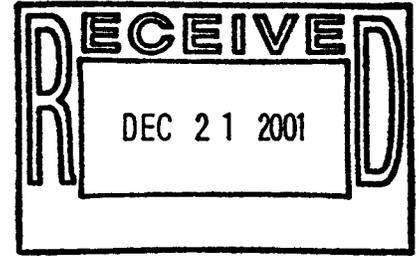




A unit of GE Capital Mortgage Corporation
6601 Six Forks Road, Raleigh, NC 27615
919 846-4100

December 20, 2001



Mr. Alfred Pollard, General Counsel
Office of Federal Housing Enterprise Oversight
1700 G Street, NW, Fourth Floor
Washington, DC 20552

Re: GE Request for Model Access/Source Code Assistance

Dear Mr. Pollard

In our discussions with Mr. Schwing of OFHEO, we have indicated that it is very important to GE that we have the opportunity to provide meaningful comments on OFHEO's recently issued changes to the final risk-based capital (RBC) rule. In order to adequately prepare our comments we need to be able to run the RBC model to determine the 10-year stress losses on the GSEs' business and the resulting GSE capital impact, under both the final rule and December proposed changes. In particular, we are interested in the losses and capital impact on newly originated and seasoned high LTV loans (over 80% LTV) which carry mortgage insurance coverage or derivative protection. We would also need to run capital impact scenarios for other haircut and phase-in period scenarios.

As I believe OFHEO officials are aware, GE and others have encountered difficulties with the source code released in July. Despite our committed, but thus far unsuccessful, efforts to get the new source code to compile and function, our experience to date strongly suggest that it will be impossible to do so in time to use any model driven analysis in preparing our comment letter. Therefore, we are formally requesting that OFHEO either: (1) provide us access and training to its functioning model, (2) agree to run intermediate and final analysis on a proprietary basis for us, or (3) extend the comment period deadline until at least March 30th.

We appreciate OFHEO's consideration of this request.

Sincerely,

Gerhard A. Miller
Senior Vice President
General Counsel

cc: Jim Zollo