



CONFIDENTIAL - NOT FOR PUBLIC DISTRIBUTION

Agenda for Financial Crisis Inquiry Commission Business Meeting

Wednesday, December 15, 2010

4:00-7:00pm ET

Location: FCIC Office, Large Conference Room

1717 Pennsylvania Avenue, Suite 800

Washington DC 20006

or

Conference Dial-In Number: 866-692-3582

Participant Access Code: 3387529

RECORDER

Business Meeting

Agenda Item 1: Call to Order

4:09pm

Agenda Item 2: Roll Call

**Phil Angelides
Bill Thomas
Brooksley Born
Byron Georgiou
Bob Graham
Keith Hennessey
Doug Holtz-Eakin
Heather Murren
John W. Thompson
Peter Wallison**

All present

Also present: Wendy, Gary, Gretchen, Scott, Courtney, Rob

Agenda Item 3: Approval of Minutes of Business Meeting of 12/6/10 (attached)

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Any questions? Moved by Born and seconded by Heather

Motion passes: 10-0.

Agenda Item 4: Approval of Minutes of Meeting on 12/7/10 (forthcoming)

Any questions or issues? Moved by Thompson. Second by Born.

Motion passes: 10-0

Agenda Item 5: Chairman and Vice Chairman's Report

Phil: Brief report. As we are aware – a number of the Commissioners released a primer with their views. Other Commissioners, myself included feel it is important to issue a statement with respect to this matter. Any objection? Phil reads emails out draft notice.

PA: noticed the commission on the Report Meeting notice for December 22nd (listen to recording)

Next step along the way – reconfirmation vote after the

Meeting notice for the 23rd if something un-anticipated occurs – same time on the 23rd.

BT: per what was sent out – structure and timing of findings and conclusions –

PA: it will be replaced with a redline.

BT: when will we see that?

PA: at latest – the day before?

BT: so we might only have a day to look at them and comment? Trying to say some of the additional and dissenting views will be based on the findings and conclusions found in the report – can't make dissent until we see them.

PA: as soon as possible.

BT: that is not a calendar or operating term – last day in the way you structured it – no time to react to it unless you say there is a precise time.

PA: as expeditiously as possible. And there is a full day after approval to issue/change dissents.

BT: do we have any idea on who many pages they will be?

PA: estimate – count on something – two versions – findings and conclusions in the rough order of 15-25 pages perhaps – probably more like 15-20. As well as suggested findings with respect to specific chapters –

BT: noticed “chapter conclusions” – in addition or salted in each chapter

PA: plan to have a set of major findings and conclusions and then to propose specific findings by chapter.

BT: Dissents not placed by chapter?

PA: your assumption is correct. Amount will be close to 9 pages

BT: nothing that limits amount of your findings and conclusions

PA: you know the rules as I do

...

BT: all additional or dissenting views to be provided no later than 5 days - does that apply to you?

PA: it does not. That is why there is an outline - open to discussion.

BT: we have to turn ours in no later than 5 days – we wouldn’t be able to have our findings in time?

PA: that’s why its on the table to allow you to start your work

GC: contemplation is that there would be redlines of the dissenting views and the findings and conclusions.

PA: move it as quickly as possible.

KH: not practical (check recording)

PA: that’s why you have an extra day to revise beyond that.

The outline you have been given is an outline that reflects a lot of discussion among this group.

PA: statement proposed to issue. – PA reads statement

BT: third line – recommends amendment – PA accepts it

Byron: what happened today (baby)

BT: today was the original due date – we decided based on a series of votes that have taken place – it is clear – you heard a bit of discussion – we respond in a meaningful way with no time to respond - fit them into a nine page dissent without ability to see what is included in findings and conclusions – would like to put in a different form – for informational purposes, we thought it might be useful on the statutory date to issue some findings (see recording) – helpful to look at questions being answered?

Byron: who is “we”

Bill: the 4 on the short end of the vote to strike alchemy?

Brooksley: has it been circulated to the other Commissioners

Byron: released?

Bill: it will be in the Congressional Record

Brooksley: I would appreciate a copy.

BT: Can this be circulated to Commission members? **PA** asked Scott to circulate it? **Bill** agreed to have this done.

PA: any objection to the proposed issuance of the media advisory? No objections raised.

Without objection, this release will go out. Thinks there should be a procedure/process to issue media advisories. **BT:** don't we have a process where Chairman and Vice Chairman can release it? **PA:** yes, but now we have a different view?

Brooksley: I move that the Commission delegate tot the Chair the ability to issue press releases on behalf of the the Commission. Second by Senator Graham. **PA:** add that **PA** will consult with the Vice Chair (have you see it, agree, or send it, **Brooksley** accepts amendment. **PA:** if people want an advance notice of 1 hour if the Chair and Vice Chair have not agreed. **Brooksley** accepts that. Confidential document until released. *PA have ability to issue a press release, PA would consult with you prior to that, every Commissioner would be given 1 hour prior notice and that press release would remain confidential.* **BT:** what is the consequence of a no vote? **GC:** excellent question.

BT: is this an amendment to the Commission rules

Gary: I don't think this is addressed by the Commission rules?

BT: then if no rule to check with the Vice Chair – why amendment?

Gary: clarify for the staff.

PA: All year long – I don't remember instances...

BT: trying to understand the reason for the motion. All you're going to do is exercise it.

BB: I made the motion so we are all clear on the procedures.

PA: any other

Phil Angelides Yes

Bill Thomas No

Brooksley Born Yes

Byron Georgiou Yes

Bob Graham Yes
Keith Hennessey No
Doug Holtz-Eakin Yes
Heather Murren Yes
John W. Thompson Yes
Peter Wallison Yes

(4:46pm)

Motion passes 8-2.

Agenda Item 6: Executive Director's Report

Noticed the Commission on status of the report – redlines to come in a timely fashion. Cutting 20%.

PW: what we have received is not cut yet.

WE: correct.

BT: on the multiples – how do we calculate

PW: what about the copy editor?

WE: send text to copy editor on December 23rd. We will continue to fact check and deal with legal issues – text will change in that regard.

PA: in that regard – there will be a vote.

PW: is there a deadline for that – when will that process be over?

WE: 11:00am January 7th.

PA: We will call a vote anywhere between the 6th and 7th. Email voting.

GC: see email I sent out yesterday which describes the copy submission process for the Public Affairs folks. See email. (attach to minutes)?

PA: between now and close of business on December 23rd – consult with whom – Maryann

GC: text has to be in..

PA: make a suggestion – for those that are interested in filing a dissent, schedule a meeting with Gary and Maryann – Gary will do it.

PW: file both lengths on the 17th and up to the 23rd

PW: there must be a lot of difference

Agenda Item 7: Retention of Special Counsel

Gary: spoken with a number of people. Received many recommendations. Recommends a person named Peter Kadzik – has the firms brochure - he would be assisted by his colleagues – Mark Poleta and Dennis Hastert – have him on a small retainer – negotiating now to advise the Commission on dealing with any Congressional inquiries if they occur? Has a relationship with Mr. Issa.

KH: I thought we were hiring a lawyer to make sure we understand the legal aspects - lobbyists?

Gary: not the intention – really to advise with respect to an inquiry – if they have a good relationship it's a bonus.

Bill: who is the attorney.

Gary: Peter Kadzick – 30 years of experience – has handled congressional inquiries before – gave me firm's standard congressional investigation brochure?

PA: any other questions? We should authorize General Counsel to retain counsel?

BT: when does the retention start and when does it end?

Gary: starts when we retain him and ends by February 13th

BT: why are we doing this? Can't we get this from House Counsel?.

Gary: no, it's a conflict.

BT: and we don't know how much this will cost?

Gary: will keep it quite limited?

BT: it makes no sense

PA: its to advise the Commission so the Commission and staff can act appropriately should their be an inquiry?

BT: why didn't we do this at the beginning of the Commission in case we got a subpoena from Congress?

PA: because the matter is now present. Ranking member has made it clear – we have staff that are concerned

BT: retaining before the 5th?

GC: in the next week to 10 days.

BT: if you vote for it it means you're concerned about subpoenas from the new Congress.

BB: provide advice to the Commission at such a time it is needed?

PA: already have a present question

BB: moves that the Commission authorize to retain counsel for this purpose – Heather seconds it. (listen to recording)

KH: will this be confidential?

BT: so we're going to vote to retain counsel for the new Republican Congress

PA/BB: no. **PA:** we have a present question in front of us.

PW: authorized to deal with the Committee? **PA:** I assume so

HM: general course of business – ability to call on outside counsel for specific concerns. Feels more comfortable to have advice necessary to make sure we are prudent and complete.

BT: haven't we consulted with House Counsel re: contract personnel?

GC: yes, but not consulted with House General Counsel because it's a conflict.

BB: my motion speaks for itself – I don't agree with

GC: No – we have a present letter from Mr. Issa which asks us certain things and puts staff in direct conflict with Mr. Issa and contrary to their non-disclosure agreement. I am concerned about staff and former staff and they deserve advice

BT: you can ignore the request

BB: not prudent to ignore request from Congress. We need legal guidance on how to deal with Congress

PW: not sure what he is hiring for?

BB: a maker of motion – retain counsel on behalf of the Commission and play role the Commission requests. Under direction of Gary Cohen and working with him.

PW: limit activities to advising Gary and staff – any more than that – comes back to the Commission for a vote – Bill seconds.

DHE: reality is we are a public body and this is not a secret – believes Gary did due diligence and selected firm – looks terrible to have the former speaker of the house advise the Commission

Byron: way Washington works – most firms – have a former speaker of the house

BB: motion is to retain counsel.

Peter's Motion

Phil Angelides No
Bill Thomas Yers
Brooksley Born No
Byron Georgiou No
Bob Graham no
Keith Hennessey Yes
Doug Holtz-Eakin Yes
Heather Murren No
John W. Thompson No
Peter Wallison Yes

Motion Fails: 4-6

Main motion:

Phil Angelides Yes
Bill Thomas No
Brooksley Born YEs
Byron Georgiou Yes
Bob Graham yes
Keith Hennessey No
Doug Holtz-Eakin no
Heather MurrenYes
John W. Thompson Yes
Peter Wallison No

Motion Passes: 6-4

Agenda Item 8: Email Procedures for the Vote on the Report (attached)

Gary: procedure modeled after consent procedure on securities world. Contemplated there will be a regular meeting – anyone in person or by telephone – by email – email vote intake lasts for 12 hours after conclusion of scheduled end time. Email vote counts for quorum. In rules since beginning – now procedures.

BB: doesn't understand Section III – provided however, email BB: shouldn't say – accepted at any time while the meeting is continuing. BB: while the meeting is continuing plus 12 hours.

BB: suggest an amendment to say – may be accepted at any time while the meeting is continuing plus 12 hours

BB: provided thing should come out –

GKN to send out revised motion

BB: move adoption agenda item 8 with the deletion of “provided” through the end of Section 3. Second by Holtz-Eakin.

Example: meeting 10-2:00pm – email vote ends at 2:00am – self cancels if 10 votes

Motion passes – 10- 0

Agenda 9: Amendment to Commission Rules re: Timing of Future Meetings and Notice (attached)

Gary: following up on last meeting

Motion by Byron, Second my Holtz-Eakin

Motion passes 10-0

Agenda Item 10: Approval of Clearance of Documents/Confidential Information for use when the Report is Released (forthcoming)

Get the memo out for clearance and then discuss. (see recording) Gary: delegate to staff on authorization - - if on the 22nd – unresolved issues – Gary – Commissioners vote – PA: your goal is to widdle down – bring staff report – places where there are still outstanding objections - these once are subject to confi agreements – only subject to confi agreements –

PW: what about materials asked for under subpoena?

PA: chair and vicechair agree or decision agreement.

PA: any other questions or comments?

Gary sent previously status updates

Agenda Item 11: Approval of proposal re: Editing of Additional or Dissenting Views (attached- requested by Commissioner Wallison)

Heather – moves approval. Commissioner Wallison seconds it.

KH: suggest - striking first sentence- Heather accepts so does Peter.

Any further debate?

All those in favor – motion passes 10-0.

Agenda Item 12: Update on Referrals

Gary – DOJ has referrals. We have potential minor items we haven't looked at yet – may be others coming post report.

Agenda Item 13: Comments and Questions from Commissioners

None.

Agenda Item 14: Other Items of Business

None.

Agenda Item 15: Adjournment of Business Meeting

5:44pm. Murren moves – Wallison seconds.

PA: before we adjourn – session tomorrow to review the report. Makes sense or have staff focus on integrating comments in report and having findings and conclusions.

DHE: instincts right and we should not meet tomorrow.

PA: like for unanimous consent to cancel (DHe moves and bB seconds – motion passes 10-0)

Motion to adjourn – 10-0 Passes.

(Note: Snacks and Beverages served in the conference room for those attending in person.)



Media Advisory

For Immediate Release

December 15, 2010

Media Inquiries:

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**Financial Crisis Inquiry Commission
Discusses the Release of its Final Report**

(Washington, DC) – As announced in November, the Financial Crisis Inquiry Commission will deliver its report on the causes of the financial crisis, which has devastated our economy and so many families, in January to the President, Congress and the American people. The report will contain facts and evidence from the Commission’s more than year-long investigation – including 19 days of public hearings, an analysis of hundreds of thousands of documents and interviews with more than 700 witnesses. The report will also include the Commission’s findings and conclusions as to the causes of the financial crisis based on this inquiry.

Today some members of the Commission made public their personal views on the financial crisis. The Commission had not previously seen or had an opportunity to review what was released today. But, as it does with the views of any its members, the Commission will review and take them into consideration.

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FINANCIAL CRISIS INQUIRY COMMISSION
COMMISSION SENSITIVE DOCUMENT
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About the Financial Crisis Inquiry Commission (FCIC)

The bi-partisan 10-member Financial Crisis Inquiry Commission was created by Congress and is charged with examining the causes of the financial meltdown. It is also examining causes of the collapse of major financial institutions that failed or would likely have failed had they not received exceptional government assistance. As part of its inquiry, the Commission has held a series of public hearings throughout the year including, but not limited to, the following topics: complex financial derivatives, credit rating agencies, government-sponsored enterprises, the shadow banking system, subprime lending practices and securitization, and too big to fail. The Commission is comprised of Chairman Phil Angelides, Vice Chairman Bill Thomas, and Commissioners Brooksley Born, Byron Georgiou, Robert Graham, Keith Hennessey, Doug Holtz-Eakin, Heather Murren, John W. Thompson, and Peter Wallison. Findings and conclusions will be presented in a formal report to Congress and the President. For more, visit FCIC.gov.

Wednesday, December 15, 2010
FCIC BUSINESS MEETING (4:00-7:00pm ET)

4:00-7:00pm ET Business Meeting

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Agenda Item 2: Roll Call

**Agenda Item 3: Approval of Minutes of Business Meeting of 12/6/10
(attached)**

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Agenda Item 5: Chairman and Vice Chairman's Report

Agenda Item 6: Executive Director's Report

Agenda Item 7: Retention of Special Counsel

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and Notice (attached)**

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**Agenda Item 11: Approval of proposal re: Editing of Additional or Dissenting
Views (attached- requested by Commissioner Wallison)**

Agenda Item 12: Update on Referrals

Agenda Item 13: Comments and Questions from Commissioners

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(Note: Snacks and Beverages served in the conference room for those attending in person.)



**Financial Crisis Inquiry Commission
Agenda Item 3 for FCIC Meeting of December 15, 2010
Approval of Minutes of Business Meeting of 12/6/10**

See Separate Attached Word Document for Materials



**Financial Crisis Inquiry Commission
Agenda Item 4 for FCIC Meeting of December 15, 2010
Approval of Minutes of Meeting of 12/7/10**

See Separate Word Document for Materials



Financial Crisis Inquiry Commission
Agenda Item 8 for FCIC Meeting of December 15, 2010
Email Procedures for the Vote on the Report

It is the agreement of the Commission that:

1. For each meeting of the Commission called for the purpose of approving the Report of the Commission to be delivered to the President and Congress, or amendments thereto, the Commission shall set a date and schedule the beginning and end time for the meeting (which can either be in person and/or by telephone) in compliance with its applicable rules and procedures for notice (a "Report Meeting").
2. The notice of the Report Meeting shall include a statement to the effect that email voting shall be available and shall designate the General Counsel (gcohen@fcic.gov) to be the recipient of the email votes accepting or rejecting the Report.
3. Email votes for or against approval of the Report of the Commission may be cast at any time during and after the Report Meeting until the earlier of the time (i) all 10 Commissioners have either voted in person, by telephone or by email, and (ii) 12 hours after the date and time the Report Meeting was scheduled to end, provided, however that if the Report Meeting should continue after its originally scheduled end time, and voting for the Report at the Report Meeting is still continuing 12 hours after the originally scheduled end time, email votes may be accepted at any time while voting is continuing.
4. The email address from which the vote is cast by Commissioners shall be the either the one regularly used by the Commission to send out "All Commissioners" email notifications, or the Commissioner's fcic.gov address. The General Counsel shall confirm to all Commissioners the receipt of any email votes.

5. If there are fewer than 6 Commissioners present at the beginning of a Report Meeting, provisional votes for or against the Report may be called for and cast and the determination of whether a quorum existed for the Report Meeting shall be deferred until the earlier of the time 6 Commissioners shall be present or deemed present, and the time for email voting has passed. A Commissioner timely casting his or her vote by email shall be deemed to have been present at all times during the Report Meeting in determining the existence of a quorum. For the avoidance of doubt, a Commissioner may leave a Report Meeting after casting a provisional vote, and shall nonetheless also count in determining the presence of a quorum.

6. The foregoing shall constitute an amendment to the Financial Crisis Inquiry Commission Rules of Procedure to implement the e-mail voting procedures provided for therein.



**Financial Crisis Inquiry Commission
Agenda Item 9 for FCIC Meeting of December 15, 2010
Draft Proposal re: 48 Hour Notice**

It is the agreement of the Commission that:

1. After December 24, 2010, meetings of the Commission may be called for on no less than forty eight (48) hours notice by either the Chairman or the Vice Chairman, and shall include an agenda as determined by the person calling for the meeting as well as a time and date for the meeting, which may either be in person and/or by telephone.

2. The foregoing shall constitute an amendment to the Financial Crisis Inquiry Commission Rules of Procedure.



**Financial Crisis Inquiry Commission
Agenda Item 10 for FCIC Meeting of December 15, 2010
Approval of Clearance of Documents/Confidential Information for use when the Report is Released**

Forthcoming



**Financial Crisis Inquiry Commission
Agenda Item 11 for FCIC Meeting of December 15, 2010
Proposal re Editing of Additional or Dissenting Views**

It is the sense of the Commission that:

Commissioners may submit additional or dissenting views for publication with the report submitted to the President and Congress in accordance with the procedures set forth herein.

Subject to (i) compliance with the Commission's standards and procedures for the submission of additional or dissenting views as adopted at the Commission's business meeting of December 6, 2010, (ii) compliance with the Commission's rules and procedures concerning the clearance and use of confidential information, (iii) compliance with limitations on the use of libelous or obscene material, and (iv) limitations imposed by the Commission's commercial publisher with respect to material to be included with the commercially published Commission report¹, there shall be no editing or alteration of the additional or dissenting views by the Commission or the other Commissioners, except as may be accepted by the Commissioner submitting the same.

¹ The commercial publisher's proposed contract contains the following with respect to the Work:

(i) it does not violate any right of privacy or publicity, (ii) it is not libelous or obscene, (iii) it does not infringe upon any statutory or common law copyright or trademark or violate any other right of any person, (iv) it contains nothing which is unlawful, (v) no material in the Work violates any contract of the Commission, express or implied, or discloses any information given to the Commission in confidence or on the understanding that it would not be disclosed or published except to the extent that the Commission has the right to disclose the same, and (vi) all statements in the Work asserted as facts are either true or are based upon reasonable research for accuracy.



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Agenda for Financial Crisis Inquiry Commission Meeting

Thursday, December 16, 2010

10:30-3:00pm ET

Location: FCIC Office, Large Conference Room

1717 Pennsylvania Avenue, Suite 800

Washington DC 20006

or

Conference Dial-In Number: 866-692-3582

Participant Access Code: 3387529

Thursday, December 16, 2010,

FCIC MEETING (10:30am-3:00pm ET)

10:30-10:45am **Overview of Meeting**

10:45-12:00pm **Session One: Discussion of Report**

Background materials: See draft chapters distributed by FCIC Staff under separate cover. Other materials may be forthcoming.

12:00-12:30pm **Break**

(Lunch and Beverages served in the conference room for those attending in person.)

12:30-2:45pm **Session Two: Discussion of Report**

Background materials: See draft chapters distributed by FCIC Staff under separate cover. Other materials may be forthcoming.

2:45-3:00pm **Wrap Up and Next Steps**