

From: Angelo Mozilo
Date: 10/20/2006 06:20:06 PM
To: "John England"
Subject: Re: Fw: Terms of Continuing CEO Pay Package, as Approved by Board This Morning

I appreciate your input but at this stage of my life at Countrywide this process is no longer about money but more about respect and acknowledgement of my accomplishments. In addition, and more importantly, I want to assure that the Company experiences a smooth transition to my successor three years from now. Boards have been placed under enormous pressure by the left wing anti business press and the envious leaders of unions and other so called "CEO Comp Watchers" and therefore Boards are being forced to protect themselves irrespective of the potential negative long term impact on public companies. I strongly believe that a decade from now there will be a recognition that entrepreneurship has been driven out of the public sector resulting in underperforming companies and a willingness on the part of Boards to pay for performance.

I have signed the term sheet subject to the creation of a satisfactory contract and the Board has done the same. A press release was issued this afternoon and should hit the wires in the morning. Thanks again for all of your assistance.

"John England"
10/20/2006 12:46 PM

To: "Angelo Mozilo"
cc: JIMBARRALL, "James Cummings"
Subject: Fw: Terms of Continuing CEO Pay Package, as Approved by Board This Morning

Angelo --

I have reviewed this termsheet. I'll let Jim Barrall give his view on whether you can/should sign this document -- I would think you would sign a contract, not a term sheet, as this is missing a number of items (like the aircraft travel policy for your wife).

My primary unhappiness with what the Board has put forth is that it lowers your maximum opportunity significantly. That's been accomplished by lowering the target bonus and reducing the maximum bonus to 250%, and taking \$5 million off the upfront grant.

That being said, given your desire to sign an agreement today, the Board's proposal is not unreasonable. It's a significant enhancement from what Zimmerman had the first time around.

Regards, John

----- Forwarded by John England/Towers Perrin on 10/20/2006 03:26 PM -----

"Zimmerman,
Ross"

10/20/2006
02:58 PM

John England/Towers Perrin@TP

To
cc
Subject
Fw: Terms of Continuing CEO Pay
Package, as Approved by Board This
Morning

I knew I'd miss something in the haste to get this note out - I apologize for missing your name on the e-mail distribution. It just went out a few minutes ago. Call or write with any questions. Thanks. Ross.

Ross Zimmerman, Esq
EQUITY, LLP
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