



January 24, 2007

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BY HAND DELIVERY

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Re: *In re Raines et al.*, Notice No. 2006-1

Dear Mr. Pollard:

On behalf of my client Leanne G. Spencer, I write to follow up on my January 12, 2007 letter to Director Lockhart asking him to recuse himself from the adjudication of *In re Raines et al.*, Notice No. 2006-1. Neither Director Lockhart nor OFHEO has responded to that letter. Moreover, you have apparently told the press that Director Lockhart has decided not to recuse himself. *See Ex-Fannie Mae Officers Sued; Trio Allegedly Inflated Profit to Boost Bonus*, Bloomberg News (Dec. 19, 2006) (“Lockhart doesn’t intend to recuse himself from the matter, Pollard said.”). Finally, in your January 9, 2007 letter to Kevin M. Downey, counsel for respondent Franklin D. Raines, you effectively denied Mr. Raines’s request for Director Lockhart’s recusal.

In light of the Director’s appointment of a presiding officer without responding to my letter, and in light of your statements to the press and to Mr. Downey, we believe that further efforts to obtain Director Lockhart’s voluntary recusal are futile. Nevertheless, pursuant to 5 U.S.C. § 556(b), we are submitting the attached affidavit and accompanying exhibits. Because any involvement of the Director—including the appointment of the presiding officer—will irrevocably taint this proceeding, we intend to petition the United States Court of Appeals for the District of Columbia for a writ of mandamus disqualifying Director Lockhart if the Director’s recusal is not tendered by January 29, 2007.

Very truly yours,

David S. Krakoff

Enclosure

Mayer, Brown, Rowe & Maw LLP

Mr. Alfred M. Pollard, Esq.

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cc: Kevin M. Downey
Counsel for Franklin D. Raines
Steven M. Salky
Counsel for J. Timothy Howard