

## Minutes of the Financial Stability Oversight Board Meeting January 30, 2015

A meeting of the Financial Stability Oversight Board (“Board”) was held at 3:00 p.m. (EDT) on Friday, January 30, via conference call.

### MEMBER REPRESENTATIVES PARTICIPATING:

Mr. Wilcox, Division Director, Federal Reserve Board (Chairperson)

Mr. Rutherford, Acting Under Secretary for Domestic Finance, Department of the Treasury

Mr. Golding, Senior Advisor, Department of Housing and Urban Development

Ms. Williams, Deputy Chief of Staff, Securities and Exchange Commission

Mr. Ugoletti, Special Advisor, Federal Housing Finance Agency

### STAFF PARTICIPATING:

Mr. Treacy, Executive Director

### AGENCY OFFICIALS PARTICIPATING:

Mr. Bowler, Deputy Assistant Secretary for Financial Stability, Department of the Treasury

Ms. Florman, Senior Advisor, Office of Financial Stability, Department of the Treasury

Mr. McArdle, Chief Homeownership Preservation Officer, Office of Financial Stability, Department of the Treasury

Mr. Montano, Acting Chief Investment Officer, Office of Financial Stability, Department of the Treasury

Mr. Roberts, Special Assistant, Office of Financial Stability, Department of the Treasury

Ms. Carter, Senior Supervisory Financial Analyst, Federal Reserve Board

Ms. Nolan, Supervisory Financial Analyst, Federal Reserve Board

The meeting was called to order by Mr. Wilcox at approximately 3:00 p.m. (EDT).

The Representatives then considered draft minutes for the meeting of the Board on December 19, 2014, which had been circulated in advance of the meeting. Upon a motion duly made and seconded, the Representatives voted to approve the minutes of the meeting, subject to such technical revisions as may be received from the Representatives.

Treasury officials then provided an update on the programs established by Treasury under the Troubled Asset Relief Program (“TARP”). Discussion during the

meeting focused on the Capital Purchase Program (“CPP”); the Automotive Industry Financing Program (“AIFP”); and the Making Home Affordable (“MHA”) and Hardest Hit Fund (“HHF”) initiatives. Among the materials distributed in advance of the meeting were the latest monthly report issued by Treasury under Section 105(a) of the Emergency Economic Stabilization Act (“105(a) report”), which contains information concerning the programs established by Treasury under TARP and aggregate information regarding the allocated and disbursed amounts under TARP. Throughout the meeting, Representatives raised and discussed various matters on behalf of the Members with respect to the effects of the policies and programs established under TARP.

Using prepared materials, Treasury officials provided Representatives with an update on recent developments in the TARP programs. As of January 28, Treasury had disbursed a total of approximately \$426.9 billion, including \$411.7 billion under TARP investment programs and \$15.2 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were \$441.7 billion, including the proceeds of non-TARP common shares in American International Group (“AIG”). Treasury’s remaining investment in TARP programs was \$890 million associated with bank programs (CPP and the Community Development Capital Initiative).

Treasury officials then

provided the Representatives with an update on the CPP. Treasury’s remaining aggregate CPP investment in 33 institutions was approximately \$440 million. The largest CPP investment remaining was Treasury’s common stock holdings in First BanCorp (“FBP”), amounting to \$160 million as of January 28. Officials then noted that the sale of FBP common stock was continuing under a second pre-arranged written trading plan.

Treasury officials then provided an update on the TARP housing initiatives, including the MHA’s Home Affordable Modification Program (“HAMP”). Treasury officials reported on the number of homeowner assistance actions that had been provided to at-risk borrowers since MHA’s inception, including the continuing inflow of new HAMP permanent modifications and other borrower assistance actions. Officials noted that some 11,000 new permanent HAMP modifications were initiated in November 2014. Treasury officials then noted the recent enhancements to MHA programs that increase and extend pay-for-performance incentives for homeowners in HAMP. As of November 2014, there were 966,000 active permanent modifications.

Treasury officials then discussed the general status of, and funding drawn by, HHF programs. In November, three HFAs had drawn a total of \$140 million and two states made changes to their programs to better assist at-risk borrowers. As of December 31, 2014, the 19 eligible HHF jurisdictions had drawn a total of \$5.0 billion under the program, out of a total committed amount of \$7.6 billion.

Staff of the Oversight Board then discussed the timing of the next quarterly report.

The meeting was adjourned at approximately 3:15 p.m. (EDT).

[signed electronically]

---

William F. Treacy,  
Executive Director