



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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FINANCIAL STABILITY OVERSIGHT COUNCIL MEETING DECEMBER 18, 2014

WASHINGTON – Secretary Lew today convened a meeting of the Financial Stability Oversight Council (Council) in executive and open sessions at the Treasury Department.

During the executive session, the Council reviewed its proposed Federal Register notice seeking public comment on potential risks to U.S. financial stability from asset management products and activities.

The Council also continued its discussion of nonbank financial company designations under Section 113 of the Dodd-Frank Act.

In addition, the Council received an update on recent international market developments.

Finally, the Chairperson provided an update to the Council regarding staff work on nonbank financial company designations process changes.

During the open session, the Council received an update from staff regarding two key areas of work from the Council's 2014 annual report to Congress: cybersecurity and interest rate risk.

The Council also heard a presentation from the Office of Financial Research about its recent annual report and the Financial Stability Monitor, which has been updated since it was first unveiled by the OFR in its 2013 annual report.

Members of the Council then discussed the Council's Federal Register notice seeking public comment on potential risks to U.S. financial stability from asset management products and activities, which identifies four areas on which to request further information: risks associated with liquidity and redemption, leverage, operational functions, and resolution. The Council then voted to release the Federal Register notice seeking public comment on these areas of potential

risk in order to further engage with stakeholders and gather additional information for its review of asset management products and activities.

Finally, the Council voted to approve the minutes of its previous meeting on November 3.

Additional information regarding the Council and the minutes approved today are available at www.fsoc.gov.

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