

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

CHRISTOPHER ROBERTS, et al.,

Plaintiffs,

vs.

THE FEDERAL HOUSING FINANCE
AGENCY, et al.,

Defendants.

Civil Action No. 1:16-CV-02107

**BRIEF IN SUPPORT OF FAIRHOLME FUNDS' MOTION
FOR LEAVE TO APPEAR AS AMICUS CURIAE**

Fairholme Funds, Inc. (“Fairholme”) hereby submits this brief in support of its motion for leave to appear as amicus curiae and file an amicus brief alerting the Court to developments in related litigation challenging the Net Worth Sweep. In support of its motion, Fairholme states as follows:

1. Fairholme owns a substantial number of shares of stock issued by Fannie Mae and Freddie Mac. If the administrative action that Plaintiffs challenge in this case—the “Net Worth Sweep”—is allowed to stand, the shares owned by Fairholme and all other private investors will have no economic value.
2. Fairholme is currently challenging the Net Worth Sweep on Takings Clause grounds in the United States Court of Federal Claims. *See Fairholme Funds, Inc. v. United States*, No. 13-465 (Fed. Cl.). The court in that case authorized Fairholme to take discovery into a variety of topics relating to the Net Worth Sweep. *See Order, Fairholme Funds, Inc. v. United States*, No. 13-465 (Fed. Cl. Feb. 26, 2014), ECF No. 32. Through discovery, Fairholme has obtained a number of documents and other materials that are directly

relevant to issues before this Court and that are the basis for allegations in the Complaint in this case.

3. As the lead plaintiff in the Court of Federal Claims case, Fairholme is uniquely situated to address developments in that case that could bear on the timing and disposition of issues before this Court. Fairholme's appearance as amicus curiae is thus appropriate because it has "specific information that can assist the court beyond what the parties can provide." *Chamberlain Grp., Inc. v. Interlogix, Inc.*, 2004 WL 1197258, at *1 (N.D. Ill. May 28, 2004). Accordingly, this Court should exercise its "broad discretion" to permit the filing of Fairholme's amicus brief. *United States v. Board of Educ. of Chicago*, 1993 WL 408356, at *3 (N.D. Ill. Oct. 12, 1993).

October 24, 2016

Respectfully submitted,

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*Application for admission *pro hac vice* forthcoming.

ATTORNEYS FOR AMICUS CURIAE FAIRHOLME FUNDS, INC.

CERTIFICATE OF FILING AND SERVICE

I hereby certify that on October 24, 2016, I electronically filed the foregoing with the Clerk of Court using the ECF system, and to my knowledge a copy of this document will be served on the parties or attorneys of record by the ECF system.

/s/ Keith L. Gibson