

July 9, 2009

XXXXXX Xxx (company)
Attn: XXXX XXXXXXXX CEO (company CEO)
XXXX XXXXXXXX XXXXXX, X.X. (mailing address)
WASHINGTON, DC XXXXX-XXXX

Dear Sir:

I was terminated from XXXXXX Xxx (company) in June 2009. The National Underwriting Center (NUC) Inventory Control Manager, XXXXX XXXXX stated I made conscious decisions not to do certain assignments; and communication issues. As a stockholder and contractor/employee for over six years I feel obligated to inform you of the irresponsible and unethical behavior of XXXXX XXXXX (manager); XXXX XXXXXX, his director and former colleague from XXXXXXXX XXXX XXXX XXXXX (bankrupt lender); and XXXXX XXXXXXXX of Dallas HR. Though Ethics and Compliance investigated this matter for two days in Dallas with overwhelming documentation I presented concerning harassment, retaliation, and XXXXXX Xxx (company) written policy violations, I now know the investigation was predetermined and coordinated to entrap me in the event of potential litigation against XXXXXX Xxx (company).

Because I did not trust the integrity or character of my new manager, XXXXX XXXXX, or XXXX XXXXXXX (director), and eventually XXXXX XXXXXXXX (HR), I chose to record all interactions with Management, HR, and Ethics following Mr. XXXXX's (manager) provocative accusations on December 5, 2008. The audio located at www.newfanniema.com is one of twelve recordings I made in the presence of XXXXX XXXXX (manager), XXXXX XXXXXXXX (HR), both of his level 4 managers, XXXX XXXXXXX (director), or Ethics.

Texas is a "Willful Employment" state. It is also a "One-Party Consent" state regarding audio recordings. While listening to the audio it becomes very apparent my concerns are the observance of XXXXXXX Xxx (company) payment policies, the reputation of our company, and producing tangible results, but in polarizing opposition, XXXXX (manager) obsesses about the delivery method in which I relay data totals to him, and spreadsheet formats. It also becomes apparent in the audio that all miscommunications between XXXXX (manager) and I are caused by him excluding me from the information loop or failing to respond to my emails.

An interesting assessment can also be made several times in this audio and subsequent audios. Each time XXXXX XXXXXXXX (HR) apprehensively interprets XXXXX's (manager) messages or the new direction of XXXXXXX Xxx (company) she struggles to choose her wording very cautiously by clearing her throat. In poker terms this is called a "tale" that indicates a less than truthful declaration.

In addition to my numerous responsibilities as a Senior Underwriting Tech I began processing appraisal invoices for the NUC Appraisal Department in June 2005 until training a permanent replacement in March 2009. Beginning in September 2008 with the hiring of Xxxxx Xxxxx (manager) as the new NUC Inventory Control Manager, I was pressured then harassed to quickly convert from the old appraisal accounting system to CMS, the new appraisal accounting system which would “eventually” expedite a greater volume of payments with automation.

Following the conservatorship of Xxxxxx Xxx (company) by the government in September 2008 and the immediate and enduring assault by all forms of national media, many of our external appraisal vendors feared they would not receive payments for field reviews and MLS data which they supplied to our internal appraisers. I received numerous phone calls voicing their fears for payment and also possess hundreds of email records to substantiate their fears during this highly volatile time and the months to follow. Two of our appraisal vendors also refused to supply completed reviews until their accounts were paid in full.

Disregarding my pleas to make the transition into CMS as smoothly as possible and constant attempts to explain to Xxxxx Xxxxx (manager) the consequences of prematurely migrating into the new system, i.e., system glitches, training dozens of new personnel, unpaid invoices, duplicate payments, incorrect fees, payments charged to incorrect cost centers, payments to incorrect vendors, and the hardships it would cause to lateral departments such as our internal appraisers and the accounting department, Xxxxx Xxxxx (manager) accused me of milking the invoice process on December 5, 2008. Any or all of the consequences listed above could delay payments to vendors thus causing more apprehension and fear outside the company regarding Xxxxxx Xxx's (company) reputation and ability to stabilize the mortgage crisis.

Though Xxxxx Xxxxx (manager) began his efforts to retaliate and slander me in the weeks prior to December 5th regarding my work ethic, knowledge of the department, and behavior with some “women” co-workers, the ethics investigation did not corroborate his derogatory allegations. To the contrary, the ethics investigation revealed Xxxxx Xxxxx (manager) and Xxx Xxxxxx (director) sought to coerce my co-workers into making false allegations about my work ethic, knowledge of the department, and behavior with women.

As evidence of my dedication and diligence during the transition into CMS I canceled my scheduled vacation on December 1 – 5, 2008 because this was the most vulnerable period following the November 22, 2008 implementation date into the new accounting system. Another verifiable fact regarding my work ethic with Xxxxxx Xxx (company) prior to Xxxxx Xxxxx's (manager) harassment and retaliation is the total number of sick days I logged onto my time cards in five and a half years: 2 days and 2 hours.

I am not the only person who experienced Xxxxx Xxxxx's (manager) unprecedented hostility, derogatory accusations, or wrath. I know others also question the redirection of Xxxxx Xxxxx (manager) and Xxx Xxxxxx (director); and Xxxxx Xxxxxxxx's (HR) inability to represent anyone other than management. A quote from an anonymous

Xxxxxx Xxx (company) source warned, “Regardless of Xxxxx Xxxxx's (manager) behavior and the outcome of the ethics investigation, he is protected and not going anywhere.”

The same type of irresponsible or unethical management that bankrupted many lenders and created the current worldwide mortgage and credit meltdown has now infiltrated Xxxxxx Xxx (company) and harasses or terminates anyone who questions their “redirection” away from Xxxxxx Xxx (company) written policies; and Xxxx Xxxxxxx's (CEO of the Conservatorship) priority to protect the reputation of Xxxxxx Xxx (company). I recall watching a news interview with a former employee of one of the nation's now bankrupt lenders who was aware of the unethical behavior of his management. The reporter asked why he didn't speak out and he answered, he would've been fired. Looking back, he wished he would've spoken out. If I would not have spoken out I would still be employed by Xxxxxx Xxx (company) but the fearful, desperate or belligerent appraisal vendors could have easily fueled additional media scrutiny regarding our financial status and ability to stabilize the mortgage crisis.

Note on the audio located at www.newfanniema.com how many times Xxxxx Xxxxx (manager) says I need to seek employment outside Xxxxxx Xxx (company). This was done in the presence of Xxxxx Xxxxxxx (HR) yet in the February 20, 2009 audio she vehemently denies that Xxxxx Xxxxx (manager) ever made those statements in her presence. Also in this same meeting Xxxx Xxxxxx (director) snaps, “Who painted a big red S on your chest?” Her statement references my adherence to the Xxxxxx Xxx (company) Prompt Payment Policy to Vendors which states timely processing of invoices ensures that Xxxxxx Xxx (company) receives “prompt payment” discounts from vendors resulting in long-term cost savings. Xxxx Xxxxxx (director) also stated if Xxxxx Xxxxx (manager) is in violation of this policy to vendors then he'll be accountable to internal audit. Her statement also references approximately 50 errors on the December 2008 CMS payment report that Xxxxx Xxxxx (manager) commanded me to push to accounting without performing QC on the new appraisers and new support technicians. From June 2005 until Xxxxx Xxxxx's (manager) irresponsible intervention into the appraisal invoicing process, I averaged maybe two to three payment errors per year out of thousands of payment submissions.

On March 4, 2009 I received my 2008 performance review by Xxxxx Xxxxx (manager) giving me minus ratings in every category and an SI Written Warning which prevents employees from seeking job opportunities in other Xxxxxx Xxx (company) departments. If the statements he made on my review and written warnings were done under oath he would also be guilty of perjury. This is the first negative review I received since joining Xxxxxx Xxx (company). The following quotes are examples from my prior performance reviews:

- Rick is focused on getting his work completed including meeting standard Service Level Agreements (SLA) while managing the appraiser invoice process. Rick is also mature in identifying when he needs assistance or help prioritizing tasks
- **Rick is always working on ideas for improving efficiencies and**

cost-cutting

- **Rick significantly contributed to streamlining the appraisal invoice process and it is currently as efficient as it can be without complete automation (i.e. development dollars)**
- **Rick did an excellent job in supporting NPDC and the SEAM activities through his passion for video** (*References to video involve over a dozen projects I produced for different XXXXXX Xxx (company) departments and former CEO, Xxx Xxx to present to the Board of Directors. Cost to the company was pennies on the dollar compared to hiring an outside production company; and my turnaround time could not have been matched by outside productions*)
- **Rick approaches each day with a positive attitude and works hard to get the job done.** He contributes to the Operations Team, to NUC and to the Single Family Organization. **Despite setbacks or work challenges, he continues to work hard each day to make a difference**
- Did a solid job with his approach to leaning new assignments. **Very willing to assist team with technology**

Also note on the audio located at www.newfanniema.com regarding the performance issues that are discussed, XXXXX XXXXX (manager) states numerous times that if I chose to address them then we'll be able to move forward. These issues were resolved yet on January 23, 2009 XXXXX XXXXX (manager) removed me from all key positions and demoted me to file prep. This is an intern level position performed by contractors in an excessively loud environment sitting next to high speed imaging machines.

Ethics asked if I was the only full time employee assigned to this task and I answered yes, and supported my answer with XXXXX XXXXX's (manager) written documentation emailed to the entire department. This anticipated demotion and the audio for the February 10, 2009 HR meeting with XXXXX XXXXX (manager) and XXXXX XXXXXXXX (HR) clearly indicates that XXXXX XXXXX (manager) never had any intentions to move forward but only to remove me from XXXXXX Xxx (company).

The following transcript is his nervous, stammering and obviously rehearsed explanation to removing me from key positions and demoting me to file prep:

Ah, hey, let me have you do the prepping job, ah, it's where, you know, ah, it's a task, that, you'll have the opportunity to show, hey, here's what I can do, here's what I can produce, and start to restore that confidence in me that you can achieve those level 3 expectations.

The following excerpt is probably the most absurd and self incriminating statement XXXXX XXXXX (manager) made on my 2008 Performance Review:

I have not observed him providing proper service to internal or external customers. For the most part, he is courteous to customers outside of his own group, however, he does not always complete his service to them as evidenced by the past due invoices from XXXXXXXX, XXXXXXXX and XXXXXXXX that predate our move to a paperless environment in November....He has not been successful at that and as such has failed to be accountable for his own actions.

These referenced invoices did not reach my desk or email until December 3, 2008 but they are repeatedly discussed in the audio located at www.newfanniema.com After listening to this audio no doubt should remain in the mind of any rational person who should be accountable for these and all late invoices following XXXXX XXXXX's (manager) intervention into the appraisal payment process. His repeated recommendation is to push them back to the vendors, who only want their money for services already performed, or push them to accounting and let them do the research. Many of these invoices went unpaid for four months from the date I received them. I have a spread sheet listing the seriously delinquent payments that can only be attributed to XXXXX XXXXX (manager). Also note in the audio how many times XXXXX XXXXX (manager) commends my abilities in other areas but all of his written "observations" in my performance review are in dismal opposition. Everyone knows this term is a legal loophole to avoid accountability.

Another attack XXXXX XXXXX (manager) made on December 5th is also referenced on the audio. It involves emailing from a co-worker's computer. XXXXX XXXXX (manager) is the person who began this prank to draw attention to anyone who left their computer unlocked for any amount of time. Though many of us in the department followed XXXXX XXXXX's (manager) lead and are guilty of this prank, he only singled out me and completely disregarded his own guilt. This also concerned the Ethics Investigator.

In almost every subsequent meeting following XXXXX XXXXX's (manager) allegation that I make some "women" uncomfortable, XXXXX XXXXXXXX (HR) attempts to redefine his meaning. Listen carefully to XXXXX XXXXX's (manager) response 23 minutes and 14 seconds into the audio when XXXXX XXXXXXXX (HR) attempts to explain what XXXXX XXXXX (manager) really meant by the accusation and asks him, isn't that the big picture. XXXXX XXXXX's (manager) response and tone to XXXXX XXXXXXXX's (HR) interpretation clearly indicates her explanation was not the intended message. This recurring theme is readdressed in subsequent audios with XXXXX XXXXXXXX (HR), XXXX XXXXXXXX (director), and Ethics. In the February 20, 2009 audio with XXXX XXXXXXXX (director) and XXXXX XXXXXXXX (HR), XXXX XXXXXXXX's (director) interpretation of XXXXX XXXXX's (manager) "uncomfortable" accusation was almost as offensive as XXXXX XXXXX's (manager) original accusation.

If I would have failed to maintain the XXXXXXX XXX (company) Prompt Payment Policy to Vendors then XXXXX XXXXX (manager) would have cited that policy violation on my termination documents rather than the existing termination documents that state I made conscious decisions not to do certain assignments; and communication issues. The written warning I received on March 4, 2009 intentionally placed me in a Catch 22 situation which I specifically address in the June 18, 2009 audio with Ethics. For

instance, item 2 says “I must independently” assume responsibility and accountability for my results and actions but item 3 counters this instruction and states “I must seek” clarification of what is being asked by others, prior to answering the question, so that I can be concise in providing necessary information. Regarding item 4 and socializing within the workplace, Ethics can supply my responses and documentation on this topic, or I can supply the audio, documentation, and x-rays of the 37 titanium bolts, screws, and plates in both of my femurs, right knee and left hip, which is one of many reasons, I have been “frequently witnessed outside of my cubicle.”

Despite not meeting Xxxxx Xxxxx’s (manager) Level 3 expectations in any category on my 2008 Performance Review, Xxxxxx Xxx (company) offered me a very generous severance package in exchange for confidentiality and to waive all rights to litigation, which may also include testimony in other cases that arise.

This letter acts as my response to the Xxxxxx Xxx (company) severance offer due on July 9, 2009. To remain silent would only endorse the irresponsible and vindictive behavior of Xxxxx Xxxxx (manager) and Xxxx Xxxxxx (director) and encourage future intimidation and abuse of power against former co-workers I care for dearly. To remain silent would also endorse Ethics and Compliance’s disregard of the aforementioned Xxxxxx Xxx (company) written policies, and the current Corporate Policy, “Prevention of Harassing Behavior” dated October 10, 2006:

This policy of zero tolerance for harassing behavior in any form reflects the company’s commitment to provide a comfortable work environment for all of its employees, characterized by **respect for the individual and the employee’s dignity**. Xxxxxx Xxx (company) will deal swiftly and severely with employees who engage in any such misconduct. Corrective action, up to and including termination of employment, will be imposed on any employee who violates this policy.

Harassing behavior is any conduct or communication that is based on a status or characteristic identified above, or otherwise protected by applicable law, that:

- **Reasonably can be considered demeaning or disparaging to an individual** or group
- **Offends commonly accepted notions of decency or civility in the workplace**
- **Devalues or detracts from the professionalism and respect that all Xxxxxx Xxx (company) employees are required to exhibit at work and in dealing with others in work-related situations**

Retaliation

Xxxxxx Xxx (company) policy prohibits retaliation or reprisal against any Xxxxxx Xxx (company) employee who reports or files a complaint of harassing behavior, or participates in or cooperates with an investigation into the allegation(s). At the start of each investigation, Compliance and Ethics (C&E) will remind anyone in a position to retaliate that doing so would violate company policy. Any employee who believes that he or she has been subjected to retaliation or reprisal must report this through one of the avenues identified under *Employee Responsibilities*, below. Any manager, director, officer, or HR Business Partner who becomes aware of any such report or allegation, or observes or is subjected to any such conduct, must immediately notify the Investigations unit of C&E. C&E may investigate any report or allegation of retaliation, and direct appropriate remedial and/or disciplinary measures if it finds that any retaliation occurred or was threatened.

I had five meetings with HR that specifically addressed retaliation issues from Xxxxx Xxxxx (manager) yet Ethics and Compliance stated on March 6, 2009 they were very concerned because they were never notified by Xxxxx Xxxxxxxx of Dallas HR. The audio alone, www.newfanniema.com, verifies Xxxxx Xxxxx (manager) violated all three definitions in the Xxxxxx Xxx (company) Policy, "Prevention of Harassing Behavior."

None of Xxxxx Xxxxx's (manager) other employees, including his new hires and former colleagues from Xxxxxxx Xxx Xxx Xxxxx (bankrupt lender), experienced the biased scrutiny he placed on me, which is also discussed in the Xxxxxx Xxx (company) written policies concerning retaliation. I have no doubt the person Xxxxx Xxxxx (manager) chooses to backfill my vacant job position was also predetermined like my ethics investigation.

Every Xxxxxx Xxx (company) employee should retain this letter in their personal files in the event they ever have to report to Xxxxx Xxxxx (manager), Xxx Xxxxxx (director) or other like-minded people managers who now feel retaliation has been given a seal of approval by HR; and Ethics and Compliance. I also recommend purchasing a digital audio recorder for about \$60 to keep with you at all times if this is the new course for Xxxxxx Xxx (company). There are no excusable reasons, regardless of the conservatorship, for any people managers to harass employees the way Xxxxx Xxxxx (manager) harassed me. All companies that endorse this abusive behavior will always experience consequences in the near or distant future.

My legal counsel doubts that Xxxxxx Xxx (company) senior management has been informed of my ethics investigation but they should be informed. My legal counsel also warned of the possible legal action(s) I may receive from Xxxxxx Xxx (company) regarding this letter and audio recordings and asked if all of the statements I made are true and can be verified by documentation, audio, or corroborating testimony under oath. I answered emphatically, yes. No NPI (Non-Public Information) according to the written

policies of XXXXXX XXX (company) is in my possession nor would ever be released to the public by me in any format, i.e., documentation, audio, or verbally. XXXXXX XXX (company) has close connections in the Federal Government. At a minimum, I expect to be audited by the IRS in the near future. They will only conclude I lost a large amount of money investing in XXXXXX XXX (company) due to irresponsible and unethical worldwide corporate management.

I told Ethics that many employees are watching the outcome of my case. If I remain employed then the written policies of SEAM and Culture that XXXXXX XXX (company) has engrained in its employees for four years will be intact. If XXXXX XXXXX (manager) remains employed then SEAM and Culture are outdated policies and **no employee** has recourse against unethical or abusive management. The Ethics Investigatory responded, **“It’s none of their business.”**

Even after my termination I suspected XXXXX XXXXX’s (manager) pattern of retaliation and harassment would continue by obstructing my Unemployment Benefits. The challenges that he experiences telling the truth can be “protected” within the walls of XXXXXX XXX (company) so I have eagerly awaited him to knowingly make false statements outside the “protected” walls of XXXXXX XXX (company). On the morning of July 8, 2009 XXXXX XXXXX (manager), as a representative of XXXXXX XXX (company), made **false statements** to the Texas Workforce Commission (TWC) regarding the reason for my termination from XXXXXX XXX (company) and is now also libel for a personal lawsuit from me. His irresponsible and illegitimate statement to the TWC regarding my Unemployment Benefits now involves Federal, and State authorities. XXXXX XXXXX (manager) stated, “He (Rick Lemmons) admitted not to performing the assigned task because he felt it was beneath him.” These were XXXX XXXXXX’s (director) words in the February 20, 2009 audio, and similar statements also exist on audio with the ethics investigator, and my counseled answer was always, “That would be insubordination.” The TWC posts Open Records at twc.state.tx.us.

I have a meeting at 10 AM this morning with a TWC representative to discuss my case. As evidenced by this letter and audio recordings our meeting may last all day.

To my former co-workers and
friends in the new XXXXXX XXX (company),
good luck and God Bless,

Rick Lemmons
Former Responsible Employee