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**Richard Bowen Response to Follow-Up Questions regarding the  
actions undertaken by Citi in response to Richard Bowen's  
November 3, 2007 e-mail**

Brad S. Karp

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PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

1285 AVENUE OF THE AMERICAS  
NEW YORK, NEW YORK 10019-6064

TELEPHONE (212) 373-3000

LLOYD K. GARRISON (1946-1991)  
RANDOLPH E. PAUL (1946-1956)  
SIMON H. RIFKIND (1950-1995)  
LOUIS S. WEISS (1927-1950)  
JOHN F. WHARTON (1927-1977)

WRITER'S DIRECT DIAL NUMBER

212 373-3316

WRITER'S DIRECT FACSIMILE

212 492-0316

WRITER'S DIRECT E-MAIL ADDRESS

bkarp@paulweiss.com

UNIT 3601, FORTUNE PLAZA OFFICE TOWER A  
NO. 7 DONG SANHUAN ZHONGLU  
CHAO YANG DISTRICT  
BEIJING 100020  
PEOPLE'S REPUBLIC OF CHINA  
TELEPHONE (86-10) 5828-6300

12TH FLOOR, HONG KONG CLUB BUILDING  
3A CHATER ROAD, CENTRAL  
HONG KONG  
TELEPHONE (852) 2846-0300

ALDER CASTLE  
10 NOBLE STREET  
LONDON EC2V 7JU, U.K.  
TELEPHONE (44 20) 7367 1600

FUKOKU SEIMEI BUILDING  
2-2 UCHISAIWAICHO 2-CHOME  
CHIYODA-KU, TOKYO 100-0011, JAPAN  
TELEPHONE (81-3) 3597-8101

2001 K STREET, NW  
WASHINGTON, DC 20006-1047  
TELEPHONE (202) 223-7300

500 DELAWARE AVENUE, SUITE 200  
POST OFFICE BOX 32  
WILMINGTON, DE 19899-0032  
TELEPHONE (302) 655-4410

MATTHEW W. ABBOTT  
ALLAN J. ARFFA  
ROBERT A. ATKINS  
JOHN F. BAUGHMAN  
LYNN B. BAYARD  
DANIEL J. BELLER  
CRAIG A. BENSON\*  
MITCHELL L. BERG  
MARK S. BERGMAN  
BRUCE BIRENBOIM  
H. CHRISTOPHER BOEHNING  
ANGELO BONVINO  
HENK BRANDS  
JAMES H. BROCHIN  
RICHARD E. BRONSTEIN  
DAVID W. BROWN  
SUSANNA M. BUERGERL  
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JAY COHEN  
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ROBERT C. FLEDER  
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GERARD E. HARPER  
BRIAN S. HERMANN  
ROBERT M. HIRSH  
MICHELE HIRSHMAN  
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DAVID S. HUNTINGTON  
MEREDITH J. KANE  
ROBERTA A. KAPLAN  
BRAD S. KARP  
JOHN C. KENNEDY  
ALAN W. KORNBERG

DANIEL J. KRAMER  
DAVID K. LAKHDIR  
STEPHEN P. LAMB\*  
JOHN E. LANGE  
DANIEL J. LEFFELL  
XIAOYU GREG LIU  
JEFFREY D. MARELL  
JULIA TARVER MASON  
MARCO V. MASOTTI  
EDWIN S. MAYNARD  
DAVID W. MAYO  
ELIZABETH R. MCCOLM  
MARK F. MENDELSON  
TOBY E. MYERSON  
JOHN NATHAN  
CATHERINE NYARADY  
ALEX YOUNG K. OH  
JOHN J. O'NEIL  
KELLEY D. PARKER  
ROBERT P. PARKER\*  
MARC E. PERLMUTTER  
MARK F. POMERANTZ  
VALERIE E. RADWANER  
CAREY R. RAMOS  
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WALTER RIEMAN  
RICHARD A. ROSEN  
ANDREW N. ROSENBERG  
PETER J. ROTHENBERG  
JACQUELINE P. RUBIN  
RAPHAEL M. RUSSO  
JEFFREY D. SAFERSTEIN  
JEFFREY B. SAMUELS  
DALE M. SARRO  
TERRY E. SCHIMEK  
KENNETH M. SCHNEIDER  
ROBERT B. SCHUMER  
JAMES H. SCHWAB  
STEPHEN J. SHIMSHAK  
DAVID R. SICULAR  
MOSES SILVERMAN  
STEVEN SIMKIN  
JOSEPH J. SIMONS  
MARILYN SOBELL  
TARUN M. STEWART  
ERIC ALAN STONE  
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LIZA M. VELAZQUEZ  
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STEVEN J. WILLIAMS  
LAWRENCE I. WITDORCHIC  
JORDAN E. YARETT  
KAYE N. YOSHINO  
TONG YU  
TRACEY A. ZACCONE  
T. ROBERT ZOCHOWSKI, JR.

November 1, 2010

\*NOT ADMITTED TO THE NEW YORK BAR

**By E-Mail & FedEx**

Sarah Knaus  
Financial Crisis Inquiry Commission  
1717 Pennsylvania Avenue, NW  
Suite 800  
Washington, DC 20006-4614

*Financial Crisis Inquiry Commission ("Commission")*

Dear Ms. Knaus:

As you know, we represent Citigroup Inc. ("Citi" or "the Company") in connection with its responses to the Commission's requests for documents and information. We write in response to your September 21, 2010 letter regarding the actions undertaken by Citi in response to Richard Bowen's November 3, 2007 e-mail. On behalf of the Company, we provide the following information.

The first issue set forth in Mr. Bowen's e-mail, relating to the correspondent channel, was first raised by Mr. Bowen in mid-2006, and Mr. Bowen participated in the processes put in place by the Company, beginning in mid-2006, to address the issue. In mid-2006, Richard Bowen reported certain issues relating to the pre-purchase underwriting review by CitiMortgage of certain third-party originated mortgages through the correspondent channel. In response to Mr. Bowen's expressed concerns: (a) an investigation was immediately undertaken that resulted in the head of the group responsible for the pre-purchase underwriting review being terminated; (b) promptly thereafter, a working group, including Mr. Bowen, met to establish a plan for addressing the issues raised; (c) members of the working group reviewed, assessed, and

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revised existing policies and procedures governing the relevant underwriting review; and (d) additional resources, including additional personnel and technological resources, were developed and deployed to address the issues identified, among other remedial steps.

The second issue set forth in Mr. Bowen's e-mail, relating to the Wall Street channel, was resolved by the Company prior to Mr. Bowen's e-mail. In mid-2007, several months before Mr. Bowen's November 3, 2007 e-mail, a review was undertaken of the process by which certain third-party originated mortgages were purchased through CitiMortgage's Wall Street channel. Prior to Mr. Bowen's November 3, 2007 e-mail, the Wall Street channel was closed.

Following the receipt of Mr. Bowen's November 3, 2007 e-mail, a review of the issues raised in Mr. Bowen's e-mail was undertaken which included, among other things, review of the status of and actions undertaken with respect to the processes identified by Mr. Bowen in his e-mail.

\* \* \* \* \*

Citi reserves the right to supplement, amend, modify or correct the response provided above.

As we have discussed, the Company is providing the information in this letter in response to the Commission's requests and pursuant to the Commission's representations that the information provided to the Commission will be maintained in strict confidence and will be used by the Commission solely for the purposes of this inquiry.

We understand from our discussions that the Commission's work, and the materials it requests and obtains from the Company, are not subject to the provisions of FOIA. We also understand that the Commission intends to keep the materials submitted to it by the Company strictly confidential in connection with this inquiry.

If any person not a member of the Commission or its staff (including, without limitation, any government employee) should request an opportunity to inspect or copy any confidential information provided by the Company, or if you or any member of the Commission or its staff contemplates disclosure of this information to any other person, the Company requests that the Commission promptly notify Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, N.Y., N.Y. 10019 (att'n Brad Karp) and Citigroup Inc., 399 Park Avenue, N.Y., N.Y. 10022 (att'n P.J. Mode).

Please do not hesitate to contact me if you would like to discuss this letter or any other matter.

Respectfully,

  
Brad S. Karp

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