Council of Inspectors General on Financial Oversight
Meeting
December 11, 2012
Main Treasury
Room 4436
Meeting Minutes

Council Members Present
Eric M. Thorson, Inspector General, Department of the Treasury, Chair
Jon T. Rymer, Inspector General, Federal Deposit Insurance Corporation and Interim
Inspector General, Securities and Exchange Commission
Mark Bialek, Inspector General, Board of Governors of the Federal Reserve System
Michael Stephens, Principal Deputy Inspector General, Federal Housing Finance
Agency
Roy Lavik, Inspector General, Commodity Futures Trading Commission
David Montoya, Inspector General, U.S. Department of Housing and Urban
Development
William DeSarno, Inspector General, National Credit Union Administration
Christy Romero, Special Inspector General for the Troubled Asset Relief Program

Others Attending
Susan Marshall, Executive Director, Council of Inspectors General on Financial
Oversight

Guests
Amias Gerety, Deputy Assistant Secretary, Office of Financial Stability Oversight
Council

The meeting was called to order at 10:00 a.m. by Chairman Eric Thorson.

The meeting began with Chairman Thorson thanking everyone for attending, especially
Mr. Amias Gerety, Deputy Assistant Secretary, Office of Financial Stability Oversight.

First, Thorson called for consideration of the minutes from the September CIGFO
meeting and asked if Council members had any corrections or additions to the minutes.
Thorson motioned for approval of the draft, it was motioned and the minutes were
approved with the request that Mr. Rymer’s SEC title be modified to reflect his status as
Interim not Acting IG for SEC.

Thorson briefly summarized FSOC activities since the last CIGFO meeting, such as
those related to the designation of nonbank companies, use of FSOC’s Section 120
authority to issue Money Market Fund regulatory recommendations to the SEC and
FSOC efforts to stabilize the financial sector after Hurricane Sandy hit the heart of the
financial sector, New York and New Jersey.
He then introduced, Mr. Amias Gerety, Office of Financial Stability Oversight Council
and asked him to provide detail on all of those activities listed above.

Mr. Gerety discussed at length, the final stages of the nonbank holding company
reviews, the FSOC’s current and future expectations for Money Market Fund reform,
FSOC agency emergency planning associated with Hurricane Sandy, and additional
hiring and budget issues for the Office of Financial Stability Oversight Council.

After he completed his presentation there was a question and answer session during
which CIGFO members asked about the types of data being used to make
determinations for designations, the handling of this sensitive data, the process by
which FSOC will send the SEC its final Money Market Fund reforms, as well as agency
regulatory proceedings. For example, Thorson asked the date by which the Federal
Reserve would finalize the regulation defining predominantly financial activity for
nonbanks. Mr. Gerety suggested the regulation was close to being finalized.

Next, the discussion centered on the Office of the Financial Stability Oversight Council -
-its structure and budget. First, Inspector General Bialek asked Mr. Gerety how he
received General Counsel assistance. Mr. Gerety replied that he had two FTE from the
Treasury General Counsel’s office providing legal assistance and said that his office has
the expertise of an informal General Counsel Committee. He followed up by saying he
has 19 FTE in place and hopes to have 24 FTE in the office in the future, working in
Operations, Analysis, and Policy.

Next, Mr. Michael Stephens, FHFA and SIGTARP Romero asked Mr. Gerety about
LIBOR, specifically if FSOC was discussing the index and its impact on the banks. Mr.
Gerety stated that the Council was very engaged on the issue.

After this discussion Thorson thanked Mr. Gerety for taking the time to attend the
CIGFO meeting.

Chairman Thorson then opened up the floor for discussion. Inspector General Bialek
talked to the CIGFO members about his potential ideas for a CIGFO working group, but
said that he wanted to think through the issues in-depth before presenting any of them
to the group.

Thorson thanked him for his ideas and said he looked forward to working with him on a
proposal.

The meeting was adjourned at 11:45 a.m.