsby, Richard; Jama, Saharla; Johnson, Melinda; Kane, Michael; Koon, Jon; Kornstein, Randi; Kwartunas, Deirdre; Lawler, Patrick; Lee, Timothy; (b) (6); Levinson, Masha; Linick, Steve; Martin, Bradford; McNicholas, John; (b) (6); Merrill, William; Millman, Phillip; Newell, Jamie; Pafenberg, Forrest; Patrabanash, Saty (b) (6); Phelps, Jack; Phillips, Wesley; Pocsik, Peter; Prendergast, Joseph; Rhinesmith, Alan; Rizopoulos, Doreen; Roberts, Peter; Sar, Prasant; Seide, David; Sharpley, Christopher; Silva, Stacey; Smith, Stephen; (b) (6); Suadwa, Akwasi; Tagoe, Naa Awaa; Taylor, Mary Ellen; Tirinnanzi, Martha; Ugoletti, Mario; Walker, Jeffrey; Walter, Karen; Williams, John; Wisz, Gerald; Wolfe, Heath; Woody, Adam (Brock); Wu, Simon; Youmans, Russell; Zhang, Min Subject: Capital Markets Update...Markets stable before FOMC statement...QE3 scenarios...Credit Spreads...Initial Claims...PPI...GSE debt/MBS...EU...Later (b) (5)

[REDACTED]

(b) (5)

[REDACTED] . Bob Hynes Robert F. Hynes, Jr. Principal Financial Analyst – Capital Markets
Office of Systemic Risk and Market Surveillance Federal Housing Finance Agency (b) (6) (office) (b) (6)
(mobile) Robert.Hynes@fhfa.gov Confidentiality Notice: The information contained in this e-mail and any
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RE: Daily Market Indicators, September 14, 2012

Item ID: 43230
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Daily Market Indicators, September 14, 2012
Sent: September 14, 2012 9:23 AM
Received: September 14, 2012 9:23 AM

A bit redundant given Bob Hynes' updates, if you ask me. Do you get Bob's emails? From: Parker, Richard Sent: Friday, September 14, 2012 8:49 AM To: Phillips, Wesley; Wu, Simon; Lee, Timothy; Rhinesmith, Alan; (b) (6) Cc: Seide, David; (b) (6) Subject: FW: Daily Market Indicators, September 14, 2012 FYI – R From: Alex, Peter [mailto:Peter.Alex@fhfa.gov] Sent: Friday, September 14, 2012 6:58 AM To: !FHFA Executives; !OPAR; !Division of Enterprise Regulation; !OCA Subject: Daily Market Indicators, September 14, 2012 Equity Indices The S&P Financials index led the market yesterday, rising over 2 ½ percent while the broader S&P 500 index rose almost 1 ¾ percent and the Dow Jones Industrial Average rose over 1 ½ percent. In foreign markets, the German DAX fell almost ½ of a percent and London's FTSE rose almost ¾ of a percent. Debt Yields Yields fell yesterday for the 3-, 6- and 12-month LIBOR. Yields fell for all other tracked debt instruments (Treasuries, interest rate swaps and Enterprise senior debt of all tracked maturities as well as Enterprise subordinated debt and current coupon MBS for both Enterprises and Ginnie Mae). Debt Spreads Enterprise senior debt spreads to Treasuries were unchanged for Fannie Mae's 2-year maturity, moved favorably for Freddie Mac's 2-year and both Enterprises' 10-year maturities and moved adversely for both Enterprises' 5-year maturities. Enterprise senior debt spreads to interest rate swaps moved adversely for both Enterprises across all tracked maturities with the exception of Freddie Mac's 10-year swaps spreads, which moved favorably. Enterprise subordinated debt spreads to both senior debt and Treasuries widened for both Enterprises. Spreads between current coupon MBS and the 7-year Treasury narrowed for both Enterprises and Ginnie Mae. Note: Enterprise senior debt spreads to both Treasuries and interest rate swaps can be either positive or negative and the signs of these spreads often change. A narrowing or widening spread that is negative has a different meaning than a narrowing or widening spread that is positive. Consequently, this write-up eschews talk of narrowing or widening senior debt spreads and instead refers to senior debt spreads moving either favorably or adversely. We say that spreads which become less positive (or more negative) are moving favorably because it reflects a market opinion that the Enterprise in question has become less risky. Similarly, we say that spreads which become more positive (or less negative) are moving adversely because it reflects a market opinion that the Enterprise in question has become more risky. Peter J. Alex Research Associate Office of Policy Analysis and Research Housing Finance Research and Analysis Federal Housing Finance Agency 400 7 th Street, SW Washington, DC 20024 peter.alex@fhfa.gov (b) (6) Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error: permanently delete the e-mail and any attachments, and do not save, copy, disclose, or rely on any part of the information contained in this e-mail or its attachments. Please call 202-649-3800 if you have questions.

Weekly assignment

Item ID: 43240
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: Weekly assignment
Sent: September 14, 2012 9:48 AM
Received: September 14, 2012 9:48 AM

SAR 40% LIBOR 20% Derivatives white paper 20% Sampling 10% Counterparty 10% ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

REMIC

Item ID: 43330
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=ee404ea9fa5044ef9bd01bdfef014378-(b) (6)>
Cc: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: REMIC
Sent: September 19, 2012 9:13 AM
Received: September 19, 2012 9:13 AM

Hi (b) (6) Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Attachment #1

Brooklyn Law School REMIC.pdf

Original view

14 pages (displayed on pages 3 to 16)



**Brooklyn Law School Legal Studies
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Research Paper No. 294

September 2012

**Wall Street Rules
Applied to REMIC Classification**

Bradley T. Borden
David Reiss

This paper can be downloaded without charge from the
Social Science Research Network Electronic Paper Collection:
<http://ssrn.com/abstract=2146699>

WALL STREET RULES

Bradley T. Borden & David Reiss*

“They take aggressive positions, and they figure that if enough of them take an aggressive position, and there’s billions of dollars at stake, then the IRS is kind of estopped from arguing with them because so much would blow up. And that is called *the Wall Street Rule*. That is literally the nickname for it.”¹

Investors in mortgage-backed securities, built on the shoulders of the tax-advantaged Real Estate Mortgage Investment Conduit (“REMIC”), may be facing extraordinary tax losses because of how bankers and lawyers structured these securities. This calamity is compounded by the fact that those professional advisors should have known that the REMICs they created were flawed from the start. If these losses are realized, those professionals will face suits for damages so large that they could put them out of business. That is, unless the Wall Street Rule is applied.

The issue of REMIC failure for tax purposes is important in at least three contexts: (1) in any potential effort by the IRS to clean up this industry; (2) in civil lawsuits brought by REMIC investors against promoters, underwriters, and other parties who pooled mortgages and sold mortgage-backed securities; and (3) state and federal prosecutors and regulators who consider bringing criminal or civil claims against promoters, underwriters, and other parties who pooled mortgages and sold MBSs.

* Brad and David are professors at Brooklyn Law School. © 2012 Bradley T. Borden and David Reiss. This brief article is drawn from a forthcoming study by the authors.

¹ Lee Shepard, Bain Capital Tax Documents Draw Mixed Reaction, ALL THINGS CONSIDERED, (NPR Business broadcast Aug. 28, 2012) (discussing taxation of private equity management compensation), available at <http://www.npr.org/player/v2/mediaPlayer.html?action=1&t=1&islist=false&id=160196045&m=160201502> (emphasis added).

A History of REMIC-able Growth

The first mortgage-backed securities (“MBS”) were issued by entities related to the federal government, like Fannie Mae and Freddie Mac, in the early 1970s. These MBS paid out investors from their proportional share of ownership of a securitized pool of mortgages’ cash flow. Starting in the late 1970s, private issuers such as commercial banks and mortgage companies began to issue residential mortgage-backed securities. These “private label” securities are issued without the governmental or quasi-governmental guaranty that a federally related issuer would give. Private label securitization gained momentum during the savings and loan crisis in the early 1980s, when Wall Street firms were able to expand market share at the expense of the beleaguered thrift sector.

Before 1986, mortgage-backed securities had various tax-related inefficiencies. First amongst them, these securities were taxable at the entity level and so investors faced double taxation. Wall Street firms successfully lobbied Congress to do away with double taxation in 1986. This legislation created the REMIC which was not taxed at the entity level. This one change automatically boosted its yields over other types of mortgage-backed securities. Unsurprisingly, REMICs displaced these other types of mortgage-backed securities and soon became the dominant choice of entity for such transactions.

A REMIC allows for the pooling of mortgage loans that can then be issued as a mortgage-backed security. A REMIC is a pass-through entity for tax purposes, meaning that unlike corporations they do not pay income tax and their owners thereby avoid the double taxation they would face from receiving corporate dividends. A REMIC is intended to be a passive investment. Because of its passive nature, a REMIC is limited as to how and when it can acquire mortgage. In particular, a REMIC must in most cases acquire its mortgages within 90

days of its start-up.² The Internal Revenue Code provides for draconian penalties for REMICs that fail to comply with applicable legal requirements.

In the 1990s, the housing finance industry, still faced with the patchwork of state and local laws relating to real estate, sought to streamline the process of assigning mortgage from one mortgage pool to another. Industry players, including Fannie and Freddie and the Mortgage Bankers Association, advocated for The Mortgage Electronic Recording System (“MERS”), which was up and running by the end of the decade. A MERS mortgage contains a statement that “MERS is a separate corporation that is acting solely as nominee for the Lender and Lender’s successors and assigns. MERS is the mortgagee under this Security Instrument.”³ MERS is not named on any note endorsement. This new system saved lenders a small but not insignificant amount of money every time a mortgage was transferred. But the legal status of this private recording system was not clear and had not been ratified by Congress. Notwithstanding that fact, nearly all of the major mortgage originators participated in MERS and MERS registered millions of mortgages within a couple of years of being up and running.

Beginning in early 2000s, MERS and other parties in the mortgage securitization industry began to relax many of the procedures and practices they originally used to assign mortgages among industry players. Litigation documents and decided cases reveal how relaxed the procedures and practices became. Hitting a crescendo right before the global financial crisis hit, the practices became egregiously negligent.

The practices at Countrywide Home Loans, Inc. (then one of the nation’s largest loan originators in terms of volume and now part of Bank of America) illustrate the outrageous

² 26 U.S.C. § 860G(a)(3), (9).

³ See, e.g., BROOK BOYD, REAL ESTATE FINANCING § 14.05[9] (2005).

behavior of mortgage securitizers during that period of time. Consider an arrangement that was typical of that period.

Kemp-temptable Practices

Kemp demonstrates that securitizers did not follow the rules applicable to REMICs when issuing mortgage-backed securities. We outline the facts here and discuss the consequences in the following sections.

On May 31, 2006, Countrywide Home Loans, Inc., lent \$167,000 to John Kemp.⁴ At that time, Mr. Kemp signed a note listing Countrywide Home Loans, Inc., as the lender; no indorsement appeared on the note. An unsigned allonge (a piece of paper attached to a negotiable note that allows for the memorialization of additional assignments if there is not sufficient room on the note itself to do so) of the same date accompanied the note and directed Mr. Kemp to “Pay to the Order of Countrywide Home Loans, Inc., d/b/a America’s Wholesale Lender.” On the same day, Mr. Kemp signed a mortgage in the amount of \$167,000, which listed the lender as America’s Wholesale Lender. The mortgage named MERS as the mortgagee and authorized it to act solely as nominee for the lender and the lender’s successors and assigns. The mortgage referenced the note Mr. Kemp signed, and it was recorded in the local county clerk’s office on July 13, 2006.

On June 28, 2006, Countrywide Home Loans, Inc., as seller, entered into a Pooling and Servicing Agreement (PSA) with CWABS, Inc., as depositor; Countrywide Home Loans Servicing LP as master servicer; and Bank of New York as trustee. The PSA provided that Countrywide Home Loans, Inc., sold, transferred, or assigned to the depositor “all the right, title and interest of [Countrywide Home Loans, Inc.] in and to the Initial Mortgage Loans, including

⁴ See *In re Kemp*, 440 B.R. 624, 627 (Bkrtcy D.N.J. 2010).

all interest and principal received and receivable by” Countrywide Home Loans, Inc.. The PSA provided that the depositor would then transfer the Initial Mortgage Loans, which include Mr. Kemp’s loan, to the trustee in exchange for certificates referred to as Asset-backed Certificates, Series 2006-8. The depositor apparently then sold the certificates to investors.

The PSA also provided that the depositor would deliver “the original Mortgage Note, endorsed by manual or facsimile signature in blank in the following form: ‘Pay to the order of _____ without recourse’, with all intervening endorsements from the originator to the Person endorsing the Mortgage Note.” Although Mr. Kemp’s note was supposed to be subject to the PSA, it was never endorsed in blank or delivered to the depositor or trustee as required by the PSA. At that time, no one recorded a transfer of the note or the mortgage with the county clerk.

On March 14, 2007, MERS assigned Mr. Kemp’s mortgage to Bank of New York as trustee for the Certificate Holders CWABS, Inc. Asset-backed Certificates, Series 2006-8. The assignment purported to assign Mr. Kemp’s mortgage “[t]ogether with the Bond, Note or other obligation described in the Mortgage, and the money due and to become due thereon, with interest.” That assignment was recorded on March 24, 2008.

On May 9, 2008, Mr. Kemp filed voluntary bankruptcy. On June 11, 2008, Countrywide Home Loans, Inc., identifying itself as servicer for the Bank of New York, filed a secured proof of claim noting Mr. Kemp’s property as collateral for the claim. In response, Mr. Kemp filed an adversary complaint on October 16, 2008, against Countrywide Home Loans, Inc., seeking to expunge its proof of claim.

At trial, Countrywide Home Loans, Inc., produced a new undated Allonge to Promissory Note, which directed Mr. Kemp to “Pay to the Order of Bank of New York, as Trustee for the Certificate-holders CWABS, Inc., Asset-backed Certificates, Series 6006-8.” A supervisor and

operational team leader for the apparent successor entity of Countrywide Home Loans Servicing LP testified that the new allonge was prepared in anticipation of the litigation and was signed weeks before the trial. That same person testified that the Mr. Kemp's original note never left the possession of Countrywide Home Loans, Inc., but instead, it went to its foreclosure unit. She also testified that the new allonge had not been attached to Mr. Kemp's note and that customarily, Countrywide Home Loans, Inc., maintained possession of the notes and related loan documents. In a later submission, Countrywide Home Loans, Inc., represented that it had the original note with the new allonge attached, but it provided no additional information regarding the chain of title of the note. It also produced a Lost Note Certificate dated February 1, 2007, providing that Mr. Kemp's original note had been "misplaced, lost or destroyed, and after a thorough and diligent search, no one has been able to locate the original Note."

The court therefore concluded that at the time of the filing of the proof of claim, Mr. Kemp's mortgage had been assigned to the Bank of New York, but Countrywide Home Loans, Inc., had not transferred possession of the associated note to the Bank of New York.

By failing to transfer possession of the note to the pool backing the securities, Countrywide failed to comply with the requirements necessary to obtain REMIC status. Numerous other filings and reports suggest that Countrywide's practice was typical of many major lenders during the early 2000s. Thus, although we rely on the facts in the Kemp case in this brief article, it has very broad application.

Sloppiness and REMICs Rules Don't Mix Well

Even though a minority of securitizers may have followed the terms contained in the applicable Pooling and Servicing Agreements, the very low tolerance for deviation in the REMIC rules suggests that compliance in a minority of situations would not prevent the IRS from finding that individual REMICs fail to comply with their strict requirements in an overwhelming number of cases. And the failure of a very small number of mortgages to comply with the rules would be sufficient to cause a putative REMIC to lose its preferred tax status.

Federal tax treatment of REMICs is important in two respects. First, it treats regular interests in REMICs as debt instruments.⁵ Second, federal tax law specially classifies REMICs as something other than tax corporations, tax partnerships, or trust and generally exempts them from federal income taxation.⁶ These two aspects of REMICs work hand in hand to provide REMICs favorable tax treatment. REMICs must compute taxable income, but because the regular interests are treated as debt instruments, REMICs deduct amounts that constitute interest payments to the holders of residual interests.⁷ Without these rules, a REMIC could be a tax corporation and the regular interests could be equity interests. If that were the case, the REMIC would not be able to deduct payments made to the regular interest holders and would owe federal income tax on its taxable income. That is how the REMIC classification provides significant tax benefits.

To obtain REMIC classification, a trust must satisfy several requirements. Of particular interest is the requirement that within three months after the trusts startup date substantially all of its assets must be qualified mortgages.⁸ The regulations provide that substantially all of the assets

⁵ See IRC §§ 860B(a), 860C(b)(1)(A).

⁶ See IRC § 860A(a).

⁷ See IRC §§ 163(a), 860C(b)(1)(A).

⁸ See IRC § 860D(a)(4).

of a trust are qualified mortgages if no more than a *de minimis* amount of the trust's assets are not qualified mortgages.⁹ The regulations do not define what constitutes a *de minimis* amount of assets, but they provide that substantially all of the assets are permitted assets if no more than one percent (1%) of the aggregate basis of all of the trust's assets is attributed to prohibited assets.¹⁰ If the aggregate basis of the prohibited assets exceeds the 1% threshold, the trust may nonetheless be able to demonstrate that it owns no more than a *de minimis* amount of prohibited assets.¹¹ Thus, almost all of a REMIC's assets must be qualified mortgages.

A "qualified mortgage" is an obligation that is principally secured by an interest in real property.¹² The trust must acquire the obligation by contribution on the startup date or by purchase within three months after the startup date.¹³ Thus, to be a qualified mortgage, an asset must satisfy both a definitional requirement (be an obligation principally secured by an interest in real property) and a timing requirement (be acquired within three months after the startup date).

Industry practices raise questions about whether trusts satisfied either the definitional requirement or the timing requirement. The general practice was for trusts and loan originators to enter into PSAs, which required the originator to transfer the mortgage note and mortgage to the trust. Nonetheless, as with Kemp, reports and court documents indicate that originators and trusts frequently did not comply with the terms of the PSAs and the originator typically retained the mortgage notes and mortgages.

That failure appears to cause the trusts to fail both the definitional requirement and the timing requirement that are necessary to elect REMIC status. They fail the definition requirement

⁹ See Treas. Reg. § 1.860D-1(b)(3)(i).

¹⁰ See Treas. Reg. § 1.860D-1(b)(3)(ii).

¹¹ See Treas. Reg. § 1.860D-1(b)(3)(ii).

¹² See IRC § 860G(a)(3)(A).

¹³ See IRC § 860G(a)(3)(A)(i), (ii).

because they do not own obligations, and what they do own does not appear to be secured by interests in real property. They fail the timing requirement because they do not acquire the requisite interests within the three-month prescribed time frame. And even if the trusts acquired some obligations principally secured by interests in real property, many of their assets would not satisfy the REMIC requirements. This would result in the trusts owning more than a *de minimis* amount of prohibited assets. If more than a *de minimis* amount of a trust's assets are prohibited assets, then it would not be eligible for REMIC status.

The Un-MERS-iful Stringency of the REMIC Regulations

Federal tax law does not rely upon the state-law definition of ownership, but it looks to state law to determine parties' rights, obligations, and interests in property.¹⁴ Tax law can also disregard the transfer (or lack of transfer) of formal title where the transferor retains many of the benefits and burdens of ownership.¹⁵ Courts focus on whether the benefits and burdens of ownership pass from one party to another when considering who is the owner of property for tax purposes.¹⁶ As the Tax Court has stated, to "properly discern the true character of [a transaction], it is necessary to ascertain the intention of the parties as evidenced by the written agreements, read in light of the attending facts and circumstances."¹⁷ If, however, the transaction does not coincide with the parties' bona fide intentions, courts will ignore the stated intentions.¹⁸ Thus, the analysis of ownership cannot merely look to the agreements the parties entered into because the label parties give to a transaction does determine its character.¹⁹ Consequently, the

¹⁴ See, e.g., *Burnet v. Harmel*, 287 U.S. 103, 110 (1932).

¹⁵ See *Bailey v. Comm'r*, 912 F.2d 44, 47 (2d Cir. 1990).

¹⁶ *Grodt & McKay Realty, Inc. v. Comm'r*, 77 T.C. 1221, 1237 (1981).

¹⁷ See *Haggard v. Comm'r*, 24 T.C. 1124, 1129 (1955), *aff'd* 241 F.2d 288 (9th Cir. 1956).

¹⁸ See *Union Planters National Bank of Memphis v. United States*, 426 F.2d 115, 117 (6th Cir. 1970).

¹⁹ See *Helvering v. Lazarus & Co.* 308 U.S. 252, 255 (1939).

analysis must examine the underlying economics and the attendant facts and circumstances to determine who owns the mortgage notes for tax purposes.^{20]}

Courts in many states have considered the legal rights and obligations of REMICs with respect to mortgage notes and mortgages they claim to own. The range of issues state courts have considered with respect to REMIC mortgage notes and mortgages range from standing to foreclose,²¹ entitlement to notice of bankruptcy proceeding against a mortgagor,²² to ownership of a mortgage note under a state's commercial code.²³ As these cases indicate, at least with respect to the question of security interest, the courts are split with some ruling in favor of MERS and others ruling in favor of other parties whose interests are adverse to MERS. Apparently, no court has considered how significant these rules are with respect to REMIC classification. Standing to foreclose and participate in a bankruptcy proceeding will likely affect the analysis of whether REMIC trust assets are secured by an interest in real property, but they probably do not affect the analysis of whether the REMIC trusts own obligations. This analysis turns on the ownership of the mortgage notes.

In re Kemp addressed the issue of enforceability of a note under the uniform commercial code (UCC) for bankruptcy purposes.²⁴ The court in that case held that a note was unenforceable

²⁰ See *Helvering v. F.&R. Lazarus & Co.*, 308 U.S. 252, 255 (1939).

²¹ See *Bain v. Metropolitan Mortgage Group, Inc.*, ____ (Wash. 2012) (holding that MERS was not a beneficiary under Washington Deed of Trust Act because it did not hold the mortgage note); *Eaton v. Federal National Mortgage Association*, 462 Mass. 569 (Mass. 2012); *Ralph v. Met Life Home Loans*, ____ (5th D. Idaho August 10, 2011) (holding that MERS was not the beneficial owner of a deed of trust, so its assignment was a nullity and the assignee could not bring a nonjudicial foreclosure against the borrower); *Fowler v. Recontrust Company, N.A.*, 2011 WL 839863 (D. Utah March 10, 2011) (holding that MERS is the beneficial owner under Utah law); *Jackson v. Mortgage Electronic Registration Systems, Inc.*, 770 N.W.2d 487 (Minn. 2009) (holding that MERS, as nominee, could institute a foreclosure by advertisement, i.e., a nonjudicial foreclosure, based upon Minnesota "MERS statute" that allows nominee to foreclose).

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against the maker of the note and the maker's property under New Jersey law on two grounds.²⁵

The court held that because the owner of the note, the Bank of New York, did not have possession and the lack of proper indorsement upon sale made the note unenforceable.²⁶

Recognizing that the mortgage note came within the UCC definition of negotiable instrument,²⁷ the court then considered who is a party entitled to enforce a negotiable instrument.²⁸

Only the following three types persons are entitled to enforce a negotiable instrument: (1) "the holder of the instrument, [2] a nonholder in possession of the instrument who has the right of a holder, [3] or [3] a person not in possession of the instrument who is entitled to enforce the instrument pursuant to [UCC § 3-309 or 3-301(d)]."²⁹ The court then explained why the Bank of New York did not come within the definition of a party entitled to enforce the negotiable instrument.

This analysis illustrates how courts may reach results that undercut arguments that REMICs were the owners of the mortgage notes and mortgages for tax purposes. But even if the majority of states rule in favor of REMICs, the few that do not can destroy the REMIC classification of many MBS that were structured to be – and promoted to investors as -- REMICs. Because rating agencies require that REMICs be geographically diversified in order to spread the risk of default caused by local economic conditions, REMICs hold notes and mortgages from multiple jurisdictions. Most, if not all, REMICs own mortgages notes and mortgages from states governed by laws that the courts determine do not support REMIC eligibility for the mortgages from those jurisdictions. This diversification requirement ensures

U.S.C. § 502(b)(1). New Jersey adopted the UCC in _____. *See* _____. This article cites to the UCC generally instead of specifically to the New Jersey UCC to illustrate the general applicability of the holding.

²⁵ *See In re Kemp* at 629–30.

²⁶ *See In re Kemp* at 629–30.

²⁷ *See In re Kemp* at 630.

²⁸ *See In re Kemp* at 630.

²⁹ *See* Unif. Commercial Code § 3-301.

that REMICs will have more than a *de minimis* amount of mortgages notes that do not come within the definition of qualified mortgage under the REMIC regulations.

IRS-possible Industry Regulation

Law firms issued opinions that MBS transactions would qualify as REMICs. They did so even though they knew or should have known that an insufficient percent of trust assets would satisfy the definition of qualified mortgage under the REMIC rules. Nonetheless, the IRS does not appear to be engaged in auditing REMICs. Its reasons for not challenging REMIC status at this time may be justified as they study the issue and observe the outcome of the numerous actions against REMICs and originators. Because REMICs did not file the correct returns and may have committed fraud, the statute of limitations for earlier years will remain open indefinitely, giving the IRS adequate time to pursue REMIC litigation after it obtains the information it needs. If the IRS's does not take action at the appropriate time, however, it will be a serious failure and will result in the loss of billions of dollars of tax revenue for the federal government.

More troubling still is the IRS's failure to address the wide-scale abuse and problems that existed during the years leading up to the financial meltdown. The IRS's failure to adequately police REMICs is one more reason that the mortgage industry was able to overly inflate the housing market. And that, inexorably, led to the crash and our tepid recovery from it.

More generally, by overlooking the serious defects in the transactions, courts and governmental agencies encourage the type of behavior that led to the financial crisis. Lawmakers, law enforcement agencies and the judiciary cede their governing functions to private industry if they allow players to disregard the law and stride to create law through their own practices. If we allow the Wall Street Rule to apply, then Wall Street rules. If the rule of

law is respected, then Main Street can look forward to the equal protection of the law and returned prosperity without fear of bubbles inflating because powerful special interests can flout the law that applies to the rest of us.

RE: REMIC

Item ID: 43331
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=ee404ea9fa5044ef9bd01bdfeb014378-(b) (6)>
Subject: RE: Non-Responsive
Sent: September 19, 2012 9:17 AM
Received: September 19, 2012 9:17 AM

Any tax counsel we could talk to? All the ones I know, perhaps unsurprisingly, are at the Manhattan law firms and probably not available to comment. From: (b) (6) Sent: Wednesday, September 19, 2012 9:15 AM To: Lee, Timothy Subject: RE: REMIC Thanks Tim. I'll try to get to it today. RCH From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:14 AM To: (b) (6) Cc: (b) (6) Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

FW: REMIC

Item ID: 43335
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)>, Choy, Angela </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=961819430c57479a857fd161363b2818-Angela Choy>
Cc: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=23b4ada4e0cb4a74ae2adf383671340e-(b) (6)>, (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=413de14f13634571992860d3d08ab884-(b) (6)>
Subject: FW: REMIC
Sent: September 19, 2012 10:32 AM
Received: September 19, 2012 10:32 AM

Hi Angela and (b) (6), When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent?

Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard
Subject: REMIC Hi (b) (6) Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee
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Attachment #1

Brooklyn Law School REMIC.pdf

Original view

14 pages (displayed on pages 3 to 16)



**Brooklyn Law School Legal Studies
Research Papers
Accepted Paper Series**

Research Paper No. 294

September 2012

**Wall Street Rules
Applied to REMIC Classification**

Bradley T. Borden
David Reiss

This paper can be downloaded without charge from the
Social Science Research Network Electronic Paper Collection:
<http://ssrn.com/abstract=2146699>

WALL STREET RULES

Bradley T. Borden & David Reiss*

“They take aggressive positions, and they figure that if enough of them take an aggressive position, and there’s billions of dollars at stake, then the IRS is kind of estopped from arguing with them because so much would blow up. And that is called *the Wall Street Rule*. That is literally the nickname for it.”¹

Investors in mortgage-backed securities, built on the shoulders of the tax-advantaged Real Estate Mortgage Investment Conduit (“REMIC”), may be facing extraordinary tax losses because of how bankers and lawyers structured these securities. This calamity is compounded by the fact that those professional advisors should have known that the REMICs they created were flawed from the start. If these losses are realized, those professionals will face suits for damages so large that they could put them out of business. That is, unless the Wall Street Rule is applied.

The issue of REMIC failure for tax purposes is important in at least three contexts: (1) in any potential effort by the IRS to clean up this industry; (2) in civil lawsuits brought by REMIC investors against promoters, underwriters, and other parties who pooled mortgages and sold mortgage-backed securities; and (3) state and federal prosecutors and regulators who consider bringing criminal or civil claims against promoters, underwriters, and other parties who pooled mortgages and sold MBSs.

* Brad and David are professors at Brooklyn Law School. © 2012 Bradley T. Borden and David Reiss. This brief article is drawn from a forthcoming study by the authors.

¹ Lee Shepard, Bain Capital Tax Documents Draw Mixed Reaction, ALL THINGS CONSIDERED, (NPR Business broadcast Aug. 28, 2012) (discussing taxation of private equity management compensation), available at <http://www.npr.org/player/v2/mediaPlayer.html?action=1&t=1&islist=false&id=160196045&m=160201502> (emphasis added).

A History of REMIC-able Growth

The first mortgage-backed securities (“MBS”) were issued by entities related to the federal government, like Fannie Mae and Freddie Mac, in the early 1970s. These MBS paid out investors from their proportional share of ownership of a securitized pool of mortgages’ cash flow. Starting in the late 1970s, private issuers such as commercial banks and mortgage companies began to issue residential mortgage-backed securities. These “private label” securities are issued without the governmental or quasi-governmental guaranty that a federally related issuer would give. Private label securitization gained momentum during the savings and loan crisis in the early 1980s, when Wall Street firms were able to expand market share at the expense of the beleaguered thrift sector.

Before 1986, mortgage-backed securities had various tax-related inefficiencies. First amongst them, these securities were taxable at the entity level and so investors faced double taxation. Wall Street firms successfully lobbied Congress to do away with double taxation in 1986. This legislation created the REMIC which was not taxed at the entity level. This one change automatically boosted its yields over other types of mortgage-backed securities. Unsurprisingly, REMICs displaced these other types of mortgage-backed securities and soon became the dominant choice of entity for such transactions.

A REMIC allows for the pooling of mortgage loans that can then be issued as a mortgage-backed security. A REMIC is a pass-through entity for tax purposes, meaning that unlike corporations they do not pay income tax and their owners thereby avoid the double taxation they would face from receiving corporate dividends. A REMIC is intended to be a passive investment. Because of its passive nature, a REMIC is limited as to how and when it can acquire mortgage. In particular, a REMIC must in most cases acquire its mortgages within 90

days of its start-up.² The Internal Revenue Code provides for draconian penalties for REMICs that fail to comply with applicable legal requirements.

In the 1990s, the housing finance industry, still faced with the patchwork of state and local laws relating to real estate, sought to streamline the process of assigning mortgage from one mortgage pool to another. Industry players, including Fannie and Freddie and the Mortgage Bankers Association, advocated for The Mortgage Electronic Recording System (“MERS”), which was up and running by the end of the decade. A MERS mortgage contains a statement that “MERS is a separate corporation that is acting solely as nominee for the Lender and Lender’s successors and assigns. MERS is the mortgagee under this Security Instrument.”³ MERS is not named on any note endorsement. This new system saved lenders a small but not insignificant amount of money every time a mortgage was transferred. But the legal status of this private recording system was not clear and had not been ratified by Congress. Notwithstanding that fact, nearly all of the major mortgage originators participated in MERS and MERS registered millions of mortgages within a couple of years of being up and running.

Beginning in early 2000s, MERS and other parties in the mortgage securitization industry began to relax many of the procedures and practices they originally used to assign mortgages among industry players. Litigation documents and decided cases reveal how relaxed the procedures and practices became. Hitting a crescendo right before the global financial crisis hit, the practices became egregiously negligent.

The practices at Countrywide Home Loans, Inc. (then one of the nation’s largest loan originators in terms of volume and now part of Bank of America) illustrate the outrageous

² 26 U.S.C. § 860G(a)(3), (9).

³ See, e.g., BROOK BOYD, REAL ESTATE FINANCING § 14.05[9] (2005).

behavior of mortgage securitizers during that period of time. Consider an arrangement that was typical of that period.

Kemp-temptable Practices

Kemp demonstrates that securitizers did not follow the rules applicable to REMICs when issuing mortgage-backed securities. We outline the facts here and discuss the consequences in the following sections.

On May 31, 2006, Countrywide Home Loans, Inc., lent \$167,000 to John Kemp.⁴ At that time, Mr. Kemp signed a note listing Countrywide Home Loans, Inc., as the lender; no indorsement appeared on the note. An unsigned allonge (a piece of paper attached to a negotiable note that allows for the memorialization of additional assignments if there is not sufficient room on the note itself to do so) of the same date accompanied the note and directed Mr. Kemp to “Pay to the Order of Countrywide Home Loans, Inc., d/b/a America’s Wholesale Lender.” On the same day, Mr. Kemp signed a mortgage in the amount of \$167,000, which listed the lender as America’s Wholesale Lender. The mortgage named MERS as the mortgagee and authorized it to act solely as nominee for the lender and the lender’s successors and assigns. The mortgage referenced the note Mr. Kemp signed, and it was recorded in the local county clerk’s office on July 13, 2006.

On June 28, 2006, Countrywide Home Loans, Inc., as seller, entered into a Pooling and Servicing Agreement (PSA) with CWABS, Inc., as depositor; Countrywide Home Loans Servicing LP as master servicer; and Bank of New York as trustee. The PSA provided that Countrywide Home Loans, Inc., sold, transferred, or assigned to the depositor “all the right, title and interest of [Countrywide Home Loans, Inc.] in and to the Initial Mortgage Loans, including

⁴ See *In re Kemp*, 440 B.R. 624, 627 (Bkrtcy D.N.J. 2010).

all interest and principal received and receivable by” Countrywide Home Loans, Inc.. The PSA provided that the depositor would then transfer the Initial Mortgage Loans, which include Mr. Kemp’s loan, to the trustee in exchange for certificates referred to as Asset-backed Certificates, Series 2006-8. The depositor apparently then sold the certificates to investors.

The PSA also provided that the depositor would deliver “the original Mortgage Note, endorsed by manual or facsimile signature in blank in the following form: ‘Pay to the order of _____ without recourse’, with all intervening endorsements from the originator to the Person endorsing the Mortgage Note.” Although Mr. Kemp’s note was supposed to be subject to the PSA, it was never endorsed in blank or delivered to the depositor or trustee as required by the PSA. At that time, no one recorded a transfer of the note or the mortgage with the county clerk.

On March 14, 2007, MERS assigned Mr. Kemp’s mortgage to Bank of New York as trustee for the Certificate Holders CWABS, Inc. Asset-backed Certificates, Series 2006-8. The assignment purported to assign Mr. Kemp’s mortgage “[t]ogether with the Bond, Note or other obligation described in the Mortgage, and the money due and to become due thereon, with interest.” That assignment was recorded on March 24, 2008.

On May 9, 2008, Mr. Kemp filed voluntary bankruptcy. On June 11, 2008, Countrywide Home Loans, Inc., identifying itself as servicer for the Bank of New York, filed a secured proof of claim noting Mr. Kemp’s property as collateral for the claim. In response, Mr. Kemp filed an adversary complaint on October 16, 2008, against Countrywide Home Loans, Inc., seeking to expunge its proof of claim.

At trial, Countrywide Home Loans, Inc., produced a new undated Allonge to Promissory Note, which directed Mr. Kemp to “Pay to the Order of Bank of New York, as Trustee for the Certificate-holders CWABS, Inc., Asset-backed Certificates, Series 6006-8.” A supervisor and

operational team leader for the apparent successor entity of Countrywide Home Loans Servicing LP testified that the new allonge was prepared in anticipation of the litigation and was signed weeks before the trial. That same person testified that the Mr. Kemp's original note never left the possession of Countrywide Home Loans, Inc., but instead, it went to its foreclosure unit. She also testified that the new allonge had not been attached to Mr. Kemp's note and that customarily, Countrywide Home Loans, Inc., maintained possession of the notes and related loan documents. In a later submission, Countrywide Home Loans, Inc., represented that it had the original note with the new allonge attached, but it provided no additional information regarding the chain of title of the note. It also produced a Lost Note Certificate dated February 1, 2007, providing that Mr. Kemp's original note had been "misplaced, lost or destroyed, and after a thorough and diligent search, no one has been able to locate the original Note."

The court therefore concluded that at the time of the filing of the proof of claim, Mr. Kemp's mortgage had been assigned to the Bank of New York, but Countrywide Home Loans, Inc., had not transferred possession of the associated note to the Bank of New York.

By failing to transfer possession of the note to the pool backing the securities, Countrywide failed to comply with the requirements necessary to obtain REMIC status. Numerous other filings and reports suggest that Countrywide's practice was typical of many major lenders during the early 2000s. Thus, although we rely on the facts in the Kemp case in this brief article, it has very broad application.

Sloppiness and REMICs Rules Don't Mix Well

Even though a minority of securitizers may have followed the terms contained in the applicable Pooling and Servicing Agreements, the very low tolerance for deviation in the REMIC rules suggests that compliance in a minority of situations would not prevent the IRS from finding that individual REMICs fail to comply with their strict requirements in an overwhelming number of cases. And the failure of a very small number of mortgages to comply with the rules would be sufficient to cause a putative REMIC to lose its preferred tax status.

Federal tax treatment of REMICs is important in two respects. First, it treats regular interests in REMICs as debt instruments.⁵ Second, federal tax law specially classifies REMICs as something other than tax corporations, tax partnerships, or trust and generally exempts them from federal income taxation.⁶ These two aspects of REMICs work hand in hand to provide REMICs favorable tax treatment. REMICs must compute taxable income, but because the regular interests are treated as debt instruments, REMICs deduct amounts that constitute interest payments to the holders of residual interests.⁷ Without these rules, a REMIC could be a tax corporation and the regular interests could be equity interests. If that were the case, the REMIC would not be able to deduct payments made to the regular interest holders and would owe federal income tax on its taxable income. That is how the REMIC classification provides significant tax benefits.

To obtain REMIC classification, a trust must satisfy several requirements. Of particular interest is the requirement that within three months after the trusts startup date substantially all of its assets must be qualified mortgages.⁸ The regulations provide that substantially all of the assets

⁵ See IRC §§ 860B(a), 860C(b)(1)(A).

⁶ See IRC § 860A(a).

⁷ See IRC §§ 163(a), 860C(b)(1)(A).

⁸ See IRC § 860D(a)(4).

of a trust are qualified mortgages if no more than a *de minimis* amount of the trust's assets are not qualified mortgages.⁹ The regulations do not define what constitutes a *de minimis* amount of assets, but they provide that substantially all of the assets are permitted assets if no more than one percent (1%) of the aggregate basis of all of the trust's assets is attributed to prohibited assets.¹⁰ If the aggregate basis of the prohibited assets exceeds the 1% threshold, the trust may nonetheless be able to demonstrate that it owns no more than a *de minimis* amount of prohibited assets.¹¹ Thus, almost all of a REMIC's assets must be qualified mortgages.

A "qualified mortgage" is an obligation that is principally secured by an interest in real property.¹² The trust must acquire the obligation by contribution on the startup date or by purchase within three months after the startup date.¹³ Thus, to be a qualified mortgage, an asset must satisfy both a definitional requirement (be an obligation principally secured by an interest in real property) and a timing requirement (be acquired within three months after the startup date).

Industry practices raise questions about whether trusts satisfied either the definitional requirement or the timing requirement. The general practice was for trusts and loan originators to enter into PSAs, which required the originator to transfer the mortgage note and mortgage to the trust. Nonetheless, as with Kemp, reports and court documents indicate that originators and trusts frequently did not comply with the terms of the PSAs and the originator typically retained the mortgage notes and mortgages.

That failure appears to cause the trusts to fail both the definitional requirement and the timing requirement that are necessary to elect REMIC status. They fail the definition requirement

⁹ See Treas. Reg. § 1.860D-1(b)(3)(i).

¹⁰ See Treas. Reg. § 1.860D-1(b)(3)(ii).

¹¹ See Treas. Reg. § 1.860D-1(b)(3)(ii).

¹² See IRC § 860G(a)(3)(A).

¹³ See IRC § 860G(a)(3)(A)(i), (ii).

because they do not own obligations, and what they do own does not appear to be secured by interests in real property. They fail the timing requirement because they do not acquire the requisite interests within the three-month prescribed time frame. And even if the trusts acquired some obligations principally secured by interests in real property, many of their assets would not satisfy the REMIC requirements. This would result in the trusts owning more than a *de minimis* amount of prohibited assets. If more than a *de minimis* amount of a trust's assets are prohibited assets, then it would not be eligible for REMIC status.

The Un-MERS-iful Stringency of the REMIC Regulations

Federal tax law does not rely upon the state-law definition of ownership, but it looks to state law to determine parties' rights, obligations, and interests in property.¹⁴ Tax law can also disregard the transfer (or lack of transfer) of formal title where the transferor retains many of the benefits and burdens of ownership.¹⁵ Courts focus on whether the benefits and burdens of ownership pass from one party to another when considering who is the owner of property for tax purposes.¹⁶ As the Tax Court has stated, to "properly discern the true character of [a transaction], it is necessary to ascertain the intention of the parties as evidenced by the written agreements, read in light of the attending facts and circumstances."¹⁷ If, however, the transaction does not coincide with the parties' bona fide intentions, courts will ignore the stated intentions.¹⁸ Thus, the analysis of ownership cannot merely look to the agreements the parties entered into because the label parties give to a transaction does determine its character.¹⁹ Consequently, the

¹⁴ See, e.g., *Burnet v. Harmel*, 287 U.S. 103, 110 (1932).

¹⁵ See *Bailey v. Comm'r*, 912 F.2d 44, 47 (2d Cir. 1990).

¹⁶ *Grodt & McKay Realty, Inc. v. Comm'r*, 77 T.C. 1221, 1237 (1981).

¹⁷ See *Haggard v. Comm'r*, 24 T.C. 1124, 1129 (1955), *aff'd* 241 F.2d 288 (9th Cir. 1956).

¹⁸ See *Union Planters National Bank of Memphis v. United States*, 426 F.2d 115, 117 (6th Cir. 1970).

¹⁹ See *Helvering v. Lazarus & Co.* 308 U.S. 252, 255 (1939).

analysis must examine the underlying economics and the attendant facts and circumstances to determine who owns the mortgage notes for tax purposes.^{20]}

Courts in many states have considered the legal rights and obligations of REMICs with respect to mortgage notes and mortgages they claim to own. The range of issues state courts have considered with respect to REMIC mortgage notes and mortgages range from standing to foreclose,²¹ entitlement to notice of bankruptcy proceeding against a mortgagor,²² to ownership of a mortgage note under a state's commercial code.²³ As these cases indicate, at least with respect to the question of security interest, the courts are split with some ruling in favor of MERS and others ruling in favor of other parties whose interests are adverse to MERS. Apparently, no court has considered how significant these rules are with respect to REMIC classification. Standing to foreclose and participate in a bankruptcy proceeding will likely affect the analysis of whether REMIC trust assets are secured by an interest in real property, but they probably do not affect the analysis of whether the REMIC trusts own obligations. This analysis turns on the ownership of the mortgage notes.

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²¹ See *Bain v. Metropolitan Mortgage Group, Inc.*, ____ (Wash. 2012) (holding that MERS was not a beneficiary under Washington Deed of Trust Act because it did not hold the mortgage note); *Eaton v. Federal National Mortgage Association*, 462 Mass. 569 (Mass. 2012); *Ralph v. Met Life Home Loans*, ____ (5th D. Idaho August 10, 2011) (holding that MERS was not the beneficial owner of a deed of trust, so its assignment was a nullity and the assignee could not bring a nonjudicial foreclosure against the borrower); *Fowler v. Recontrust Company, N.A.*, 2011 WL 839863 (D. Utah March 10, 2011) (holding that MERS is the beneficial owner under Utah law); *Jackson v. Mortgage Electronic Registration Systems, Inc.*, 770 N.W.2d 487 (Minn. 2009) (holding that MERS, as nominee, could institute a foreclosure by advertisement, i.e., a nonjudicial foreclosure, based upon Minnesota "MERS statute" that allows nominee to foreclose).

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against the maker of the note and the maker's property under New Jersey law on two grounds.²⁵

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This analysis illustrates how courts may reach results that undercut arguments that REMICs were the owners of the mortgage notes and mortgages for tax purposes. But even if the majority of states rule in favor of REMICs, the few that do not can destroy the REMIC classification of many MBS that were structured to be – and promoted to investors as -- REMICs. Because rating agencies require that REMICs be geographically diversified in order to spread the risk of default caused by local economic conditions, REMICs hold notes and mortgages from multiple jurisdictions. Most, if not all, REMICs own mortgages notes and mortgages from states governed by laws that the courts determine do not support REMIC eligibility for the mortgages from those jurisdictions. This diversification requirement ensures

U.S.C. § 502(b)(1). New Jersey adopted the UCC in _____. *See* _____. This article cites to the UCC generally instead of specifically to the New Jersey UCC to illustrate the general applicability of the holding.

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²⁶ *See In re Kemp* at 629–30.

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²⁸ *See In re Kemp* at 630.

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that REMICs will have more than a *de minimis* amount of mortgages notes that do not come within the definition of qualified mortgage under the REMIC regulations.

IRS-possible Industry Regulation

Law firms issued opinions that MBS transactions would qualify as REMICs. They did so even though they knew or should have known that an insufficient percent of trust assets would satisfy the definition of qualified mortgage under the REMIC rules. Nonetheless, the IRS does not appear to be engaged in auditing REMICs. Its reasons for not challenging REMIC status at this time may be justified as they study the issue and observe the outcome of the numerous actions against REMICs and originators. Because REMICs did not file the correct returns and may have committed fraud, the statute of limitations for earlier years will remain open indefinitely, giving the IRS adequate time to pursue REMIC litigation after it obtains the information it needs. If the IRS's does not take action at the appropriate time, however, it will be a serious failure and will result in the loss of billions of dollars of tax revenue for the federal government.

More troubling still is the IRS's failure to address the wide-scale abuse and problems that existed during the years leading up to the financial meltdown. The IRS's failure to adequately police REMICs is one more reason that the mortgage industry was able to overly inflate the housing market. And that, inexorably, led to the crash and our tepid recovery from it.

More generally, by overlooking the serious defects in the transactions, courts and governmental agencies encourage the type of behavior that led to the financial crisis. Lawmakers, law enforcement agencies and the judiciary cede their governing functions to private industry if they allow players to disregard the law and stride to create law through their own practices. If we allow the Wall Street Rule to apply, then Wall Street rules. If the rule of

law is respected, then Main Street can look forward to the equal protection of the law and returned prosperity without fear of bubbles inflating because powerful special interests can flout the law that applies to the rest of us.

RE: REMIC

Item ID: 43344
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
(FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)
Cc: Choy, Angela </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=961819430c57479a857fd161363b2818-Angela Choy>, McWilliams, Bruce </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=23b4ada4e0cb4a74ae2adf383671340e-Bruce McWil>, Anderson, Omolola </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=413de14f13634571992860d3d08ab884-Omolola And>
Subject: RE: REMIC
Sent: September 19, 2012 3:55 PM
Received: September 19, 2012 3:55 PM

Hi (b) (6), This “smells” right to me: in CLO land we typically use Cayman Islands SPVs for what I believe is the same purpose: to wit, not being deemed “engaged in US trade or business” under Section 864 of the tax code. Tax counsel for my deals was always very sensitive about meeting the standards set forth, so I can only imagine that the requirements needed to qualify for the (presumed) REMIC carveout would be equally stringent. I think that collecting a bit of additional data on when the relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can’t offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it’s like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela (b) (6) (b) (6) Subject: RE: REMIC Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of any tax lawyers that we can speak with. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6) (b) (6) Subject: FW: REMIC Hi Angela and (b) (6) When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, “like lobsters in tin pots. I felt pretty bad.” Why? Because of what was about to happen to some of them? “No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out.” ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: REMIC

Item ID: 43345
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)>
Subject: RE: REMIC
Sent: September 19, 2012 4:48 PM
Received: September 19, 2012 4:48 PM

We live in a culture where money, more than any other factor, confers status. I read a book some years ago that reflects on this phenomenon. It's not universal: in ancient Greece, a man's esteem was rooted largely in martial virtues. (It is no accident that Aeschylus' epitaph famously omits any mention of his literary achievements, dwelling instead on his actions at Marathon.) I've never really understood this, nor fully agreed with it. But sometimes you have to take the world as you find it. So off to Wall Street I went. From: (b) (6) Sent: Wednesday, September 19, 2012 4:01 PM To: Lee, Timothy Cc: Choy, Angela; (b) (6) Subject: RE: REMIC Hi Tim, I agree that we should try to get the indenture/PSA as they contain a wealth of information. Additionally, I think we should ask Marie to discuss this. As a side note, I laughed because it is a true statement J. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 3:56 PM To: (b) (6) Cc: Choy, Angela; (b) (6) Subject: RE: REMIC Hi (b) (6), This "smells" right to me: in CLO land we typically use Cayman Islands SPVs for what I believe is the same purpose: to wit, not being deemed "engaged in US trade or business" under Section 864 of the tax code. Tax counsel for my deals was always very sensitive about meeting the standards set forth, so I can only imagine that the requirements needed to qualify for the (presumed) REMIC carveout would be equally stringent. I think that collecting a bit of additional data on when the relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can't offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it's like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of any tax lawyers that we can speak with. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6) Subject: FW: REMIC Hi Angela and (b) (6) When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC H (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: REMIC

Item ID: 43356
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Choy, Angela </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=961819430c57479a857fd161363b2818-Angela Choy> (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a- (b) (6)>
Cc: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=23b4ada4e0cb4a74ae2adf383671340e- (b) (6)> </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=413de14f13634571992860d3d08ab884- (b) (6)>
Subject: RE: REMIC
Sent: September 20, 2012 11:31 AM
Received: September 20, 2012 11:31 AM

Hi all, After a bit of thought, I drafted up a memo on the topic for our review. Comments are welcome. Tim From: Choy, Angela Sent: Wednesday, September 19, 2012 3:59 PM To: Lee, Timothy; (b) (6) Cc: (b) (6) Subject: RE: REMIC We had an IRS detailee on Finance who's now on Senator Hatch's staff. Emilia and I both keep in touch with him. Happy to reach out to him. He may be able to direct us to other folks if this is not his area of expertise. Lol...Ferengi...at least you know what motivates their actions. From: Lee, Timothy Sent: Wednesday, September 19, 2012 3:56 PM To: (b) (6) Cc: Choy, Angela; (b) (6) Subject: RE: REMIC Hi (b) (6), This "smells" right to me: in CLO land we typically use Cayman Islands SPVs for what I believe is the same purpose: to wit, not being deemed "engaged in US trade or business" under Section 864 of the tax code. Tax counsel for my deals was always very sensitive about meeting the standards set forth, so I can only imagine that the requirements needed to qualify for the (presumed) REMIC carveout would be equally stringent. I think that collecting a bit of additional data on when the relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can't offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it's like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of any tax lawyers that we can speak with. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6) Subject: FW: REMIC Hi Angela and (b) (6) When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Attachment #1

Fee Misapplication Tax Compliance.docx

Original view

2 pages (displayed on pages 3 to 4)



OFFICE OF INSPECTOR GENERAL
Federal Housing Finance Agency

400 7th Street, S.W., Washington DC 20024

To: Richard Parker
George Grob

From: Timothy Lee

(b) (6)

Angela Choy

Subject: Potential for additional findings from the fee misapplication study

Date: September 20, 2012

(b) (5)

(b) (5)

RE: Non-Responsive

Item ID: 43359
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)>, Choy, Angela </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=961819430c57479a857fd161363b2818-Angela Choy>
Cc: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=23b4ada4e0cb4a74ae2adf383671340e-(b) (6)>, (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=413de14f13634571992860d3d08ab884-(b) (6)>
Subject: RE: REMIC
Sent: September 20, 2012 11:50 AM
Received: September 20, 2012 11:50 AM

H(b) (6), First question: am I right in guessing that, given our info and what is covered in the servicer requests, we could develop enough information to characterize relevant matters of fact, such as when the note came into the possession of its rightful holder under the terms of the documentation? Do you think there is enough potential value here to justify the added effort involved? Great initiative and nice work. Tim From: (b) (6) Sent: Thursday, September 20, 2012 11:46 AM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi Tim, I have been researching the case discussed in the REMIC paper, In re Kemp. I found that the legal community has been more focused on the court's interpretation of the UCC's requirement to "possess" the note. The issue of "possession" under the UCC must first be addressed before there can be a determination that a trust has violated IRS REMIC requirements. I have attached one paper that discusses the court's decision in In re Kemp and the flaws in the court's reasoning as it relates to the UCC. The issue of possession has come up in several court cases involving securitized trusts. The courts seem to be grappling with the requirements of the UCC and the requirements of the PSAs. Courts' interpretation of the UCC's requirement to possess notes will ultimately impact the REMIC status. Please let me know your thoughts on possibly including this in your memo. Thanks (b) (6) From: Lee, Timothy Sent: Thursday, September 20, 2012 11:31 AM To: Choy, Angela; (b) (6) Cc: (b) (6) Subject: RE: REMIC Hi all, After a bit of thought, I drafted up a memo on the topic for our review. Comments are welcome. Tim From: Choy, Angela Sent: Wednesday, September 19, 2012 3:59 PM To: Lee, Timothy; (b) (6) Cc: (b) (6) Subject: RE: REMIC We had an IRS detailee on Finance who's now on Senator Hatch's staff. Emilia and I both keep in touch with him. Happy to reach out to him. He may be able to direct us to other folks if this is not his area of expertise. Lol...Ferengi...at least you know what motivates their actions. From: Lee, Timothy Sent: Wednesday, September 19, 2012 3:56 PM To: (b) (6) Cc: Choy, Angela; (b) (6); (b) (6) Subject: RE: REMIC Hi (b) (6), This "smells" right to me: in CLO land we typically use Cayman Islands SPVs for what I believe is the same purpose: to wit, not being deemed "engaged in US trade or business" under Section 864 of the tax code. Tax counsel for my deals was always very sensitive about meeting the standards set forth, so I can only imagine that the requirements needed to qualify for the (presumed) REMIC carveout would be equally stringent. I think that collecting a bit of additional data on when the relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can't offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it's like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: Non-Responsive Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of

any tax lawyers that we can speak with: (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6) Subject: FW: REMIC Hi Angela and (b) (6) When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: REMIC

Item ID: 43362
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)>
Subject: RE: REMIC
Sent: September 20, 2012 2:37 PM
Received: September 20, 2012 2:37 PM

Hi (b) (6) In your view, is potential benefit worth cost in terms of additional diligence and labor? If we spend another half hour with each loan file and end up with an algorithm we can duplicate for our contractors, that is one thing. If we double the time on each file on matters that boil down to judgment calls, that is quite another. We should definitely at least bring up the topic with McDonnell. For now we can put off the decision whether to undertake the added work, but you probably have a better feel for the question than any of us. Tim From: (b) (6) Sent: Thursday, September 20, 2012 12:22 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC

Hi Tim, In my opinion, I do not think our current servicer request would enable us to establish when and if the note came into the possession of the rightful holder. I think that this is beyond the scope of fee misapplications because we would be delving into the transactions between trusts and servicers outside of the PSAs. From the little I know about secured transactions, this may require us to make additional document requests, such as security agreements. Also, it may require us to make a legal determination as to whether the trust is a holder of the notes, which is currently the issue in several litigations. I do think that this is an important part of understanding the variety of servicer failures in servicing mortgages and fulfilling their obligations under the PSAs. These failures ultimately harm investors. (b) (6)

From: Lee, Timothy Sent: Thursday, September 20, 2012 11:51 AM To: (b) (6) Choy, Angela Cc: (b) (6) Subject: RE: REMIC

Hi (b) (6), First question: am I right in guessing that, given our info and what is covered in the servicer requests, we could develop enough information to characterize relevant matters of fact, such as when the note came into the possession of its rightful holder under the terms of the documentation? Do you think there is enough potential value here to justify the added effort involved? Great initiative and nice work. Tim From: (b) (6) Sent: Thursday, September 20, 2012 11:46 AM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC

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Thanks, (b) (6) From: Lee, Timothy Sent: Thursday, September 20, 2012 11:31 AM To: Choy, Angela; (b) (6) Subject: RE: REMIC

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We had an IRS detailee on Finance who's now on Senator Hatch's staff. Emilia and I both keep in touch with him. Happy to reach out to him. He may be able to direct us to other folks if this is not his area of expertise. Lol...Ferengi...at least you know what motivates their actions. From: Lee, Timothy Sent: Wednesday, September 19, 2012 3:56 PM To: (b) (6) Cc: Choy, Angela; (b) (6) Subject: RE: REMIC

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relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can't offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it's like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim

From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6)

(b) (6) Subject: RE: REMIC Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of any tax lawyers that we can speak with. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6)

(b) (6) Subject: FW: REMIC Hi Angela and (b) (6), When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Non-Responsive

Item ID: 43363
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=13914b6ab7b740a5803bb1627981d58a-(b) (6)>
Subject: RE: REMIC
Sent: September 20, 2012 4:01 PM
Received: September 20, 2012 4:01 PM

For now, we don't have to make a decision. Let's keep the question "within the family" for now until more information emerges. We'll plan on bringing it up with Marie. From (b) (6) Sent: Thursday, September 20, 2012 4:00 PM
To: Lee, Timothy Subject: RE: REMIC Hi Tim, I agree that we should definitely bring this topic up with McDonnell. My hesitation comes from the fact that the added work could be substantial. Perhaps we could speak with Bob or David as they are experienced attorneys and will have a better grasp on the scope of work involved in investigating this issue. What do you think? (b) (6) From: Lee, Timothy Sent: Thursday, September 20, 2012 2:37 PM To: (b) (6)
Subject: RE: REMIC Hi (b) (6), In your view, is potential benefit worth cost in terms of additional diligence and labor? If we spend another half hour with each loan file and end up with an algorithm we can duplicate for our contractors, that is one thing. If we double the time on each file on matters that boil down to judgment calls, that is quite another. We should definitely at least bring up the topic with McDonnell. For now we can put off the decision whether to undertake the added work, but you probably have a better feel for the question than any of us. Tim From: (b) (6) Sent: Thursday, September 20, 2012 12:22 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6)
Subject: RE: REMIC Hi Tim, In my opinion, I do not think our current servicer request would enable us to establish when and if the note came into the possession of the rightful holder. I think that this is beyond the scope of fee misapplications because we would be delving into the transactions between trusts and servicers outside of the PSAs. From the little I know about secured transactions, this may require us to make additional document requests, such as security agreements. Also, it may require us to make a legal determination as to whether the trust is a holder of the notes, which is currently the issue in several litigations. I do think that this is an important part of understanding the variety of servicer failures in servicing mortgages and fulfilling their obligations under the PSAs. These failures ultimately harm investors (b) (6) From: Lee, Timothy Sent: Thursday, September 20, 2012 11:51 AM To: (b) (6); Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi (b) (6), First question: am I right in guessing that, given our info and what is covered in the servicer requests, we could develop enough information to characterize relevant matters of fact, such as when the note came into the possession of its rightful holder under the terms of the documentation? Do you think there is enough potential value here to justify the added effort involved? Great initiative and nice work. Tim From: (b) (6) Sent: Thursday, September 20, 2012 11:46 AM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi Tim, I have been researching the case discussed in the REMIC paper, In re Kemp. I found that the legal community has been more focused on the court's interpretation of the UCC's requirement to "possess" the note. The issue of "possession" under the UCC must first be addressed before there can be a determination that a trust has violated IRS REMIC requirements. I have attached one paper that discusses the court's decision in In re Kemp and the flaws in the court's reasoning as it relates to the UCC. The issue of possession has come up in several court cases involving securitized trusts. The courts seem to be grappling with the requirements of the UCC and the requirements of the PSAs. Courts' interpretation of the UCC's requirement to possess notes will ultimately impact the REMIC status. Please let me know your thoughts on possibly including this in your memo. Thanks (b) (6) From: Lee, Timothy Sent: Thursday, September 20, 2012 11:31 AM To: Choy, Angela; (b) (6) Cc: (b) (6) Subject: RE: REMIC Hi all, After a bit of thought, I drafted up a memo on the topic for our review. Comments are welcome. Tim From: Choy, Angela Sent: Wednesday, September 19, 2012 3:59 PM To: Lee, Timothy; (b) (6) Cc: (b) (6); (b) (6) Subject: RE: REMIC We had an IRS detailee on Finance who's now on Senator Hatch's staff. Emilia and I both keep in touch with him. Happy to reach out to him. He may be able to direct us to other folks if this is

not his area of expertise. Lol...Ferengi...at least you know what motivates their actions. From: Lee, Timothy Sent: Wednesday, September 19, 2012 3:56 PM To: (b) (6) Cc: Choy, Angela; (b) (6)

Subject: RE: Non-Responsive Hi (b) (6), This "smells" right to me: in CLO land we typically use Cayman Islands SPVs for what I believe is the same purpose: to wit, not being deemed "engaged in US trade or business" under Section 864 of the tax code. Tax counsel for my deals was always very sensitive about meeting the standards set forth, so I can only imagine that the requirements needed to qualify for the (presumed) REMIC carveout would be equally stringent. I think that collecting a bit of additional data on when the relevant requirements in the indenture/PSA may produce some interesting additional findings, and the extra effort is marginal in our context. Do you agree? At the very least, I think we should bring this up to Marie McDonnell when we reach out to her. Any tax lawyer I know will expect to be snapped up by the defenders if this story gains any traction, and I can't offer the prospect of future fees. (You laughed when I said that civilians see the world as a bunch of revenue streams, but believe me, it is true. Civilian life revolves mostly around money; it's like living among the Ferengi of Star Trek .) So let me give the matter a bit of thought. Assistance on this topic is heartily welcomed. Tim From: (b) (6) Sent: Wednesday, September 19, 2012 3:30 PM To: Lee, Timothy; Choy, Angela Cc: (b) (6) Subject: RE: REMIC Hi Tim, I read the paper and it is very interesting. As you know, tax law is a very specialized area and tax decisions are fact-specific. Therefore courts could reach different results depending on the state and other factors. I do not know of any tax lawyers that we can speak with. (b) (6) From: Lee, Timothy Sent: Wednesday, September 19, 2012 10:32 AM To: (b) (6); Choy, Angela Cc: (b) (6) Subject: FW: REMIC Hi Angela and (b) (6), When you have a moment, could you take a glance at this? The implications for our study seem obvious to me: with just a little more information, there could be substantial additional impact in our findings. All the tax lawyers I know are at the New York corporate firms; any ideas on how we could solicit commentary from tax talent? Tim From: Lee, Timothy Sent: Wednesday, September 19, 2012 9:13 AM To: (b) (6) Cc: Parker, Richard Subject: REMIC Hi (b) (6), Just skimmed it over and am settling in for a closer reading, but would love your take on the attached paper. First buybacks, then the PLMBS lawsuits, then LIBOR, and now perhaps this. A Wharton classmate of mine had been an Air Force pilot during the first Persian Gulf War. Once he described his feelings at cresting a ridge and seeing an entire Iraqi tank company arrayed on the hill below him, "like lobsters in tin pots. I felt pretty bad." Why? Because of what was about to happen to some of them? "No, honestly, that came later. In the moment, I felt bad because there were all these targets, and I only had half a dozen antitank missiles loaded out." ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Time splits

Item ID: 43367
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117(b) (6)>
Subject: Time splits
Sent: September 21, 2012 9:39 AM
Received: September 21, 2012 9:39 AM

SAR 30% LIBOR 30% (includes LRS mission ; I will be out of the office Thursday) Derivatives white paper 20% Fee misapplication study 20% ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Mr. Gensler Goes to Brussels

Item ID: 43423
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Mr. Gensler Goes to Brussels
Sent: September 25, 2012 9:23 AM
Received: September 25, 2012 9:23 AM

Hi Old Salt, You may be hard put to read all these news articles faster than they come in. You know, in Hackworth's book, one story concerns his order that his battalion turn their helmet liners inside out. Originally this was to hide the demoralizing graffiti the men had scrawled on their liners. But given his aggressiveness, word eventually filtered back that the local Viet Cong had grown to fear the "brown hat" Americans. I considered some possible alternatives to your FHFA-OIG tagline ("Nobody likes to audit. But somebody has to know how."), but have to agree that yours is best. To build esprit de corps, I propose that we have the slogan printed up on lapel pins and passed around the office for personnel to wear, especially to external meetings. Custom lapel pins can be printed up at a very reasonable price, and Brian Terhaar tells me we can find the money in the budget. Will you authorize the form if I fill it out? Tim From: Parker, Richard Sent: Tuesday, September 25, 2012 8:28 AM To: Lee, Timothy Subject: RE: Mr. Gensler Goes to Brussels Tim, Many thanks. I'd love to get a copy of this to red on the train. Rich From: Lee, Timothy Sent: Monday, September 24, 2012 4:39 PM To: Parker, Richard Subject: Mr. Gensler Goes to Brussels Hi Old Salt, This is a nice little bit of context . The media hounds continue to circle this one. Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Time splits

Item ID: 43478
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: Time splits
Sent: September 27, 2012 5:53 PM
Received: September 27, 2012 5:53 PM

Hi (b) (6), 20% LIBOR 20% derivs white paper 20% counterparty paper 20% SAR 20% Chase loan seller agreement -----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: JPMorgan

Item ID: 43481
From: Lee, Timothy </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D9770D766B6642C4AC0F9F116D0B180D-TIMOTHY LEE>
To: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: JPMorgan
Sent: September 27, 2012 6:18 PM
Received: September 27, 2012 6:18 PM

As they say in the Army, "aye aye." sure seems like solid wood on this one.

Sent from my Windows Phone

From:

Parker, Richard

Sent:

9/27/2012 18:07

To:

Lee, Timothy

Subject:

RE: JPMorgan

See Steve's questions. Can you answer

Sent from my Windows Phone

From:

Linick, Steve

Sent:

9/27/2012 12:16 PM

To:

Parker, Richard; Seide, David; Grob, George

Cc:

Stephens, Michael

Subject:

RE: JPMorgan

Sounds like a good plan

Sent from my Windows Phone

From:

Parker, Richard

Sent:

9/27/2012 12:03 PM

To:

Linick, Steve; Seide, David; Grob, George

Cc:

Stephens, Michael

Subject:

RE: JPMorgan

Steve,

Got it. I have answers to some of your factual questions. George and I have preliminarily discussed a way ahead with respect to the collection of documents in a manner suitable to this particular situation.

We will link-up with David soonest, and then circle back to you.

BTW â€” Iâ€™d like a few minutes of your time tomorrow to brief you on the results of this LIBOR trip.

Rich
From: Linick, Steve
Sent: Thursday, September 27, 2012 11:55 AM
To: Parker, Richard; Seide, David; Grob, George
Cc: Stephens, Michael
Subject: RE: JPMorgan
What I really meant to say in my previous email is that I want us to sit down now to determine what (if any) strategy we should employ going forward. Questions that need to be asked include: (b) (5)

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] If you guys can meet with David on this I would appreciate. tx

From: Parker, Richard
Sent: Wednesday, September 26, 2012 5:41 PM
To: Seide, David; Linick, Steve; Grob, George
Subject: RE: JPMorgan

We should speak
Sent from my Windows Phone

From:
Seide, David
Sent:
9/26/2012 4:58 PM
To:
Linick, Steve; Grob, George
Cc:
DiSanto, Emilia; Parker, Richard; Stephens, Michael
Subject:
RE: JPMorgan

George, lets discuss next steps. I've learned a bit more about what is in the original memo.

From:
Linick, Steve
Sent:
9/26/2012 3:56 PM
To:
Grob, George
Cc:
DiSanto, Emilia; Seide, David; Parker, Richard; Stephens, Michael
Subject:
JPMorgan

George, (b) (5)

[REDACTED] I'd like to expedite issuance of that survey notice and start making some headway. Perhaps we can issue something by end of week or early next week at the latest

RE: JPMorgan

Item ID: 43482
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: JPMorgan
Sent: September 27, 2012 6:42 PM
Received: September 27, 2012 6:42 PM

Hi Old Salt, I will strive to address the factual questions as follows: -

(b) (5)

That is probably not part of the report, but it doesn't mean we can't ask the question informally. Tim From: Parker, Richard Sent: Thursday, September 27, 2012 6:08 PM To: Lee, Timothy Subject: RE: JPMorgan See Steve's questions. Can you answer Sent from my Windows Phone From: Linick, Steve Sent: 9/27/2012 12:16 PM To: Parker, Richard; Seide, David; Grob, George Cc: Stephens, Michael Subject: RE: JPMorgan Sounds like a good plan Sent from my Windows Phone From: Parker, Richard Sent: 9/27/2012 12:03 PM To: Linick, Steve; Seide, David; Grob, George Cc: Stephens, Michael Subject: RE: JPMorgan Steve, Got it. I have answers to some of your factual questions. George and I have preliminarily discussed a way ahead with respect to the collection of documents in a manner suitable to this particular situation. We will link-up with David soonest, and then circle back to you. BTW – I'd like a few minutes of your time tomorrow to brief you on the results of this LIBOR trip. Rich From: Linick, Steve Sent: Thursday, September 27, 2012 11:55 AM To: Parker, Richard; Seide, David; Grob, George Cc: Stephens, Michael Subject: RE: JPMorgan What I really meant to say in my previous email is that I want us to sit down now to determine what (if any) strategy we should employ going forward. Questions that need to be asked include:

(b) (5)

If you guys can meet with David on this I would appreciate. tx From: Parker, Richard Sent: Wednesday, September 26, 2012 5:41 PM To: Seide, David; Linick, Steve; Grob, George Subject: RE: JPMorgan We should speak Sent from my Windows Phone From: Seide, David Sent: 9/26/2012 4:58 PM To: Linick, Steve; Grob, George Cc: DiSanto, Emilia; Parker, Richard; Stephens, Michael Subject: RE: JPMorgan George, lets discuss next steps. I've learned a bit more about what is in the original memo. From: Linick, Steve Sent: 9/26/2012 3:56 PM To: Grob, George Cc: DiSanto, Emilia; Seide, David; Parker, Richard; Stephens, Michael Subject: JPMorgan George,

(b) (5)

I'd like to expedite issuance of that survey notice and start making some headway. Perhaps we can issue something by end of week or early next week at the latest

Bloomberg news: U.S. Libor Probers Said to Seek London Trader Interviews

Item ID: 43487
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=45ad7effd12a4beeb3be31b646cc60d6-(b) (6)>
Subject: Bloomberg news: U.S. Libor Probers Said to Seek London Trader Interviews
Sent: September 28, 2012 9:55 AM
Received: September 28, 2012 9:55 AM

U.S. investigators conducting a criminal probe of interest-rate manipulation have asked their British counterparts for permission to interview London traders, two people familiar with the investigation said. <http://bloom.bg/P9pSBz>

RE: link

Item ID: 43502
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Bloch, David </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fad4faf3677f4ce297d7bfaaed3a13ef-David Bloch>
Subject: RE: link
Sent: September 28, 2012 1:29 PM
Received: September 28, 2012 1:29 PM

"Regulators may also make it an offense to manipulate the rate." So the next time it happens, there will be real consequences . From: Bloch, David Sent: Friday, September 28, 2012 1:17 PM To: Lee, Timothy; Parker, Richard Subject: link <http://dealbook.nytimes.com/2012/09/25/british-bankers-group-seen-losing-control-over-libor/> David P. Bloch Director – Division of Mortgage, Investments and Risk Analysis Office of the Inspector General Federal Housing Finance Agency 400 7 th Street, SW Room 3-187 Washington, DC 20024 (b) (6) (telephone)

(b) (6)

RE: Time splits

Item ID: 43527
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Cc: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Time splits
Sent: October 1, 2012 9:17 AM
Received: October 1, 2012 9:17 AM

Hi (b) (6), It may not be on the A&E plan yet, but that should change soon. Tim From: (b) (6) Sent: Monday, October 01, 2012 7:34 AM To: Lee, Timothy Subject: RE: Time splits Good morning Tim, Is the Chase loan seller agreement for a particular project listed on the snapshot? Thank you! Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions. From: Lee, Timothy Sent: Thursday, September 27, 2012 5:54 PM To: (b) (6) Subject: Time splits Hi (b) (6), 20% LIBOR 20% derivs white paper 20% counterparty paper 20% SAR 20% Chase loan seller agreement ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC, 20024

Office:

Mobile:

(b) (6)

RE: Weekly assignments and Snapshot update

Item ID: 43647
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: RE: Weekly assignments and Snapshot update
Sent: October 9, 2012 9:29 AM
Received: October 9, 2012 9:29 AM

LIBOR 50% Fee misapplication 25% Counterparty 25% From: (b) (6) Sent: Tuesday, October 09, 2012 9:27 AM To: Lee, Timothy Subject: FW: Weekly assignments and Snapshot update Good morning Tim, Please provide me with your assignment breakdown for this week as soon as possible. Thank you! Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions. From: (b) (6) Sent: Thursday, October 04, 2012 10:35 AM To: (b) (6); Rhinesmith, Alan (Alan.Rhinesmith@fhfaoig.gov); Wu, Simon (b) (6) Phillips, Wesley (b) (6); Lee, Timothy (Timothy.Lee@fhfaoig.gov) Cc: (b) (6); Parker, Richard (b) (6) Subject: Weekly assignments and Snapshot update Good morning OPOR, Please email your assignments and percentages for next week by COB Friday, October 4, 2012. Also, please review the OPOR Snapshot and let me know if changes need to be made. Thank you!
https://sharepoint.fhfaoig.gov/policy_oversight/Documents/OPOR%20Snapshot%20and%20Weekly%20Assignments/OPOR%20SNAPSHOT.xlsx Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions.

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

Time splits

Item ID: 43692
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: Time splits
Sent: October 12, 2012 10:28 AM
Received: October 12, 2012 10:28 AM

Hi (b) (6) Here are my time splits for next week: 50% LIBOR 20% Fee misapplication 20% Counterparty 10% SAR -----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

LIBOR: Now even the little old ladies are piling in

Item ID: 43701
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: LIBOR: Now even the little old ladies are piling in
Sent: October 15, 2012 9:15 AM
Received: October 15, 2012 9:15 AM

<http://www.ft.com/intl/cms/s/0/6b912248-1496-11e2-8cf2-00144feabdc0.html> ----- Timothy Lee Senior Policy Advisor,
FHFA-OIG 202-730-2821

RE: Libor Homeowner CA

Item ID: 43702
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=51139b51f8894abaa27345ff7295a3ca-(b) (6)>
Subject: RE: Libor Homeowner CA
Sent: October 15, 2012 11:15 AM
Received: October 15, 2012 11:15 AM

Yeah, I saw the FT coverage. Never a good idea to come up with schemes to kick a little old lady out of her home .
From: (b) (6) Sent: Monday, October 15, 2012 10:31 AM To: Lee, Timothy Subject: Libor Homeowner CA You have probably already seen this but just in case. http://newsandinsight.thomsonreuters.com/Legal/News/2012/10_-_October/U_S__home_owners_file_class_action_suit_vs_banks_over_Libor_-_FT/

Lunch?

Item ID: 43769
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
Subject: Lunch?
Sent: October 22, 2012 5:31 PM
Received: October 22, 2012 5:31 PM

Hi (b) (6), Left you a voicemail earlier today – if you have time, I would love to grab lunch with you in the near future. There are a couple of interesting topics it would be great to trade notes on – LIBOR and the Dodd-Frank shift to clearing derivatives in particular. I'm happy to hop the train over to Farragut West – let me know when suits you. Best, Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Best T shirt at this year's Army Ten Miler

Item ID: 43770
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Best T shirt at this year's Army Ten Miler
Sent: October 22, 2012 5:35 PM
Received: October 22, 2012 5:35 PM

Many thanks for the kind words. (b) (6) now knows that he will be showered with toys if he shows up at an Army function and tells them he is a sailor's boy. Army footballs, Army Frisbees... Say, I just realized the LIBOR technical appendix is written in the third person. Do you want it rewritten in first person plural to match the memo? And did the cover memo meet your needs? From: Parker, Richard Sent: Monday, October 22, 2012 7:43 AM To: Lee, Timothy Subject: RE: Best T shirt at this year's Army Ten Miler Coop at his best. A great movie. The only better one, IMHO, is "The Man Who Shot Liberty Valance.". The Duke and Jimmy Stewart. BREAK Hey - you finished. I know I'm damned proud of you. Sent from my Windows Phone From: Lee, Timothy Sent: 10/22/2012 6:19 AM To: Parker, Richard Subject: RE: Best T shirt at this year's Army Ten Miler Beat my half marathon splits, as well I should have, but not by much. I spent the last two miles of the race basically trying to stave off embarrassment. But thanks for asking. You will be happy to know that Amazon Instant Video works on government laptops. Have you ever seen High Noon ? Tim From: Parker, Richard Sent: Sunday, October 21, 2012 5:14 PM To: Lee, Timothy Subject: RE: Best T shirt at this year's Army Ten Miler How did you fare, Skipper? Sent from my Windows Phone From: Lee, Timothy Sent: 10/21/2012 3:51 PM To: Parker, Richard Subject: Best T shirt at this year's Army Ten Miler Army Explosive Ordnance Disposal I am a Bomb Technician If you see me running, Try to keep up! Sent from my Windows Phone

RE: Lunch?

Item ID: 43786
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
Subject: RE: Lunch?
Sent: October 24, 2012 1:57 PM
Received: October 24, 2012 1:57 PM

Take your pick of Wednesday or Thursday. Nooshi or G Street Food? From: (b) (6) [mailto:(b) (6)] Sent: Wednesday, October 24, 2012 1:55 PM To: Lee, Timothy Subject: RE: Lunch? Hey Tim, Sorry it took so long to respond, lunch would be great. Can we shoot for sometime next week? Wednesday or Thursday would work best for me. Thanks, (b) (6) From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov] Sent: Monday, October 22, 2012 5:32 PM To: (b) (6) Subject: Lunch? Hi (b) (6) Left you a voicemail earlier today – if you have time, I would love to grab lunch with you in the near future. There are a couple of interesting topics it would be great to trade notes on – LIBOR and the Dodd-Frank shift to clearing derivatives in particular. I'm happy to hop the train over to Farragut West – let me know when suits you. Best, Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821 Confidentiality Notice: The information in this email and any attachments may be confidential or privileged under applicable law, or otherwise protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error.

RE: Lunch?

Item ID: 43787
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
Subject: RE: Lunch?
Sent: October 24, 2012 1:58 PM
Received: October 24, 2012 1:58 PM

Done. Planner will follow momentarily. From: (b) (6) [mailto:S_Reinhart@CFTC.gov] Sent: Wednesday, October 24, 2012 1:58 PM To: Lee, Timothy Subject: RE: Lunch? Let's say Nooshi on Wednesday. 12:30pm? From: Lee, Timothy [mailto:Timothy.Lee@fhfaig.gov] Sent: Wednesday, October 24, 2012 1:57 PM To: (b) (6) Subject: RE: Lunch? Take your pick of Wednesday or Thursday. Nooshi or G Street Food? From: (b) (6) [mailto:(b) (6)] Sent: Wednesday, October 24, 2012 1:55 PM To: Lee, Timothy Subject: RE: Lunch? Hey Tim, Sorry it took so long to respond, lunch would be great. Can we shoot for sometime next week? Wednesday or Thursday would work best for me. Thanks, Scott From: Lee, Timothy [mailto:Timothy.Lee@fhfaig.gov] Sent: Monday, October 22, 2012 5:32 PM To: (b) (6) Subject: Lunch? Hi (b) (6), Left you a voicemail earlier today – if you have time, I would love to grab lunch with you in the near future. There are a couple of interesting topics it would be great to trade notes on – LIBOR and the Dodd-Frank shift to clearing derivatives in particular. I'm happy to hop the train over to Farragut West – let me know when suits you. Best, Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821 Confidentiality Notice: The information in this email and any attachments may be confidential or privileged under applicable law, or otherwise protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error. Confidentiality Notice: The information in this email and any attachments may be confidential or privileged under applicable law, or otherwise protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error.

RE: Weekly Assignment update and Snapshot review

Item ID: 43815
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: RE: Weekly Assignment update and Snapshot review
Sent: October 26, 2012 9:02 AM
Received: October 26, 2012 9:02 AM

LIBOR 30% Counterparty 40% Fee misapplication 20% Freddie/Chase 10% From: (b) (6) Sent: Friday, October 26, 2012 5:43 AM To (b) (6); Phillips, Wesley; Lee, Timothy; Wu, Simon; Rhinesmith, Alan; (b) (6)
Cc: Parker, Richard Subject: Weekly Assignment update and Snapshot review Good morning OPOR, Please send me your assignment percentages for next week and any snapshot updates you would like me to make by 9am Monday morning. Thank you!

https://sharepoint.fhfaog.gov/policy_oversight/Documents/OPOR%20Snapshot%20and%20Weekly%20Assignments/OPOR%20SNAPSHOT.xlsx

Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions.

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

Fannie and Freddie PLMBS deals and risk factor disclosure

Item ID: 43851
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Bloch, David </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fad4faf3677f4ce297d7bfaaed3a13ef-David Bloch>
Subject: Fannie and Freddie PLMBS deals and risk factor disclosure
Sent: October 31, 2012 2:57 PM
Received: October 31, 2012 2:57 PM

Hi David, Following up on the phone call, here are the variable rate MBS I reviewed for risk factors language to the effect that "we may employ troglodytes who manipulate LIBOR and therefore rip you off" in the offering memoranda. It is public information, via release of the FHFA complaints with respect to private-label MBS, that Fannie and Freddie invested in these deals. I was shocked and appalled to find no such language in any of these deals! (I have copies of the OMs themselves and will be happy to forward them individually upon request.) Moreover, this leaves me worried that other OMs won't have this language either. I will leave it to you to analyze the 1933 Act implications of this absence, but it seems at least worthy of your attention. Tim Underwriter Security purchased by the Enterprises LIBOR-Based Interest Rate CUSIP Bank of America BAFC 2007-A 1A1 1mL + 16 05952DAA6 Barclays Capital FHLT 2005-D 1mL + 26 35729PMA5 Citibank CMLTI 2007-AR7 A2A Tied to mortgage rates, which are keyed inter alia to 6m and 12m LIBOR 17312YAB8 Deutsche Bank DBALT 2007-OA4 IIIA1 1mL + 19 25151XAE1 JPMorgan JPMAC 2006-WMC4 1mL + 13 46630BAA4 RBS OOMLT 2007-CP1 1A1 1mL + 14 68402YAA4 UBS MABS 2005-WF1 A-1A 1mL + 25 57643LJR8 HSBC FFML 2006-FF11 1A1 1mL + 13 32028PAA3 ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Review for De-confliction

Item ID: 43885
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: RE: Review for De-confliction
Sent: November 2, 2012 12:55 PM
Received: November 2, 2012 12:55 PM

My percentages are as follows: LIBOR 10% Counterparty 40% Fee misapplication 30% Interest rate risk 20% From: (b) (6) Sent: Friday, November 02, 2012 12:47 PM To: (b) (6) a; Phillips, Wesley; Lee, Timothy; Wu, Simon; Rhinesmith, Alan; (b) (6) Subject: FW: Review for De-confliction Good afternoon OPOR, Please let me know if the attached data request conflict with anything you are working on. Thank you! Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions. From: Strear, Alexa Sent: Friday, November 02, 2012 12:08 PM To: (b) (6) ; (b) (6) Cc: Choy, Angela Subject: Review for De-confliction Hi (b) (6) , Would you mind reviewing the attached data requests for Freddie and Fannie to verify that they do not conflict with any OPOR and Audit requests? Thank you very much for your help. (b) (6) Federal Housing Finance Agency Office of the Inspector General (b) (6) (direct) | (b) (6) (cell) (b) (6)

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

FW: Snapshot update

Item ID: 44108
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: FW: Snapshot update
Sent: November 19, 2012 9:06 AM
Received: November 19, 2012 9:06 AM

Hi Old Salt, I will defer to you for an answer to this question. Tim From: (b) (6) Sent: Monday, November 19, 2012 8:31 AM To: Lee, Timothy; Wu, Simon Cc: (b) (6) Subject: Snapshot update Good morning Tim and Simon, Was the LIBOR Action memo published on Friday? If not, do you have an estimated date of publishing I can use on the snapshot? Thank you! Snapshot in SharePoint Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions.

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

RE: Snapshot update

Item ID: 44110
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: RE: Snapshot update
Sent: November 19, 2012 9:20 AM
Received: November 19, 2012 9:20 AM

Hi (b) (6) Split is as follows (I'm only in two days this week): 75% derivatives white paper 25% fee misapplication
From: (b) (6) Sent: Monday, November 19, 2012 8:31 AM To: Lee, Timothy; Wu, Simon Cc: (b) (6)
Subject: Snapshot update Good morning Tim and Simon, Was the LIBOR Action memo published on Friday? If not, do you have an estimated date of publishing I can use on the snapshot? Thank you! Snapshot in SharePoint
Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions.

Attachment #1

image001.png

Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

RE: Principal reductions

Item ID: 44141
From: Lee, Timothy </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D9770D766B6642C4AC0F9F116D0B180D-TIMOTHY LEE>
To: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Ee404ea9fa5044ef9bd01bdfef014378-(b) (6)>
Subject: RE: Principal reductions
Sent: November 21, 2012 11:16 AM
Received: November 21, 2012 11:16 AM

No evidence I know that they complained. Then again, when I started the Libor project I had no evidence they were howling about that either.

Sent from my Windows Phone

From:

(b) (6)

Sent:

11/21/2012 11:12

To:

Lee, Timothy

Cc:

Parker, Richard

Subject:

RE: Principal reductions

Tim,

Do we have evidence that FHFA has complained about principal reductions in the RMBS Trusts or just that they do not want to do them? I know the Agencyâ€™s

position on the latter, but havenâ€™t seen them yet raising objection to the former. Do you have anything on this?

(b) (6)

Attorney Advisor

FHFA Office of Inspector General

400 7 th Street, SW

Washington, DC 20024

Tel: (b) (6)

Mob

From: Lee, Timothy

Sent: Wednesday, November 21, 2012 9:36 AM

To: (b) (6)

Subject: FW: Principal reductions

Hi (b) (6)

Should we set a time Monday to discuss?

Tim

Sent from my Windows Phone

From:

Parker, Richard

Sent:

11/21/2012 9:18

To: Lee, Timothy

Subject:

RE: Principal reductions

Skipper,

Excellent points. I find myself in the position of Josie Whales: on unfamiliar turf and surrounded by superior forces.

Josie's comment "A man's got to know his limitations," is a testament to the benefits that accrue to the self-aware.

Accordingly, I would like you to discuss this with (b) (6) and back brief me when you're satisfied that we're moving forward in light of his observations. TX

Rich

Sent from my Windows Phone

From:

Lee, Timothy

Sent:

11/21/2012 9:10 AM

To: Parker, Richard

Subject:

FW: Principal reductions

Sent from my Windows Phone

From:

Timothy Lee

Sent:

11/21/2012 9:09

To: Lee, Timothy

Subject:

Principal reductions

Hi Old Salt,

While (b) (6) does make points worth considering, I think that in light of the overall context he overestimates their merits.

In any event, it's already in my plan to verify the nature and magnitude of the problem, formally or informally.

At the simplest level, there are two countervailing influences on servicers with respect to principal reductions on a PLMBS collateral loan.

The National Mortgage Settlement stipulations award the major servicers 45c of credit against their obligations for every dollar of principal reduction. Every dollar of PLMBS writedowns is a dollar that doesn't have to be written down from the bank's own loan portfolio and eat into their capital base, especially at a time when they are scrambling for all the capital they can get. Moreover, writedowns on first-lien PLMBS collateral loans strengthen the position of second-lien loans

(home equity loans), many of which would be utterly worthless if the first-lien loans were deemed sacrosanct. And the bulk of these second lien loans are owned by....large banks with servicing operations!

However, servicers are obliged to abide by the terms of the Pooling and Servicing Agreement (PSA) for each PLMBS deal. Among other things, the PSA sets forth the servicer's requirements for handling collateral loans, including delinquencies. The National Mortgage Settlement does require, on paper, that servicers abide by the existing terms of the PSAs for affected PLMBS deals. But the stipulations of these PSAs are all over the map when it comes to loan modifications: a few forbid

principal reductions entirely, while others permit them under limited circumstances. The catch is that most PSAs, written before the financial crisis, leave significant judgment to the servicer in these matters. And a certain number of bondholders (I recall

25%, usually) have to band together before they can make the trustee enforce specific injunctions on their behalf, which in practice gives servicers even more latitude to interpret their obligations as they see fit. But why worry?

Servicers

have never abused their position, or even violated laws and contracts, for selfish reasons, right ?

So in my view (b) (6) overstates the case in saying that "no servicer is likely to give a principal reduction on a loan that has value to an RMBS investor." There is, in fact, a powerful incentive for bank-affiliated servicers to (a) settle their obligations with OPM (other people's money) and (b) save their own asses in the process. (Also, I find it curious that neither FHFA nor bondholders as a whole got a seat at the table during the settlement negotiations -- the former

being another example, perhaps, of the lack of coordination among Federal agencies.) It is very notable that at least some institutional investors started howling as soon as the settlement's terms were published; contrary to one of (b) (6) points, businessmen seldom howl about anything unless they perceive their own money to be on the line. Moreover, politicians like Congressman Garrett don't dive into topics like this unless it is, at least in part, on behalf of valuable constituencies. All the protests in the spring were prospective; the significance of the recent B of A news release and progress report is that it is the first solid evidence of how the settlement is playing out in practice. While I don't know of any investor lawsuits to date, a key factor of any complaint would be demonstration of damages -- which was nearly impossible until now. It seems entirely plausible to me that investors are waiting to amass evidence with a view toward filing the "great lawsuit"

(b) (6) mentioned if they are displeased with what they see.

(b) (6) hypothesis should be pretty easy to test as part of our data-oriented due diligence. If there were any changes in the amount or frequency of servicer principal modifications on PLMBS collateral loans after the settlement went into effect, that would be inconsistent with the idea that principal reductions were limited to worthless loans. (Also, if principal reductions have been limited to worthless loans, why is FHFA so dead set against them?)

Also, to (b) (6) point about checking, the first step in this process would be HUMINT collection from civilian asset managers and securities lawyers, to obtain both general sentiment and specific points. (b) (6), a securities litigator

in civilian life, may be particularly helpful in this respect. Also, an LRS mission may prove to be appropriate under the circumstances.) On the whole, even if they did not fit within the confines of a 3-page introductory memo, the bulk of (b) (6) points have

already been considered, and do not diminish my opinion that the significant potential of this topic amply justifies, at a minimum, the introductory intelligence development measures I have in mind.

Tim

RE: Principal reductions

Item ID: 44140
From: Lee, Timothy </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D9770D766B6642C4AC0F9F116D0B180D-TIMOTHY LEE>
To: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Ee404ea9fa5044ef9bd01bdfef014378-(b) (6)>
Subject: RE: Non-Responsive
Sent: November 21, 2012 11:26 AM
Received: November 21, 2012 11:27 AM

I do cite policy announcements, well covered in media, that FHFA opposes principal reductions in Agency owned loans. But I don't think anyone has figured out that other parts of the govt are effectively mandating backdoor principal reductions on fhfa conserved assets via the NMS.

Sent from my Windows Phone

From:

(b) (6)

Sent:

11/21/2012 11:19

To:

Lee, Timothy

Subject:

RE: Principal reductions

Ok. But you said below:

Also, if principal reductions have been limited to worthless loans, why is FHFA so dead set against them?) (b) (6)

From: Lee, Timothy

Sent: Wednesday, November 21, 2012 11:17 AM

To: (b) (6)

Subject: RE: Principal reductions

No evidence I know that they complained. Then again, when I started the Libor project I had no evidence they were howling about that either.

Sent from my Windows Phone

From:

(b) (6)

Sent:

11/21/2012 11:12

To: Lee, Timothy

Cc: Parker, Richard

Subject:

RE: Principal reductions

Tim,

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position on the latter, but haven't seen them yet raising objection to the former. Do you have anything on this?

(b) (6)

Robert C. Hinkley

Attorney Advisor

FHFA Office of Inspector General

400 7 th Street, SW

Washington, DC 20024

Tel: (b) (6)
Mob (b) (6)

From: Lee, Timothy

Sent: Wednesday, November 21, 2012 9:36 AM

To: (b) (6)

Subject: FW: Principal reductions

Hi (b) (6),

Should we set a time Monday to discuss?

Tim

Sent from my Windows Phone

From:

Parker, Richard

Sent:

11/21/2012 9:18

To: Lee, Timothy

Subject:

RE: Principal reductions

Skipper,

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Josie's comment "A man's got to know his limitations," is a testament to the benefits that accrue to the self-aware.

Accordingly, I would like you to discuss this with Bob and back brief me when you're satisfied that we're moving forward in light of his observations. TX

Rich

Sent from my Windows Phone

From:

Lee, Timothy

Sent:

11/21/2012 9:10 AM

To: Parker, Richard

Subject:

FW: Principal reductions

Sent from my Windows Phone

From:

Timothy Lee

Sent:

11/21/2012 9:09

To: Lee, Timothy

Subject:

Principal reductions

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principal reductions entirely, while others permit them under limited circumstances. The catch is that most PSAs, written before the financial crisis, leave significant judgment to the servicer in these matters. And a certain number of bondholders (I recall

25%, usually) have to band together before they can make the trustee enforce specific injunctions on their behalf, which in practice gives servicers even more latitude to interpret their obligations as they see fit. But why worry?

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perhaps, of the lack of coordination among Federal agencies.) It is very notable that at least

some institutional investors started howling as soon as the settlement's terms were published; contrary to one of (b) (6) points, businessmen seldom howl about anything unless they perceive their own money to be on the line. Moreover, politicians like Congressman

Garrett don't dive into topics like this unless it is, at least in part, on behalf of valuable constituencies.

All the protests in the spring were prospective; the significance of the recent B of A news release and progress report is that it is the first solid evidence of how the settlement is playing out in practice. While I don't know of any investor lawsuits to date, a key factor of any complaint would be demonstration of damages -- which was nearly impossible until now. It seems entirely plausible to me that investors are waiting to amass evidence with a view toward filing the "great lawsuit"

(b) (6) mentioned if they are displeased with what they see.

(b) (6) hypothesis should be pretty easy to test as part of our data-oriented due diligence. If there were any changes in the amount or frequency of servicer principal modifications on PLMBS collateral loans after the settlement went into effect, that would be inconsistent with the idea that principal reductions were limited to worthless loans. (Also, if principal reductions have been limited to worthless loans, why is FHFA so dead set against them?)

Also, to (b) (6) point about checking, the first step in this process would be HUMINT collection from civilian asset managers and securities lawyers, to obtain both general sentiment and specific points. (b) (6), a securities litigator

in civilian life, may be particularly helpful in this respect. Also, an LRS mission may prove to be appropriate under the circumstances.) On the whole, even if they did not fit within the confines of a 3-page introductory memo, the bulk of

(b) (6) points have

already been considered, and do not diminish my opinion that the significant potential of this topic amply justifies, at a minimum, the introductory intelligence development measures I have in mind.

Tim

LIBOR

Item ID: 44156
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: LIBOR
Sent: November 26, 2012 10:03 AM
Received: November 26, 2012 10:03 AM

Hi Old Salt, This event is two hours long and a short subway ride away. David Bloch is attending; should I go as well?

Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

FW: Preface.docx

Item ID: 44244
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Cc: Phillips, Wesley </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=c1881bcb698c45b096269b8112f87787-Wesley Phil>
Subject: FW: Preface.docx
Sent: November 30, 2012 5:06 PM
Received: November 30, 2012 5:06 PM

Hi Old Salt, I took a look at this. This does look much more like every other paper we have written, and frankly only Wes could have drawn it up. My effort, good faith as it was, would produce another good product, but one very different stylistically from a Wes product or the OIG norm (as the LIBOR memo is). To address a point you made on the phone: not your fault as supervisor. One needs a certain amount of time to pull anything together, and I circulated my rough cut as soon as I could for the reason you mentioned – to identify issues early if they arose. It's healthy to have this screaming match now rather than later, especially given the time constraints. The decision is a straightforward judgment call: put out a Tim paper or a Wes paper. But this week has made clear that we can't put me in charge of a Wes paper, and we would probably have a tough time putting Wes in charge of a Tim document. I'm happy to work with everyone either way. Tim From: Phillips, Wesley Sent: Friday, November 30, 2012 3:14 PM To: Lee, Timothy; Wu, Simon Subject: Preface.docx I wanted you to see the framework for the interest rate risk white paper and how the various sections will be completed thus far. I realize that much of the content will need to be revised to be technically accurate but this is my vision for the piece. Wes

Attachment #1

Preface.docx

Original view

6 pages (displayed on pages 3 to 8)

Non-Responsive

Non-Responsive



Non-Responsive



Non-Responsive





Non-Responsive





Non-Responsive

RE: Weekly Assignment

Item ID: 44257
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=05bcf3c9dd0c4179b9e2003881c64117-(b) (6)>
Subject: RE: Weekly Assignment
Sent: December 3, 2012 9:25 AM
Received: December 3, 2012 9:25 AM

Hi (b) (6), Interest rate risk 50% Counterparty 25% LIBOR and others 25% From (b) (6) Sent: Monday, December 03, 2012 7:26 AM To: Lee, Timothy Subject: Weekly Assignment Good morning Tim, Please send me your weekly assignment percentages before 9am if possible. Thank you! Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, distribution, or copying of this e-mail, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you have received this e-mail in error, permanently delete the e-mail and any attachments; and do not save, copy, disclose, or use any part of the information contained therein. Call the sender if you have questions.

Attachment #1
image001.png
Image



(b) (6)

Program Specialist
Office of Inspector General
Federal Housing Finance Agency
400 7th Street, SW, Room 3.265
Washington, DC 20024

Office:

Mobile:

(b) (6)

FW: timothy.lee.wg98@wharton.upenn.edu has sent you a message

Item ID: 44264
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>, Phillips, Wesley </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=c1881bcb698c45b096269b8112f87787-Wesley Phil>
Subject: FW: timothy.lee.wg98@wharton.upenn.edu has sent you a message
Sent: December 3, 2012 10:52 AM
Received: December 3, 2012 10:52 AM

Deutsche makes provision for Libor costs Deutsche makes provision for Libor costs Next up in the on deck circle...
From: sharedftarticles@t.ft.com [mailto:sharedftarticles@t.ft.com] Sent: Monday, December 03, 2012 10:51 AM To: Lee, Timothy Subject: timothy.lee.wg98@wharton.upenn.edu has sent you a message Email article The following email has been sent to you by: timothy.lee.wg98@wharton.upenn.edu November 28, 2012 6:37 pm Deutsche makes provision for Libor costs By Gerrit Wiesmann in Berlin, James Wilson in Frankfurt and Daniel Schäfer in London Deutsche Bank has made financial provision for a possible settlement with regulators over allegations that employees were trying to rig... The full article can be found at: <http://www.ft.com/cms/s/0/3be5e076-3951-11e2-8881-00144feabdc0.html> © THE FINANCIAL TIMES LTD 2012 FT and 'Financial Times' are trademarks of The Financial Times Ltd. Help • About us • Sitemap • Advertise with the FT • Terms & Conditions • Privacy Policy • Copyright

LIBOR editorial in the NYTimes

Item ID: 44293
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: LIBOR editorial in the NYTimes
Sent: December 5, 2012 11:46 AM
Received: December 5, 2012 11:46 AM

http://www.nytimes.com/2012/12/05/opinion/rigging-the-financial-system.html?_r=0 ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

FW: LIBOR editorial in the NYTimes

Item ID: 44294
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Bloch, David </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fad4faf3677f4ce297d7bfaaed3a13ef-David Bloch>
Subject: FW: LIBOR editorial in the NYTimes
Sent: December 5, 2012 11:47 AM
Received: December 5, 2012 11:47 AM

From: Lee, Timothy Sent: Wednesday, December 05, 2012 11:47 AM To: Parker, Richard Subject: LIBOR editorial in the NYTimes http://www.nytimes.com/2012/12/05/opinion/rigging-the-financial-system.html?_r=0 ----- Timothy Lee
Senior Policy Advisor, FHFA-OIG 202-730-2821

Derivatives

Item ID: 44424
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
Subject: Derivatives
Sent: December 17, 2012 2:09 PM
Received: December 17, 2012 2:09 PM

Hi (b) (6) Do you happen to know a quality contact at Markit who could describe how the senior tranches of iTraxx and CDX are priced? (We're planning a trip to NYC and are happy to set up a visit in January.) The context is that I'm drafting up the counterparty risk paper we discussed over lunch. A key point will be that because the government backstops Fannie Mae and Freddie Mac (and, many argue, the SSFI banks), they in effect hold a senior synthetic CLO tranche in a portfolio of the dozen or so SSFI banks that control the derivatives business. I intend to note, with senior iTraxx and CDX tranches as evidence, that civilians value and price this kind of risk, and the government should as well. An interesting point, but one that you are probably on top of already: apparently Markit prices its credit indexes using a method that it used to compare to LIBOR . There is an automatic trade provision wherein traders can have their quotes hit, but it seems that could be circumvented with a few phone calls. You probably know the guts of this better than I do, but I wanted to point this out. Hope you are enjoying your holiday season. Best, Tim ----- Timothy Lee
Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Documents pertaining to Judicial Watch FOIA Request

Item ID: 44447
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Cc: Bloch, David </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fad4faf3677f4ce297d7bfaaed3a13ef-David Bloch>, Grob, George </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=0ff8932c3d3b45e5ba63ba69f8c08f80-George Grob>
Subject: RE: Documents pertaining to Judicial Watch FOIA Request
Sent: December 20, 2012 3:03 PM
Received: December 20, 2012 3:03 PM

Hi Old Salt, Having read through the request, my belief is that we can and should return a null response.Â That is because it specifically references TARP, thereby excluding the Enterprise operations on which our LIBOR inquiry focused.Â We could explain our reasoning and invite further dialogue if we wish, however. If you concur, I will start drafting the short letter. Tim From: Parker, Richard Sent: Thursday, December 20, 2012 1:48 PM To: Lee, Timothy Cc: Bloch, David; Grob, George Subject: FW: Documents pertaining to Judicial Watch FOIA Request Skipper, Can you handle? Pls advise soonest. R From: Balmaseda, Kat Sent: Thursday, December 20, 2012 1:28 PM To: Grob, George; Parker, Richard Cc: Saddler, Bryan Subject: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am in need of your assistance to the attached FOIA request, which seeks the following: "All communications, facts and analysis respecting LIBOR vis-Ã -vis TARP. The time frame for this request is January 21, 2009 though the present." We are required to use reasonable efforts to find records that might be responsive to this request. To that end, please search for all potentially responsive records wherever they are likely to be found, including but not limited to: - Any electronic files stored on your computer, on a network drive, or in the cloud (such as SharePoint, hard drives, folders, etc.) - Emails stored in Outlook - Hard copy records stored in file drawers - Any information stored in team systems (i.e. CMS, Team Management, etc.) - Thumb drives or CD-ROMS After performing a search, please forward to me any responsive records you may have. Thanks so much! Kat

RE: Documents pertaining to Judicial Watch FOIA Request

Item ID: 44449
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: RE: Documents pertaining to Judicial Watch FOIA Request
Sent: December 20, 2012 3:48 PM
Received: December 20, 2012 3:48 PM

Hi Old Salt: I strove to make the letter resemble you:Â short and direct, yet gracious. Tim From: Parker, Richard Sent: Thursday, December 20, 2012 1:48 PM To: Lee, Timothy Cc: Bloch, David; Grob, George Subject: FW: Documents pertaining to Judicial Watch FOIA Request Skipper, Can you handle? Pls advise soonest. R From: Balmaseda, Kat Sent: Thursday, December 20, 2012 1:28 PM To: Grob, George; Parker, Richard Cc: Saddler, Bryan Subject: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am in need of your assistance to the attached FOIA request, which seeks the following: "All communications, facts and analysis respecting LIBOR vis-Ã -vis TARP. The time frame for this request is January 21, 2009 though the present." We are required to use reasonable efforts to find records that might be responsive to this request. To that end, please search for all potentially responsive records wherever they are likely to be found, including but not limited to: - Any electronic files stored on your computer, on a network drive, or in the cloud (such as SharePoint, hard drives, folders, etc.) - Emails stored in Outlook - Hard copy records stored in file drawers - Any information stored in team systems (i.e. CMS, Team Management, etc.) - Thumb drives or CD-ROMS After performing a search, please forward to me any responsive records you may have. Thanks so much! Kat

Attachment #1

Letter to Judicial Watch.docx

Original view

1 page



OFFICE OF INSPECTOR GENERAL
Federal Housing Finance Agency

400 7th Street, S.W., Washington DC 20024

December 21, 2012

Lisette Garcia, J.D.
Judicial Watch
425 Third St SW Suite 800
Washington DC 20024

Dear Ms. Garcia,

Thank you for your letter of December 18 requesting all communications, facts, and analysis respecting LIBOR vis-à-vis the Troubled Asset Relief Program (TARP).

(b) (5)

Please feel free to reach out if we may provide you anything further.

Sincerely,

Xxxxx

FW: Documents pertaining to Judicial Watch FOIA Request

Item ID: 44455
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Grob, George </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=0ff8932c3d3b45e5ba63ba69f8c08f80-George Grob>
Subject: FW: Documents pertaining to Judicial Watch FOIA Request
Sent: December 21, 2012 10:30 AM
Received: December 21, 2012 10:30 AM

From: Lee, Timothy Sent: Thursday, December 20, 2012 3:48 PM To: Parker, Richard Subject: RE: Documents pertaining to Judicial Watch FOIA Request Hi Old Salt: I strove to make the letter resemble you: short and direct, yet gracious. Tim From: Parker, Richard Sent: Thursday, December 20, 2012 1:48 PM To: Lee, Timothy Cc: Bloch, David; Grob, George Subject: FW: Documents pertaining to Judicial Watch FOIA Request Skipper, Can you handle? Pls advise soonest. R From: Balmaseda, Kat Sent: Thursday, December 20, 2012 1:28 PM To: Grob, George; Parker, Richard Cc: Saddler, Bryan Subject: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am in need of your assistance to the attached FOIA request, which seeks the following: "All communications, facts and analysis respecting LIBOR vis-À -vis TARP. The time frame for this request is January 21, 2009 though the present." We are required to use reasonable efforts to find records that might be responsive to this request. To that end, please search for all potentially responsive records wherever they are likely to be found, including but not limited to: - Any electronic files stored on your computer, on a network drive, or in the cloud (such as SharePoint, hard drives, folders, etc.) - Emails stored in Outlook - Hard copy records stored in file drawers - Any information stored in team systems (i.e. CMS, Team Management, etc.) - Thumb drives or CD-ROMS After performing a search, please forward to me any responsive records you may have. Thanks so much! Kat

Attachment #1

Letter to Judicial Watch.docx

Original view

1 page



OFFICE OF INSPECTOR GENERAL
Federal Housing Finance Agency

400 7th Street, S.W., Washington DC 20024

December 21, 2012

Lisette Garcia, J.D.
Judicial Watch
425 Third St SW Suite 800
Washington DC 20024

Dear Ms. Garcia,

Thank you for your letter of December 18 requesting all communications, facts, and analysis respecting LIBOR vis-à-vis the Troubled Asset Relief Program (TARP).

(b) (5)

Please feel free to reach out if we may provide you anything further.

Sincerely,

Xxxxxx

LIBOR-related documents

Item ID: 44465
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Balmaseda, Katarina (Katarina.Balmaseda@fhfa.gov) <Katarina.Balmaseda@fhfa.gov>
Subject: LIBOR-related documents
Sent: December 21, 2012 4:07 PM
Received: December 21, 2012 4:07 PM

Hi Kat, Rich gave me a heads up that you might want some materials from me. Feel free to reach out. Tim -----
Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

RE: Hearing Q&As: Executive Comp and LIBOR

Item ID: 44475
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=7c708af923dc48348ff2d1ae45bece6c-(b) (6)>
Subject: RE: Hearing Q&As: Executive Comp and LIBOR
Sent: December 27, 2012 11:52 AM
Received: December 27, 2012 11:52 AM

Hi (b) (6),

Is a hearing on LIBOR scheduled? This is news to me.

Tim

-----Original Appointment-----

From: (b) (6)

Sent: Thursday, December 27, 2012 10:50 AM

To: Parker, Richard; Phillips, Wesley; Lee, Timothy; Wu, Simon; (b) (6)

Subject: Hearing Q&As: Executive Comp and LIBOR

When: Wednesday, January 02, 2013 11:00 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).

Where: Conference 3-W

<< Message: FW: OPOR Report Recommendations Tracker >>

RE: Hearing Q&As: Executive Comp and LIBOR

Item ID: 44479
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=7c708af923dc48348ff2d1ae45bece6c-(b) (6)>
Subject: RE: Hearing Q&As: Executive Comp and LIBOR
Sent: December 27, 2012 4:20 PM
Received: December 27, 2012 4:20 PM

Got it. Thanks. In any event, I must respectfully decline, as I have to watch the kids that day (Arlington public schools don't restart until Jan 3).

From: (b) (6)
Sent: Thursday, December 27, 2012 12:00 PM
To: Lee, Timothy
Subject: RE: Hearing Q&As: Executive Comp and LIBOR

Hi Tim,

Sorry for the confusing appointment title. I am not aware of any scheduled hearings, either. Tewana has asked us to provide sample hearing questions and responses for the LIBOR memo as part of OPOR's monthly reporting on published evaluations and whitepapers. The usual practice is to submit sample Q&As following the publication of a report, but Tewana asked for them in this instance because the memo is now in the public domain and may result in the IG receiving questions on the topic during his next congressional visit. The purpose of the meeting is to bring some ideas for potential questions and then we can brainstorm the responses as a group.

(b) (6)

From: Lee, Timothy
Sent: Thursday, December 27, 2012 11:53 AM
To: (b) (6)
Subject: RE: Hearing Q&As: Executive Comp and LIBOR
Hi (b) (6)

Is a hearing on LIBOR scheduled? This is news to me.

Tim

-----Original Appointment-----

From: (b) (6)
Sent: Thursday, December 27, 2012 10:50 AM
To: Parker, Richard; Phillips, Wesley; Lee, Timothy; Wu, Simon; (b) (6)
Subject: Hearing Q&As: Executive Comp and LIBOR
When: Wednesday, January 02, 2013 11:00 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference 3-W
<< Message: FW: OPOR Report Recommendations Tracker >>

Declined: Hearing Q&As: Executive Comp and LIBOR

Item ID: 44480
Sent: December 27, 2012 4:20 PM
Received: December 27, 2012 4:20 PM
Type: Calendar Entry

FW: Documents pertaining to Judicial Watch FOIA Request

Item ID: 44499
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Balmaseda, Kat </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=6d4750c2d5434058a0b7551b9f38cc26-Katarina Ba>
Cc: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Subject: FW: Documents pertaining to Judicial Watch FOIA Request
Sent: January 2, 2013 10:40 AM
Received: January 2, 2013 10:40 AM

Hi Kat, I'm given to understand that Bryan Saddler is in charge of delivering the response to this request.Â Because the request I saw is specifically limited to TARP-related documents, I very much doubt we have any emails or documents that are germane.Â If the request is changed or broadened, however, that may well change.Â I'm happy to help if so; please keep me posted. Tim From: Parker, Richard Sent: Wednesday, January 02, 2013 10:34 AM To: Lee, Timothy Subject: FW: Documents pertaining to Judicial Watch FOIA Request Skipper, Pls advise soonest. Tx, Rich From: Balmaseda, Kat Sent: Wednesday, January 02, 2013 10:15 AM To: Grob, George; Parker, Richard Subject: RE: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am following up on the status for the documents pertaining to this FOIA request. Due to the 20 working day deadline (due by 1/22/13), do you think you would be able to gather all documents pertaining to this request by next week for me to review? Thanks, Kat From: Balmaseda, Kat Sent: Thursday, December 20, 2012 1:28 PM To: Grob, George; Parker, Richard Cc: Saddler, Bryan Subject: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am in need of your assistance to the attached FOIA request, which seeks the following: "All communications, facts and analysis respecting LIBOR vis-Â -vis TARP. The time frame for this request is January 21, 2009 though the present." We are required to use reasonable efforts to find records that might be responsive to this request. To that end, please search for all potentially responsive records wherever they are likely to be found, including but not limited to: - Any electronic files stored on your computer, on a network drive, or in the cloud (such as SharePoint, hard drives, folders, etc.) - Emails stored in Outlook - Hard copy records stored in file drawers - Any information stored in team systems (i.e. CMS, Team Management, etc.) - Thumb drives or CD-ROMS After performing a search, please forward to me any responsive records you may have. Thanks so much! Kat

RE: Documents pertaining to Judicial Watch FOIA Request

Item ID: 44500
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=35b52473fd4b4574add82079a96054be-Richard Par>
Cc: Balmaseda, Kat </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=6d4750c2d5434058a0b7551b9f38cc26-Katarina Ba>, Grob, George </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=0ff8932c3d3b45e5ba63ba69f8c08f80-George Grob>
Subject: RE: Documents pertaining to Judicial Watch FOIA Request
Sent: January 2, 2013 10:55 AM
Received: January 2, 2013 10:55 AM

Hi Old Salt, I'm happy to oblige.Â To confirm, we imagine the "right language" to be something along the lines of "taxpayer losses derived from LIBOR manipulation" broadly.Â I can certainly pull together the documents and emails I have and provide them to Kat within the required timeframe.Â I think it's a simple personal review of my documents and Outlook emails, but if the IT people have a better way to sift this out I am all ears.Â Unless otherwise asked, I assume my only responsibility is for emails and documents I sent, created or received.Â There were doubtless emails and documents on this topic outside my purview, but responsibility for those shall rest with their creators. I'm back in the office tomorrow. Tim From: Parker, Richard Sent: Wednesday, January 02, 2013 10:44 AM To: Lee, Timothy; Balmaseda, Kat Cc: Grob, George Subject: RE: Documents pertaining to Judicial Watch FOIA Request Tim, We're going to interpret the request broadly, and not hold the requestor to the imprecise language that it has employed. Accordingly, we're going to provide responsive documents as if the requestor employed the right language. With that in mind, can you meet Kat's deadline? Pls advise. Rich From: Lee, Timothy Sent: Wednesday, January 02, 2013 10:41 AM To: Balmaseda, Kat Cc: Parker, Richard Subject: FW: Documents pertaining to Judicial Watch FOIA Request Hi Kat, I'm given to understand that Bryan Saddler is in charge of delivering the response to this request. Because the request I saw is specifically limited to TARP-related documents, I very much doubt we have any emails or documents that are germane. If the request is changed or broadened, however, that may well change. I'm happy to help if so; please keep me posted. Tim From: Parker, Richard Sent: Wednesday, January 02, 2013 10:34 AM To: Lee, Timothy Subject: FW: Documents pertaining to Judicial Watch FOIA Request Skipper, Pls advise soonest. Tx, Rich From: Balmaseda, Kat Sent: Wednesday, January 02, 2013 10:15 AM To: Grob, George; Parker, Richard Subject: RE: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am following up on the status for the documents pertaining to this FOIA request. Due to the 20 working day deadline (due by 1/22/13), do you think you would be able to gather all documents pertaining to this request by next week for me to review? Thanks, Kat From: Balmaseda, Kat Sent: Thursday, December 20, 2012 1:28 PM To: Grob, George; Parker, Richard Cc: Saddler, Bryan Subject: Documents pertaining to Judicial Watch FOIA Request Hi George and Rich, I am in need of your assistance to the attached FOIA request, which seeks the following: "All communications, facts and analysis respecting LIBOR vis-Ã-vis TARP. The time frame for this request is January 21, 2009 though the present." We are required to use reasonable efforts to find records that might be responsive to this request. To that end, please search for all potentially responsive records wherever they are likely to be found, including but not limited to: - Any electronic files stored on your computer, on a network drive, or in the cloud (such as SharePoint, hard drives, folders, etc.) - Emails stored in Outlook - Hard copy records stored in file drawers - Any information stored in team systems (i.e. CMS, Team Management, etc.) - Thumb drives or CD-ROMS After performing a search, please forward to me any responsive records you may have. Thanks so much! Kat

CME Group

Item ID: 44533
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: (b) (6)
Cc: Bloch, David </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=fad4faf3677f4ce297d7bfaaed3a13ef-David Bloch>, (b) (6) </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b13455de2b14433db059ba3433ac4a51-(b) (6)>
Subject: CME Group
Sent: January 3, 2013 1:31 PM
Received: January 3, 2013 1:31 PM

Hi (b) (6), My name is Timothy Lee, and I'm Senior Policy Advisor at the Federal Housing Finance Agency's Inspector General. We met briefly at AEI's discussion of LIBOR. (b) (6) used to sit on the board of Allied Capital, my old firm.) One of the Inspector General's mandates is the development of research reports to improve the transparency of government operations. We're working on one such research report here that touches on the role of the clearinghouses, through which Fannie Mae and Freddie Mac will be required to execute interest rate swaps under the provisions of Dodd-Frank. Both GSEs expect to clear many such trades through CME, and we'd love to get a brief walkthrough from your firm to confirm our understanding of how a clearinghouse like CME facilitates trades and protects market participants against counterparty risk. We'll be in New York on the afternoon of January 14 and all day January 15; could we arrange an hour to visit while we are in town? Kind regards, Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

LIBOR meet and greet

Item ID: 45297
Sent: August 13, 2012 12:19 PM
Received: August 13, 2012 12:19 PM
Type: Calendar Entry

**Invitation: Discussion w/FHFA OIG re: LIBOR (Aug 16 09:30 AM EDT
in 877-791-4689, passcode 7012809)**

Item ID: 45306
Sent: August 14, 2012 8:53 AM
Received: August 14, 2012 8:53 AM
Type: Calendar Entry

Discussion of the DOJ Meeting on LIBOR

Item ID: 45302
Sent: August 14, 2012 1:09 PM
Received: August 14, 2012 1:09 PM
Type: Calendar Entry

LIBOR

Item ID: 45310
Sent: August 29, 2012 10:57 AM
Received: August 29, 2012 10:57 AM
Type: Calendar Entry

LIBOR-related GSE loss data

Item ID: 45326
Sent: September 10, 2012 11:47 AM
Received: September 10, 2012 11:47 AM
Type: Calendar Entry

Hi all,

This is to make introductions between FHFA and DOJ concerning the latter's LIBOR inquiry and its request for information on how the GSEs may have been affected during conservatorship. DOJ, could you please provide a phone number we could dial from our conference room?

Thanks,

Tim

LIBOR analysis

Item ID: 45328
Sent: September 11, 2012 11:58 AM
Received: September 11, 2012 11:58 AM
Type: Calendar Entry

Hi folks,

I updated the sheet a little bit, and will walk you through what I have on the call.

Tim

Call re LIBOR

Item ID: 45337
Sent: September 20, 2012 4:22 PM
Received: September 20, 2012 4:22 PM
Type: Calendar Entry

LIBOR

Item ID: 45340
Sent: September 24, 2012 4:00 PM
Received: September 24, 2012 4:00 PM
Type: Calendar Entry

LIBOR

Item ID: 45354
Sent: October 2, 2012 5:21 PM
Received: October 2, 2012 5:21 PM
Type: Calendar Entry

LIBOR Draft Action Memo

Item ID: 45375
Sent: October 17, 2012 11:03 AM
Received: October 17, 2012 10:22 AM
Type: Calendar Entry

Hearing Q&As: Executive Comp and LIBOR

Item ID: 45522
Sent: December 28, 2012 4:39 PM
Received: December 28, 2012 4:39 PM
Type: Calendar Entry

Here are some sample questions. Please bring other questions to the meeting and we will determine the final Q&As then.

LIBOR

(b) (5)

Another possible LIBOR victim: PBGC

Item ID: 46347
From: Timothy Lee <timoth31@gmail.com>
To: Timothy Lee <timothy.lee@fhfaoig.gov>
Subject: Another possible LIBOR victim: PBGC
Sent: November 22, 2012 6:45 AM
Received: November 22, 2012 6:45 AM

<http://www.pbgc.gov/res/reports/ar2012.html> -- ----- Timothy Lee 646-359-3710 timoth31@gmail.com

Synchronization Log:

Item ID: 46588
From: Lee, Timothy
To: Lee, Timothy
Subject: Synchronization Log:
Sent: August 27, 2012 10:52 AM
Received: August 27, 2012 10:52 AM

10:52:15 Synchronizer Version 14.0.6117
10:52:15 Synchronizing Mailbox 'Lee, Timothy'
10:52:15 Synchronizing local changes in folder 'Drafts'
10:52:15 Uploading to server 'SN2PRD0410.mailbox.outlook.com'
10:52:16 Error synchronizing message 'LIBOR'
10:52:16 [80040119-20010C01-800408C4-1390]
10:52:16 Outlook Data File
10:52:16 For more information on this failure, click the URL below:
10:52:16 http://www.microsoft.com/support/prodredirect/outlook2000_us.asp?err=80040119-20010c01-800408c4-1390
10:52:16 Moved a message that failed synchronization to 'Local Failures'. Message subject -> 'LIBOR'. You can view this message in your offline folder only.
10:52:16 Done

Modification Resolution

Item ID: 47472
From: Lee, Timothy
To: Lee, Timothy
Subject: Modification Resolution
Sent: December 27, 2012 4:21 PM
Received: December 27, 2012 4:21 PM

16:20:51 Message class: {SU:IPM.Note}
16:20:51 Incremental Synchronization
16:20:51 Local subject: {SU:RE: Hearing Q&As: Executive Comp and LIBOR }
16:20:51 Remote subject: {SU:RE: Hearing Q&As: Executive Comp and LIBOR }
16:20:51 Local Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AC0000746DF1BBBDE53D4AB60EC563CF5AABC6001804372C4A0000}
16:20:51 Remote Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AC0000746DF1BBBDE53D4AB60EC563CF5AABC6001804372C4A0000}
16:20:51 Local Message ChgKey: {CB:20, LPB:0x27C836D5E92624449604F0985EBB4EF90002682E}
16:20:51 Remote Message ChgKey: {CB:22, LPB:0xD8C14F7F5E9F20459EF11444508968CC00003F8CCB29}
16:20:51 Local Message PCL: {CB:44,
LPB:0x1427C836D5E92624449604F0985EBB4EF90002682E16D8C14F7F5E9F20459EF11444508968CC00003F8C
CB29}
16:20:51 Remote Message PCL: {CB:23, LPB:0x16D8C14F7F5E9F20459EF11444508968CC00003F8CCB29}
16:20:51 Checking local modifications
16:20:51 Delete property: 0x0E140003
16:20:51 Successfully auto-resolved
16:20:51 Message class: {SU:IPM.Schedule.Meeting.Resp.Neg}
16:20:51 Meeting Conflict Resolution
16:20:51 Local subject: {SU:Declined: Hearing Q&As: Executive Comp and LIBOR }
16:20:51 Remote subject: {SU:Declined: Hearing Q&As: Executive Comp and LIBOR }
16:20:51 Local Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AC0000746DF1BBBDE53D4AB60EC563CF5AABC6001804372C4B0000}
16:20:51 Remote Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AC0000746DF1BBBDE53D4AB60EC563CF5AABC6001804372C4B0000}
16:20:51 Local Message ChgKey: {CB:20, LPB:0x27C836D5E92624449604F0985EBB4EF900026834}
16:20:51 Remote Message ChgKey: {CB:22, LPB:0xD8C14F7F5E9F20459EF11444508968CC00003F8CCB44}
16:20:51 Local Message PCL: {CB:44,
LPB:0x1427C836D5E92624449604F0985EBB4EF90002683416D8C14F7F5E9F20459EF11444508968CC00003F8C
CB31}
16:20:51 Remote Message PCL: {CB:23, LPB:0x16D8C14F7F5E9F20459EF11444508968CC00003F8CCB44}
16:20:51 Checking local modifications
16:20:51 Successfully auto-resolved
16:20:51 Message class: {SU:IPM.Appointment}
16:20:51 Appointment Conflict Resolution
16:20:52 Local subject: {SU:Hearing Q&As: Executive Comp and LIBOR }
16:20:52 Remote subject: {SU:Hearing Q&As: Executive Comp and LIBOR }

16:20:52 Local Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AD0000746DF1BBBDE53D4AB60EC563CF5AABC6001804370EA50000}
16:20:52 Remote Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
4094AD0000746DF1BBBDE53D4AB60EC563CF5AABC6001804370EA50000}
16:20:52 Local Message ChgKey: {CB:20, LPB:0x27C836D5E92624449604F0985EBB4EF90002682F}
16:20:52 Remote Message ChgKey: {CB:22, LPB:0xD8C14F7F5E9F20459EF11444508968CC00003F8CCB4B}
16:20:52 Local Message PCL: {CB:44,
LPB:0x1427C836D5E92624449604F0985EBB4EF90002682F16D8C14F7F5E9F20459EF11444508968CC00003F8C
CA44}
16:20:52 Remote Message PCL: {CB:23, LPB:0x16D8C14F7F5E9F20459EF11444508968CC00003F8CCB4B}
16:20:52 Checking local modifications
16:20:52 Ignore property: 0x3FFA001F
16:20:52 Compare named property: 0x82050003
16:20:52 Last writer named property: 0x8503000B
16:20:52 Ignore named property: 0x8503000B
16:20:52 Compare named property: 0x8229000B
16:20:52 Compare named property: 0x82180003
16:20:52 Compare named property: 0x00150003
16:20:52 Compare named property: 0x8257000B
16:20:52 Overwrite named property: 0x82200040
16:20:52 Overwrite named property: 0x8230001F
16:20:52 Getting remote properties
16:20:52 Checking remote modifications
16:20:52 Compare (conflict) named property: 0x82050003
16:20:52 Local: {I4:1}
16:20:52 Remote: {I4:1}
16:20:52 Equal
16:20:52 Compare (conflict) named property: 0x8229000B
16:20:52 Local: {B:FALSE}
16:20:52 Remote: {B:FALSE}
16:20:52 Equal
16:20:52 Compare (conflict) named property: 0x82180003
16:20:52 Local: {I4:4}
16:20:52 Remote: {I4:5}
16:20:52 Not equal (conflict) named property: 0x82180003
16:20:52 Conflict Merge named property: 0x82180003
16:20:52 Compare (conflict) named property: 0x00150003
16:20:52 Local: {I4:65}
16:20:52 Remote: {I4:0}
16:20:52 Not equal (conflict) named property: 0x00150003
16:20:52 Conflict Merge named property: 0x00150003
16:20:52 Compare (conflict, not found OK) named property: 0x8257000B
16:20:52 Local: {B:FALSE}
16:20:52 Remote: {Error (0x8004010F)}
16:20:52 Not found, using local
16:20:52 Critical properties merged into remote item.
16:20:52 Successfully auto-resolved
16:20:52 Message class: {SU:IPM.Note}
16:20:52 Incremental Synchronization

16:20:52 Local subject: {SU:More info}
16:20:52 Remote subject: {SU:More info}
16:20:52 Local Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
DA7EC30000746DF1BBBDE53D4AB60EC563CF5AABC60018043706080000}
16:20:52 Remote Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
DA7EC30000746DF1BBBDE53D4AB60EC563CF5AABC60018043706080000}
16:20:52 Local Message ChgKey: {CB:20, LPB:0x27C836D5E92624449604F0985EBB4EF900026801}
16:20:52 Remote Message ChgKey: {CB:22, LPB:0xD8C14F7F5E9F20459EF11444508968CC00003F8CB96C}
16:20:52 Local Message PCL: {CB:44,
LPB:0x1427C836D5E92624449604F0985EBB4EF90002680116D8C14F7F5E9F20459EF11444508968CC00003F8C
B96C}
16:20:52 Remote Message PCL: {CB:23, LPB:0x16D8C14F7F5E9F20459EF11444508968CC00003F8CB96C}
16:20:52 Checking local modifications
16:20:52 Overwrite named property: 0x859C0102
16:20:52 Overwrite named property: <http://schemas.microsoft.com/exchange/junkemailmovestamp>
16:20:52 Successfully auto-resolved
16:20:52 Message class: {SU:IPM.Note}
16:20:52 Incremental Synchronization
16:20:53 Local subject: {SU:Articles}
16:20:53 Remote subject: {SU:Articles}
16:20:53 Local Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
DA7EC30000746DF1BBBDE53D4AB60EC563CF5AABC60018043706090000}
16:20:53 Remote Message Entry ID: {CB:70,
LPB:0x00000000FBE6DDD2AE69754AA2ABA282DB75DE990700D8C14F7F5E9F20459EF11444508968CC000000
DA7EC30000746DF1BBBDE53D4AB60EC563CF5AABC60018043706090000}
16:20:53 Local Message ChgKey: {CB:20, LPB:0x27C836D5E92624449604F0985EBB4EF900026802}
16:20:53 Remote Message ChgKey: {CB:22, LPB:0xD8C14F7F5E9F20459EF11444508968CC00003F8CB960}
16:20:53 Local Message PCL: {CB:44,
LPB:0x1427C836D5E92624449604F0985EBB4EF90002680216D8C14F7F5E9F20459EF11444508968CC00003F8C
B960}
16:20:53 Remote Message PCL: {CB:23, LPB:0x16D8C14F7F5E9F20459EF11444508968CC00003F8CB960}
16:20:53 Checking local modifications
16:20:53 Overwrite named property: 0x859C0102
16:20:53 Overwrite named property: <http://schemas.microsoft.com/exchange/junkemailmovestamp>
16:20:53 Successfully auto-resolved

LIBOR

Item ID: 47543
To: fred.graham@fhfa.gov
Cc: Timothy.Friedman@fhfa.gov, Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
Subject: LIBOR
Received: August 27, 2012 10:52 AM

Hi Fred, Following up on Tim Friedman's referral, we've had some initial contact with folks at DOJ who are looking at the LIBOR issue. (b) (5)

. I wrote up a memo (Word document attached) (b) (5)

(Excel document attached). (b) (5)

, and after speaking to Tim Friedman (b) (5)

. Let me know when you free up and we can chat for a bit. Tim ----- Timothy Lee Senior Policy Advisor, FHFA-OIG 202-730-2821

Attachment #1

Libor Proposal.docx

Original view

2 pages (displayed on pages 3 to 4)



OFFICE OF INSPECTOR GENERAL

Federal Housing Finance Agency

400 7th Street, S.W., Washington DC 20024

5 July 2012

To Richard Parker

From Timothy Lee

Subject Effect of LIBOR Bid-Rigging Investigation on Fannie Mae and Freddie Mac

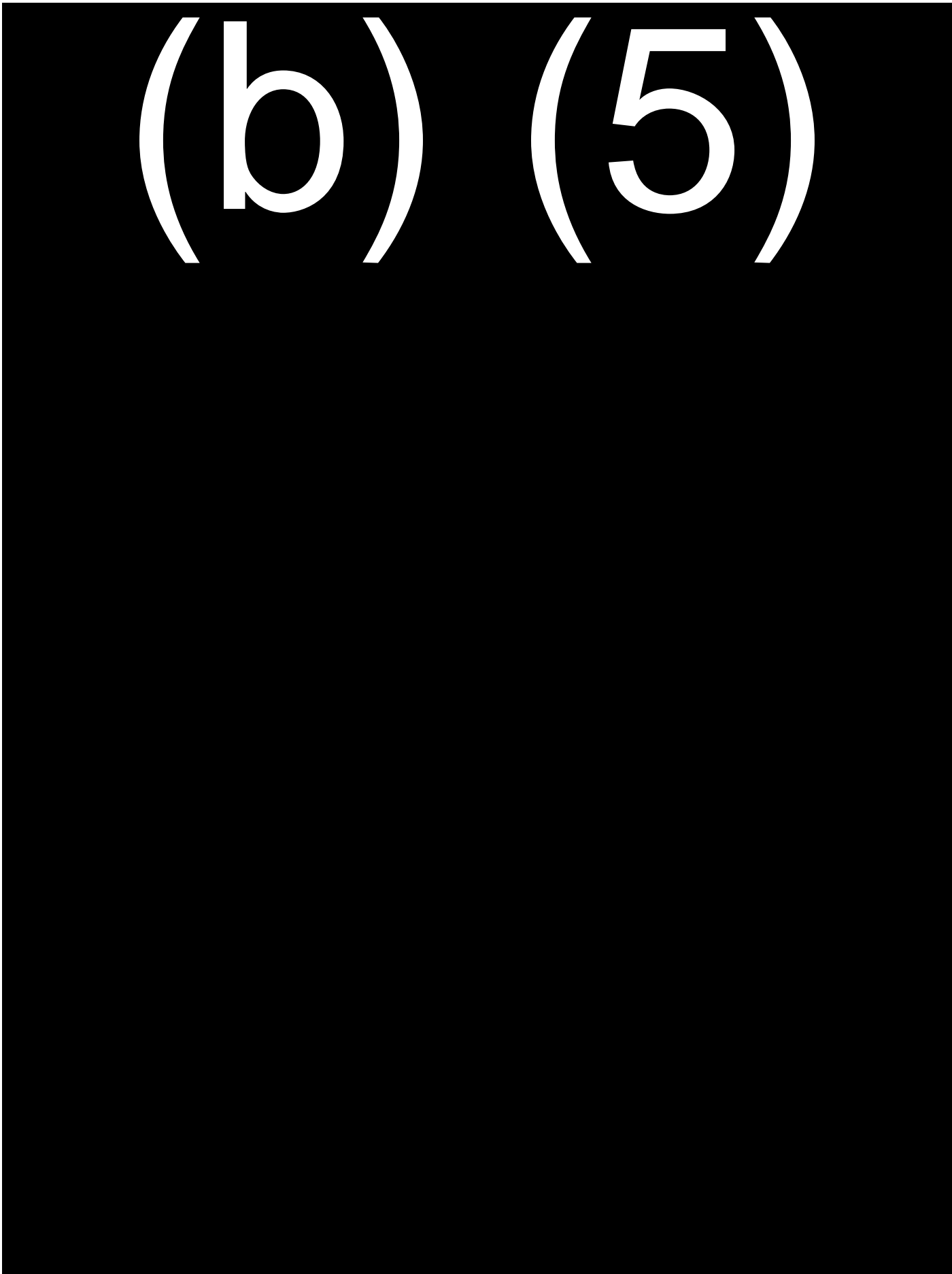
Cc (b) (6) Peter Emerzian Wesley Phillips
(b) (6) (b) (6), (b) (7)(C) Simon Wu
Alan Rhinesmith

On June 27, the news media reported that Barclays had agreed to pay \$453 million to US and British authorities to resolve allegations that the bank had manipulated its submissions for the calculation of Libor.ⁱ This amount included a \$160 million penalty to the US Justice Department.ⁱⁱ The Justice Department characterized the episode, in part, as follows:

[B]etween approximately August 2007 and January 2009, in response to initial and ongoing press speculation that Barclays's high U.S. Dollar Libor submissions at the time might reflect liquidity problems at Barclays, members of Barclays management directed that Barclays's Dollar Libor submissions be lowered. This management instruction often resulted in Barclays's submission of false rates that did not reflect its perceived cost of obtaining interbank funds. While the purpose of this particular conduct was to influence Barclays's rate submissions, as opposed to the resulting fixes, there were some occasions when Barclays's submissions affected the fixed rates.ⁱⁱⁱ

(b) (5)

(b) (5)



Attachment #2

LIBOR proposal.xlsx

Original view

2 pages (displayed on pages 6 to 7)

Cash Flow Shortfall from LIBOR Suppression

Enterprises Interest Rate Swaps

dollars in millions

Swap Notic	31-Dec-08	31-Mar-09	30-Jun-09	30-Sep-09	31-Dec-09	31-Mar-10	30-Jun-10
Fannie Mae							
Pay Fixed S	546,916	620,850	650,447	435,693	382,600	315,857	317,259
Less: Recei	451,081	549,823	571,802	340,384	275,417	229,293	234,901
Plus: Basis	24,560	19,815	22,200	11,000	3,225	3,220	3,020
Net Receiv	120,395	90,842	100,845	106,309	110,408	89,784	85,378
Freddie Mac							
Less: Rece	266,685	336,207	284,244	320,458	271,403	255,940	349,545
Plus: Pay F	404,359	342,747	401,904	414,776	382,259	382,145	386,194
Plus: Basis Swaps		82,090	51,065	51,615	52,045	54,070	53,910
Net Receiv	137,674	88,630	168,725	145,933	162,901	180,275	90,559
Enterprises							
Net Receiv	258,069	179,472	269,570	252,242	273,309	270,059	175,937
Swap Cash Flow Shortfall - Quarterly Totals							
0.10%	64.5	44.9	67.4	63.1	68.3	67.5	44.0
0.20%	129.0	89.7	134.8	126.1	136.7	135.0	88.0
0.30%	193.6	134.6	202.2	189.2	205.0	202.5	132.0
0.40%	258.1	179.5	269.6	252.2	273.3	270.1	175.9
Swap Cash Flow Shortfall - Cumulative							
0.10%	64.5	109.4	176.8	239.8	308.2	375.7	419.7
0.20%	129.0	218.8	353.6	479.7	616.3	751.4	839.3
0.30%	193.6	328.2	530.3	719.5	924.5	1,127.0	1,259.0
0.40%	258.1	437.5	707.1	959.4	1,232.7	1,502.7	1,678.7

30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	31-Dec-11	31-Mar-12	30-Jun-12
296,877	277,227	270,250	205,084	193,882	186,757	206,307	229,227
233,613	224,177	214,777	161,151	179,808	229,695	250,322	265,593
2,485	485	1,565	2,552	6,997	9,622	18,673	20,922
65,749	53,535	57,038	46,485	21,071	(33,316)	(25,342)	(15,444)
316,574	324,590	249,793	215,758	220,668	211,808	248,453	260,428
363,668	394,294	330,015	321,870	293,683	289,335	296,573	292,660
2,775	2,375	3,375	3,275	2,275	2,750	2,400	2,350
49,869	72,079	83,597	109,387	75,290	80,277	50,520	34,582
115,618	125,614	140,635	155,872	96,361	46,961	25,178	19,138
28.9	31.4	35.2	39.0	24.1	11.7	6.3	4.8
57.8	62.8	70.3	77.9	48.2	23.5	12.6	9.6
86.7	94.2	105.5	116.9	72.3	35.2	18.9	14.4
115.6	125.6	140.6	155.9	96.4	47.0	25.2	19.1
448.6	480.0	515.1	554.1	578.2	589.9	596.2	601.0
897.1	959.9	1,030.3	1,108.2	1,156.4	1,179.9	1,192.4	1,202.0
1,345.7	1,439.9	1,545.4	1,662.3	1,734.6	1,769.8	1,788.7	1,803.0
1,794.3	1,919.9	2,060.5	2,216.4	2,312.8	2,359.7	2,384.9	2,404.0

LIBOR

Item ID: 47581
To: fred.graham@fhfa.gov
Cc: Timothy.Friedman@fhfa.gov, Parker, Richard
Subject: LIBOR
Received: August 27, 2012 10:52 AM

RE: Initial draft

Item ID: 47655
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy, (b) (6)
Subject: RE: Initial draft
Sent: July 5, 2012 3:03 PM
Received: July 5, 2012 3:03 PM

Tim,

I see the following issues with this which ought to be addressed:

(b) (5)

Re: LIBOR scandal

Item ID: 47651
From: (b) (6)
To: Lee, Timothy
Subject: Re: LIBOR scandal
Sent: July 6, 2012 1:30 PM
Received: July 6, 2012 1:30 PM

Hi Tim, good to hear from you. Hope you had a nice 4th. Would love to hear your thoughts. I'm out of the office (mini-vacation). Can we talk on Monday? I'm tied up till noon but free to speak any time after that. If Mon works for you let me know the time

FW: Saddler's thoughts on LIBOR investigation

Item ID: 47650
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: Saddler's thoughts on LIBOR investigation
Sent: July 9, 2012 5:45 PM
Received: July 9, 2012 5:45 PM

Thoughts?

From: Baker, Brian

Sent: Monday, July 09, 2012 4:54 PM

To: Parker, Richard

Subject: Saddler's thoughts on LIBOR investigation

FYI

From: Saddler, Bryan

Sent: Monday, July 09, 2012 4:49 PM

To: Baker, Brian

Subject:

RE: Saddler's thoughts on LIBOR investigation

Item ID: 47649
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: Saddler's thoughts on LIBOR investigation
Sent: July 10, 2012 8:07 AM
Received: July 10, 2012 8:07 AM

Cogent thoughts.

Sent from my Windows Phone

From: Lee, Timothy
Sent: 7/10/2012 7:53 AM
To: Parker, Richard
Subject: RE: Saddler's thoughts on LIBOR investigation
Hi Old Salt,
I agree with Bryan

LIBOR Scandal

Item ID: 47647
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: (b) (6)
Subject: LIBOR Scandal
Sent: July 10, 2012 3:58 PM
Received: July 10, 2012 3:58 PM

The Senate Banking Committee gets into the game. This is an interesting development.

<http://fhfa.ewb.dowjones.com/FHFA/Article/Default.aspx?an=BBYER00020120710e87b000ul>

Richard Parker

Director, Policy, Oversight & Review

Office of the

LIBOR scandal and Fannie/Freddie MBS

Item ID: 47646
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7B398EE2570B43FD8E18135A846F524E-(b) (6)>
To: Lee, Timothy
Subject: LIBOR scandal and Fannie/Freddie MBS
Sent: July 11, 2012 9:49 AM
Received: July 11, 2012 9:49 AM

Tim,
I know it is just coming out, but has there been and discussion around the LIBOR scandal and how it has impacted the rates paid by borrowers and then to investors of Fannie/Freddie MBS?

Thanks

(b) (6)
Office of Audits

FW: Saddler's thoughts on LIBOR investigation

Item ID: 47645
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: Saddler's thoughts on LIBOR investigation
Sent: July 11, 2012 1:31 PM
Received: July 11, 2012 1:31 PM

FYI - R

From: Parker, Richard

Sent: Wednesday, July 11, 2012 1:31 PM

To: DiSanto, Emilia

Subject: FW: Saddler's thoughts on LIBOR investigation

Tim's analysis is, IMHO, right-on. - R

From: Lee, Timothy

Sent: Tuesday, July 10,

RE: LIBOR Developments

Item ID: 47643
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Saddler, Bryan
Cc: Lee, Timothy
Subject: RE: LIBOR Developments
Sent: July 12, 2012 9:39 AM
Received: July 12, 2012 9:39 AM

Thanks, Bryan. I didn't get to read the paper yet today, but I'm going to snag a copy to read with lunch. I've enclosed a .pdf I culled from yesterday's NYT that illustrates how the LIBOR rate is set, how it affects individuals/institutions, and how the

RE: LIBOR Developments

Item ID: 47639
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: DiSanto, Emilia
Subject: RE: LIBOR Developments
Sent: July 16, 2012 4:42 PM
Received: July 16, 2012 4:42 PM

Tim,

(b) (6), (b) (7)(C)

(b) (5)

. In the meantime I have added this project to the Inventory. Thanks for surfacing
thi

RE: LIBOR Developments

Item ID: 47702
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR Developments
Sent: August 6, 2012 2:21 PM
Received: August 6, 2012 2:21 PM

Roger, Skipper.

Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/6/2012 2:03 PM
To: Parker, Richard
Subject: FW: LIBOR Developments
Hi Old Salt,
Per Emilia's walk-in request this afternoon.

RE: Libor Issue

Item ID: 47703
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Stephens, Michael, Wu, Simon, Seide, David
Cc: DiSanto, Emilia, Lee, Timothy
Subject: RE: Libor Issue
Sent: August 6, 2012 3:11 PM
Received: August 6, 2012 3:11 PM

Got it. Tx, Mike. -R
Sent from my Windows Phone

From: Stephens, Michael
Sent: 8/6/2012 3:07 PM
To: Wu, Simon; Seide, David
Cc: Parker, Richard; DiSanto, Emilia
Subject: RE: Libor Issue
I was unaware tha

RE: LIBOR Developments

Item ID: 47704
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Subject: RE: LIBOR Developments
Sent: August 6, 2012 4:13 PM
Received: August 6, 2012 4:13 PM

Tx

From: Lee, Timothy
Sent: Monday, August 06, 2012 4:12 PM
To: (b) (6)
Subject: FW: LIBOR Developments
From: Lee, Timothy
Sent: Monday, August 06, 2012 1:42 PM
To: DiSanto, Emilia
Subject: FW: LIBOR Developments

LIBOR

Item ID: 47705
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: Wu, Simon
Subject: LIBOR
Sent: August 6, 2012 5:05 PM
Received: August 6, 2012 5:05 PM

Tim, pls take the lead in reaching out to the GSEs re: their involvement with LIBOR, i.e., the effects o them, etc. You may consult Simon in this regard, though he has other, more pressing work to do right now. Call if you have any questions -- and pls let IGSUPPORT know that your office phone does not ring through. Tx, R Sent from my Windows Phone

CFTC Weighs in on Libor

Item ID: 47707
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Cc: Seide, David
Subject: CFTC Weighs in on Libor
Sent: August 7, 2012 12:34 PM
Received: August 7, 2012 12:34 PM

In case you guys didn't see this. (b) (6)

August 6, 2012

Libor, Naked and Exposed

By GARY GENSLER

Washington

AMERICANS who save for the future, use credit cards or borrow money for tuition, cars

RE: CFTC Weighs in on Libor

Item ID: 47708
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Cc: Seide, David
Subject: RE: CFTC Weighs in on Libor
Sent: August 7, 2012 12:37 PM
Received: August 7, 2012 12:37 PM

Interesting observation. Consider the alternative described by Gensler—contracts which reference a hollow index ripe for manipulation. Or, have I missed something. (b) (6)

From: Lee, Timothy

Sent: Tuesday, August 07, 2012 12:36 PM

To: (b) (6)

LIBOR complaints

Item ID: 47710
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=E660B93D0CC6429FB7617255A898BAC0-(b) (6)>
To: Lee, Timothy
Subject: LIBOR complaints
Sent: August 8, 2012 11:19 AM
Received: August 8, 2012 11:19 AM

<http://www.lieffcabraser.com/media/pnc/4/media.904.pdf>

http://newsandinsight.thomsonreuters.com/uploadedFiles/Reuters_Content/2012/05_-_May/Libor_Consolidated_Amended_Complaint.pdf

[http://www.whafh.com/modules/case/docs/3020_cid_3_Initial%](http://www.whafh.com/modules/case/docs/3020_cid_3_Initial%20Statement.pdf)

RE: LIBOR

Item ID: 47716
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 8, 2012 4:20 PM
Received: August 8, 2012 4:20 PM

HOOAH. Well done, Skipper. Keep me in the loop. Tx -R
Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/8/2012 4:16 PM
To: Parker, Richard
Subject: LIBOR
Hi Old Salt,
Per our conversation,

RE: LIBOR

Item ID: 47717
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 9, 2012 10:14 AM
Received: August 9, 2012 10:14 AM

Great! Nice work. Pls stay on it. Tx-R
Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/9/2012 10:07 AM
To: Parker, Richard
Cc: DiSanto, Emilia
Subject: LIBOR
Hi Old Salt,
Following up on

RE: Libor

Item ID: 47719
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: Libor
Sent: August 9, 2012 4:47 PM
Received: August 9, 2012 4:47 PM

Oustanding. Tx, Skipper
Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/9/2012 4:31 PM
To: Parker, Richard
Cc: DiSanto, Emilia; Rhinesmith, Alan
Subject: Libor
Hi Old Salt,
Just off the

thanks

Item ID: 47720
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Lee, Timothy
Cc: Parker, Richard
Subject: thanks
Sent: August 10, 2012 9:37 AM
Received: August 10, 2012 9:37 AM

You did a terrific job presenting mike with your thoughts on LIBOR..touche!

Libor

Item ID: 47721
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Lee, Timothy
Cc: DiSanto, Emilia
Subject: Libor
Sent: August 10, 2012 9:54 AM
Received: August 10, 2012 9:54 AM

I left a message for (b) (6) DOJ Civil at (b) (6). I told him you would call him and feel free to have an open discussion with him. Thanks.

RE: Libor

Item ID: 47722
From: Emerzian, Peter </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=E5F50330FF35406F9FB12C708E959AEB-PETER EMERZ>
To: Lee, Timothy
Subject: RE: Libor
Sent: August 10, 2012 9:58 AM
Received: August 10, 2012 9:58 AM

yes

Description: Peter Emerzian New Sig-DIG

From: Lee, Timothy

Sent: Friday, August 10, 2012 9:58 AM

To: Emerzian, Peter

Subject: FW: Libor

Hi Peter,

Just got this and it's apropos. Could I swing by for a 10 minute con

RE: Libor

Item ID: 47723
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Lee, Timothy
Subject: RE: Libor
Sent: August 10, 2012 10:13 AM
Received: August 10, 2012 10:13 AM

Tim—be sure you have another person present during the conversation please

From: Stephens, Michael

Sent: Friday, August 10, 2012 9:54 AM

To: Lee, Timothy

Cc: DiSanto, Emilia

Subject: Libor

I left a message for (b) (6) DOJ Civil at

RE: LIBOR conversation with DOJ

Item ID: 47724
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Stephens, Michael
Cc: DiSanto, Emilia, Emerzian, Peter, (b) (6), (b) (7)(C)
Subject: RE: LIBOR conversation with DOJ
Sent: August 10, 2012 11:51 AM
Received: August 10, 2012 11:51 AM

Tim,
Continued good staff work. Let me know if I need to shift around your other priorities to keep this effort on track. Keel it up. Tx,
Rich
Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/10

RE: LIBOR conversation with DOJ

Item ID: 47733
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Lee, Timothy
Cc: DiSanto, Emilia, Parker, Richard, Emerzian, Peter, (b) (6), (b) (7)(C)
Subject: RE: LIBOR conversation with DOJ
Sent: August 10, 2012 1:26 PM
Received: August 10, 2012 1:26 PM

Excellent. Thank you

From: Lee, Timothy

Sent: Friday, August 10, 2012 11:44 AM

To: Stephens, Michael

Cc: DiSanto, Emilia; Parker, Richard; Emerzian, Peter; (b) (6), (b) (7)(C)

Subject: LIBOR conversation with DOJ

Hi Mike,

(b) (6) and I

RE: LIBOR conversation with DOJ

Item ID: 47732
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Parker, Richard, Lee, Timothy
Cc: DiSanto, Emilia, Emerzian, Peter, (b) (6), (b) (7)(C)
Subject: RE: LIBOR conversation with DOJ
Sent: August 10, 2012 1:33 PM
Received: August 10, 2012 1:33 PM

Rich, (b) (5). Please set up a meeting with Steve next week to discuss, Em and Tim are up on it. Invite OI

From: Parker, Richard

Sent: Friday, August 10, 2012 11:52 AM

To: Lee, Timothy; Stephe

RE: LIBOR conversation with DOJ

Item ID: 47731
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Stephens, Michael, Lee, Timothy
Cc: DiSanto, Emilia, Emerzian, Peter, (b) (6), (b) (7)(C)
Subject: RE: LIBOR conversation with DOJ
Sent: August 10, 2012 1:34 PM
Received: August 10, 2012 1:34 PM

Roger all. Will do. - R

From: Stephens, Michael

Sent: Friday, August 10, 2012 1:33 PM

To: Parker, Richard; Lee, Timothy

Cc: DiSanto, Emilia; Emerzian, Peter; (b) (6), (b) (7)(C)

Subject: RE: LIBOR conversation with DOJ

Rich, I think a disc

FW: LIBOR conversation with DOJ

Item ID: 47730
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: (b) (6)
Subject: FW: LIBOR conversation with DOJ
Sent: August 10, 2012 1:36 PM
Received: August 10, 2012 1:36 PM

Tim, (b) (6)

See the below. Pls make this happen for me. Work it out amongst you as you see fit. Tim has the lead. Need feedback by COB. Tx,

Rich

From: Stephens, Michael

Sent: Friday, August 10, 2012 1:33 PM

To: Pa

FW: LIBOR conversation with DOJ

Item ID: 47729
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=05BCF3C9DD0C4179B9E2003881C64117-(b) (6)>
To: Lee, Timothy, (b) (6)
Subject: FW: LIBOR conversation with DOJ
Sent: August 10, 2012 1:39 PM
Received: August 10, 2012 1:39 PM

Tim,
Would you like me to work with (b) (6) to schedule a good time on Steve's calendar? If so, Please provide me with a list of all those who should be on the invite (I am not familiar with people in investigations). Thank you!
Descript

FW: LIBOR conversation with DOJ

Item ID: 47727
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7C708AF923DC48348FF2D1AE45BECE6C-JON ANDERS>
To: (b) (6)
Cc: (b) (6), Lee, Timothy, Parker, Richard
Subject: FW: LIBOR conversation with DOJ
Sent: August 10, 2012 3:24 PM
Received: August 10, 2012 3:24 PM

(b) (6)

We would like to add an appointment on Steve's calendar for this meeting once Tim learns the availability of the DOJ representatives. It looks like the best times for the FHFA-OIG participants are 3:00 and 4:00 on Monday and 10:00 and 11:

FW: LIBOR conversation with DOJ

Item ID: 47726
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7C708AF923DC48348FF2D1AE45BECE6C-(b) (6)>
To: (b) (6)
Cc: (b) (6) Lee, Timothy
Subject: FW: LIBOR conversation with DOJ
Sent: August 10, 2012 3:34 PM
Received: August 10, 2012 3:34 PM

(b) (6)

I misunderstood the order of events on the meetings. We'll follow up with more information on Monday.

Thanks,

(b) (6)

From: Parker, Richard

Sent: Friday, August 10, 2012 3:28 PM

To: (b) (6)

Subject: RE: LIBOR conversa

DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47725
From: (b) (6)
To: Lee, Timothy
Cc: (b) (6)
Subject: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 10, 2012 4:52 PM
Received: August 10, 2012 4:52 PM

Tim – Monday afternoon is unfortunately not good for the people at this end. I will try to see if Tuesday morning would work (but I won't know until Monday – sorry). Thanks again for offering to meet with us. – (b) (6)

* * * *

RE: DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47736
From: (b) (6)
To: (b) (6)
Cc: (b) (6)
Subject: RE: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 13, 2012 9:40 AM
Received: August 13, 2012 9:40 AM

I have calls at 10:00 a.m. and 2:00 p.m. on Tuesday and should allow an hour for each.

(b) (6) y

Trial Attorney

U.S. Department of Justice

Civil Division, Fraud Section

601 D Street, N.W., (b) (6)

Washington, D.C. 20004

RE: DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47737
From: (b) (6)
To: Lee, Timothy
Cc: (b) (6)
Subject: RE: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 13, 2012 10:54 AM
Received: August 13, 2012 10:54 AM

Let me see if I can move my other 9:30 call. I think I probably can. I will tell you as soon as I know. It would be great if you can come over here.

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, August 13, 2012 10:50 AM

T

RE: DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47738
From: (b) (6)
To: (b) (6), Lee, Timothy
Cc: (b) (6)
Subject: RE: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 13, 2012 11:09 AM
Received: August 13, 2012 11:09 AM

I could meet at 9:30 here, as well, with the caveat that I will need to leave by 10:00 a.m. Thanks.

(b) (6)

Trial Attorney

U.S. Department of Justice

Civil Division, Fraud Section

601 D Street, N.W., (b) (6)

Washington, D

**Accepted: Invitation: Conference call: FHFA - OIG - Question re:
LIBOR (Aug 15 09:45 AM EDT in 877-791-4689, passcode 7012809)**

Item ID: 47740
Sent: August 13, 2012 12:09 PM
Received: August 13, 2012 12:09 PM
Type: Calendar Entry

**Accepted: Invitation: Conference call: FHFA - OIG - Question re:
LIBOR (Aug 15 09:45 AM EDT in 877-791-4689, passcode 7012809)**

Item ID: 47743
Sent: August 13, 2012 12:11 PM
Received: August 13, 2012 12:11 PM
Type: Calendar Entry

RE: DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47744
From: (b) (6)
To: Lee, Timothy
Cc: (b) (6)
Subject: RE: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 13, 2012 12:16 PM
Received: August 13, 2012 12:16 PM

Tim - Tomorrow at 9:30 would be fine. It would be great if you can come here. Ask for me at security and I will come down to collect you. - (b) (6)

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, August 13, 2012 10:50 AM

To: Ed

RE: DOJ / FHFA OIG meeting to discuss LIBOR

Item ID: 47745
From: (b) (6)
To: Lee, Timothy
Subject: RE: DOJ / FHFA OIG meeting to discuss LIBOR
Sent: August 13, 2012 12:18 PM
Received: August 13, 2012 12:18 PM

601 D Street, N.W.

Washington, D.C. 20004

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, August 13, 2012 12:17 PM

To: (b) (6)

Cc: (b) (6) (b) (6), (b) (7)(C) Emerzian, Pet

Accepted: LIBOR meet and greet

Item ID: 47746
Sent: August 13, 2012 3:57 PM
Received: August 13, 2012 3:57 PM
Type: Calendar Entry

RE: LIBOR memo

Item ID: 47747
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8E7806771E6A4A00BDC45ECA75864A81-(b) (6)>
To: Lee, Timothy
Subject: RE: LIBOR memo
Sent: August 14, 2012 7:51 AM
Received: August 14, 2012 7:51 AM

Tim: please call me so we may leave together. We can meet briefly before or talk about it while en route.

Thanks,

(b) (6)
Special Agent in Charge
Federal Housing Finance Agency
Office of the Inspector General
400 7th

**Invitation: Discussion w/FHFA OIG re: LIBOR (Aug 16 09:30 AM EDT
in 877-791-4689, passcode 7012809)**

Item ID: 47748
Sent: August 14, 2012 8:53 AM
Received: August 14, 2012 8:53 AM
Type: Calendar Entry

Accepted: Discussion of the DOJ Meeting on LIBOR

Item ID: 47749
Sent: August 14, 2012 1:13 PM
Received: August 14, 2012 1:13 PM
Type: Calendar Entry

FW: Discussion of the DOJ Meeting on LIBOR

Item ID: 47751
Sent: August 14, 2012 4:06 PM
Received: August 14, 2012 4:06 PM
Type: Calendar Entry

-----Original Appointment-----

From: Linick, Steve

Sent: Tuesday, August 14, 2012 1:09 PM

To: Linick, Steve (b) (6), (b) (7)(C) Lee, Timothy; Parker, Richard

Subject: Discussion of the DOJ Meeting on LIBOR

When: Wednesday, August 15, 2012 1:00 PM-2

**Accepted: Invitation: Discussion w/FHFA OIG re: LIBOR (Aug 16
09:30 AM EDT in 877-791-4689, passcode 7012809)**

Item ID: 47752
Sent: August 15, 2012 8:38 AM
Received: August 15, 2012 8:38 AM
Type: Calendar Entry

Libor

Item ID: 47757
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Subject: Libor
Sent: August 16, 2012 9:32 AM
Received: August 16, 2012 9:32 AM

BTW, thanks for Libor information you sent over yesterday.

Question on your Libor damage analysis for the Enterprises, just curious, are we pretty sure that the banks (Barclay and such) manipulated the Libor rate downward all the time? Not upwa

Re: LIBOR

Item ID: 47758
From: (b) (6)
To: Lee, Timothy
Subject: Re: LIBOR
Sent: August 16, 2012 10:01 AM
Received: August 16, 2012 10:01 AM

Tim

Great to hear from you. I'm out this week but would love to catch up. How about Monday or Tuesday at 4.

(b) (6)

Message sent from a Blackberry device

From: Lee, Timothy <Timothy.Lee@fhfaoig.gov>

To: Mar

LIBOR

Item ID: 47759
From: Rau, Russell </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A1F96ED5284340BCB4523383666A913E-RUSSELL RAU>
To: Lee, Timothy
Cc: Parker, Richard, DiSanto, Emilia
Subject: LIBOR
Sent: August 16, 2012 10:33 AM
Received: August 16, 2012 10:33 AM

Tim – Are you continuing with the research on LIBOR. I have one aspect thsat I would like to discuss with however is doing the research. Please let me know. Thanks.

Russell A. Rau

Deputy Inspector General for Audits

Office of Inspector Ge

Re: LIBOR

Item ID: 47760
From: [REDACTED] (b) (6)
To: Lee, Timothy
Cc: Rhinesmith, Alan [REDACTED] (b) (6), Parker, Richard
Subject: Re: LIBOR
Sent: August 16, 2012 10:50 AM
Received: August 16, 2012 10:51 AM

Thanks for sharing this analysis, Tim. I will send it to our business folks and get their thoughts.
I'm sure we will be talking soon,

(b) (6)

[REDACTED]

[REDACTED]

Freddie Mac
8200 Jones Branch Drive, MS 202
McLean, V

RE: LIBOR

Item ID: 47761
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Rau, Russell, Lee, Timothy
Cc: DiSanto, Emilia
Subject: RE: LIBOR
Sent: August 16, 2012 11:03 AM
Received: August 16, 2012 11:03 AM

Russ,

Tim is on this, but he's tied-up today. He'll circle-back with you. If this is in any way emergent or time sensitive, then please feel free to stop-by. I'm in all day.

Rich

Richard Parker

Director, Policy, Over

RE: LIBOR

Item ID: 47762
From: Rau, Russell </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A1F96ED5284340BCB4523383666A913E-RUSSELL RAU>
To: Parker, Richard, Lee, Timothy
Cc: DiSanto, Emilia
Subject: RE: LIBOR
Sent: August 16, 2012 11:13 AM
Received: August 16, 2012 11:13 AM

While it may be emergent, it is not urgent.

Russell A. Rau

Deputy Inspector General for Audits

Office of Inspector General

Federal Housing Finance Agency

400 7th Street SW, Room 3129

Washington, DC 20024

Voice: (b) (6)

FW: LIBOR

Item ID: 47764
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8E7806771E6A4A00BDC45ECA75864A81-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Cc: (b) (6), (b) (7)(C), Emerzian, Peter
Subject: FW: LIBOR
Sent: August 16, 2012 12:21 PM
Received: August 16, 2012 12:21 PM

Tim – (b) (6), (b) (7)(C) and I went to your ofc earlier this morning and I just called your ofc and cell with (b) (6), (b) (7)(C) – please come by when you have a chance.

I am in case review at 1:00pm, but will stop and continue after our meet with you.

Thanks,

Libor

Item ID: 47766
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: (b) (6), Seide, David
Cc: Lee, Timothy
Subject: Libor
Sent: August 16, 2012 2:43 PM
Received: August 16, 2012 2:43 PM

I was just thinking about our Libor theory that (b) (5)

[REDACTED]

[REDACTED]

RE: Libor

Item ID: 47767
From: Seide, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CFA4F6B9E6D0471B9611C0ED682B53EB-DAVID SEIDE>
To: Wu, Simon, (b) (6)
Cc: Lee, Timothy
Subject: RE: Libor
Sent: August 16, 2012 2:45 PM
Received: August 16, 2012 2:45 PM

I agree; we would need to net this out over time to determine who won/lost.

From: Wu, Simon

Sent: Thursday, August 16, 2012 2:43 PM

To: Hinkley, Robert; Seide, David

Cc: Lee, Timothy

Subject: Libor

I was just thinking about our Libor

Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Item ID: 47561
To: Wu, Simon
Subject: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Sent: August 17, 2012 1:38 PM
Received: August 17, 2012 1:38 PM

RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Item ID: 47772
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Subject: RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Sent: August 17, 2012 2:13 PM
Received: August 17, 2012 2:13 PM

Ok thanks. Could you forward me the latest draft too? No rush...any time before you leave is fine... I may insert some of the analysis into the draft next week.

-----Original Message-----

From: Lee, Timothy
Sent: Friday, August 17, 2012 1:39 PM

RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx

Item ID: 47775
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Cc: Phillips, Wesley
Subject: RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Sent: August 17, 2012 3:18 PM
Received: August 17, 2012 3:18 PM

Ok sounds good.

From: Lee, Timothy
Sent: Friday, August 17, 2012 2:23 PM
To: Wu, Simon
Cc: Phillips, Wesley
Subject: RE: Emailing: Derivatives White Paper Graphs.xlsx, LIBOR proposal.xlsx
Here

RE: Follow-up on numbers

Item ID: 47782
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: Follow-up on numbers
Sent: August 21, 2012 9:46 AM
Received: August 21, 2012 9:46 AM

Skipper,

Mike is leading this column. I spoke with him this morning. Bottom line

(b) (5)

Re: LIBOR

Item ID: 47787
From: Friedman, Timothy <Timothy.Friedman@fhfa.gov>
To: Lee, Timothy
Subject: Re: LIBOR
Sent: August 27, 2012 10:34 AM
Received: August 27, 2012 10:36 AM

Hi, Tim.

I'm on leave until Wednesday. I emailed Fred Graham to see if he had some time to talk about this with you.

Thanks.

Tim

From: Timothy Lee

Sent: Monday, August 27, 2012 08:38 AM

To: Friedman, Timothy

Subject: LIBOR

Hi

Fw: LIBOR

Item ID: 47788
From: Friedman, Timothy <Timothy.Friedman@fhfa.gov>
To: Lee, Timothy
Subject: Fw: LIBOR
Sent: August 27, 2012 10:36 AM
Received: August 27, 2012 10:36 AM

Please go ahead and shoot Fred Graham an email, call or stop by his office.

Tim

From: Graham, Fred C.

Sent: Monday, August 27, 2012 10:34 AM

To: Friedman, Timothy

Subject: RE: LIBOR

Sure.

Fred

From: Friedma

Out of Office: LIBOR

Item ID: 47789
From: Friedman, Timothy <Timothy.Friedman@fhfa.gov>
To: Timothy Lee <Timothy.Lee@fhfaoig.gov>
Subject: Out of Office: LIBOR
Sent: August 27, 2012 10:52 AM
Received: August 27, 2012 10:52 AM

***Effective January 13, 2012, I will have a new address and office telephone number:

New Address: 400 7th Street, SW

Washington, DC 20024

New Phone: (b) (6)

RE: LIBOR

Item ID: 47790
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: DiSanto, Emilia
Subject: RE: LIBOR
Sent: August 27, 2012 11:07 AM
Received: August 27, 2012 11:07 AM

Nicely done, Tim. Tx - R
Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/27/2012 10:52 AM
To: fred.graham@fhfa.gov
Cc: Timothy.Friedman@fhfa.gov; Parker, Richard
Subject: LIBOR
Hi Fred,
F

RE: LIBOR

Item ID: 47792
From: (b) (6)
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 27, 2012 2:25 PM
Received: August 27, 2012 2:26 PM

Thanks!

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, August 27, 2012 2:22 PM

To: (b) (6)

Subject: FW: LIBOR

Hi (b) (6)

Back in the office today and happened to come across this bit of interesting r

RE: LIBOR

Item ID: 47794
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 27, 2012 5:32 PM
Received: August 27, 2012 5:32 PM

Interesting suit. Thanks, (b) (6)

From: Lee, Timothy

Sent: Monday, August 27, 2012 2:23 PM

To: (b) (6)

Subject: FW: LIBOR

Hi (b) (6)

Thought you'd be interested in this.

Tim

From: Lee, Timothy

Sent: Monday,

Remember to reach out to (b) (6) re LIBOR

Item ID: 47796
From: Timothy Lee <timoth31@gmail.com>
To: Lee, Timothy
Subject: Remember to reach out to (b) (6) re LIBOR
Sent: August 28, 2012 10:05 PM
Received: August 28, 2012 10:05 PM

Also hit up (b) (6), (b) (7)(C) again -- ----- Timothy Lee 646-359-3710 timoth31@gmail.com

Re: LIBOR

Item ID: 47797
From: (b) (6)
To: Lee, Timothy <Timothy.Lee@fhfaoig.gov>
Subject: Re: LIBOR
Sent: August 29, 2012 9:17 AM
Received: August 29, 2012 9:17 AM

Tim: Great catching up with you and thanks for thinking of me. Give me a day or two to put together a list of folks who can provide a 360 view of the "iceberg". You can then pick from the list. I most likely will not be giving out your name unless you pick them as I don't want you to get inundated with calls. Another visit to DC is in order for me so I'll definitely be taking you up on that lunch offer. I'll be in touch by Friday. Cheers (b) (6) This message, and any of the attachments included, may contain CONFIDENTIAL information about the company. Its content is intended exclusively for its addressee(s), so any dissemination, copy or disclosure of this communication is strictly prohibited by third parties. If this message has been received in error, please immediately notify the sender via e-mail and delete it with all its copies and attachments. On Aug 29, 2012, at 9:03 AM, "Lee, Timothy" <Timothy.Lee@fhfaoig.gov > wrote:

Hi (b) (6)

Great to catch up. Per our conversation, here is the

Schwab suit . As we discussed, it would be great to get color from business, legal or operations folks related to this case or other noteworthy issues. You are free to give out my name, position, and contact information at your discretion.

The offer for lunch stands whenever you come to Washington again. Just let me know.

Best,

Tim

Timothy Lee

Senior Policy Advisor, FHFA-OIG

202-730-2821

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email, including any of its contents or attachments by any person other than the intended recipient, or for any purpose other than its intended use, is strictly prohibited. If you believe you received this email in error, please permanently delete it and any

attachments, and do not save, copy, disclose, or rely on any part of the information. Please call the OIG at 202-730-4949 if you have any questions or to let us know you received this email in error.

Accepted: LIBOR

Item ID: 47808
Sent: August 29, 2012 10:58 AM
Received: August 29, 2012 10:58 AM
Type: Calendar Entry

New Time Proposed: LIBOR

Item ID: 47804
Sent: August 29, 2012 11:03 AM
Received: August 29, 2012 11:03 AM
Type: Calendar Entry

Accepted: LIBOR

Item ID: 47806
Sent: August 29, 2012 11:05 AM
Received: August 29, 2012 11:05 AM
Type: Calendar Entry

Accepted: LIBOR

Item ID: 47807
Sent: August 29, 2012 11:11 AM
Received: August 29, 2012 11:11 AM
Type: Calendar Entry

RE: LIBOR

Item ID: 47809
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8E7806771E6A4A00BDC45ECA75864A81-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Cc: Emerzian, Peter, Conlon, Paul, Febles, Rene
Subject: RE: LIBOR
Sent: August 29, 2012 12:20 PM
Received: August 29, 2012 12:20 PM

Paul and I are waiting for Peter to get back from lunch to see what how he wants to proceed. Will let you know before cob today. Thank you,

(b) (6), (b) (7)(C)

Special Agent in Charge

Federal Housing Finance Agency

Office of the Inspector G

Accepted: FW: LIBOR

Item ID: 47810
Sent: August 29, 2012 2:15 PM
Received: August 29, 2012 2:15 PM
Type: Calendar Entry

RE: LIBOR

Item ID: 47811
From: [REDACTED] (b) (6) >
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 29, 2012 4:56 PM
Received: August 29, 2012 4:56 PM

Tim,

If it's OK with you, [REDACTED] (b) (5)

[REDACTED]

[REDACTED]

RE: LIBOR

Item ID: 47812
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8E7806771E6A4A00BDC45ECA75864A81-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: August 29, 2012 5:00 PM
Received: August 29, 2012 5:00 PM

Tomorrow morn Paul, Rene and I have a meet with Peter. I should know then how Peter wants to proceed. Thanks,

(b) (6)

Sent from my Windows Phone

From: Lee, Timothy
Sent: 8/29/2012 4:57 PM
To: (b) (6), (b) (7)(C)
Cc: P

Houlihan Lokey

Item ID: 47817
From: (b) (6) >
To: Lee, Timothy </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
Subject: Houlihan Lokey
Sent: August 31, 2012 11:51 AM
Received: August 31, 2012 11:52 AM

Tim:
Attached is a Holihan Lokey Report on the LIBOR matter that you may find interesting.
I'll give you a call shortly to provide some market color and a list of the folks that I'm putting together to speak with you.
Cheers
(b) (6)
+1.6

Various LIBOR Matters

Item ID: 47819
From: (b) (6)
To: Timothy Lee <Timothy.Lee@fhfaoig.gov>
Subject: Various LIBOR Matters
Sent: September 1, 2012 1:19 AM
Received: September 1, 2012 1:21 AM

Tim:

It was great catching up with you today and thank you for sharing your preliminary rough estimate. First, I will not share any materials you provide me unless I specifically ask you in advance. As you can imagine, the interest in FHFA doing anything in

this matter would generate such intense attention that I have specifically been very low key in approaching folks to share their insights. I've only reached out to folks with whom I have a good working relationship and who will be discreet.

I have been reflecting on our discussion today and wanted to share the following with you. These are just some preliminary thoughts that will require refinement depending on how the matter develops. I have grouped them into various topics.

Potential Claims

FHFA on behalf of Freddie and Fannie have a number of potential claims, including:

Antitrust (damages calculated on net basis but trebled, with all 16 "bad banks" as defendants) Contractual (can only be made against a counterparty who was one of the cadre of 16: fraud, misrepresentation, fair dealing but damages are not calculated on net basis) Torts (fraud) And maybe a False Claims Act (novel interpretation and could be interesting for a slew of reasons). How familiar are you with my case that (b) (6), (b) (7)(C) is handling? There are a few similarities in the fact pattern that led me to think about the False Claims

Act. Note : of the speakers I have reached out to no one knows how you got referred to me and of course none of them know about my case.

Damages

Damages can arise from the following positions held by Freddie and Fannie:

Period Swap Payments Termination Payments (not just because LIBOR was artificially suppressed, but potentially when swaps were terminated, i.e., did the counterparty know to terminate one a Wednesday because LIBOR the following day would be higher and therefore result in a higher termination payment to Freddie/Frannie?) Any short term or LIBOR-based investments.

Timing / Plaintiffs

Here is the trickiest part. If FHFA wants to preserve the antitrust claims, it must have Freddie and Fannie opt out of the LIBOR Swaps Antitrust Class Action. I've attached a copy of that complaint. Currently Freddie and Fannie are in the class. The class

is in motion practice right now and the parties are seeking to dismiss the complaint on its merits. If FHFA doesn't opt out before any prejudicial judgments then that would make things more complicated. Of course that means internal approvals at FHFA needs

to happen within a certain length of time. Would FHFA have its in-house lawyers handle this or have outside counsel do the heavy lifting? That also means that this becomes front page news as soon as the opt-out filing is made.

Another matter of consideration is whether Freddie and Fannie would join in an action with respect to claims before the conservancy. It may be better to do it together than to have three different law suits, if that were possible. I assume that FHFA would

know before Freddie and Fannie file any suit like this but I have also found that it's never safe to assume so want to point out that possibility.

Swaps Market Info

I have asked a contact to get some free work out of a swaps consulting shop to see whether we can get volume

information on whether there's any particular time of day when swaps trade heavily to see if we can verify whether trading does get heavy right

before 11 AM London time. I'm guessing that Freddie and Fannie traders are not actually working during those hours so that trades they enter into would be during US East Coast business hours. Nonetheless, the market data may show some interesting patterns.

Do you have any staff who could map, based on notional amount, at what times of the day Freddie and Fannie typically enter into or terminate swaps based on trade ticket times?

It may also be worthwhile to look at all terminated LIBOR-based swaps because for all those swaps where Fannie and Freddie were receiving LIBOR they would have a claim to a larger termination payment than they otherwise received.

We would, however, need

to know the economic terms of each swap to terminate the difference owed.

Other Potential Speakers

Black Rock Advisors--a banker I worked with while I was at Moody's is now a Managing Director at Black Rock. He was out this week so I didn't get to touch base with him but I've sent him an email to see if he'd be available to speak.

Black Rock may be

conflicted but we'll see.

Wall Street Journal Reporter--There is a reporter there who is quite trustworthy and with whom I regularly trade market intelligence on ratings and other financial sector developments. The 3 of us could have lunch in DC where she and I trade industry chatter

about the LIBOR scandal and you can just listen. I believe I can get her to agree to the following terms: She would know who you are but she could not ask you any questions about your interest. You'd be under no obligation to say anything but you could ask

questions of her if you wanted to do so. She is not a reporter assigned to cover the LIBOR matter at the Journal but I trust her more than I trust some other folks there and she can get some intel from her colleagues before the lunch.

This would be for "deep

deep background" (which as you may know is more restrictive than "off the record") meaning she couldn't even mention the occurrence of the lunch/conversation in any article so she wouldn't even be able to quote anything said on an anonymous basis. I know this

idea is a little unorthodox but thought you might find it interesting.

I expect to start confirming speakers by next Wednesday and will send you their info soon as they confirm. In the meantime, I will be in NYC in meetings on Tuesday and Wednesday but can be reached by phone if you want to discuss anything. We can try to

set up a time to talk in advance or I'll just step out of the meeting when you call to set up a better time to speak. I will also check emails regularly.

Have a great holiday weekend.

Cheers

(b) (6)

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Attachment #1

LIBOR_Baltimore initial complaint.pdf

Original view

Fwd: NYTimes.com: DealBook: In UBS Convictions, Parallels to the Libor Investigation

Item ID: 47824
From: (b) (6)
To: Lee, Timothy
Subject: Fwd: NYTimes.com: DealBook: In UBS Convictions, Parallels to the Libor Investigation
Sent: September 5, 2012 7:15 AM
Received: September 5, 2012 7:15 AM

Tim:

Hope you had a good weekend. Thought you might find this article interesting.

I should have finalized list of potential speakers for you by end of week.

Also wanted to confirm you got my email from late Friday outlining issues for your con

Accepted: LIBOR

Item ID: 47826
Sent: September 5, 2012 9:30 AM
Received: September 5, 2012 9:30 AM
Type: Calendar Entry

RE: Tomorrow's LIBOR meeting agenda

Item ID: 47829
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Conlon, Paul
Subject: RE: Tomorrow's LIBOR meeting agenda
Sent: September 5, 2012 3:03 PM
Received: September 5, 2012 3:03 PM

Skipper,

(b) (5)

From: Lee, Timothy
Sent: Wednesday, September 05, 2012 1:18 PM
To: Parker, Richard; Conlon, Pa

Accepted: LIBOR

Item ID: 47832
Sent: September 5, 2012 5:17 PM
Received: September 5, 2012 5:17 PM
Type: Calendar Entry

Your request was accepted. Sent by Microsoft Exchange Server 2010

Accepted: LIBOR

Item ID: 47833
Sent: September 6, 2012 7:57 AM
Received: September 6, 2012 7:57 AM
Type: Calendar Entry

Accepted: LIBOR

Item ID: 47835
Sent: September 6, 2012 11:13 AM
Received: September 6, 2012 11:13 AM
Type: Calendar Entry

Confidentiality Notice: The information contained in this e-mail and any attachments may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any use, di

Re: LIBOR and the GSEs

Item ID: 47841
From: Sciacca, Christie <Christie.Sciacca@fhfa.gov>
To: Lee, Timothy
Subject: Re: LIBOR and the GSEs
Sent: September 6, 2012 5:07 PM
Received: September 6, 2012 5:07 PM

Tim

Thank you

Christie

From: Timothy Lee

Sent: Thursday, September 06, 2012 04:34 PM

To: Nichols, Nina; Greenlee, Jon; Cross, Stephen; Graham, Fred C.; Sciacca, Christie

Subject: LIBOR and the GSEs

Hi Jon, Steve, Fred, Christie a

RE: LIBOR and the GSEs

Item ID: 47842
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=45AD7EFFF12A4BEEB3BE31B646CC60D6-NANCY O'SHE>
To: Lee, Timothy
Subject: RE: LIBOR and the GSEs
Sent: September 7, 2012 10:11 AM
Received: September 7, 2012 10:11 AM

Would you be able to meet at 1-1:15 today? Would you mind if (b) (6) sat in. I will call the FBI agent and see if we can set up a time to meet next week.

Sent from my Windows Phone

From: Lee, Timothy
Sent: 9/7

RE: LIBOR: one more thing

Item ID: 47843
From: Conlon, Paul </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=BB38913146504C409EC131657444FCEB-PAUL CONLON>
To: Lee, Timothy, Parker, Richard
Subject: RE: LIBOR: one more thing
Sent: September 7, 2012 10:24 AM
Received: September 7, 2012 10:24 AM

Very interesting....

Thanks for sharing.

P

From: Lee, Timothy

Sent: Friday, September 07, 2012 10:20 AM

To: Parker, Richard

Cc: Conlon, Paul

Subject: FW: LIBOR: one more thing

Hi Old Salt,

The bump discussed belo

RE: LIBOR and the GSEs

Item ID: 47844
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=45AD7EFFF12A4BEEB3BE31B646CC60D6-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Subject: RE: LIBOR and the GSEs
Sent: September 7, 2012 10:25 AM
Received: September 7, 2012 10:25 AM

How about 12:45 down in the investigation conference room
Sent from my Windows Phone

From: Lee, Timothy
Sent: 9/7/2012 10:13 AM
To: (b) (6), (b) (7)(C)
Subject: RE: LIBOR and the GSEs
I am happy to, though I m

FW: LIBOR and the GSEs

Item ID: 47848
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: LIBOR and the GSEs
Sent: September 7, 2012 12:42 PM
Received: September 7, 2012 12:42 PM

Pls add to your LIBOR file. Solid work. I'll bet that Steve will find the work to be compelling. – R

From: Parker, Richard

Sent: Friday, September 07, 2012 12:38 PM

To: Linick, Steve (b) (6)

Cc: DiSanto, Emilia

Subject:

RE: LIBOR and the GSEs

Item ID: 47849
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR and the GSEs
Sent: September 7, 2012 12:55 PM
Received: September 7, 2012 12:55 PM

See the below. You're in the on deck circle. – R

From: Linick, Steve

Sent: Friday, September 07, 2012 12:54 PM

To: Parker, Richard

Cc: DiSanto, Emilia

Subject: RE: LIBOR and the GSEs

Grt. Tx

Sent from my Windows Phone

RE: LIBOR and the GSEs

Item ID: 47857
From: [REDACTED] (b) (6)
To: Lee, Timothy, Edgar [REDACTED] (b) (6)
Subject: RE: LIBOR and the GSEs
Sent: September 10, 2012 10:38 AM
Received: September 10, 2012 10:38 AM

Tim,

This is very informative. But I definitely think we should at least have a conference call to follow up on this e-mail. Today doesn't work for us, but tomorrow would be better (I think at least two of us can make it). I'm unavailable fr

RE: LIBOR and the GSEs

Item ID: 47858
From: [REDACTED] (b) (6)
To: Lee, Timothy, Edgar, [REDACTED] (b) (6)
Subject: RE: LIBOR and the GSEs
Sent: September 10, 2012 11:32 AM
Received: September 10, 2012 11:32 AM

It's kind of up to you, Tim, as to who from FHFA and/or OIG should be involved, but we would love to set something up for tomorrow morning (that would be better than the afternoon), and if that means it would have to be with you alone or with you and only

RE: LIBOR

Item ID: 47859
From: Graham, Fred C. <Fred.Graham@fhfa.gov>
To: Lee, Timothy, Greenlee, Jon
Cc: Parker, Richard
Subject: RE: LIBOR
Sent: September 10, 2012 11:39 AM
Received: September 10, 2012 11:39 AM

Currently, I am available anytime tomorrow morning.

Fred

Acting Deputy Director, Division of Supervision Policy and Support

Associate Director, Office of Risk Analysis

Division of Supervision Policy and Support

Federal Housing Fin

RE: LIBOR

Item ID: 47860
From: Williams, Diane <Diane.Williams@fhfa.gov>
To: Graham, Fred C., Lee, Timothy, Greenlee, Jon
Cc: Parker, Richard
Subject: RE: LIBOR
Sent: September 10, 2012 11:41 AM
Received: September 10, 2012 11:42 AM

Jon Greenlee will be available tomorrow at 10:30 a.m. (30 minutes)

From: Graham, Fred C.

Sent: Monday, September 10, 2012 11:40 AM

To: Timothy Lee; Greenlee, Jon

Cc: Richard Parker

Subject: RE: LIBOR

Currently, I am available anytime

RE: LIBOR

Item ID: 47862
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Greenlee, Jon, Graham, Fred C.
Subject: RE: LIBOR
Sent: September 10, 2012 11:46 AM
Received: September 10, 2012 11:46 AM

Good to hook. - r

From: Lee, Timothy

Sent: Monday, September 10, 2012 11:44 AM

To: Greenlee, Jon; Graham, Fred C.

Cc: Parker, Richard

Subject: RE: LIBOR

I will send around an invite for a phone call with DOJ at 1030. Speak now or for

LIBOR-related GSE loss data

Item ID: 47861
Sent: September 10, 2012 11:47 AM
Received: September 10, 2012 11:47 AM
Type: Calendar Entry

Hi all,

This is to make introductions between FHFA and DOJ concerning the latter's LIBOR inquiry and its request for information on how the GSEs may have been affected during conservatorship. DOJ, could you please provide a phone number we could dial

Accepted: LIBOR-related GSE loss data

Item ID: 47864
Sent: September 10, 2012 11:47 AM
Received: September 10, 2012 11:47 AM
Type: Calendar Entry

Your request was accepted. Sent by Microsoft Exchange Server 2010

Accepted: LIBOR-related GSE loss data

Item ID: 47865
Sent: September 10, 2012 11:47 AM
Received: September 10, 2012 11:48 AM
Type: Calendar Entry

Accepted: LIBOR-related GSE loss data

Item ID: 47866
Sent: September 10, 2012 12:05 PM
Received: September 10, 2012 12:05 PM
Type: Calendar Entry

Accepted: LIBOR-related GSE loss data

Item ID: 47867
Sent: September 10, 2012 12:10 PM
Received: September 10, 2012 12:10 PM
Type: Calendar Entry

RE: LIBOR and the GSEs

Item ID: 47868
From: (b) (6)
To: Lee, Timothy, Edgar, (b) (6)
Subject: RE: LIBOR and the GSEs
Sent: September 10, 2012 12:10 PM
Received: September 10, 2012 12:11 PM

I'll get a phone number for the call momentarily.

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, September 10, 2012 11:03 AM

To: (b) (6)

Subject: RE: LIBOR and the GS

RE: LIBOR and the GSEs

Item ID: 47870
From: (b) (6)
To: Lee, Timothy, (b) (6)
Subject: RE: LIBOR and the GSEs
Sent: September 10, 2012 12:58 PM
Received: September 10, 2012 12:58 PM

The phone number is (b) (6) And the pass code is 800 86416#.

Tim, please pass that on to any colleague who will be joining us.

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, September 10, 2012 11:03 AM

To: (b) (6)

Accepted: LIBOR-related GSE loss data

Item ID: 47871
Sent: September 10, 2012 1:02 PM
Received: September 10, 2012 1:02 PM
Type: Calendar Entry

RE: LIBOR and the GSEs

Item ID: 47872
From: Friedman, Timothy <Timothy.Friedman@fhfa.gov>
To: Lee, Timothy
Subject: RE: LIBOR and the GSEs
Sent: September 10, 2012 1:09 PM
Received: September 10, 2012 1:09 PM

Thanks, Tim.

From: Timothy Lee

Sent: Friday, September 07, 2012 9:11 AM

To: Friedman, Timothy

Subject: FW: LIBOR and the GSEs

Hi Tim1,

FYI

Tim2

From: Lee, Timothy

Sent: Thursday, September 06, 2012 4:34 PM

To

Accepted: LIBOR-related GSE loss data

Item ID: 47873
Sent: September 10, 2012 1:26 PM
Received: September 10, 2012 1:26 PM
Type: Calendar Entry

(b) (6), (b) (7)(C)

Request

Item ID: 47874
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: (b) (6), (b) (7)(C) Request
Sent: September 10, 2012 1:45 PM
Received: September 10, 2012 1:45 PM

Tim,

When you discuss what you know about LIBOR with (b) (6), (b) (7)(C) FBI pal,

(b) (5)

Re: Emailing: LIBOR Memo to DeMarco.docx, LIBOR proposal.xlsx

Item ID: 47876
From: Timothy Lee <timoth31@gmail.com>
To: Lee, Timothy
Subject: Re: Emailing: LIBOR Memo to DeMarco.docx, LIBOR proposal.xlsx
Sent: September 10, 2012 9:10 PM
Received: September 10, 2012 9:10 PM

On Mon, Sep 10, 2012 at 5:29 PM, Lee, Timothy <Timothy.Lee@fhfaoig.gov> wrote:

Your message is ready to be sent with the following file or link attachments:

LIBOR Memo to DeMarco.docx

LIBOR proposal.xlsx

Note: To protect against

Accepted: FW: LIBOR-related GSE loss data

Item ID: 47877
Sent: September 11, 2012 10:27 AM
Received: September 11, 2012 10:27 AM
Type: Calendar Entry

Accepted: LIBOR analysis

Item ID: 47881
Sent: September 11, 2012 11:59 AM
Received: September 11, 2012 11:59 AM
Type: Calendar Entry

Accepted: LIBOR analysis

Item ID: 47882
Sent: September 11, 2012 12:09 PM
Received: September 11, 2012 12:10 PM
Type: Calendar Entry

RE: LIBOR meeting notes

Item ID: 47883
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR meeting notes
Sent: September 11, 2012 1:44 PM
Received: September 11, 2012 1:44 PM

Poetry. Tx, - R

From: Lee, Timothy

Sent: Tuesday, September 11, 2012 1:40 PM

To: Parker, Richard

Subject: LIBOR meeting notes

Hi Old Salt,

I didn't take written notes, so wanted to get this down while memory was still fresh.

LIBOR Memo to DeMarco.docx

Item ID: 47890
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: LIBOR Memo to DeMarco.docx
Sent: September 13, 2012 4:24 PM
Received: September 13, 2012 4:24 PM

LIBOR Memo to DeMarco.docx BETTER TAKE

Item ID: 47891
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: LIBOR Memo to DeMarco.docx BETTER TAKE
Sent: September 13, 2012 4:37 PM
Received: September 13, 2012 4:37 PM

RE: LIBOR Memo to DeMarco.docx BETTER TAKE

Item ID: 47892
From: Lee, Timothy </o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9770d766b6642c4ac0f9f116d0b180d-Timothy Lee>
To: Parker, Richard
Subject: RE: LIBOR Memo to DeMarco.docx BETTER TAKE
Sent: September 13, 2012 4:46 PM
Received: September 13, 2012 4:46 PM

Hi Old Salt,

Minor stylistic edits. Please let me know when this goes downrange. Will we be asked to deliver a briefing at some point?

Tim

From: Parker, Richard

Sent: Thursday, September 13, 2012 4:37 PM

To: Lee, Timothy

Subj

FHLB

Item ID: 47896
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=45AD7EFFF12A4BEEB3BE31B646CC60D6-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Subject: FHLB
Sent: September 14, 2012 12:02 PM
Received: September 14, 2012 12:02 PM

Tim, below is a short version (b) (5)

[REDACTED]

RE: Files

Item ID: 47897
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=45AD7EFFF12A4BEEB3BE31B646CC60D6-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Subject: RE: Files
Sent: September 14, 2012 12:05 PM
Received: September 14, 2012 12:05 PM

Tim, were you the author of the labor proposal you sent me? Im sorry, I could not recall.

From: Lee, Timothy

Sent: Friday, September 14, 2012 11:13 AM

To: (b) (6), (b) (7)(C)

Subject: Files

Timothy Lee <mailto:timothy.le

Libor

Item ID: 47900
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: Lee, Timothy, Parker, Richard
Cc: Seide, David
Subject: Libor
Sent: September 14, 2012 3:33 PM
Received: September 14, 2012 3:33 PM

Tim

Thanks for drafting the memo on Libor to DeMarco. (b) (5). Can you provide me with the back up documentation which leads you to conclude there may be \$1b at issue for every 10 bps. Do you believe th

RE: Libor

Item ID: 47902
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: Libor
Sent: September 14, 2012 3:52 PM
Received: September 14, 2012 3:52 PM

Fire at will

From: Lee, Timothy

Sent: Friday, September 14, 2012 3:44 PM

To: Parker, Richard

Subject: FW: Libor

Hi Old Salt,

Here is my proposed reply.

Hi Steve,

The reason I used "up to" is because I feel that

Libor letter to Ed D

Item ID: 47906
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Parker, Richard, Lee, Timothy, DiSanto, Emilia
Cc: Linick, Steve
Subject: Libor letter to Ed D
Sent: September 14, 2012 5:02 PM
Received: September 14, 2012 5:02 PM

(b) (5)

RE: Libor letter to Ed D

Item ID: 47905
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Stephens, Michael, Parker, Richard, Lee, Timothy
Cc: Linick, Steve
Subject: RE: Libor letter to Ed D
Sent: September 14, 2012 5:36 PM
Received: September 14, 2012 5:36 PM

(b) (5)

From: Stephens, Michael
Sent: Friday, September 14, 2012 5:02 PM
To: Parker, Richard; Lee, Timothy; DiSanto, Emilia
Cc: Linick, Steve
Subje

RE: Libor letter to Ed D

Item ID: 47904
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: DiSanto, Emilia, Stephens, Michael, Parker, Richard, Lee, Timothy
Subject: RE: Libor letter to Ed D
Sent: September 14, 2012 5:49 PM
Received: September 14, 2012 5:49 PM

yes

From: DiSanto, Emilia

Sent: Friday, September 14, 2012 5:36 PM

To: Stephens, Michael; Parker, Richard; Lee, Timothy

Cc: Linick, Steve

Subject: RE: Libor letter to Ed D

(b) (5)

RE: Libor letter to Ed D

Item ID: 47903
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve, DiSanto, Emilia, Stephens, Michael, Lee, Timothy
Subject: RE: Libor letter to Ed D
Sent: September 14, 2012 6:09 PM
Received: September 14, 2012 6:09 PM

That should work nicely
Sent from my Windows Phone

From: Linick, Steve
Sent: 9/14/2012 5:49 PM
To: DiSanto, Emilia; Stephens, Michael; Parker, Richard; Lee, Timothy
Subject: RE: Libor letter to Ed D
ye

RE: Libor letter to Ed D

Item ID: 47907
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Linick, Steve, DiSanto, Emilia, Parker, Richard, Lee, Timothy
Subject: RE: Libor letter to Ed D
Sent: September 17, 2012 9:34 AM
Received: September 17, 2012 9:34 AM

Just talked to Rich and he will submit a new version to Steve.

From: Linick, Steve

Sent: Friday, September 14, 2012 5:50 PM

To: DiSanto, Emilia; Stephens, Michael; Parker, Richard; Lee, Timothy

Subject: RE: Libor letter to Ed D

yes

RE: Libor letter to Ed D

Item ID: 47909
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: Stephens, Michael, DiSanto, Emilia, Parker, Richard, Lee, Timothy
Subject: RE: Libor letter to Ed D
Sent: September 17, 2012 9:41 AM
Received: September 17, 2012 9:41 AM

Ok. Rich, there is typo on p. 2. Pls review. Tx
Sent from my Windows Phone

From: Stephens, Michael
Sent: 9/17/2012 9:34 AM
To: Linick, Steve; DiSanto, Emilia; Parker, Richard; Lee, Timothy
Subject: RE: Libor le

RE: Libor letter to Ed D

Item ID: 47912
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve, Stephens, Michael, DiSanto, Emilia, Lee, Timothy
Subject: RE: Libor letter to Ed D
Sent: September 17, 2012 9:55 AM
Received: September 17, 2012 9:55 AM

Steve,

(b) (5)

." These changes have resulted in the elimination of one paragraph from the memo. After running spel

RE: Blackrock

Item ID: 47921
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: Blackrock
Sent: September 18, 2012 7:56 PM
Received: September 18, 2012 7:56 PM

So . . . you want to go up on the nite of the 26th? Who/what is (b) (6) in the LIBOR saga, or is he someone you are dealing with in your work with OI?

From: Lee, Timothy
Sent: Tuesday, September 18, 2012 7:54 PM
To: Parker, Richard
Subje

RE: LIBOR

Item ID: 47968
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David
Subject: RE: LIBOR
Sent: October 2, 2012 9:27 AM
Received: October 2, 2012 9:27 AM

Just so you know that I am working on the memo outline this morning. Rich and I agree that we need a bit more information for this afternoon's meeting on the proposal. Stay tuned...

From: Lee, Timothy

Sent: Monday, October 01, 2012 5:42 PM

RE: LIBOR table

Item ID: 47970
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Cc: Parker, Richard
Subject: RE: LIBOR table
Sent: October 2, 2012 11:47 AM
Received: October 2, 2012 11:47 AM

Ok thanks. I am almost done with reviewing your first spreadsheet file. I will combine those sheets together in one file and then work on the proposal draft.

From: Lee, Timothy
Sent: Tuesday, October 02, 2012 11:08 AM
To: Wu, Simon
Cc: Park

RE: LIBOR table

Item ID: 47971
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Subject: RE: LIBOR table
Sent: October 2, 2012 11:49 AM
Received: October 2, 2012 11:49 AM

Give me till this afternoon around 3 or 3:30 and then it's all yours. Thanks.

From: Lee, Timothy

Sent: Tuesday, October 02, 2012 11:49 AM

To: Wu, Simon

Subject: RE: LIBOR table

Are you planning to draft up the prose for the lette

RE: LIBOR

Item ID: 47972
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David
Subject: RE: LIBOR
Sent: October 2, 2012 11:59 AM
Received: October 2, 2012 11:59 AM

To all of you:

One question on the spreadsheet analysis:

(b) (5)

? From the rate differential

RE: LIBOR

Item ID: 47973
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Wu, Simon, Lee, Timothy
Cc: Bloch, David
Subject: RE: LIBOR
Sent: October 2, 2012 12:01 PM
Received: October 2, 2012 12:01 PM

The Enterprises can do so, Simon [REDACTED] (b) (5)

[REDACTED]. - R

From: Wu, Simon

Sent: Tuesday, October 02, 2012 12:00 PM

To: Lee, Timothy; Parker, Richard

Cc:

RE: LIBOR

Item ID: 47974
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Parker, Richard, Lee, Timothy
Cc: Bloch, David
Subject: RE: LIBOR
Sent: October 2, 2012 12:04 PM
Received: October 2, 2012 12:04 PM

Ok, we will keep the distinction in our analysis and proposal. I told Tim that I will get a revised draft to him this afternoon around 3 or 3:30. Thanks.

From: Parker, Richard

Sent: Tuesday, October 02, 2012 12:01 PM

To: Wu, Simon; Lee, Timot

RE: LIBOR

Item ID: 47975
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 2, 2012 1:03 PM
Received: October 2, 2012 1:03 PM

A fine question Simon. And the answer is "maybe."

(b) (5)

RE: LIBOR

Item ID: 47976
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 2, 2012 2:14 PM
Received: October 2, 2012 2:14 PM

Thank you to you all on answering my question below.

Please see the attached memo of outline. I took Tim's version from yesterday and filled out a lot of information, including our preliminary analysis. Would love to get your comments.

RE: LIBOR

Item ID: 47977
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 2, 2012 4:10 PM
Received: October 2, 2012 4:10 PM

Nice job Simon. We will work together to build this out for the IG. David

From: Wu, Simon

Sent: Tuesday, October 02, 2012 2:15 PM

To: Bloch, David; Lee, Timothy; Parker, Richard

Subject: RE: LIBOR

Thank you to you all on answering my

Coordination

Item ID: 47978
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: Stephens, Michael
Subject: Coordination
Sent: October 2, 2012 5:19 PM
Received: October 2, 2012 5:19 PM

Tim,
Need to confirm with (b) (6) that no one from FHFA has been in contact with them re: LIBOR since the 11SEP 12 meeting. I know that you have done this already, but I just want you to check one more time before we com

Accepted: LIBOR

Item ID: 47982
Sent: October 2, 2012 5:22 PM
Received: October 2, 2012 5:22 PM
Type: Calendar Entry

Accepted: LIBOR

Item ID: 47983
Sent: October 2, 2012 5:32 PM
Received: October 2, 2012 5:32 PM
Type: Calendar Entry

RE: LIBOR

Item ID: 47989
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 7:39 AM
Received: October 3, 2012 7:39 AM

(b) (5)

RE: LIBOR

Item ID: 47988
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 7:47 AM
Received: October 3, 2012 7:47 AM

(b) (5)

RE: LIBOR

Item ID: 47987
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 7:57 AM
Received: October 3, 2012 7:57 AM

Non-Responsive

I was actually referring to the damage analysis. (b) (5)

RE: LIBOR

Item ID: 47986
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 8:00 AM
Received: October 3, 2012 8:00 AM

“According to the US Office of the Comptroller of the Currency, there are at least 900,000 outstanding US home loans indexed to Libor that were originated from 2005 to 2009, the period the key lending gauge may have been rigged, investigators have said.”

RE: LIBOR

Item ID: 47985
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 8:01 AM
Received: October 3, 2012 8:01 AM

Got it. You are right. (b) (5). Thanks.

From: Wu, Simon

Sent: Wednesday, October 03, 2012 7:57 AM

To: Bloch, David; Lee, Timothy; Parker, Richard

Subject: RE: LIBOR

I agree with the aggregate graphic prese

RE: LIBOR

Item ID: 47984
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR
Sent: October 3, 2012 9:20 AM
Received: October 3, 2012 9:20 AM

Also, a couple of other suggestions:

1) The chart we did for "spread", we may want to reverse it, since we want to say that the LIBOR was suppressed, so visually we want to show the LIBOR rates are lower than the benchmark rates. So we just

RE: LIBOR memo

Item ID: 47993
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Bloch, David
Subject: RE: LIBOR memo
Sent: October 3, 2012 10:07 AM
Received: October 3, 2012 10:07 AM

(b) (5)

From: Lee, Timothy
Sent: Wednesday, October 03, 2012 9:59 AM
To: Wu, Simon

FW: OPOR LIBOR Memo Outline.docx

Item ID: 47994
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Wu, Simon, Bloch, David
Cc: Phillips, Wesley
Subject: FW: OPOR LIBOR Memo Outline.docx
Sent: October 3, 2012 10:33 AM
Received: October 3, 2012 10:33 AM

Gents,

Two questions from Wes. Can we resolve them? Pls advise. Tx,
Rich

From: Phillips, Wesley

Sent: Wednesday, October 03, 2012 7:50 AM

To: Parker, Richard

Subject: OPOR LIBOR Memo Outline.docx

Rich: One qu

RE: OPOR LIBOR Memo Outline.docx

Item ID: 47995
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Parker, Richard, Lee, Timothy, Bloch, David
Cc: Phillips, Wesley
Subject: RE: OPOR LIBOR Memo Outline.docx
Sent: October 3, 2012 10:37 AM
Received: October 3, 2012 10:37 AM

I already spoke to Wes on this. [REDACTED] (b) (5)

[REDACTED]

[REDACTED]

RE: OPOR LIBOR Memo Outline.docx

Item ID: 47996
From: Phillips, Wesley </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=C1881BCB698C45B096269B8112F87787-WESLEY PHIL>
To: Lee, Timothy, Parker, Richard, Wu, Simon, Bloch, David
Subject: RE: OPOR LIBOR Memo Outline.docx
Sent: October 3, 2012 10:41 AM
Received: October 3, 2012 10:41 AM

(b) (5)

RE: OPOR LIBOR Memo Outline.docx

Item ID: 47997
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Phillips, Wesley, Lee, Timothy, Wu, Simon, Bloch, David
Subject: RE: OPOR LIBOR Memo Outline.docx
Sent: October 3, 2012 10:45 AM
Received: October 3, 2012 10:45 AM

Tim,

(b) (5)

. It took you only two sentences to set

RE: LIBOR memo

Item ID: 47998
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy
Subject: RE: LIBOR memo
Sent: October 3, 2012 11:08 AM
Received: October 3, 2012 11:08 AM

A footer is a splendid idea.

From: Wu, Simon

Sent: Wednesday, October 03, 2012 10:08 AM

To: Lee, Timothy; Bloch, David

Subject: RE: LIBOR memo

(b) (5)

. But it would be nice to qu

RE: OPOR LIBOR Memo Outline.docx

Item ID: 47999
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Phillips, Wesley, Lee, Timothy, Parker, Richard, Wu, Simon
Subject: RE: OPOR LIBOR Memo Outline.docx
Sent: October 3, 2012 11:10 AM
Received: October 3, 2012 11:10 AM

(b) (5) . I have seen some articles that claim that was the driver versus a monetary gain motivation.

From: Phillips, Wesley
Sent: Wednesday, October 03, 2012 10:42 AM
To: Lee, Timothy;

LIBOR SharePoint Folder

Item ID: 48000
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7C708AF923DC48348FF2D1AE45BECE6C-(b) (6)>
To: Wu, Simon, Lee, Timothy
Subject: LIBOR SharePoint Folder
Sent: October 3, 2012 12:56 PM
Received: October 3, 2012 12:56 PM

Here is the link to the site: https://sharepoint.fhfaoig.gov/policy_oversight/LIBOR.

(b) (6)
Program Analyst
Office of Inspector General
Federal Housing Finance Agency

(b) (6)

RE: LIBOR SharePoint Folder

Item ID: 48001
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: (b) (6), Lee, Timothy
Subject: RE: LIBOR SharePoint Folder
Sent: October 3, 2012 1:07 PM
Received: October 3, 2012 1:07 PM

ok thanks. I saved the spreadsheet and outline in respective folders. Thanks.

Simon Z. Wu, Ph.D.

Chief Economist

Office of Inspector General

Federal Housing Finance Agency

400 7th Street, SW

Washington, DC 20024

Voice: (202) 7

Here you go....

Item ID: 48005
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: (b) (6)
Cc: Lee, Timothy
Subject: Here you go....
Sent: October 3, 2012 2:45 PM
Received: October 3, 2012 2:45 PM

https://sharepoint.fhfaoig.gov/policy_oversight/LIBOR/07.%20Research%20and%20Analysis/Copy%20of%20LIBOR%20proposal_Lee%20and%20Wu.xlsx

I am out tomorrow, so check with Tim if you have problems. Right now we are thinking of going back to at least 2nd q

RE: LIBOR memo draft

Item ID: 48012
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Bloch, David
Cc: Parker, Richard, Phillips, Wesley
Subject: RE: LIBOR memo draft
Sent: October 3, 2012 6:29 PM
Received: October 3, 2012 6:29 PM

I am out tomorrow, so here are my initial comments. We can chat more on Friday.

Also, are we supposed to get an outline to Steve by Friday first?

From: Lee, Timothy

Sent: Wednesday, October 03, 2012 4:29 PM

To: Bloch, David; Wu, Simon

RE: Need an Auditor for about 3 hours

Item ID: 48011
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A21F8E9B6EB64F78B090650C8E94E399-(b) (6)>
To: Wu, Simon
Cc: Parker, Richard, Lee, Timothy, Wolfe, Heath, Rau, Russell
Subject: RE: Need an Auditor for about 3 hours
Sent: October 3, 2012 8:23 PM
Received: October 3, 2012 8:23 PM

Simon/Tim,

Please find the attached copy of the LIBOR spreadsheet with additional B/S data and the corresponding F/S pages. I've saved a copy of the original spreadsheet and made the changes in the copy version. Also, I've highlighted the data fr

untitled

Item ID: 48010
From: Timothy Lee <timoth31@gmail.com>
To: Lee, Timothy
Sent: October 4, 2012 5:03 AM
Received: October 4, 2012 5:03 AM

Footnote 5: LIBOR as primary benchmark <http://www.bbalibor.com/bbalibor-explained/faqs> Footnote 8: See, for example, <http://dealbook.nytimes.com/2012/08/15/state-regulators-widen-libor-investigation/> and <http://www.businessweek.com/news/2012-09-27/u-dot-s-dot-libor-probers-said-to-seek-london-trader-interviews>
-- ----- Timothy Lee 646-359-3710 timoth31@gmail.com

RE: LIBOR materials

Item ID: 48013
From: Emerzian, Peter </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=E5F50330FF35406F9FB12C708E959AEB-PETER EMERZ>
To: Lee, Timothy
Cc: Parker, Richard
Subject: RE: LIBOR materials
Sent: October 4, 2012 9:25 AM
Received: October 4, 2012 9:26 AM

Tim,

I have a con call at 9:30 but will swing by to get documents and finish our discussions, not sure if we finished discussing the civil case

Description: Peter Emerzian New Sig-DIG

From: Lee, Timothy

Sent: Thursday, October 04

RE: LIBOR memo draft

Item ID: 48014
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Wu, Simon, Lee, Timothy
Cc: Parker, Richard, Phillips, Wesley
Subject: RE: LIBOR memo draft
Sent: October 4, 2012 12:08 PM
Received: October 4, 2012 12:08 PM

With (b) (6) for a clean-up. Will have it back shortly.

From: Wu, Simon

Sent: Wednesday, October 03, 2012 6:30 PM

To: Lee, Timothy; Bloch, David

Cc: Parker, Richard; Phillips, Wesley

Subject: RE: LIBOR memo draft

I am out tomorrow,

RE: LIBOR memo draft

Item ID: 48015
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: RE: LIBOR memo draft
Sent: October 4, 2012 12:10 PM
Received: October 4, 2012 12:10 PM

I have some research items in the draft I worked on, as well as a comment or two as well as some edits, as you'll see.

From: Lee, Timothy

Sent: Thursday, October 04, 2012 12:09 PM

To: Bloch, David

Subject: RE: LIBOR memo draft

FYI I've

RE: LIBOR memo draft

Item ID: 48016
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: RE: LIBOR memo draft
Sent: October 4, 2012 12:18 PM
Received: October 4, 2012 12:18 PM

I will shoot over the cleaned up draft ASAP.

From: Lee, Timothy

Sent: Thursday, October 04, 2012 12:16 PM

To: Bloch, David

Subject: RE: LIBOR memo draft

New draft <https://sharepoint.fhfaioig.gov/policy_oversight/LIBOR/08.%20Draft%20Rep

RE: LIBOR memo draft

Item ID: 48017
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: RE: LIBOR memo draft
Sent: October 4, 2012 12:21 PM
Received: October 4, 2012 12:21 PM

Garbage is a big business: <http://www.sec.gov/news/headlines/wastemgmt6.htm>

From: Lee, Timothy

Sent: Thursday, October 04, 2012 12:20 PM

To: Bloch, David

Subject: RE: LIBOR memo draft

Isn't this just light-years better than the usual

LIBOR action mem 10 3 12 (DPB 2).docx

Item ID: 48018
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy, Wu, Simon, Parker, Richard
Subject: LIBOR action mem 10 3 12 (DPB 2).docx
Sent: October 4, 2012 1:03 PM
Received: October 4, 2012 1:03 PM

RE: LIBOR

Item ID: 48019
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: October 4, 2012 3:41 PM
Received: October 4, 2012 3:41 PM

Can we do first thing in the a.m. – I got in while dark and need to get going.

From: Lee, Timothy

Sent: Thursday, October 04, 2012 3:40 PM

To: Bloch, David

Subject: LIBOR

Hi David,

Have a few minutes to go over your comments an

RE: LIBOR

Item ID: 48020
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: RE: LIBOR
Sent: October 4, 2012 3:44 PM
Received: October 4, 2012 3:44 PM

Yes. Thanks.

From: Lee, Timothy

Sent: Thursday, October 04, 2012 3:44 PM

To: Bloch, David

Subject: RE: LIBOR

OK. Could I send you a document tonight for us to discuss first thing in the morning? I'd like to have a copy for Rich as
e

RE: LIBOR memo

Item ID: 48022
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Cc: Wu, Simon
Subject: RE: LIBOR memo
Sent: October 5, 2012 9:27 AM
Received: October 5, 2012 9:27 AM

I am ready to talk after your BoA call.

From: Lee, Timothy

Sent: Friday, October 05, 2012 9:27 AM

To: Bloch, David

Cc: Wu, Simon

Subject: LIBOR memo

I freshened up the table and last paragraph on page 6. See what you think.

[https:](https://)

RE: LIBOR memo

Item ID: 48023
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy
Subject: RE: LIBOR memo
Sent: October 5, 2012 9:33 AM
Received: October 5, 2012 9:33 AM

I was yesterday so i will read this morning.

Simon Wu

Chief Economist

Office of Inspector General

The Federal Housing Finance Agency

Sent from my Windows Phone

-----Original Message-----

From: Bloch, David

Sent: 10/5/2012 9:27 AM

To: Lee, Timothy

Cc: Wu, Simon

Subject: RE: LIBOR memo

RE: LIBOR memo

Item ID: 48024
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Bloch, David, Lee, Timothy
Subject: RE: LIBOR memo
Sent: October 5, 2012 9:56 AM
Received: October 5, 2012 9:56 AM

Looking good...

Simon Z. Wu, Ph.D.

Chief Economist

Office of Inspector General

Federal Housing Finance Agency

400 7th Street, SW

Washington, DC 20024

Voice: (b) (6)

Confidentiality Notice: The information contained in this e-mail and a

LIBOR action memorandum draft for Steve.docx

Item ID: 48029
From: Phillips, Wesley </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=C1881BCB698C45B096269B8112F87787-WESLEY PHIL>
To: Lee, Timothy
Cc: Parker, Richard, Wu, Simon
Subject: LIBOR action memorandum draft for Steve.docx
Sent: October 9, 2012 9:48 AM
Received: October 9, 2012 9:48 AM

Tim: Here are my comments as discussed. See pp. 4 and 5. Wes

RE: LIBOR action memorandum draft for Steve.docx

Item ID: 48030
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Phillips, Wesley, Bloch, David
Subject: RE: LIBOR action memorandum draft for Steve.docx
Sent: October 9, 2012 10:14 AM
Received: October 9, 2012 10:14 AM

For the 2nd bullet point below, we can also have both charts there: the rate movement and the spread chart. In that case, people can grasp where the spread chart comes from, but also see the huge jump in spread compared to the previous periods.

RE: LIBOR memo

Item ID: 48032
From: Phillips, Wesley </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=C1881BCB698C45B096269B8112F87787-WESLEY PHIL>
To: Lee, Timothy, Grob, George
Cc: Parker, Richard, Wu, Simon, Bloch, David
Subject: RE: LIBOR memo
Sent: October 9, 2012 11:26 AM
Received: October 9, 2012 11:26 AM

I think that works well. You might consider adding a fn at the top of p. 6 that our estimates are based on public data and that the Enterprises would have better data such as...that would be necessary for more refined estimates. And that would help build

RE: LIBOR memo

Item ID: 48033
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Phillips, Wesley, Lee, Timothy, Grob, George
Cc: Parker, Richard, Bloch, David
Subject: RE: LIBOR memo
Sent: October 9, 2012 11:32 AM
Received: October 9, 2012 11:32 AM

Let me revise the new chart one more time...

Simon Z. Wu, Ph.D.

Chief Economist

Office of Inspector General

Federal Housing Finance Agency

400 7th Street, SW

Washington, DC 20024

Voice: (b) (6)

Confidentiality Notic

RE: LIBOR memo

Item ID: 48034
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Phillips, Wesley, Lee, Timothy, Grob, George
Cc: Parker, Richard, Bloch, David
Subject: RE: LIBOR memo
Sent: October 9, 2012 11:37 AM
Received: October 9, 2012 11:37 AM

Done with Fig 2. make it easier to detect the "suppression" visually...

From: Wu, Simon

Sent: Tuesday, October 09, 2012 11:32 AM

To: Phillips, Wesley; Lee, Timothy; Grob, George

Cc: Parker, Richard; Bloch, David

Subject: RE: LIBOR memo

Bloomberg LIBOR article

Item ID: 48035
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=13914B6AB7B740A5803BB1627981D58A-(b) (6)>
To: Lee, Timothy
Subject: Bloomberg LIBOR article
Sent: October 9, 2012 11:54 AM
Received: October 9, 2012 11:54 AM

<http://www.bloomberg.com/news/2012-10-08/libor-now-set-by-six-banks-losing-status-as-a-benchmark.html>

(b) (6)
Federal Housing Finance Agency
Office of the Inspector General
(b) (6) 3 (direct) | (b) (6) (cell)
(b) (6)

RE: LIBOR memo

Item ID: 48036
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy, Phillips, Wesley, Grob, George
Cc: Parker, Richard, Wu, Simon
Subject: RE: LIBOR memo
Sent: October 9, 2012 12:19 PM
Received: October 9, 2012 12:19 PM

I think it's good as is.

From: Lee, Timothy

Sent: Tuesday, October 09, 2012 12:07 PM

To: Phillips, Wesley; Grob, George

Cc: Parker, Richard; Wu, Simon; Bloch, David

Subject: RE: LIBOR memo

I've added "publicly available" to the second

RE: LIBOR memo

Item ID: 48039
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Lee, Timothy, Parker, Richard
Cc: Wu, Simon, Bloch, David, Phillips, Wesley
Subject: RE: LIBOR memo
Sent: October 9, 2012 1:07 PM
Received: October 9, 2012 1:07 PM

Richard and Tim,

(b) (5)

However, I offer for your consideration a few comments on the last page. The comments go to que

RE: LIBOR memo

Item ID: 48041
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Lee, Timothy
Subject: RE: LIBOR memo
Sent: October 9, 2012 1:29 PM
Received: October 9, 2012 1:29 PM

I am here now.

From: Lee, Timothy

Sent: Tuesday, October 09, 2012 1:29 PM

To: Grob, George

Cc: Parker, Richard; Bloch, David

Subject: RE: LIBOR memo

Hi George,

Thanks for your comments. They make perfect sense, but all the sa

RE: Emailing: LIBOR action memo Oct 9 with gg comments.docx

Item ID: 48042
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David, Grob, George
Subject: RE: Emailing: LIBOR action memo Oct 9 with gg comments.docx
Sent: October 10, 2012 9:44 AM
Received: October 10, 2012 9:44 AM

Just a couple of comments.

From: Lee, Timothy
Sent: Tuesday, October 09, 2012 4:38 PM
To: Parker, Richard
Cc: Bloch, David; Grob, George; Wu, Simon
Subject: Emailing: LIBOR action memo Oct 9 wi

See my revised Figure 2 chart

Item ID: 48043
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David, Grob, George
Subject: See my revised Figure 2 chart
Sent: October 10, 2012 9:52 AM
Received: October 10, 2012 9:52 AM

https://sharepoint.fhfaoig.gov/policy_oversight/LIBOR/07.%20Research%20and%20Analysis/LIBOR%20proposal.xlsx

LIBOR Theory of Harm to GOvernmental Entities Explained.

Item ID: 48048
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve, Stephens, Michael, DiSanto, Emilia
Cc: Grob, George, Bloch, David, Lee, Timothy
Subject: LIBOR Theory of Harm to GOvernmental Entities Explained.
Sent: October 10, 2012 11:42 AM
Received: October 10, 2012 11:42 AM

The facts in this short article are, essentially, the background contained in our draft action memorandum.

<http://www.moneynews.com/FinanceNews/libor-loss-states-scandal/2012/10/09/id/459170>

– R

Richard Parker

Director, Policy, Oversight

RE: LIBOR memo

Item ID: 48054
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Bloch, David
Subject: RE: LIBOR memo
Sent: October 10, 2012 6:32 PM
Received: October 10, 2012 6:32 PM

Who are you calling a gentleman?
Sent from my Windows Phone

From: Lee, Timothy
Sent: 10/10/2012 5:01 PM
To: Parker, Richard; Bloch, David
Subject: LIBOR memo
Gentlemen,
Here is the definitive doc

RE: LIBOR memo

Item ID: 48053
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR memo
Sent: October 10, 2012 10:52 PM
Received: October 10, 2012 10:52 PM

Just messin' with ya', Skipper. It's good to sail with you.
Sent from my Windows Phone

From: Lee, Timothy
Sent: 10/10/2012 8:02 PM
To: Parker, Richard
Subject: RE: LIBOR memo
Um, didn't it say so right th

Back to you: LIBOR memo

Item ID: 48056
From: Rhinesmith, Alan </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=98D654FCD31F48F7887A69BF4CC5B12D-ALAN RHINES>
To: Lee, Timothy
Cc: Parker, Richard
Subject: Back to you: LIBOR memo
Sent: October 12, 2012 12:05 PM
Received: October 12, 2012 12:05 PM

Attached and in Sharepoint (

https://sharepoint.fhfaog.gov/policy_oversight/LIBOR/08.%20Draft%20Reports/LIBOR%20action%20memo%20Oct%2011_AR%20edits.docx and

https://sharepoint.fhfaog.gov/policy_oversight/LIBOR/08.%20Draft%20Reports/Appendix%20AR%20

RE: Back to you: LIBOR memo

Item ID: 48057
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Rhinesmith, Alan, Lee, Timothy
Subject: RE: Back to you: LIBOR memo
Sent: October 12, 2012 12:07 PM
Received: October 12, 2012 12:07 PM

Tim,
Will you psl ensure that the parallel footnoting system is in good shape before I review Alan's suggestions? I would appreciate that very much
Alan,
Many thanks for your good work. I appreciate it very much. Also, t

RE: Emailing: LIBOR proposal.xlsx

Item ID: 48058
From: (b) (6) >
To: Lee, Timothy
Subject: RE: Emailing: LIBOR proposal.xlsx
Sent: October 15, 2012 11:10 AM
Received: October 15, 2012 11:10 AM

Thanks.

-----Original Message-----

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Monday, October 15, 2012 9:50 AM

To: (b) (6)

Subject: Emailing: LIBOR proposal.xlsx

Hi Dan,

Per our conversation. The chart is under "C

LIBOR draft

Item ID: 48063
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: LIBOR draft
Sent: October 17, 2012 10:44 AM
Received: October 17, 2012 10:45 AM

Can you please send me the last version – I understand Alan also worked on it. Thanks.

David P. Bloch

Director – Division of Mortgage, Investments and Risk Analysis

Office of the Inspect

FW: LIBOR Draft Action Memo

Item ID: 48065
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Bloch, David
Cc: Grob, George
Subject: FW: LIBOR Draft Action Memo
Sent: October 17, 2012 2:05 PM
Received: October 17, 2012 2:05 PM

Tim and David,

See the message one under. Steve had (b) (6) and David read the memo for him. Their questions are noted. Steve wants them answered or accounted for before he will go forward. Can you look this over and meet with George and me on Friday

FW: LIBOR Draft Action Memo

Item ID: 48066
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Subject: FW: LIBOR Draft Action Memo
Sent: October 17, 2012 3:08 PM
Received: October 17, 2012 3:08 PM

Masterful.

From: Lee, Timothy

Sent: Wednesday, October 17, 2012 3:05 PM

To: Parker, Richard; Bloch, David

Cc: Grob, George; Hinkley, Robert

Subject: RE: LIBOR Draft Action Memo

Hi Rich,

I took a look at the comments. My respo

RE: LIBOR Draft Action Memo

Item ID: 48067
From: Rhinesmith, Alan </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=98D654FCD31F48F7887A69BF4CC5B12D-ALAN RHINES>
To: Lee, Timothy
Subject: RE: LIBOR Draft Action Memo
Sent: October 17, 2012 3:31 PM
Received: October 17, 2012 3:31 PM

Thanks for letting me know the state of play.

From: Lee, Timothy

Sent: Wednesday, October 17, 2012 3:16 PM

To: Rhinesmith, Alan

Subject: FW: LIBOR Draft Action Memo

Fyi

tim

From: Bloch, David

Sent: Wednesday, October 17,

RE: LIBOR Draft Action Memo

Item ID: 48069
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Lee, Timothy, Parker, Richard, Bloch, David
Cc: Hinkley, Robert
Subject: RE: LIBOR Draft Action Memo
Sent: October 17, 2012 4:21 PM
Received: October 17, 2012 4:21 PM

Thank you, Tim.

From: Lee, Timothy

Sent: Wednesday, October 17, 2012 3:05 PM

To: Parker, Richard; Bloch, David

Cc: Grob, George; Hinkley, Robert

Subject: RE: LIBOR Draft Action Memo

Hi Rich,

I took a look at the comments. My

RE: LIBOR: Talking points for tomorrow

Item ID: 48072
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: Grob, George, Bloch, David
Subject: RE: LIBOR: Talking points for tomorrow
Sent: October 18, 2012 1:22 PM
Received: October 18, 2012 1:22 PM

Tim,
Great work. Note that Steve is already on board. He just wants to know that (b) (6) comments have been addressed/resolved, and that (b) (6) understands the resolution and agrees. To that end it would be nice to have a chart (half page) that

RE: LIBOR memo comments

Item ID: 48073
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR memo comments
Sent: October 18, 2012 3:09 PM
Received: October 18, 2012 3:09 PM

You rock.

From: Lee, Timothy

Sent: Thursday, October 18, 2012 2:47 PM

To: (b) (6)

Cc: Parker, Richard

Subject: LIBOR memo comments

Hi (b) (6)

Old Salt asked me to put together a table listing out your comments and our re

RE: LIBOR memo comments

Item ID: 48074
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Cc: Parker, Richard
Subject: RE: LIBOR memo comments
Sent: October 18, 2012 3:48 PM
Received: October 18, 2012 3:48 PM

Tim,
I'm not sure your wife wouldn't get a divorce, but other than that I'm ok with your responses and the changes you made. Thanks.

(b) (6)

(b) (6)

Attorney Advisor
FHFA Office of Inspector General
400 7th Street, SW
W

RE: LIBOR memo comments

Item ID: 48079
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EE404EA9FA5044EF9BD01BDFEB014378-(b) (6)>
To: Lee, Timothy
Subject: RE: LIBOR memo comments
Sent: October 18, 2012 3:54 PM
Received: October 18, 2012 3:54 PM

Without a doubt. I think I said before you are to be congratulated for coming up with it. Well done. (b) (6)

From: Lee, Timothy

Sent: Thursday, October 18, 2012 3:49 PM

To: (b) (6)

Cc: Parker, Richard

Subject: RE: LIBOR memo comments

LIBOR Comments Table.docx

Item ID: 48078
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve
Cc: Lee, Timothy, (b) (6)
Subject: LIBOR Comments Table.docx
Sent: October 18, 2012 4:41 PM
Received: October 18, 2012 4:41 PM

Steve,

This is the matrix of (b) (6) comments and our resolution of them. (b) (6) has signed-off on this. I will get you the most recent iteration of the memo shortly.

Rich

Richard Parker

Director, Policy, Oversight & Review

FW: Libor

Item ID: 48077
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: Libor
Sent: October 18, 2012 4:42 PM
Received: October 18, 2012 4:42 PM

If I hunt it in SharePoint, will I find it?

From: Linick, Steve

Sent: Thursday, October 18, 2012 4:25 PM

To: Parker, Richard

Cc: (b) (6)

Subject: Libor

Rich, can I get the latest version of the Libor memo with (b) (6) additi

LIBOR Memo

Item ID: 48075
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve
Cc: Lee, Timothy
Subject: LIBOR Memo
Sent: October 18, 2012 4:54 PM
Received: October 18, 2012 4:54 PM

Steve,

Tim is cleaning this up tonight, and will have a clean version before the meeting tomorrow. In the interim, this is what we are working with.

Rich

https://sharepoint.fhfaoig.gov/policy_oversight/LIBOR/08.%20Draft%20Reports

Greetings and Meeting Request

Item ID: 48092
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=61E82B6EB7A942799B83386155B2AD80-(b) (6)>
To: (b) (6)
Cc: Lee, Timothy, Febles, Rene
Subject: Greetings and Meeting Request
Sent: October 24, 2012 11:00 AM
Received: October 24, 2012 11:00 AM

(b) (6),

Hope all is well with you and the rest of the team at FRB-OIG.

Here at FHFA-OIG in the wake of the LIBOR reports, our Senior Policy Analyst, Tim Lee has done some analysis to gauge the effect of any downward manipulation on Fannie

FW: LIBOR: the latest and greatest

Item ID: 48095
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: LIBOR: the latest and greatest
Sent: October 25, 2012 12:53 PM
Received: October 25, 2012 12:53 PM

Skipper,

I'm alright with this. I need your buy-in. Also – pls tell me what you did to index your work against the sources set forth in the end notes and links. Tx,

Rich

From: (b) (6)

Sent: Thursday, October 25

RE: LIBOR: the latest and greatest

Item ID: 48099
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David
Subject: RE: LIBOR: the latest and greatest
Sent: October 25, 2012 4:53 PM
Received: October 25, 2012 4:53 PM

Ok. See my comments and edits. Thanks and looks good.

Simon Z. Wu, Ph.D.

Chief Economist

Office of Inspector General

Federal Housing Finance Agency

400 7th Street, SW

Washington, DC 20024

Voice: (b) (6)

From: Le

Christy Romero . . .

Item ID: 48102
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: Christy Romero . . .
Sent: October 26, 2012 11:30 AM
Received: October 26, 2012 11:30 AM

. . . released a LIBOR/TARP report today. See WP at p.A.18. Sent from my Windows Phone

RE: LIBOR Excel sheet

Item ID: 48105
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: Bloch, David
Subject: RE: LIBOR Excel sheet
Sent: October 29, 2012 5:57 PM
Received: October 29, 2012 5:57 PM

David,
What say you, partner?
Rich
From: Lee, Timothy
Sent: Monday, October 29, 2012 4:46 PM
To: Parker, Richard
Cc: Bloch, David
Subject: LIBOR Excel sheet
Hi Old Salt,
With a little spare time on my hands to

FW: Libor

Item ID: 48108
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7C708AF923DC48348FF2D1AE45BECE6C-(b) (6)>
To: Lee, Timothy, Parker, Richard
Subject: FW: Libor
Sent: October 31, 2012 8:53 PM
Received: October 31, 2012 8:53 PM

Tim,
Could you provide Emilia with the latest draft of the Libor memo?
Thanks,

(b) (6)

Sent from my Windows Phone

From: Parker, Richard
Sent: 10/31/2012 6:41 PM
To: (b) (6)
Subject: RE: Libor
Isn't

RE: Libor

Item ID: 48109
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7C708AF923DC48348FF2D1AE45BECE6C-(b) (6)>
To: Lee, Timothy, Parker, Richard
Subject: RE: Libor
Sent: November 1, 2012 9:16 AM
Received: November 1, 2012 9:16 AM

I asked Em and she said to clean it up and send it along this morning.

From: Lee, Timothy

Sent: Thursday, November 01, 2012 9:09 AM

To: (b) (6); Parker, Richard

Subject: RE: Libor

The latest draft I have is my comments to the unifi

RE: LIBOR memo

Item ID: 48111
From: Emerzian, Peter </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=E5F50330FF35406F9FB12C708E959AEB-PETER EMERZ>
To: Lee, Timothy
Cc: (b) (6), Conlon, Paul, Febles, Rene
Subject: RE: LIBOR memo
Sent: November 1, 2012 10:33 AM
Received: November 1, 2012 10:33 AM

Thanks

Peter Emerzian New Sig-DIG

From: Lee, Timothy

Sent: Thursday, November 01, 2012 9:52 AM

To: Emerzian, Peter

Subject: FW: LIBOR memo

Hi Peter,

As requested. Emilia asked for it this morning. We sketched out our

RE: LIBOR memo

Item ID: 48112
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: Lee, Timothy
Cc: Stephens, Michael, Parker, Richard, DiSanto, Emilia
Subject: RE: LIBOR memo
Sent: November 1, 2012 10:34 AM
Received: November 1, 2012 10:34 AM

Please send word version. tx

From: Lee, Timothy

Sent: Thursday, November 01, 2012 10:25 AM

To: Linick, Steve

Cc: Stephens, Michael; Parker, Richard; DiSanto, Emilia

Subject: FW: LIBOR memo

Hi Steve,

To follow up on the request

RE: LIBOR memo

Item ID: 48113
From: Stephens, Michael </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=2DA0367840DE4F2C8C5AC168562AB556-MICHAEL STE>
To: Lee, Timothy, Linick, Steve
Cc: Parker, Richard, DiSanto, Emilia
Subject: RE: LIBOR memo
Sent: November 1, 2012 2:29 PM
Received: November 1, 2012 2:29 PM

Steve. Remember to include a requirement for Ed to respond in 14 days.

From: Lee, Timothy

Sent: Thursday, November 01, 2012 10:45 AM

To: Linick, Steve

Cc: Stephens, Michael; Parker, Richard; DiSanto, Emilia

Subject: RE: LIBOR memo

RE: E-mailing: LIBOR proposal.xlsx

Item ID: 48136
From: (b) (6)
To: Lee, Timothy
Subject: RE: E-mailing: LIBOR proposal.xlsx
Sent: November 9, 2012 2:55 PM
Received: November 9, 2012 2:56 PM

sure

-----Original Message-----

From: Lee, Timothy [mailto:Timothy.Lee@fhfaoig.gov]

Sent: Friday, November 09, 2012 2:51 PM

To: (b) (6)

Subject: RE: E-mailing: LIBOR proposal.xlsx

We should catch up on the phone. Can I call you on T

**FWDiSanto, Emilia (b) (6): Good article on
British Investigation into RBS and UBS on Libor Probe**

Item ID: 48138
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=5264B43C471049818D9AA04BB0882E1A-(b) (6)>
To: Lee, Timothy
Cc: Parker, Richard, DiSanto, Emilia
Subject: FWDiSanto, Emilia (b) (6) >: Good article on British Investigation into RBS and UBS on Libor Probe
Sent: November 9, 2012 5:23 PM
Received: November 9, 2012 5:23 PM

Hi Tim,

Thought you might have an interest in this article that (b) (6), (b) (7)(C) (OI) brought to my attention

Hope you have a lovely weekend,

(b) (6)

Federal Housing Finance Agency
Office of Inspector General

RE: FWDiSanto, Emilia (b) (6) v>: Good article on
British Investigation into RBS and UBS on Libor Probe

Item ID: 48141
From: (b) (6), (b) (7)(C) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8F32930FD2D14DC7954D6BCD9F382849-(b) (6), (b) (7)(C)>
To: Lee, Timothy
Subject: RE: FWDiSanto, Emilia (b) (6) v>: Good article on British Investigation into RBS and UBS on Libor Probe
Sent: November 10, 2012 10:37 AM
Received: November 10, 2012 10:38 AM

Funny.. The Full Giuliani....

From: Lee, Timothy

Sent: Friday, November 09, 2012 5:35 PM

To: (b) (6), (b) (7)(C)

Cc: Parker, Richard; DiSanto, Emilia

Subject: RE: FWDiSanto, Emilia (b) (6) v>: Good article on British Inve

RE:

Item ID: 48140
From: (b) (6)
To: Lee, Timothy
Subject: RE:
Sent: November 12, 2012 9:39 AM
Received: November 12, 2012 9:39 AM

Hi Tim,

You're not the first person from DC to ask me about Libor. Do you know (b) (6)? He's a senior policy advisor at the Treasury (in the Financial Stability Oversight Council). (b) (6) used to work with me at Lehman – very good guy

(b) (6)

Do you have a copy of the final Libor memo?

Item ID: 48149
From: Phillips, Wesley </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=C1881BCB698C45B096269B8112F87787-WESLEY PHIL>
To: Lee, Timothy
Subject: Do you have a copy of the final Libor memo?
Sent: November 14, 2012 9:55 AM
Received: November 14, 2012 9:55 AM

Thanks Wes

RE: Cleveland Fed LIBOR paper

Item ID: 48150
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Cc: DiSanto, Emilia
Subject: RE: Cleveland Fed LIBOR paper
Sent: November 14, 2012 10:31 AM
Received: November 14, 2012 10:31 AM

Exceptionally cogent analysis, Tim. Nice work

From: Lee, Timothy

Sent: Wednesday, November 14, 2012 10:04 AM

To: Linick, Steve

Cc: Parker, Richard

Subject: Cleveland Fed LIBOR paper

Hi Steve,

I took a look at the article <htt

Points and items for tomorrow

Item ID: 48155
From: Timothy Lee <timoth31@gmail.com>
To: Lee, Timothy
Subject: Points and items for tomorrow
Sent: November 14, 2012 9:22 PM
Received: November 14, 2012 9:22 PM

LIBOR memo:

(b) (4), (b) (5)

(b) (5)

FW: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48159
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Parker, Richard
Cc: Lee, Timothy, Bloch, David, Linick, Steve
Subject: FW: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 12:22 PM
Received: November 15, 2012 12:22 PM

Richard,

I do not see a Freddie Mac action plan here.

George

From: Williams, Diane [mailto:Diane.Williams@fhfa.gov]

Sent: Thursday, November 15, 2012 12:06 PM

To: Grob, George; Parker, Richard

Cc: Greenlee, Jon; Nichols, Nina

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48161
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Grob, George
Cc: Lee, Timothy, Linick, Steve, Parker, Richard
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 12:47 PM
Received: November 15, 2012 12:47 PM

Freddie's response to FHFA is in letter form. Fannie's response to FHFA is in a slide deck. (b) (4)

[REDACTED]

[REDACTED]

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48162
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Bloch, David, Grob, George
Cc: Lee, Timothy, Linick, Steve
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 2:03 PM
Received: November 15, 2012 2:04 PM

George,

I think David has this right. Freddie's plan is contained in the three page letter on Freddie letterhead. (b) (4), (b) (5)

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48163
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Parker, Richard, Bloch, David
Cc: Lee, Timothy, Linick, Steve
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 2:22 PM
Received: November 15, 2012 2:22 PM

Actually, I got the two mixed up. I meant to say that I did not see a Fannie plan of action here. The slides are more of a technical explanation. (b) (4). Freddie's plan seems more on track.

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48164
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Grob, George, Bloch, David
Cc: Lee, Timothy, Linick, Steve
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 2:25 PM
Received: November 15, 2012 2:25 PM

Agreed. Moreover, (b) (5), (b) (4)

From: Grob, George
Sent: Thursday, November 15, 2012 2:23 PM
To: Parker, Richard; Bloch, David
C

FW: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48165
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Lee, Timothy
Cc: Parker, Richard, DiSanto, Emilia
Subject: FW: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 3:07 PM
Received: November 15, 2012 3:07 PM

Take a read on this... let me know your thoughts...on a separate matter—really need you to look at the rez bill

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48166
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: DiSanto, Emilia, Lee, Timothy
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 3:14 PM
Received: November 15, 2012 3:14 PM

We read it. It's entirely responsive. Tim has sent me a memo that I forwarded to Steve and you. We're waiting for guidance at this point. I can't speak to the bill. Tim?

Sent from my Windows Phone

From: DiSan

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48167
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Linick, Steve
Cc: Parker, Richard, Lee, Timothy, Bloch, David
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 3:42 PM
Received: November 15, 2012 3:42 PM

Steve,

This is George with Richard by my side. Here are our thoughts.

(b) (5)

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48168
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: Grob, George
Cc: Parker, Richard, Lee, Timothy, Bloch, David, Stephens, Michael
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 3:45 PM
Received: November 15, 2012 3:45 PM

(b) (5)

From: Grob, George
Sent: Thursday, November 15, 2012 3:42 PM
To: Linick, Steve
Cc: Parker, Richard; Lee

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48169
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Linick, Steve
Cc: Lee, Timothy; Bloch, David; Stephens, Michael; Grob, George
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 3:50 PM
Received: November 15, 2012 3:50 PM

We're on it. -R

Sent from my Windows Phone

From: Linick, Steve
Sent: 11/15/2012 3:45 PM
To: Grob, George
Cc: Parker, Richard; Lee, Timothy; Bloch, David; Stephens, Michael
Subject: RE: FHFA-OIG Memorandum Rega

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48170
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Parker, Richard, Lee, Timothy
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 15, 2012 4:23 PM
Received: November 15, 2012 4:23 PM

I also sent all the material to bryan so he can include it in the next sar

From: Parker, Richard

Sent: Thursday, November 15, 2012 3:15 PM

To: DiSanto, Emilia; Lee, Timothy

Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Snapshot update

Item ID: 48173
From: (b) (6) </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=05BCF3C9DD0C4179B9E2003881C64117-(b) (6)>
To: Lee, Timothy, Wu, Simon
Cc: Anders, Jon
Subject: Snapshot update
Sent: November 19, 2012 8:30 AM
Received: November 19, 2012 8:30 AM

Good morning Tim and Simon,

Was the LIBOR Action memo published on Friday? If not, do you have an estimated date of publishing I can use on the snapshot? Thank you!

Snapshot in SharePoint <https://sharepoint.fhfaoig.gov/policy_oversight/>

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48179
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 19, 2012 9:19 AM
Received: November 19, 2012 9:19 AM

Thanks Tim. Dickstein must be running the class action suit

From: Lee, Timothy

Sent: Monday, November 19, 2012 9:09 AM

To: Wu, Simon

Subject: FW: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Hi Simon,

We got an answer back

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48180
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy
Cc: Parker, Richard
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 19, 2012 9:29 AM
Received: November 19, 2012 9:29 AM

That means Dickstein is just an outside counsel to both Enterprises on this matter. They are deciding, amongst themselves, whether to join the class run by the two firms below, or just to initiate a suit independently. Issues this big means many law fir

RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Item ID: 48181
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Wu, Simon
Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation
Sent: November 19, 2012 9:34 AM
Received: November 19, 2012 9:35 AM

Roger all

From: Lee, Timothy

Sent: Monday, November 19, 2012 9:31 AM

To: Wu, Simon

Cc: Parker, Richard

Subject: RE: FHFA-OIG Memorandum Regarding LIBOR Manipulation

Got it. Please keep us apprised of any HUMINT <<http://en.wikipedia>.

LIBOR Memo 11.28.12.docx

Item ID: 48203
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy
Cc: Grob, George, Parker, Richard
Subject: LIBOR Memo 11.28.12.docx
Sent: November 29, 2012 8:23 AM
Received: November 29, 2012 8:23 AM

Tim – I constructed the time line from internal memos, calendar entries, Agency communications as well as FRE & FNM documentation. Please double check for accuracy. We can have this ready for Steve to attach to the back of the larger record. Thanks. D

FW: LIBOR Memo 11.28.12.docx

Item ID: 48202
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: LIBOR Memo 11.28.12.docx
Sent: November 29, 2012 8:35 AM
Received: November 29, 2012 8:35 AM

Lets chat before you send this to David. Tx
Sent from my Windows Phone

From: Bloch, David
Sent: 11/29/2012 8:23 AM
To: Lee, Timothy
Cc: Grob, George; Parker, Richard
Subject: LIBOR Memo 11.28.12.docx
T

LIBOR Memo 11 28 12 TL Edits.docx

Item ID: 48208
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: LIBOR Memo 11 28 12 TL Edits.docx
Sent: November 29, 2012 11:56 AM
Received: November 29, 2012 11:57 AM

Looks good.

RE: LIBOR Memo 11 28 12 TL Edits.docx

Item ID: 48209
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: RE: LIBOR Memo 11 28 12 TL Edits.docx
Sent: November 29, 2012 2:07 PM
Received: November 29, 2012 2:33 PM

Rearrange the from line order of presentation if you want to. I shouldn't have taken such a hard line with it. On reflection, your reasoning on the matter was superior to mine. Other than that, fire the tube. -R
Sent from my Windows Phone

LIBOR Memo 11 29 12 (DPB PM).docx

Item ID: 48210
From: Bloch, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FAD4FAF3677F4CE297D7BFAAED3A13EF-DAVID BLOCH>
To: Lee, Timothy, Parker, Richard, Grob, George
Subject: LIBOR Memo 11 29 12 (DPB PM).docx
Sent: November 29, 2012 3:41 PM
Received: November 29, 2012 3:42 PM

With minor corrections. I believe this is what was envisioned by Steve & Em. Thanks. David

RE: LIBOR Memo 11 29 12 (DPB PM).docx

Item ID: 48211
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Bloch, David, Lee, Timothy, Grob, George
Subject: RE: LIBOR Memo 11 29 12 (DPB PM).docx
Sent: November 29, 2012 4:36 PM
Received: November 29, 2012 4:37 PM

Concur. Outstanding work. Out is goes. Tx to all. - R

From: Bloch, David

Sent: Thursday, November 29, 2012 3:42 PM

To: Lee, Timothy; Parker, Richard; Grob, George

Subject: LIBOR Memo 11 29 12 (DPB PM).docx

With minor corrections.

RE: LIBOR Memo 11 29 12 (DPB PM).docx

Item ID: 48212
From: Grob, George </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=0FF8932C3D3B45E5BA63BA69F8C08F80-GEORGE GROB>
To: Bloch, David, Lee, Timothy, Parker, Richard
Subject: RE: LIBOR Memo 11 29 12 (DPB PM).docx
Sent: November 29, 2012 6:28 PM
Received: November 29, 2012 6:28 PM

Thanks to all—it's now in

Steve's hands

From: Bloch, David

Sent: Thursday, November 29, 2012 3:42 PM

To: Lee, Timothy; Parker, Richard; Grob, George

Subject: LIBOR Memo 11 29 12 (DPB PM).docx

With minor corrections. I believe this

RE: LIBOR memo

Item ID: 48220
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, Belisle, Kristine
Cc: Wilkerson, Tewana
Subject: RE: LIBOR memo
Sent: December 3, 2012 11:21 AM
Received: December 3, 2012 11:21 AM

I don't think this has been cleared for publication. (b) (5). At least that was the word earlier this morning . . .

From: Lee, Timothy
Sent: Monday, December 03, 2012 11:17 AM
To: Belisle, Kristine
Cc: Wilk

RE: LIBOR memo

Item ID: 48221
From: Belisle, Kristine </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D4528896AFDD4B40AB6583ADF32D51C6-KRISTINE BE>
To: Parker, Richard, Lee, Timothy
Cc: Wilkerson, Tewana
Subject: RE: LIBOR memo
Sent: December 3, 2012 11:22 AM
Received: December 3, 2012 11:22 AM

Don't worry – no one is publishing until given the green light from Steve.

From: Parker, Richard

Sent: Monday, December 03, 2012 11:22 AM

To: Lee, Timothy; Belisle, Kristine

Cc: Wilkerson, Tewana

Subject: RE: LIBOR memo

I don't think

LIBOR

Item ID: 48237
From: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>
To: Parker, Richard, Bloch, David, Lee, Timothy
Cc: Stephens, Michael
Subject: LIBOR
Sent: December 6, 2012 3:29 PM
Received: December 6, 2012 3:29 PM

Folks, [REDACTED] (b) (5)

[REDACTED] Can you advise me who you gave you clearance. tx

LIBOR ASAP

Item ID: 48236
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: LIBOR ASAP
Sent: December 6, 2012 3:49 PM
Received: December 6, 2012 3:49 PM

I thought he was alright with us publishing this? Give me contact info and I will see it thru if not. Pls advise ASAP

From: Lee, Timothy

Sent: Thursday, December 06, 2012 3:31 PM

To: Parker, Richard

Subject: FW: LIBOR

I was out of th

LIBOR

Item ID: 48235
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: (b) (6)
Cc: Lee, Timothy, Bloch, David
Subject: LIBOR
Sent: December 6, 2012 4:23 PM
Received: December 6, 2012 4:23 PM

(b) (6)

Enclosed, please find the memorandum that you have been speaking about with Tim for the last few months.

(b) (5)

or other w

RE: LIBOR

Item ID: 48234
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: (b) (6)
Cc: Lee, Timothy, Bloch, David
Subject: RE: LIBOR
Sent: December 6, 2012 4:51 PM
Received: December 6, 2012 4:51 PM

(b) (6)

(b) (5)

Thanks for taking the time to speak with me about this.

Rich

Richard Park

RE: Revised LIBOR Memo

Item ID: 48259
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David
Subject: RE: Revised LIBOR Memo
Sent: December 12, 2012 10:35 AM
Received: December 12, 2012 10:35 AM

Thanks I will take a look...

From: Lee, Timothy

Sent: Wednesday, December 12, 2012 9:04 AM

To: Parker, Richard

Cc: Wu, Simon; Bloch, David

Subject: Revised LIBOR Memo

Hi Old Salt,

Attached please find the revisions you requ

RE: Revised LIBOR Memo

Item ID: 48260
From: Wu, Simon </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=144FE221A23346A2820093EDB75D9EC8-SIMON WU>
To: Lee, Timothy, Parker, Richard
Cc: Bloch, David
Subject: RE: Revised LIBOR Memo
Sent: December 12, 2012 11:14 AM
Received: December 12, 2012 11:14 AM

See edits by Rich and Simon...very minor. All looks good.

From: Lee, Timothy

Sent: Wednesday, December 12, 2012 9:04 AM

To: Parker, Richard

Cc: Wu, Simon; Bloch, David

Subject: Revised LIBOR Memo

Hi Old Salt,

Attached please fi

FW: LIBOR

Item ID: 48272
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: LIBOR
Sent: December 14, 2012 5:32 PM
Received: December 14, 2012 5:32 PM

Skipper,

Pls be prepared to deliver rounds on target by mid-afternoon on Monday. I'm counting on you.

COL Parker

From: DiSanto, Emilia

Sent: Friday, December 14, 2012 5:17 PM

To: Wilkerson, Tewana; Parker, Richard; Linick

see me please on libor..thanks

Item ID: 48274
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Lee, Timothy
Subject: see me please on libor..thanks
Sent: December 17, 2012 9:19 AM
Received: December 17, 2012 9:19 AM

RE: see me please on libor..thanks

Item ID: 48275
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Lee, Timothy
Subject: RE: see me please on libor..thanks
Sent: December 17, 2012 9:45 AM
Received: December 17, 2012 9:45 AM

Come on over

From: Lee, Timothy

Sent: Monday, December 17, 2012 9:43 AM

To: DiSanto, Emilia

Subject: RE: see me please on libor..thanks

Back in my office but see your door is closed; let me know when you are free

From: DiSanto,

RE: LIBOR draft letter to Grassley/Kirk

Item ID: 48276
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy, DiSanto, Emilia
Subject: RE: LIBOR draft letter to Grassley/Kirk
Sent: December 17, 2012 12:33 PM
Received: December 17, 2012 12:35 PM

Nice work Tim. Well and confidently said. If the boss needs/wants more, e.g., a chronology of our involvement in the Agency's response, we stand ready to help-out. Thanks for the good work. -R
Sent from my Windows Phone

RE: News

Item ID: 48282
From: [REDACTED] (b) (6) >
To: Lee, Timothy
Subject: RE: News
Sent: December 18, 2012 8:17 AM
Received: December 18, 2012 8:17 AM

Tim,

[REDACTED] (b) (5)

From: Lee, Timothy [mailto:Timot

FW: can one of you please provide me with a copy of the responses that we got from FHFA on LIBOR....this is HIGH priority please

Item ID: 48290
From: Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35B52473FD4B4574ADD82079A96054BE-RICHARD PAR>
To: Lee, Timothy
Subject: FW: can one of you please provide me with a copy of the responses that we got from FHFA on LIBOR....this is HIGH priority please
Sent: December 18, 2012 3:09 PM
Received: December 18, 2012 3:09 PM

Most urgent. Pls forward

From: DiSanto, Emilia

Sent: Tuesday, December 18, 2012 3:08 PM

To: Parker, Richard; Grob, George

Cc: DiSanto, Emilia

Subject: can one of you please provide me with a copy of the responses that we got from FHF

FW: FYI, Updated WSJ - with more detail: Report Says Libor-Tied Losses at Fannie, Freddie May Top \$3 Billion

Item ID: 48292
From: DiSanto, Emilia </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=D94639648C304C1D8447667DA03493CB-EMILIA DISA>
To: Parker, Richard, Lee, Timothy, Wu, Simon, Rhinesmith, Alan, Phillips, Wesley
Subject: FW: FYI, Updated WSJ - with more detail: Report Says Libor-Tied Losses at Fannie, Freddie May Top \$3 Billion
Sent: December 19, 2012 3:57 PM
Received: December 19, 2012 3:57 PM

fyi

From: Seide, David

Sent: Wednesday, December 19, 2012 3:53 PM

To: Linick, Steve; Linick, Steve; DiSanto, Emilia

Cc: (b) (6) Seide, David

Subject: FYI, Updated WSJ - with more detail: Report Says Libor-Tied Losses at Fannie, Fredd

Hearing Q&As: Executive Comp and LIBOR

Item ID: 47594
Received: December 28, 2012 4:39 PM
Type: Calendar Entry

RE: Libor

Item ID: 47901
To: Linick, Steve </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28C2CF7B529749F09F7CEFF9F71A1CD9-STEVE LINIC>, Parker, Richard </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=35b52473fd4b4574add82079a96054be-Richard Par>
Cc: Seide, David </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Cfa4f6b9e6d0471b9611c0ed682b53eb-David Seide>
Subject: RE: Libor
Received: September 14, 2012 3:41 PM

Hi Steve, (b) (5)

(b) (5)

. The attached Excel sheet lays out my analysis. (b) (5)

From: Linick, Steve Sent: Friday, September 14, 2012 3:34 PM To: Lee, Timothy; Parker, Richard Cc: Seide, David Subject: Libor Tim Thanks for drafting the memo on Libor to DeMarco. (b) (5) (b) (5)

Attachment #1

LIBOR proposal.xlsx

Original view

4 pages (displayed on pages 3 to 6)

Cash Flow Shortfall from LIBOR Suppression

Enterprises Variable Rate Mortgage Assets and Interest Rate Swaps

dollars in millions

Swap Notice	31-Dec-08	31-Mar-09	30-Jun-09	30-Sep-09	31-Dec-09	31-Mar-10	30-Jun-10
Fannie Mae							
Pay Fixed Swaps	546,916	620,850	650,447	435,693	382,600	315,857	317,259
Less: Received	451,081	549,823	571,802	340,384	275,417	229,293	234,901
Plus: Basis Swaps	24,560	19,815	22,200	11,000	3,225	3,220	3,020
Net Received	120,395	90,842	100,845	106,309	110,408	89,784	85,378
Freddie Mac							
Less: Received	266,685	336,207	284,244	320,458	271,403	255,940	349,545
Plus: Pay Fixed Swaps	404,359	342,747	401,904	414,776	382,259	382,145	386,194
Plus: Basis Swaps		82,090	51,065	51,615	52,045	54,070	53,910
Net Received	137,674	88,630	168,725	145,933	162,901	180,275	90,559
Enterprises							
Net Received	258,069	179,472	269,570	252,242	273,309	270,059	175,937
Mortgage Related Securities on Balance Sheet							
Fannie Mae							
Capital Markets	362,703	353,172	369,546	368,389	491,566	434,532	391,615
Estimated Loss	37%	33%	34%	34%	40%	52%	52%
Estimated Loss	132,796	116,457	124,378	125,616	194,803	224,780	204,120
Freddie Mac							
Fixed Rate	510,116	581,180	550,539	516,778	372,160	159,278	148,851
Variable Rate	294,646	285,924	279,298	267,393	244,296	170,690	162,049
Variable Rate	37%	33%	34%	34%	40%	52%	52%
Enterprises							
Estimated Loss	427,442	402,381	403,676	393,009	439,099	395,470	366,169
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
LIBOR Assets Cash Flow Shortfall - Quarterly Totals							
0.10%	171.4	145.5	168.3	161.3	178.1	166.4	135.5
0.20%	342.8	290.9	336.6	322.6	356.2	332.8	271.1
0.30%	514.1	436.4	504.9	483.9	534.3	499.1	406.6
0.40%	685.5	581.9	673.2	645.3	712.4	665.5	542.1
Swap Cash Flow Shortfall - Cumulative							
0.10%	171.4	316.8	485.2	646.5	824.6	990.9	1,126.5
0.20%	342.8	633.7	970.3	1,292.9	1,649.1	1,981.9	2,253.0

0.30%	514.1	950.5	1,455.5	1,939.4	2,473.7	2,972.8	3,379.4
0.40%	685.5	1,267.4	1,940.6	2,585.9	3,298.3	3,963.8	4,505.9

30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	31-Dec-11	31-Mar-12	30-Jun-12
296,877	277,227	270,250	205,084	193,882	186,757	206,307	229,227
233,613	224,177	214,777	161,151	179,808	229,695	250,322	265,593
2,485	485	1,565	2,552	6,997	9,622	18,673	20,922
65,749	53,535	57,038	46,485	21,071	(33,316)	(25,342)	(15,444)
316,574	324,590	249,793	215,758	220,668	211,808	248,453	260,428
363,668	394,294	330,015	321,870	293,683	289,335	296,573	292,660
2,775	2,375	3,375	3,275	2,275	2,750	2,400	2,350
49,869	72,079	83,597	109,387	75,290	80,277	50,520	34,582
115,618	125,614	140,635	155,872	96,361	46,961	25,178	19,138
373,018	361,697	335,762	326,384	318,353	310,143	296,886	285,982
53%	53%	52%	52%	52%	53%	54%	55%
196,789	190,011	174,970	169,673	166,610	165,685	160,482	158,349
139,603	137,033	136,725	133,048	128,918	121,676	114,306	106,577
155,890	151,660	148,780	144,053	141,548	139,556	134,484	132,225
53%	53%	52%	52%	52%	53%	54%	55%
352,679	341,671	323,750	313,726	308,158	305,241	294,966	290,574
TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
117.1	116.8	116.1	117.4	101.1	88.1	80.0	77.4
234.1	233.6	232.2	234.8	202.3	176.1	160.1	154.9
351.2	350.5	348.3	352.2	303.4	264.2	240.1	232.3
468.3	467.3	464.4	469.6	404.5	352.2	320.1	309.7
1,243.6	1,360.4	1,476.5	1,593.9	1,695.0	1,783.0	1,863.1	1,940.5
2,487.1	2,720.7	2,952.9	3,187.7	3,390.0	3,566.1	3,726.2	3,881.0

3,730.7	4,081.1	4,429.4	4,781.6	5,085.0	5,349.1	5,589.3	5,821.5
4,974.2	5,441.5	5,905.9	6,375.5	6,780.0	7,132.2	7,452.3	7,762.0