

**Minutes of the Financial Stability Oversight Board Meeting
February 22, 2018**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 3:00 p.m. EST on Thursday, February 22, 2018, via conference call.

**MEMBER REPRESENTATIVES
PARTICIPATING:**

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

Ms. Berry, Acting Assistant Secretary
for Financial Markets,
Department of the Treasury

Ms. Moore, Special Advisor, Federal
Housing Finance Agency

Mr. Wood, Director, Office of
Legislative and Intergovernmental
Affairs, Securities and Exchange
Commission

STAFF PARTICIPATING:

Mr. Treacy, Executive Director

Mr. Gonzalez, General Counsel and
Secretary

**AGENCY OFFICIALS
PARTICIPATING:**

Mr. Rasetti, Chief Financial Officer,
Office of Financial Stability,
Department of the Treasury

Ms. Johnson-Kutch, Director of Policy and
Programs, Office of Financial Stability,
Department of the Treasury

The meeting was called to order by
Mr. Wilcox at approximately 3:03 p.m. EST.

Upon commencement of the meeting, Representatives discussed draft minutes for the Board’s previous meeting, held on Thursday, January 25, 2018. The minutes for that meeting had been circulated and reviewed by Representatives in advance. Upon a motion duly made and seconded, the Representatives voted to approve the minutes of the meeting, subject to such technical revisions by the Representatives as deemed necessary.

Next, Treasury officials provided the Representatives with an update on the programs Treasury established under the Troubled Asset Relief Program (“TARP”). The meeting discussion predominantly focused on the Capital Purchase Program (“CPP”); the Community Development Capital Initiative (“CDCI”); and the Making Home Affordable (“MHA”) and Hardest Hit Fund (“HHF”) initiatives. Included in the materials distributed in advance of the meeting was the latest monthly report issued by Treasury under Section 105(a) of the Emergency Economic Stabilization Act (“Monthly Report”), which contained information related to programs established by Treasury under TARP and aggregate information regarding the allocated and disbursed amounts under TARP. Throughout the meeting, Representatives raised and discussed issues relevant to the policies and programs established under TARP.

Referring to prepared materials, Treasury officials briefed the Representatives on the Treasury's projections for the Office of Financial Stability (OFS) under the Trump Administration's recently-released FY2019 budget. Treasury officials then provided a report on recent developments in the TARP program. As of January 31, 2018, Treasury had disbursed a total of nearly \$439.0 billion, including approximately \$411.7 billion under TARP investment programs and approximately \$27.3 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were approximately \$442.5 billion.

Next, Treasury officials provided the Representatives with a status update on TARP investment programs, beginning with CPP. With no transactions in February, the CPP portfolio stood at five institutions, with a total remaining investment of \$44.5 million.

Treasury officials next reported on the status of the CDCI program. During February, there was one full repurchase at par in the CDCI portfolio (Liberty County Teachers Federal Credit Union for approximately \$88,000). In aggregate, giving effect to that transaction, some 19 institutions remained in the portfolio, with a total outstanding invested amount of \$68 million.

Treasury officials then reported on MHA. Home Affordable Modification Program ("HAMP"). As outlined in the Consolidated Appropriations Act,

2016, the MHA program terminated on December 31, 2016, and servicers were required to complete all MHA transactions by December 1, 2017. As such there was no change in the number of homeowner assistance actions under MHA for January. Treasury officials reported that there continued to be no noticeable change in performance in mortgage modifications under the Home Affordable Modification Program ("HAMP") due to interest rate step-ups.

Treasury officials next discussed recent developments in the HHHF program. As of January 31, 2018, Housing Finance Agencies in the nineteen eligible jurisdictions had disbursed approximately \$7.1 billion in program funds (\$7.9 billion in total program and administrative funds), and drawn down \$8.8 billion in total funds. HHHF program changes were approved during January for two states, Georgia and North Carolina.

Finally, staff of the Board discussed the timing of the next quarterly report, as well as upcoming activities of the Board.

The meeting was adjourned at approximately 3:20 p.m. EST.

[signed electronically] _____
Mr. Gonzalez, General Counsel
and Secretary