



U.S. Securities and Exchange Commission

U.S. SECURITIES AND EXCHANGE COMMISSION

Lit. Release No. 23358 / September 22, 2015

Securities and Exchange Commission v. Daniel H. Mudd, Enrico Dallavecchia, and Thomas A. Lund, 11-CIV-9202 (PAC) (S.D.N.Y.), complaint filed December 16, 2011.

Former Fannie Mae Executives Resolve Subprime and Reduced Documentation Disclosure Case with SEC

The Securities and Exchange Commission announced today that the Honorable Paul A. Crotty of the United States District Court for the Southern District of New York has entered an Order approving a stipulation and agreement between the Commission and defendants Enrico Dallavecchia, the former Chief Risk Officer of Fannie Mae, and Thomas A. Lund, Fannie Mae's former Senior Vice President and head of its single-family guarantee business.

The Order resolves the Commission's case against defendants Dallavecchia and Lund arising out of the respective roles each played in Fannie Mae's disclosure of its exposure to subprime and reduced documentation mortgage loans between December 6, 2006 and August 8, 2008.

Pursuant to the Order, each defendant, for 12 months, is required to refrain from signing certain periodic reports required to be filed with the Commission, is prohibited from signing any certification required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002, and is prohibited from violating the antifraud and reporting provisions of the federal securities laws, subject to reinstatement of the action for noncompliance. Additionally, each defendant is required to cause the following amounts to be paid to the United States Treasury: \$25,000 for Dallavecchia, \$10,000 for Lund.

The litigation against defendant Daniel H. Mudd, the former Chief Executive Officer of Fannie Mae, continues.

For further information, see Lit. Release No. [22201](#) (December 20, 2011) (announcing institution of action and Non-Prosecution Agreement with Fannie Mae).

<http://www.sec.gov/litigation/litreleases/2015/lr23358.htm>