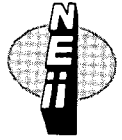




NATIONAL ELEVATOR INDUSTRY

BENEFIT PLANS



19 CAMPUS BLVD., SUITE 200, NEWTOWN SQUARE, PA 19073-3288

September 7, 2010

Edward J. DeMarco
Acting Director
Federal Housing Finance Agency
1700 G Street, N.W.
Washington, D.C. 20552-0003

Alfred M. Pollard
General Counsel
Attn: Comments/RIN 2590-AA23
Federal Housing Finance Agency
1700 G Street, N.W.
Washington, D.C. 20552-0003

Re: Proposed Regulation RIN 2590-AA23

Dear Acting Director DeMarco and Mr. Pollard,

On behalf of the 10,000 active participants and beneficiaries in the National Elevator Industry Pension Plan ("Plan"), we are writing to express our concerns regarding the Federal Housing Finance Agency's ("FHFA") notice of proposed rulemaking, which sets forth a framework for the conservatorship and receivership operations of Freddie Mac, Fannie Mae, and the Federal Home Loan Banks.

The proposed rule, which clearly attempts to thwart the ability of millions of stockholders, including institutional investors such as the Plan throughout the United States from prosecuting their currently pending securities fraud claims against Freddie Mac through resolution in a court of law, is a travesty, and should not be adopted. The proposed rule would effectively insulate Freddie Mac from being held liable for the fraudulent acts perpetrated against investors prior to the FHFA placing Freddie Mac into conservatorship.

Specifically, the proposed rule would relegate securities claims, even those based on fraud, to the lowest priority in receivership, and, except where permitted by the Director of the FHFA (which, of course, would never happen), prohibit the payment of securities litigation claims while Freddie Mac is in conservatorship. We find this to be unacceptable in light of the fact that the fraud perpetrated by Freddie Mac and certain of its former senior officers caused billions of dollars in damages to pension plans, such as the Plan, and thus directly or indirectly to millions of individuals covered by these pension plans.

As you know, two securities fraud class actions against Freddie Mac and certain of its former senior officers are currently pending based upon the fraudulent acts of the Company and those former officers. The events that gave rise to these lawsuits occurred prior to the FHFA even placing Freddie Mac into conservatorship. Participants in the putative classes of aggrieved shareholders in those lawsuits include millions of active and retired firefighters, police officers, teachers, health care providers, transportation workers and other public service employees as well as construction workers. It is difficult to understand why the FHFA would propose a rule to protect an entity that committed fraud at the expense of such individuals. They are the victims of the fraud and their legal right to pursue their claims must not be taken lightly, or usurped at the whim of the Director of the FHFA (Indeed, how can this not be a violation of due process?).

Thus, we call upon you to reconsider the proposed rule, and in doing so, ensure that the shareholders' ability to seek a recovery against Freddie Mac for the billions of dollars in damages they incurred due to the fraud perpetrated by the Company and certain of its former senior officers is protected.

Sincerely,



Robert O. Betts, Jr.
Executive Director