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Public Comments on Conservatorship and Receivership:=====

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It appears that FHFA intends to take GSEs to receivership. I am holder of pref stock of both GSEs and cannot understand how Director is authorizing an exorbitant dividend of 10% to sen. pref. stock of govt when the GSEs are not making enough money, he should have suspended these payments (he is paying these dividends and then declaring the GSEs under-capitalized and then borrowing more from the govt. which doesn't make sense.

It is especially important to note that the government is not running these GSEs as profit oriented rather it is full filling its aim to stabilize the financial market and keep the home loan market liquid. GSEs could have made money if directors had raised fees and charges on loans and services, especially with such low interest rates. If government was serious in helping the GSEs come out of the mud, it would not have lent its money at 10% P.A, IT HAS ACTED LIKE A LOAN SHARK.

I hope that some sense of fairness will prevail with the administration to compensate the pref stock holders as they didn't have right to vote and were just as an investor for a fixed profit as any bond holder.

On the other hand govt senior pref. stock also has given it the right to management of these GSEs.

Anyhow it appears that it will be a long drawn legal battle for the rights of the pref. stock holders of these GSEs with the way FHFA is deceptively going forward by only a win-win situation for the government.