

**Minutes of the Financial Stability Oversight Board Meeting
November 30, 2017**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 3:00 p.m. EST on Thursday, November 30, 2017, 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

Mr. Usowski, Deputy Assistant Secretary, Office of Economic Affairs, Department of Housing and Urban Development

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

Mr. Dove, Operations Director, Homeownership Preservation Office, Office of Financial Stability, Department of the Treasury

Ms. Perkovich, Budget Director, Office of Financial Stability, Department of the Treasury

Mr. Hall, Investments Manager, Office of Financial Stability, Department of the Treasury

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

The meeting was called to order by Mr. Wilcox at approximately 3:01 p.m. EST.

Upon commencement of the meeting, Representatives discussed draft minutes for the Board’s previous meeting, held on Wednesday, October 18, 2017. 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.

Treasury officials next provided the Representatives with an update on the programs Treasury established under the Troubled Asset Relief Program (“TARP”). The meeting discussion focused predominantly 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. During the meeting, Representatives raised and discussed issues relevant to the policies and programs established under TARP.

Referring to prepared materials, Treasury officials next provided the Representatives with a report on recent developments in the TARP program. As of October 31, 2017, Treasury had disbursed a total of nearly \$438.3 billion, including approximately \$411.7 billion under TARP investment programs and nearly \$26.6 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were approximately \$442.5 billion.

Treasury officials then provided the Representatives with a status update on the CPP portfolio. Since the last meeting of the Representatives, Treasury completed the exchange of its Cecil Bancorp, Inc. (Cecil) preferred stock for common stock pursuant to an exchange agreement of the same date with Cecil and associated with a bankruptcy order. As part of that transaction, Treasury sold the resulting Cecil common stock for \$880,000 and cancelled Treasury’s warrant. Because Treasury’s investment in Cecil had previously been written off, the portfolio remained steady at six institutions, for a total remaining investment of \$47.5 million.

Next, Treasury officials reported on the status of the CDCI program. There were no new transactions in the CDCI portfolio. In aggregate, 21 institutions remained in the portfolio, for a total outstanding invested amount of approximately \$68.1 million.

Treasury officials noted that as of October 31, 2017, there had been more than 2.9 million total homeowner assistance actions under MHA’s Home Affordable Modification Program (“HAMP”). There were fewer than 900,000 active permanent modifications as of October 31, 2017. More than 2,300 new permanent modifications were started in September and October.

Next, Treasury officials discussed recent changes to the HHF programs. As of October 31, 2017, Housing Finance Agencies in the nineteen eligible jurisdictions had disbursed approximately \$6.8 billion in program funds (\$7.6 billion in total program and administrative funds), and drawn down more than \$8.4 billion in total funds. In the month of September, HHF program changes were approved for New Jersey and Tennessee.

Treasury officials next presented the results of the Agency Financial Report of Treasury’s Office of Financial Stability for the fiscal year ending September 30, 2017, including the audit findings from the Government Accountability Office’s (“GAO”). The GAO did not identify any material weakness or significant deficiencies in its review of the Office of Financial Stability’s financial statements, internal controls or other areas.

Finally, staff of the Board discussed the timing of the next quarterly report, as well as activities of the Board for the coming months.

The meeting was adjourned at approximately 3:15 p.m. EST.

[signed electronically]

Mr. Gonzalez, General Counsel
and Secretary