

**Minutes of the Financial Stability Oversight Board Meeting
October 18, 2017**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 2:00 p.m. EDT on Wednesday, October 18, 2017, via conference call.

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

**MEMBER REPRESENTATIVES
PARTICIPATING:**

The meeting was called to order by Mr. Wilcox at approximately 2:00 p.m. EDT.

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

Upon commencement of the meeting, Representatives discussed draft minutes for the Board’s previous meeting, held on Wednesday, September 27, 2017. The minutes for that meeting had been circulated 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.

Ms. Rollins, 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

STAFF PARTICIPATING:

Mr. Treacy, Executive Director

**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

Next, Treasury officials 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 September 30, 2017, Treasury had disbursed a total of more than \$438.1 billion, including approximately \$411.7 billion under TARP investment programs and more than \$26.4 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. There were no new transactions since the last meeting of the Representatives. Six institutions remain in the CPP portfolio, for a total remaining investment of \$47.5 million.

Next, Treasury officials reported on the status of the CDCI program. Citizens Bancshares Corporation completed a repurchase in full of their outstanding shares at par value, for proceeds of approximately \$7.5 million. As of the meeting, 21 institutions remain in the portfolio, for a total outstanding invested amount of approximately \$68.1 million.

Treasury officials noted that as of August 31, 2017, there had been more than 2.9 million total homeowner assistance actions under MHA's Home Affordable Modification Program ("HAMP"). There were more than 916,000 active permanent modifications during the month of August. Approximately 2,500 new permanent modifications were started in August.

Next, Treasury officials discussed recent changes to the HHF programs. As of September 30, 2017, Housing Finance Agencies in the nineteen eligible

jurisdictions had disbursed approximately \$6.7 billion in program funds (\$7.5 billion in total program and administrative funds), and drawn down more than \$8.4 billion in total funds. In the month of September, program changes were approved for Rhode Island.

Treasury officials next presented the results of their servicer assessment for the second quarter of 2017. All seven servicers were required to remediate minor or moderate compliance issues, but no substantial issues were identified by officials.

Finally, staff discussed the timing of activities of the Board for the coming months.

The meeting was adjourned at approximately 2:11 p.m. EDT.

[signed electronically]

Mr. Treacy, Executive Director