**MINUTES OF A SPECIAL TELEPHONIC MEETING
OF THE BOARD OF DIRECTORS OF
COUNTRYWIDE FINANCIAL CORPORATION**

August 6, 2007

A special telephonic meeting of the Board of Directors of Countrywide Financial Corporation (the "Company") was duly called to order on August 6, 2007, at 10:00 a.m. Pacific Time. All directors were in attendance. Also present at the meeting were David Sambol, President and Chief Operating Officer, Eric P. Sieracki, Executive Managing Director and Chief Financial Officer, Kevin W. Bartlett, Executive Managing Director, Chief Investment Officer, Sandor E. Samuels, Executive Managing Director, Chief Legal Officer, Anne D. McCallion, Senior Managing Director, Chief of Financial Operations and Planning, John P. McMurray, Senior Managing Director and Chief Risk Officer, and Susan E. Bow, Senior Managing Director, General Counsel, Corporate and Securities and Corporate Secretary, who acted as secretary of the meeting.

Mr. Mozilo presided over the meeting and each participant confirmed that he or she could hear the proceedings. Mr. Mozilo opened the meeting and noted that the purpose of the meeting was to update the Board on several critical issues and concerns that had developed within the last twenty-four hours. He reported that the secondary market for virtually all classes of mortgage securities (both prime and non-prime) had unexpectedly and with almost no warning seized up and that the Company was unable to sell high-quality mortgage backed securities. He reported that problems in the sub-prime loan market had apparently invaded the prime loan market. He noted that the recent failures of REDACTED and REDACTED REDACTED companies that primarily originated sub-prime mortgage loans, had undoubtedly precipitated the current market difficulties. Mr. Mozilo noted that the problems were not isolated to the Company but were being experienced by other major market participants, such as REDACTED

Mr. Mozilo then discussed the lack of access to the secondary market for mortgage-backed securities for prime, non-conforming loans. He noted that the absence of a secondary market for this quality of product was unprecedented and unanticipated. He reviewed specific securitization transactions and tranches that the Company was having difficulty marketing and the related impact on the Company's ability to finance its inventory with commercial paper. Mr. Mozilo explained that the Company was seeking alternatives to financing its inventory with commercial paper, including mortgage loan repurchase arrangements ("Repos") with various lenders and business partners.

Mr. Mozilo noted that the Company will need to review potential opportunities to conduct the lending business through Countrywide Bank, FSB (the "Bank"). REDACTED REDACTED

Mr. Mozilo noted that the Company was still able to freely sell conforming balance loans to Fannie Mae and Freddie Mac. He then discussed changes that had been implemented in the underwriting guidelines and program restrictions applicable to non-conforming balance loans to ensure high quality originations. REDACTED inquired as to whether the Company was still underwriting sub-prime loans and Mr. Sambol responded in the affirmative and noted that guidelines had been tightened in this product. Mr. Mozilo then detailed actions that management was prepared to institute, if necessary, including restricting loan originations to conforming loan balances eligible for sale to Fannie Mae and Freddie Mac. He noted that this action would drastically reduce the size of the Company. REDACTED

REDACTED "). He noted that Company and Bank management were discussing the possibility of accelerating the transition of the mortgage lending origination operation from Countrywide Home Loans, Inc. ("CHL") to the Bank.

REDACTED

A discussion then ensued concerning the seriousness of the market conditions and the extent of possible damage to the Company's operations and financial condition. REDACTED then asked about the continuing availability of the Company's asset-backed c[redacted] paper facilities and whether the Company was in the process of winding down its REDACTED asset backed commercial paper facility. Mr. Sambol responded and described the current availability of the Company's asset backed commercial paper facilities and the need to quickly pursue alternative financing arrangements for the Company's loan funding and inventory. He reported that management had spent the prior weekend creating an alternative liquidity plan in the event the Company loses all access to the commercial paper market. He noted that a strategy being pursued is to accelerate the Company's plan to originate loans in the Bank and to use the committed multi-seller conduit, agency arrangements and loan repurchase facilities to finance loan inventory. He also discussed the likely impact of the loss of the commercial paper market on the Company's debt ratings and indicated that credit rating downgrades will further adversely impact the Company's access to the capital markets.

REDACTED asked Mr. Sambol to quantify the near term impact of the liquidity crisis and Mr. S[redacted]ded that the analysis was not yet complete but that management can only plan on a week by week basis due to the tenuous nature of the situation. Mr. Mozilo then asked Mr. Garcia to bring the Board members up-to-date on the status of the Bank.

Mr. Garcia reported that he was still working on the Bank's forecast as it relates to capital implications of the current situation. He reviewed the nature of the Bank's funding capacity and indicated that at present, it was sufficient to fund all of the current Countrywide Home Loans, Inc. production. He noted that the Office of Thrift Supervision (the "OTS") would need to concur with any decision by management to accelerate the shift of the loan production operations to the Bank and there would also need to be sufficient capital available to do so. He then discussed the percentage of the non-conforming loan production that the Bank would likely retain for investment purposes and supported by capital. He noted that the remainder of non-conforming loan production would need to be sold. He then reviewed preliminary forecast numbers for the Bank's asset growth and its ability to finance loans held for sale through year end and into 2008.

REDACTED

REDACTED

Mr. Mozilo then raised the possibility that the Company will need to draw down on its back-up bank line facilities in the event of a complete closure of the commercial paper market. He also reviewed recent discussions with investors and money managers regarding the market for triple A rated mortgaged-backed securities supported by non-conforming loans.

The next topic discussed was the Company's need to fund ongoing production and finance its less liquid assets, including its mortgage servicing rights. Mr. Mozilo indicated that there were no material maturities in the near term and noted that in order for the Company to refinance or issue new medium-term notes that it would need to maintain its investment grade ratings. In response to a question from REDACTED Mr. Sambol reviewed the medium term note maturity schedule in detail.

REDACTED requested a schedule of liquidity and funding projections for the near term, including expected, best and worse case scenarios. He then asked about the Company's warehouse lending exposure and Mr. Mozilo responded by detailing the actions being taken to manage that exposure. Mr. Sambol indicated that the Company's maximum exposure in the warehouse lending unit was approximately \$5-6 billion and that the current exposure to warehouse loan customers was under \$3.0 billion. He reported that the Company expects that additional warehouse loan customers to fail and that management is valuing loans, monitoring credit and making margin calls to these customers on a daily basis.

REDACTED

REDACTED then asked about the level of advances outstanding on the Bank's line of credit with the Federal Home Loan Bank of Atlanta (the "FHLB") and Mr. Garcia indicated he believed the advances were currently around \$3.6 billion. A discussion then ensued concerning limitations on the FHLB advance levels. REDACTED to update the Board on the following Friday morning to discuss the status of the liquidity issues.

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Adjournment

There being no further business to come before the meeting, it was, upon motion duly made and seconded, unanimously adjourned at 11:20 a.m.

Respectfully submitted,

Susan E. Bow
Secretary

Approved:

Angelo R. Mozilo
Chairman