

# House of Cards Lies

**Ignorance is not an excuse!**

In a complaint<sup>1</sup> styled United States Securities and Exchange Commission (Plaintiff) v. Daniel H. Mudd [ex-Chief Executive Officer for Fannie Mae], Enrico Dallavecchia [ex-Credit Risk Officer for Fannie Mae] and Thomas A. Lund [ Executive Vice-President of Fannie Mae's Single Family Credit Guarantee ], filed in the United States District Court for the Southern District of New York. Item #23 notes that in March 2003, Fannie Mae registered itself with the Security Exchange Commission and was then subject to filing of periodic reports. Whereas it is noted that Fannie Mae's system to access risk was named *DU-Desktop Underwriter*, Freddie Mac's system was named *Loan Prospector* and Countrywide's system was named *Clues*.

The Amici brief<sup>2</sup> filed in LINDA A. WATTERS, Commissioner, Michigan Office of Insurance and Financial Services, [*Petitioner*], v. WACHOVIA BANK, N.A., and WACHOVIA MORTGAGE CORPORATION [*Respondents*], No.05-1342 by many Bankers Associations before the United States Supreme Court argued the states are preempted from interfering with National Banking Laws.

Banks do operate in a risky environment, but banks along with Fannie Mae and Freddie Mac do not have a get out of jail free card for writings contracts that induce the “unknowing” to aid and abet a criminal act.

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<sup>1</sup> <http://www.sec.gov/litigation/complaints/2011/comp-pr2011-267-fanniemaef.pdf>

<sup>2</sup> <http://www.mortgagebankers.org/files/Conferences/2007/2007LIRC/WachoviaAmicusBrief.pdf>

The United States Code stipulates that any who introduces fraud into the securities market is guilty of a criminal offense.

There is no argument that a secondary Intangible Payment Stream Obligation can be secured by the Payment Stream from the original Obligation and is supported by law and opinions of courts across the nation. Fannie Mae's current Uniform Security Instrument used in many states contains a covenant that the Security Instrument will follow an Intangible Obligation "or a partial interest in (along with this Security Instrument)". The current contract as written includes an act that legally cannot take place as opined in *Carpenter v Longan*, and in accordance to written law, this act was that the Security Instrument was to follow the Intangible Payment Obligation and not follow the Note.

Many clues were left in the form of the various lies made to the courts, filed of public record and deception was placed on the investors of the world. The creating of fictitious documents to cover up the original crime is now being employed in many of the courts.

Many have speculated the legal system in the United States has succumbed to will of money so as law no longer matters. Many of these members of judiciary may or may not be aware, but there are those in judiciary who have signed these Security Instruments containing the prelude to securities fraud.

**How many are guilty and do not know?**

**It's all in the record!!!**