# Minutes of the Financial Stability Oversight Board Meeting
# March 23, 2015

A meeting of the Financial Stability Oversight Board ("Board") was held at 3:00 p.m. (EDT) on Monday, March 23, via conference call.

MEMBER REPRESENTATIVES PARTICIPATING:

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

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

Mr. Gonzalez, General Counsel and Secretary

AGENCY OFFICIALS PARTICIPATING:

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

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

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

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

Mr. Leventis, Principal Economist, Federal Housing Finance Agency

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 February 25, 2015, 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");

Community Development Capital Initiative ("CDCI"); 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 March 23, Treasury had disbursed a total of approximately $427.1 billion, including $411.7 billion under TARP investment programs and $15.4 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were $441.8 billion, including the proceeds of non-TARP common shares in American International Group ("AIG"). Treasury's remaining investment in TARP programs was about $800 million, all associated with bank programs (CPP and CDCI).

Treasury officials then provided the Representatives with an update on the CPP. As of the meeting date, Treasury's remaining aggregate CPP investment in 31 institutions was approximately $342 million. As of February 28, the largest remaining CPP investment was Treasury common stock holdings in First BanCorp ("FBP"). Officials noted that Treasury had completed its second pre-arranged written trading plan for the sale of FBP common stock. As of the meeting date, Treasury's remaining investment in FBP totaled approximately $125 million, representing about 4.8 percent of FBP's common shares.

Treasury officials then briefly discussed the CDCI program, noting that 64 institutions remained in the program.

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 10,800 new permanent HAMP modifications and 9,600 new HAMP trials were initiated in January 2015. As of January 2015, there were more than 970,000 active permanent HAMP modifications in place.

Treasury officials then discussed the general status of, and funding drawn by HHF programs. Since the inception of HHF, the 19 eligible HHF jurisdictions had drawn a total of approximately $5.1 billion under the program, out of a total committed amount of $7.6 billion. Officials also noted that some 230,000 borrowers had been assisted since the beginning of the program.

Officials from the Federal Housing Finance Agency ("FHFA") then briefed members on developments in the housing and housing finance markets. The information reviewed included data related to mortgage rates and Treasury yields, housing price indices and sales, and refinancing activities. During this discussion, FHFA officials also presented data related to delinquencies, GSE foreclosure prevention actions, and re-default experience on GSE-modified mortgages.

Staff of the Oversight Board provided members with an update regarding the Oversight Board's quarterly report to Congress for the period ending December 31, 2014.

The meeting was adjourned at approximately 3:20 p.m. (EDT).

[signed electronically]

Mr. Gonzalez, General Counsel and Secretary