KEGIUN III EXPEDITED ENFORCEMENT COMPLIANCE ORDER AND SETTLEMENT AGREEMENT

PART I: ENFORCEMENT COMPLIANCE ORDER

ENFORCEMENT COMPLIANCE ORDER NO. RCRA-03-2008-0006FC

On April 19, 2007

(Violation date)

(a.m./p.m.)

Federal National Mongage Association

(Name of Facility)

3900 Wisconsin Avenue NW, Washington, DC 20016

(Address of Facility)

Facility Identification Number 3000045

Name of Owner, Operator or

On Site Representative: Ashwan Shah

Federal National Mortgage Association

3900 Wisconsin Avenue NW, Washington, DC 20016 (Address of Owner, Operator, or On-Site Representative)

An authorized representative of the United States Environmental Protection Agency (EPA) inspected this facility to determine compliance with underground storage tank (UST) regulations promulgated under Subtitle I of the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. § 6991 et seq.), and codified at 40 C.F.R. Part 280, a copy of which can be found at

http://www.eps.gov/swerustl/fedlaws/cfr.htm#40CFR280. During this inspection, the following civil violation(s) of underground storage tank regulations were found, with corresponding penalty amounts:

DCUSTR Title 20 Chapter 59 6 5900.1 [40 CFR 5 280.30(a)]

Nature of Violation: The Pacifity did not have Overfill Protection.

Civil Penalty Total 1 Tank x \$ 300.00 = \$ 300.00

The Owner or Operator of the above facility may resolve the above-cited violation(s) without further civil enforcement action by EPA for said violation(s) by complying with the terms and conditions specified in the Settlement Agreement.

This Enforcement Compliance Order is not an adjudicatory proceeding under 40 CFR Part 22, the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, but is issued solely with reference to the Settlement Agreement in Part II of this form. If the Settlement Agreement in Part II is not returned in correct form by the Owner or Operator within 30 calendar days of receipt, this Enforcement Compliance Order is hereby withdrawn, without prejudice to EPA's ability to file additional enforcement actions for the above or any other violation(s).

I find Federal National Mortgage Association in violation of the above-referenced

UST regulation: Date: (Signature of Authorized Representative of EPA)

I hereby acknowledge receipt of this Enforcement Compliance Order and Schlement Agreement Date: (c) 12/08 Justical Co. Date: 6/12/08 (Signature of Owner, Operator, or On-Site Representative)

Part II: SETTLEMENT AGREEMENT

The United States Environmental Protection Agency (EPA) offers this Settlement Agreement in order to settle expeditiously the violations found in the Enforcement Compliance Order in Part I of this form subject to the following terms and conditions:

The Owner or Operator signing below certifies, under civil and criminal penalties for making a false submission to the United States Government, that Owner or Operator has corrected the violation(s) and enclosed a certified check for \$ 300.00 in payment of the full civil penalty amount, as described in the Enforcement Compliance Order.

Upon EPA final approval of this Settlement Agreement, EPA will take no further civil action against the Owner or Operator for the violations described in the Enforcement Compliance Order. EPA does not waive the authority to pursue any enforcement action by EPA, the State, or Indian tribe or authorized tribal organization where the facility is located or any local agencies for any other past, present or future violation(s) of the underground storage tank requirements or any other violation(s) under any other statute not described in the Enforcement Compliance Order.

Also, upon final approval by EPA of this Settlement Agreement, the Owner or Operator waives its right to a public hearing provided by Section 9006 of the Resource Conservation and Recovery Act, as amended.

This Settlement Agreement is binding on the EPA and the Owner or Operator signing below. The Owner or Operator signing below waives any objections to EPA's jurisdiction with respect to the Enforcement Compliance Order and this Settlement Agreement, and consents to EPA's final approval of this Scittlement Agreement without further notice. This Settlement Agreement is effective upon EPA's final approval below. Upon final approval, EPA shall mail a copy of the approved Settlement Agreement to the Owner or Operator signing below. The original fully-executed Settlement Agreement will be filed with the Compliance & Enforcement Branch (3WC31), EPA Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029.

Final approval of the Settlement Agreement is in the sole discretion of the Regional Administrator, Region III, EPA or his or her authorized delegate

SIGNATURE BY OWNER OR OPERATOR:

Lydia

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY RECION P4, 1650 ARCH STREET, PHILA., PA 19103-2029