

EXHIBIT A



State of North Carolina

Department of Justice
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Raleigh, North Carolina
27602

REPLY TO: Grayson G. Kelley
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ROY COOPER
ATTORNEY GENERAL

October 21, 2008

Mr. William H. Narwold
Motley Rice LLC
One Corporate Center
20 Church Street, 17th Floor
Hartford, CT 06103

Re: Kuriakose v. Federal Home Loan Mortgage Company, et al (08-CV-7281;
S.D.N.Y.)

Motion of Richard H. Moore, As Treasurer of the State of North Carolina
and As the Sole Trustee of the North Carolina Retirement Systems, For
Appointment As Lead Plaintiff and Approval of Its Selection of Counsel

Dear Mr. Narwold:

I write on behalf of Roy Cooper, Attorney General of the State of North Carolina. This Office has been provided with a copy of the above-referenced motion which your firm has filed in the United States District Court - Southern District of New York, presumably under the authorization of Treasurer Richard Moore. This letter is to advise you, as well as all other interested parties, that the Treasurer has acted without approval of the Governor of the State of North Carolina, the Attorney General of the State of North Carolina, the Board of Trustees of the Teachers' and State Employees' Retirement System, the Board of Trustees of the North Carolina Firemen's and Rescue Squad Workers' Pension Fund, the Board of Trustees of the North Carolina Local Governmental Employees Retirement System, the Legislative Retirement System, or the North Carolina National Guard Pension Fund (Retirement Systems). Without approvals required by law, the Treasurer has no legal authority to engage private legal counsel to represent the State of North Carolina or to participate in this litigation.

The Retirement Systems referenced above are each (with one exception) are governed by a statutory Board of Trustees with specific management and fiduciary duties specified by North Carolina law. The Attorney General of North Carolina serves as legal counsel to each board and retirement system. The Treasurer serves as a member of each board and as custodian of the assets of the systems for purposes of investing the funds. Contrary to the assertions in your motion, there is no authority under North Carolina law for the Treasurer to serve as "sole trustee" for these Retirement Systems and such an assertion is unsupported as a matter of law. Furthermore, it is our belief that the

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Treasurer neither advised nor received the approval of these boards of trustees to participate in this litigation.

In addition, Article III, §7 of the Constitution of North Carolina establishes the Attorney General as an elected officer of the State whose duties are prescribed by law. Pursuant to N.C.G.S. §114-2(l) it is the duty of the Attorney General:

"To defend all actions in the appellate division in which the State shall be interested, or a party, and to appear for the State in any other court or tribunal in any cause or matter, civil or criminal, in which the State may be a party or interested."

The North Carolina Supreme Court has reaffirmed that the duties of the Attorney General as prescribed by statutory and common law include the duty to prosecute and defend all actions in which the State may be a party or interested. *Martin v. Thornburg*, 320 N.C. 533 (1987). Furthermore, N.C.G.S. §147-17(a) states:

"No department, office, agency, institution, commission, bureau or other organized activity of the State which receives support in whole or in part from the State shall employ any counsel, except with the approval of the Governor. The Governor shall give his approval only if the Attorney General has advised him, as provided in subsection (b) of this section; that it is impracticable for the Attorney General to render the legal services."

This provision is supplemented by N.C.G.S. § 114-2.3:

"Every agency, institution, department, bureau, board, or commission of the State, authorized by law to retain private counsel, shall obtain written permission from the Attorney General prior to employing private counsel."

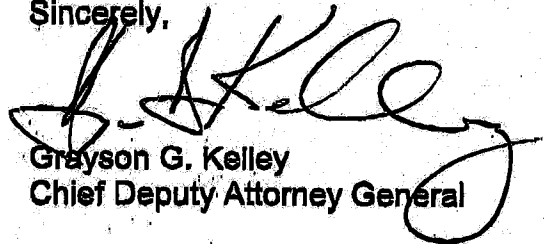
It is therefore the law of the State of North Carolina that State agencies and officials must have prior authorization by the Attorney General, and in some instances the Governor, prior to employing private counsel. Neither the Governor nor the Attorney General was consulted prior to the engagement of your firm or filing of pleadings in this litigation.

Inasmuch as neither the engagement of your firm nor participation in this lawsuit has been approved as required by North Carolina law, I am requesting that you immediately withdraw the motion you have filed in the above-referenced litigation, provide me with

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copies of documents reflecting such withdrawal, and refrain from making further representations to the court (or otherwise) that you represent the State of North Carolina or any of its agencies, boards, officials, or organized activities in any capacity. Should you fail to do so, this Office will initiate such actions as may be necessary to bring this issue to the attention of the court and enforce the requirements of North Carolina law.

Sincerely,



Grayson G. Kelley
Chief Deputy Attorney General

cc: Richard Moore, Treasurer of the State of North Carolina
Reuben Young, General Counsel, Office of the Governor
Joseph F. Rice, Motley Rice LLC
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ROY COOPER
ATTORNEY GENERAL

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FROM: Grayson G. Kelley
Chief Deputy Attorney General

TELEPHONE NUMBER: (919) 716-6400

DATE: October 21, 2008

SUBJECT: Kurlakose v. Federal Home Loan Mortgage Company,
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NUMBER OF PAGES INCLUDING TRANSMITTAL SHEET: 4

CONFIRM RECEIPT OF DOCUMENT(S) IF MARKED HERE:

COMMENTS:

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