

# Congress of the United States

Washington, DC 20515

June 17, 2008

The Honorable Henry A. Waxman  
Chairman  
Oversight and Government Reform Committee  
2157 Rayburn House Office Building  
Washington, D. C. 20515

Dear Chairman Waxman:

It has now been widely reported that Senate Banking Committee Chairman Chris Dodd and others were given special treatment (in the form of a gift from a corporation) when a mortgage lender gave them loans on preferential terms. We request that the Committee investigate and hold hearings on allegations that mortgage lenders may have made special deals with Members of Congress.

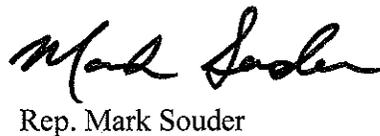
Through the so-called "Friends of Angelo" program, Countrywide CEO Angelo Mozilo reportedly gave loans on preferential terms to prominent people, including Senators Chris Dodd and Kent Conrad and Fannie Mae CEOs Jim Johnson and Franklin Raines. Senator Dodd reportedly saw a savings of \$75,000 on two loans that he refinanced. According to the Wall Street Journal, Senator Conrad says he called Mr. Mozilo at the suggestion of Mr. Johnson.

A primary purpose of the Oversight and Government Reform Committee is to investigate abuse. Surely, improper benefits and loans, intended for high ranking officials, warrant the Committee's attention. This specific issue could shine more light on the far-reaching mortgage crisis.

In terms of causes of the mortgage meltdown, the mortgage companies' practice of trading favors with influential Senators, if true, seems more egregious than the large compensation packages the mortgage companies paid their CEOs. As such, the VIP programs that may have given preferential treatment to government officials deserve to be investigated with the same zeal as was the link of executive pay to the mortgage crisis. Additionally, we ask that you use your influence as Chairman to stop any legislation bailing out mortgage lenders until all tainted individuals have recused themselves, and the legislation has been examined and declared free of any undue influence.

Sincerely,

  
Rep. Darrell Issa

  
Rep. Mark Souder