

# GLOSSARY

This appendix provides a glossary of terms that are used throughout the context of this report.

**504 Community Development Loan Program:** SBA program combining Government-guaranteed loans with private-sector mortgage loans to provide loans of up to \$10 million for community development.

**7(a) Program:** SBA loan program guaranteeing a percentage of loans for small businesses that cannot otherwise obtain conventional loans at reasonable terms.

**Amortization Schedule:** A complete schedule of periodic blended loan payments, showing the amount of principal and the amount of interest in each payment so that the loan will be paid off over a certain time period.

**Asset Coverage Test:** A requirement that the total assets of a PPIF be proportionally larger than total debt. In the case of PPIF, the asset coverage ratio is calculated as:  $([\text{the market value of the assets held by the PPIF}] + [\text{the market value of any assets held by a subsidiary} - [\text{any debt associated with those subsidiary assets}]]) / \text{the total debt}$ .

**Asset Crossing:** Buying or selling assets from affiliates, either directly or through third parties.

**Asset Flipping:** Buying securities with the intention of reselling these assets in the short term.

**Asset-Backed Securities ("ABS"):** A tradable security backed by a pool of loans, leases, or any other cash-flow producing assets.

**Back-End Debt-to-Income ("DTI") Ratio:** Indicates the percentage of an income that is used to pay debts.

**Back-End DTI Ratio:**  $\text{Back-End DTI Ratio} = \frac{\text{Total Monthly Debt Expense}}{\text{Gross Monthly Income}}$

**Bank Holding Company ("BHC"):** A company that controls a bank. Typically, a company controls a bank through the ownership of 25% or more of its voting securities.

**Bullet Payment:** A one-time, lump-sum repayment of an outstanding loan, typically made by the borrower after very little, if any, amortization of the loan.

**Collateral:** Tangible assets pledged against debts owed.

**Collateral Monitor:** Independent third party engaged by the Federal Reserve to assess the riskiness of the underlying mortgage pools.

**Collateralized Debt Obligation ("CDO"):** A financial instrument that entitles the purchaser to some portion of the cash flows from a portfolio of assets, which may include bonds, loans, mortgage-backed securities, or other CDOs.

**Commercial Mortgage-Backed Securities ("CMBS"):** A financial instrument that is backed by a commercial real estate mortgage or a group of commercial real estate mortgages that are packaged together.

**Composition:** A settlement reached between a debtor and a creditor prior to bankruptcy. The settlement discharges the debt owed to the creditor for an amount less than the original amount owed.

**Coupon Rate:** Interest rate to be paid as a percentage of the face value of the security. For example, if a \$100 security has an 8% coupon, the owner of the security will receive \$8 annually for the life of the security.

**Credit Default Swap ("CDS"):** A contract where the seller receives a series of payments from the buyer in return for agreeing to make a payment to the buyer when a particular credit event outlined in the contract occurs (for example, if the credit rating on a particular bond or loan is downgraded or goes into default). It is commonly referred to as an insurance product where the seller is providing the buyer insurance against the failure of a bond. The buyer, however, does not need to own the asset covered by the contract, which means it can serve essentially as a "bet" against the underlying bond.

**Creditor:** A person or entity that is owed money by another person or entity.

**Creditors' Committee:** A group representing several entities that have claims against a business in a bankruptcy proceeding.

**Cumulative Preferred Stock:** A type of stock that requires a defined dividend payment. If the company does not pay the dividend, it still owes the missed dividends to the owner of the stock.

**CUSIP:** Unique identifying number assigned to all registered securities in the United States and Canada.

**Debtor-in-Possession ("DIP") Financing:** A credit line used during Chapter 11 proceedings to maintain the value of a company's asset base.

**Debtor-in-Possession ("DIP"):** A company which is operating under Chapter 11 bankruptcy protection, which still technically owns its assets but is operating them to maximize the benefit to its creditors.

**Derivative:** A financial instrument whose value is based on ("derived from") a different underlying asset, indicator, or financial instrument.

**Discharge:** A court action that releases a debtor from liability for certain types of debts.

**Discount Window:** Federal Reserve facility that lends short-term money directly to eligible institutions.

**Equity Capital Facility:** A commitment to invest equity capital in a firm under certain future conditions.

**Exceptional Assistance:** Companies receiving assistance under the programs for SSFI, TIP, AGP, AIFP, and any future Treasury program designated by the Secretary as providing exceptional assistance. Currently includes AIG, Citigroup, Bank of America, GM, GMAC, Chrysler, and Chrysler Financial.

**Exchange:** In reference to Citigroup agreement, taking one type of stock (e.g., preferred) and converting it at a specific rate to another type of stock (e.g., common).

**Fair Market Value:** The price that a knowledgeable buyer and a knowledgeable seller would be able to agree upon in the open market, provided that both have access to sufficient information.

**Federal Banking Agency ("FBA"):** One of four agencies:

- 1) Comptroller of the Currency
- 2) Board of Governors of the Federal Reserve System
- 3) Federal Deposit Insurance Corporation
- 4) Office of Thrift Supervision

**Federal Funds Rate:** The rate at which depository institutions lend to each other overnight to immediately fill shortages.

**Fiduciary Duty:** A duty obligating a fiduciary (an individual or business in a position of authority who acts on behalf of another individual — an agent or trustee) to act with loyalty and honesty and in a manner consistent with the best interests of the other individual.

**Financial Accounting Standard 157-4 (“FAS157-4”):** On April 9, 2009, FASB issued FAS 157-4 to offer more clarity on valuing and accounting for assets in an inactive market when pricing represents distressed conditions.

**Financial Accounting Standards Board (“FASB”):** Established in 1973, FASB is the regulatory body responsible for establishing rules for financial accounting and the reporting of public, private, and not-for-profit companies. Those standards “govern the preparation of financial reports and are officially recognized as authoritative by the Securities and Exchange Commission [“SEC”] and the American Institute of Certified Public Accountants [regulators].” These standards are necessary for investors, creditors, and others to rely on the accuracy, transparency, timeliness, and comparability of financial statements.

**Floorplan:** Revolving lines of credit used to finance inventories of items.

**Fraud Enforcement Recovery Act of 2009, Public Law No. 111-21 (“FERA”):** A law enacted to expand the Department of Justice’s authority to prosecute crimes related to mortgage fraud, commodities fraud, and fraud related to Government assistance related to the economic crisis.

**Front Running:** Entering into a trade while taking advantage of advance knowledge of pending orders from other investors.

**Government-Sponsored Enterprises (“GSEs”):** Private corporations created by the Government to reduce borrowing costs. They are chartered by the U.S. Government but are not considered to be direct obligations.

**Haircut:** Difference in the value of the collateral and the value of the loan (the loan value is less than the collateral value).

**Illiquid Market:** A market in which assets cannot be quickly converted to cash.

**Index Fund:** Portfolio that tracks an established index, and thus requires minimal research on the part of the asset manager — typically providing a lower management fee structure.

**Insolvent:** A company’s total liabilities (debts) are greater than its total assets.

**Insurance Premium Finance Loans:** Loan issued to small businesses so they may obtain property or casualty insurance.

**Interim Security:** In the case of the Citigroup exchange, a preferred stock that is convertible and designated as a common stock equivalent.

**International Securities Identification Number (“ISIN”):** Unique identifying number assigned to all internationally traded securities (similar to a social security number).

**“Know Your Customer” Requirements:** A money-laundering and terrorist-financing prevention measure requiring institutions to obtain customer information beyond basic identification information.

**Legacy Assets:** Also commonly referred to as troubled or toxic assets, legacy assets are real estate-related loans and securities (legacy loans and legacy securities) that remain on banks’ balance sheets that have lost value but are difficult to price due to the recent market disruption.

**Legacy Loans:** Underperforming real estate-related loans held by a bank that it wishes to sell, but recent market disruptions have made difficult to price.

**Legacy Securities:** Troubled real estate-related securities (RMBS, CMBS), and other asset-backed securities (“ABS”) lingering on institutions’ balance sheets because their value could not be determined.

**Leverage Cap:** For the purposes of PPIP, a limit to the amount of debt a PPIF can assume based on its equity. Calculated as: total debt / net assets.

**Leverage on Leverage:** Refers to the original design of PPIP in which a private investor could borrow Government debt through PPIP and then leverage its equity and the Government debt with more Government debt through TALF.

**Leverage Ratio Test:** A limit to the total debt that a PPIF is allowed to carry. Calculated as: total debt / net assets.

**Liquidation:** The sale of a company’s assets in order to pay off outstanding debts with the remaining amount being distributed to shareholders. Once this process is complete, the company goes out of business.

**Loan-to-Value (“LTV”) Ratio:** In real estate lending, the outstanding principal amount of the loan divided by the appraised value of the property underlying the loan.

**Loss Carry-Forward:** Technique used to apply a loss from the current year to a future year in order to reduce the company’s future tax liability.

**Mandatorily Convertible Preferred:** A type of preferred share (ownership in a company that generally entitles the owner of the shares to collect dividend payments) that can be converted to common stock under certain parameters at the discretion of the company and must be converted to common stock by a certain date.

**Market Value:** Price at which a security could be bought or sold.

**Mark-to-Market:** Assets are carried at fair value on a continual basis with periodic changes in the fair value. Fluctuations in value are shown in the corporate earnings.

**Moratorium:** An authorized period to delay the payment of a debt obligation.

**Mortgage-Backed Securities (“MBS”):** A set of similar mortgages bundled together by a financial institution and sold as one security — a type of ABS.

**“Most-Favored-Nations” Clause:** A clause in an agreement granting to one entity the same terms as are then or may thereafter be granted to any other entity.

**Most Highly Compensated Employee:** The employee of a TARP recipient whose total annual compensation is determined to be the highest among all employees, where “annual compensation” includes the dollar value for total compensation as determined pursuant to federal securities laws reduced by the amount required by the employee’s defined benefit and pension plans.

**Municipal Lending:** Loans to city and state governments.

**Mutual Banks:** Depository institutions that are owned by their depositors and do not have a holding company associated with them.

**Mutual Holding Company:** A bank or savings and loan holding company that is part of a mutual bank that is owned by depositors; distributes income in proportion to the amount of business that members do with the company.

**Net Assets:** The value of all of the assets minus any debt associated with those assets.

**Net Present Value (“NPV”):** The present value of the estimated future cash inflows minus the present value of the cash outflows.

**New Chrysler:** The entity that purchased substantially all of Chrysler’s assets during bankruptcy.

**New GM:** The entity that purchased substantially all of GM’s assets during bankruptcy.

**Non-Cumulative Preferred Stock:** Shares where unpaid dividends do not accrue when a company does not make a dividend payment.

**Nonexempt Assets:** Property that belongs to a debtor which can be liquidated to satisfy creditor claims. Examples include motor vehicles, real estate, factories, etc.

**Notional:** Face Value

**Ownership Change:** Under U.S. income tax law, an ownership change will occur if an owner that controls at least 5% of the company increases its holding by 50% or more over a rolling three-year period.

**Par Value:** The dollar value assigned to a security by the issuer.

**Preferred Stock:** Equity ownership that usually pays a fixed dividend, gives the holder a claim on corporate earnings superior to common stock owners, and has no voting rights. Preferred stock also has priority in the distribution of assets in the case of liquidation of a bankrupt company.

**Primary Dealers:** Banks and securities broker-dealers that trade in U.S. Government securities with the Federal Reserve Bank of New York for the purpose of carrying out open market operations. There are currently 16 primary dealers.

**Private-Label Mortgages:** Loans that are not owned or guaranteed by Fannie Mae, Freddie Mac, Ginnie Mae, or another Federal agency.

**Pro Forma:** In finance, refers to the presentation of hypothetical financial information assuming that certain assumptions will happen. For example, the ownership interests in New Chrysler based on the assumption that Fiat will meet its performance goals and obtain an additional 15% of equity from the other equity holders. If the new equity stake were not reported pro forma, the equity interest of the other equity participants would be higher to account for Fiat's additional 15%.

**Professional Forecaster:** Economic expert firms that use various economic data to publish their own projections. The three forecasters used for the purpose of the stress test were the Consensus Forecasts, the Blue Chip Survey, and the Survey of Professional Forecasters. They are independent of Treasury.

**Public-Private Investment Program ("PPIP"):** A coordinated effort between Treasury and FDIC to improve the health of financial institutions holding real estate-related assets. The program is designed to increase the flow of credit throughout the economy by partnering with private investors to purchase real estate-related loans ("legacy loans") and real estate-related securities ("legacy securities") from financial institutions.

**Qualifying Financial Institution ("QFI"):** Private and public U.S.-controlled banks, savings associations, bank holding companies, certain savings and loan holding companies, and mutual organizations.

**Recognized:** Gains or losses that occur when an asset is re-valued or sold.

**Residential Mortgage-Backed Securities ("RMBS"):** A financial instrument that is backed by a group of residential real estate mortgages that are packaged together.

**Reverse Stock Split:** A method used by corporations to reduce the number of shares outstanding and increase the share price proportionally. The total value of the shares outstanding remains the same. Based on the AIG reverse stock split, if a shareholder owned 100 shares of common stock valued at \$1 before the 1-for-20 reverse stock split, after the reverse stock split the shareholder would own 5 shares of stock valued at \$20 each.

**Ring-Fencing:** Segregating assets from the rest of a financial institution, often so that asset problems can be addressed in isolation.

**Risk-Weighted Assets:** The amount of a bank's total assets after applying an appropriate risk factor to each asset.

**Round Tripping:** Buying an asset from an entity and reselling the asset back to the entity or its affiliates.

**Savings and Loan Holding Company ("SLHC"):** A company (other than a BHC) that controls a savings association.

**Say on Pay:** A non-binding vote by shareholders with respect to the company's executive compensation, as disclosed pursuant to SEC regulations.

**SCAP Buffer:** The amount of capital needed for an institution to sustain a 6% Tier One Ratio and a 4% Tangible Common Equity Ratio under the more adverse economic scenario.

**Secondary Market:** The secondary market, also known as the aftermarket, is the financial market where previously issued securities and financial instruments such as stock, bonds, options, and futures are bought and sold.

**Second-Lien Debt:** Debt that is ranked lower than senior debt in the event of a liquidation or bankruptcy restructuring.

**Section 402 of Helping Families Save Their Homes Act of 2009 ("Ensign-Boxer Amendment"):** Amendment to Helping Families Save Their Homes Act of 2009 that calls for increased PPIP oversight and allocates an additional \$15 million to SIGTARP with the direction that these funds be prioritized for performance audits and investigations of recipients of non-recourse loans under any EESA-funded program.

**Secured Creditor:** A creditor that holds a special assurance of debt payment, through holding collateral or possessing a lien on the same.

**Securities Exchange:** An agreement between a firm and investors, permitting the investors to exchange one class of securities for another.

**Senior Executive Officer ("SEO"):** A "named executive officer" of a TARP recipient as defined under federal securities law, which generally includes the principal executive officer ("PEO"), principal financial officer ("PFO"), and the next three most highly compensated employees.

**Senior Preferred Stock:** Shares that give the stockholder priority dividend and liquidation claims over junior preferred and common stockholders.

**Senior Securities:** A debt or equity security that has a higher priority over others.

**Servicer:** Administrative party that collects payments and generates reports regarding mortgage payments.

**Servicing Advance Receivables:** Receivables related to residential mortgage loan securitizations that grant the servicer first priority in any insurance or liquidation proceeds from a loan, and, if those proceeds are insufficient, grants the servicer a first priority to general collections of the related securitization.

**Skin in the Game:** Equity stake in an investment; down payment; the amount an investor can lose.

**Solvency:** A company's ability to pay its debts with available cash.

**Special Purpose Vehicle ("SPV"):** An off-balance sheet legal entity that holds the transferred assets presumptively beyond the reach of the entities providing the assets (e.g., legally isolated).

**Subscription:** Process of investors signing up and committing to invest in a financial instrument before the actual closing of the purchase.

**Supplier Financing:** The purchase of accounts receivables of small- and medium-sized businesses.

**Systemically Significant:** A financial institution whose failure would impose significant losses on creditors and counterparties, call into question the financial strength of other similarly situated financial institutions, disrupt financial markets, raise borrowing costs for households and businesses, and reduce household wealth.

**T1 Common (also known as TCE):** Calculated by removing all non-common elements from T1, *e.g.*, preferred equity, minority interests, and trust preferred securities. It can be thought of as the amount that would be left over if the bank were dissolved and all creditors and higher levels of stock, such as preferred stock, were paid off. T1 Common is the highest “quality” of capital in the sense of providing a buffer against loss by claimants on the bank. T1 Common is used in calculating the tier-one common ratio (“T1 Common Ratio”) which determines what percentage of a bank’s total assets is categorized as T1 Common. The higher the percentage, the better capitalized the bank. Preferred stock is an example of capital that is counted in T1, but not in T1 Common.

**T1 or “core capital”:** Consists primarily of common equity (including retained earnings), limited types and amounts of preferred equity, certain minority interests, and limited types and amounts of trust preferred securities. T1 does not include goodwill and certain other intangibles. Certain other assets are also excluded from T1. It can be described as a measure of the bank’s ability to sustain future losses and still meet depositor’s demands. Federal regulators look at T1 to calculate the tier-one capital ratio (“T1 Ratio”), which determines what percentage of a bank’s total assets is categorized as T1. Under traditional Federal regulations, a bank with a T1 Ratio of 4% or greater is considered adequately capitalized.

**Tangible Common Equity (“TCE”):** = T1 – Preferred equity – Minority interests – Trust preferred securities.

**Tax Gross Up:** A reimbursement of taxes owed with respect to any compensation.

**Temporary Investments:** For the purposes of PPIP, they are cash, Treasuries, money market mutual funds, and interest rate hedges.

**Term:** The period of time assigned as the lifespan of any investment.

**Tier One Capital (“T1”):** = Common stockholders’ equity + Preferred equity (subject to regulatory limits) + Minority interests + Trust preferred securities (subject to regulatory limits) – Goodwill – Certain other assets (subject to regulatory limits).

**Tier One Risk-based Capital Ratio (“T1 Ratio”):** T1/Risk-weighted assets

**Tier One Common Equity (“T1 Common”):**  
= T1 – Preferred equity – Minority interests – Trust preferred securities.

**Tier One Common Risk-based Ratio (“T1 Common Ratio”):**  
T1 Common / Risk-weighted assets

**Treasury-Owned Preferred Stock:** Comprises CPP preferred stock, AGP preferred stock, and TIP preferred stock.

**Trust Preferred Security:** A security that has both equity and debt characteristics, created by establishing a trust and issuing debt to it. A company would create a trust preferred security to realize tax benefits, since the trust is tax deductible.

**Trustee:** A person who holds property on behalf of a beneficiary.

**Unpaid Principal Balance (“UPB”):** Amount of a loan that is unpaid. This does not include additional charges, such as interest.

**Warrant:** The right, but not the obligation, to purchase a certain number of shares of common stock at a fixed price.

**Weighted Average Life:** The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding.

#### Sources:

- All Business, “Loan Servicer,” <http://www.allbusiness.com/glossaries/loan-servicer/4962026-1.html>, accessed 6/12/2009.
- Citigroup, “What Citi is Doing to Expand the Flow of Credit, Support Homeowners and Help the U.S. Economy, TARP Progress Report for First Quarter 2009,” 5/12/2009, [www.citigroup.com](http://www.citigroup.com), accessed 6/1/2009.
- Citigroup, Exchange Agreement, 6/9/2009, [www.sec.gov](http://www.sec.gov), accessed 6/10/2009.
- Commodities and Futures Trading Commission, “CFTC Glossary,” no date, [http://www.cftc.gov/education-center/glossary/glossary\\_co.html](http://www.cftc.gov/education-center/glossary/glossary_co.html), accessed 7/10/2009.
- Congressional Budget Office, “The Budget and Economic Outlook,” [www.cbo.gov/budget/glossary.shtml#C](http://www.cbo.gov/budget/glossary.shtml#C), accessed 4/8/2009.
- FASB, “Press Release,” [http://www.fasb.org/cs/ContentServer?c=FASBContent\\_C&pagename=FASB/FASBContent\\_C/NewsPage&cid=1176156338441](http://www.fasb.org/cs/ContentServer?c=FASBContent_C&pagename=FASB/FASBContent_C/NewsPage&cid=1176156338441), accessed 6/15/2009.
- FDIC, “FAQS: Supervisory Capital Assessment Program,” 2/25/2009, [www.fdic.gov](http://www.fdic.gov), accessed 3/25/2009.
- Federal Deposit Insurance Company, Federal Deposit Insurance Act, 2/29/2008, p. 1065, [www.fdic.gov/regulations/laws/rules/1000-400.html](http://www.fdic.gov/regulations/laws/rules/1000-400.html), accessed 1/28/2009.
- “Federal Reserve Board, “Basel II Capital Accord,” Notice of Proposed Rulemaking, March 30, 2006, [http://www.Federalreserve.gov/generalinfo/Basel2/DraftNPR/NPR/section\\_4.htm](http://www.Federalreserve.gov/generalinfo/Basel2/DraftNPR/NPR/section_4.htm). Citigroup and Bank of America 8Ks, accessed 7/2/2009.
- Federal Reserve Board, Comments on SIGTARP draft report, 1/29/2009.
- Federal Reserve, response to SIGTARP draft, 7/10/2009.
- Federal Reserve, “The Supervisory Capital Assessment Program: Overview of Results,” 5/7/2009.
- FRBNY, “Term Asset-Backed Securities Loan Facility: Terms and Conditions,” 5/19/2009, [www.newyorkfed.org/markets/taif\\_terms.html](http://www.newyorkfed.org/markets/taif_terms.html), accessed 5/20/2009.
- GAO, “Small Business Administration: Additional Guidance on Documenting Credit Elsewhere Decisions Could Improve 7(a) Program Oversight,” 2/12/2009, [www.gao.gov](http://www.gao.gov), accessed 3/17/2009.
- GAO-05-734SP, “A Glossary of Terms Used in the Federal Budget Process, September 2005,” <http://www.gao.gov/new.items/d05734sp.pdf>, accessed 1/28/2009.
- House of Representatives, “Testimony of Robert H. Herz, Chairman, Financial Accounting Standards Board before the U.S. House of Representatives Financial Services Subcommittee On Capital Markets, Insurance, and Government Sponsored Entities,” 3/12/2009, [www.fasb.org/testimony/03-12-09-prepared\\_statement.pdf](http://www.fasb.org/testimony/03-12-09-prepared_statement.pdf), accessed 6/15/2009.
- IRS, “IRS Form 1099-C: Cancellation of Debt,” no date, [www.irs.gov/Debt\\_Cancellation\\_Vignette.doc](http://www.irs.gov/Debt_Cancellation_Vignette.doc), accessed 6/9/2009.
- National Information Center, “Institution Types Defined,” [www.nicpubweb/Content/HELP/Institution%20Type%20Description.htm](http://www.nicpubweb/Content/HELP/Institution%20Type%20Description.htm), accessed 1/28/2009.
- Office of Financial Stability, response to SIGTARP draft, 7/9/2009.
- Securities and Exchange Commission, “Reverse Stock Split,” <http://sec.gov/answers/reversesplit.htm>, accessed 7/10/2009.
- Securities and Exchange Commission, “CUSIP,” <http://www.sec.gov/answers/cusip.htm>, accessed 4/6/2009.
- Senatus, “Senate Adopts Boxer / Ensign PPIP Accountability Amendment to Helping Families Save Their Homes Act,” 5/6/2009, <http://senatus.wordpress.com/2009/05/05/senate-adopts-boxer-ensign-ppip-accountability-amendment-to-helping-families-save-their-homes-act/>, accessed 7/7/2009.
- The Library of Congress, “House Report 104-863 Making Omnibus Consolidated Appropriations for Fiscal Year 1997,” no date, [www.thomas.gov](http://www.thomas.gov), accessed 4/6/2009.
- Treasury Press Release, “Treasury Department Releases Details on Public-Private Partnership Investment Program,” 3/23/2009, <http://www.treas.gov/press/releases/tg65.htm>, accessed 7/7/2009.
- Treasury, “Decoder,” no date, <http://www.financialstability.gov/roadtostability/decoder.htm>, accessed 4/9/2009.
- Treasury, “Ethical Standards and Conflict of Interest Rules for Public-Private Investment Fund Managers,” no date, Provided by SIGTARP 7/2/2009.
- Treasury, “Legacy Securities Public-Private Investment Program Compliance and Risk Management,” 7/2/2009.
- Treasury, “Letter of Intent and Term Sheet,” 7/8/2009, [www.financialstability.gov/docs/S-PPIP\\_LOI\\_Term-Sheets.pdf](http://www.financialstability.gov/docs/S-PPIP_LOI_Term-Sheets.pdf), accessed 7/8/2009.
- Treasury, “Securities Purchase Agreement dated as of April 17, 2009 between American International Group, Inc. and United States Department of the Treasury,” 4/17/2009, [www.financialstability.gov/docs/agreements/Series.F.Securities.Purchase.Agreement.pdf](http://www.financialstability.gov/docs/agreements/Series.F.Securities.Purchase.Agreement.pdf), accessed 6/8/2009.
- Treasury, “TARP Capital Purchase Program, Senior Preferred Stock and Warrants, Summary of Preferred Terms,” 10/14/2008, [www.treas.gov](http://www.treas.gov), accessed 1/25/2009.
- Treasury, “TARP Standards for Compensation and Corporate Governance,” 6/10/2009, [http://www.financialstability.gov/docs/EC\\_IFR\\_FR\\_web60909.pdf](http://www.financialstability.gov/docs/EC_IFR_FR_web60909.pdf), accessed 6/10/2009.
- Treasury, “Treasury Announces New Restrictions on Executive Compensation,” 2/4/2009, [www.treas.gov](http://www.treas.gov), accessed 3/20/2009.
- Treasury, “Unlocking Credit for Small Businesses Fact Sheet,” 3/16/2009, [www.treas.gov](http://www.treas.gov), accessed 3/17/2009.
- White House Press Release, “Reforms for American Homeowners and Consumers,” 5/20/2009, [http://www.whitehouse.gov/the\\_press\\_office/Reforms-for-American-Homeowners-and-Consumers-President-Obama-Signs-the-Helping-Families-Save-their-Homes-Act-and-the-Fraud-Enforcement-and-Recovery-Act](http://www.whitehouse.gov/the_press_office/Reforms-for-American-Homeowners-and-Consumers-President-Obama-Signs-the-Helping-Families-Save-their-Homes-Act-and-the-Fraud-Enforcement-and-Recovery-Act), accessed 7/7/2009.



## ACRONYMS AND ABBREVIATIONS

<b>ABCP</b>	Asset-Backed Commercial Paper	<b>FBI</b>	Federal Bureau of Investigation
<b>ABS</b>	Asset-Backed Securities	<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>AGP</b>	Asset Guarantee Program	<b>FERA</b>	Fraud Enforcement Recovery Act of 2009
<b>AIA</b>	American International Assurance Company	<b>FFELP</b>	Federal Family Educational Loan Program
<b>AIFP</b>	Automotive Industry Financing Program	<b>FHA</b>	Federal Housing Administration
<b>AIG</b>	American International Group, Inc.	<b>FHFA</b>	Federal Housing Finance Agency
<b>AIGFP</b>	AIG Financial Products Corp.	<b>FHLB</b>	Federal Home Loan Bank
<b>AIGI</b>	Assistant Inspector General for Investigations	<b>FinCEN</b>	Financial Crimes Enforcement Network
<b>ALICO</b>	American Life Insurance Company	<b>FOMC</b>	Federal Open Market Committee
<b>AMLF</b>	Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility	<b>FRBNY</b>	Federal Reserve Bank of New York
<b>ARRA</b>	American Recovery and Reinvestment Act of 2009	<b>FSB</b>	Financial Stability Plan
<b>ASSP</b>	Auto Supplier Support Program	<b>FSOB</b>	Financial Stability Oversight Board
<b>AWCP</b>	Auto Warranty Commitment Program	<b>FTC</b>	Federal Trade Commission
<b>BHC</b>	Bank Holding Company	<b>GAO</b>	Government Accountability Office
<b>BPA</b>	Blanket Purchase Agreement	<b>GM</b>	General Motors Corporation
<b>CAO</b>	Chief Accounting Officer	<b>GMAC</b>	GMAC LLC
<b>CAP</b>	Capital Assistance Program	<b>GNMA</b>	Government National Mortgage Association
<b>CBO</b>	Congressional Budget Office	<b>Governors</b>	Board of Governors of the Federal Reserve
<b>CDO</b>	Collateralized Debt Obligation	<b>GSEs</b>	Government-Sponsored Enterprises
<b>CDS</b>	Credit Default Swaps	<b>HAMP</b>	Home Affordable Modification Program
<b>CEO</b>	Chief Executive Officer	<b>HARP</b>	Home Affordable Refinance Program
<b>CMBS</b>	Commercial Mortgage-Backed Securities	<b>HERA</b>	Housing and Economic Recovery Act
<b>COI</b>	Conflict of Interest	<b>IAA</b>	Inter-Agency Agreement
<b>COP</b>	Congressional Oversight Panel	<b>ICE</b>	U.S. Immigration and Customs Enforcement
<b>CP</b>	Commercial Paper	<b>IG</b>	Inspector General
<b>CPFF</b>	Commercial Paper Funding Facility	<b>IMF</b>	International Monetary Fund
<b>CPP</b>	Capital Purchase Program	<b>IRS-CI</b>	Internal Revenue Service Criminal Investigation
<b>CU SIP</b>	Credit Union System Investment Program	<b>ISIN</b>	International Securities Identification Number
<b>DDA</b>	Demand Deposit Accounts	<b>JEC</b>	Joint Economic Committee
<b>DGP</b>	Debt Guarantee Program	<b>LIBOR</b>	London Interbank Offered Rate
<b>DIF</b>	Deposit Insurance Fund	<b>LTV</b>	Loan-to-Value
<b>DIP</b>	Debtor in Possession	<b>MBS</b>	Mortgage-Backed Securities
<b>DOJ</b>	Department of Justice	<b>MCP</b>	Mandatorily Convertible Preferred Shares
<b>DTI</b>	Debt to Income	<b>MHA</b>	Making Home Affordable
<b>EESA</b>	Emergency Economic Stabilization Act of 2008	<b>MMIFF</b>	Money Market Investor Funding Facility
<b>Ensign-Boxer Amendment</b>	Section 402 of Helping Families Save Their Homes Act of 2009	<b>MMMF</b>	Money Market Mutual Fund
<b>FAS157-4</b>	Financial Accounting Standard 157-4	<b>Moody's</b>	Moody's Investors Services
<b>FASB</b>	Financial Accounting Standards Board	<b>NAB</b>	New Arrangements to Borrow
<b>FBA</b>	Federal Banking Agency	<b>NCUA</b>	National Credit Union Administration
		<b>NCUSIF</b>	National Credit Union Share Insurance Fund
		<b>NOW</b>	Negotiable Order of Withdrawal

<b>NPV</b>	Net Present Value	<b>STPP</b>	Short Term Purchase Program
<b>NRSRO</b>	Nationally Recognized Statistical Rating Organization	<b>T1</b>	Tier One Capital
<b>NY HIFCA</b>	New York High Intensity Financial Crime Area	<b>T1 Common</b>	Tier One Common Equity
<b>OFS</b>	Office of Financial Stability	<b>T1 Common Ratio</b>	Tier One Common Risk-Based Ratio
<b>OMOs</b>	Open Market Operations	<b>T1 Ratio</b>	Tier One Risk-Based Capital Ratio
<b>OPIC</b>	Overseas Private Investment Corporation	<b>TAF</b>	Term Auction Facility
<b>PDCF</b>	Primary Dealer Credit Facility	<b>TAG</b>	Transaction Account Guarantee
<b>PEO</b>	Principal Executive Officer	<b>TALF</b>	Term Asset-Backed Securities Loan Facility
<b>PFO</b>	Principal Financial Officer	<b>TARP</b>	Troubled Asset Relief Program
<b>PIK</b>	Payment-in-Kind	<b>TARP-IG Council</b>	TARP Inspector General Council
<b>PIIF</b>	Public-Private Investment Fund	<b>TCCULGP</b>	Temporary Corporate Credit Union Liquidity Guarantee Program
<b>PIIP</b>	Public-Private Investment Program	<b>TCE</b>	Tangible Common Equity
<b>PSPA</b>	Preferred Stock Purchase Agreement	<b>TCE Ratio</b>	Tangible Common Equity Ratio
<b>QFI</b>	Qualifying Financial Institution	<b>the CODE</b>	The United States Bankruptcy Code
<b>REIT</b>	Real Estate Investment Trust	<b>the Committee</b>	Board Compensation Committee
<b>Repo's</b>	Tri-Party Repurchase Agreements	<b>the Rule</b>	Interim Final Rule on TARP Standards for Compensation and Corporate Governance
<b>RMBS</b>	Residential Mortgage-Backed Securities	<b>TIP</b>	Targeted Investment Program
<b>S&amp;P</b>	Standard & Poor's	<b>TLGP</b>	Temporary Liquidity Guarantee Program
<b>SBA</b>	Small Business Administration	<b>TOP</b>	TSLF Options Program
<b>SCAP</b>	Supervisory Capital Assessment Program	<b>TPP</b>	Treasuries Purchase Program
<b>SEC</b>	Securities and Exchange Commission	<b>Treasury</b>	U.S. Department of the Treasury
<b>Section 13</b>	Section 13 of the Federal Reserve Act	<b>TSLF</b>	Term Securities Lending Facility
<b>SEO</b>	Senior Executive Officer	<b>UCSB</b>	Unlocking Credit for Small Businesses
<b>SIGTARP</b>	Special Inspector General for the Troubled Asset Relief Program	<b>UPB</b>	Unpaid Principal Balance
<b>SLHC</b>	Savings and Loan Holding Company	<b>USPIS</b>	U.S. Postal Inspection Service
<b>SOMA</b>	System Open Market Account	<b>VA</b>	Department of Veterans Affairs
<b>SPA</b>	Securities Purchase Agreement	<b>WFO</b>	FBI's Washington Field Office
<b>Special Master</b>	Office of the Special Master		
<b>SPV</b>	Special Purpose Vehicle		
<b>SSFI</b>	Systemically Significant Failing Institutions		

## PUBLIC ANNOUNCEMENTS OF AUDITS

This appendix provides an announcement of new and ongoing public audits by the agencies listed below. See Appendix F: “Key Oversight Reports and Testimonies” for a listing of published reports. Italics style indicates narrative taken verbatim from the agencies’ responses to SIGTARP’s data call.

- A. U.S. Department of the Treasury Inspector General (“Treasury OIG”)
- B. Inspector General for the Board of Governors of the Federal Reserve System (“Federal Reserve OIG”)
- C. Government Accountability Office (“GAO”)
- D. Federal Deposit Insurance Corporation (“FDIC OIG”)

### A. Treasury OIG<sup>1</sup>

#### Ongoing Audits

- *Case study of Treasury’s selection of City National Bank, Beverly Hills, California, to receive \$400 million under the Capital Purchase Program (CPP).* [Treasury OIG] issued [its] engagement letter on this audit on December 4, 2008, and held entrance conferences with Treasury officials on December 11, 2008, and Office of the Comptroller of the Currency officials on January 6, 2009. [Treasury OIG’s] work on this audit is ongoing. [Treasury OIG] anticipates issuing the discussion draft report on this project during July 2009.
- *At the request of Senator Charles Grassley, Ranking Minority Member of the Senate Finance Committee, [Treasury OIG is] conducting an inquiry into the role of the Department in reviewing and commenting on the commitment by AIG’s Financial Products division to pay bonuses to certain employees. [Treasury OIG is] focusing the inquiry on the role of the Treasury Office of General Counsel in reviewing the assertion that such payments were mandated by contract and by various state laws.*

### B. Federal Reserve OIG<sup>2</sup>

#### Ongoing Audits

- *Audit of the Board of Governors of the Federal Reserve System’s (Board) processing of Capital Purchase Program applications from Board-supervised financial institutions*
- *Review of the Federal Reserve’s Lending Facilities and Special Programs*

### C. GAO<sup>3</sup>

#### Ongoing Audits

- *CPP Approval and Return Process: Review Treasury’s process as well as regulators’ processes for approval, as well as Treasury and regulators’ application of criteria for repayment. Probable Fall issuance.*
- *AIG Oversight: Reviewing Treasury and Federal Reserve’s oversight of AIG, including involvement in management and decision making.*
- *Citigroup: (partnering with SIGTARP) How did Treasury decide to assist Citigroup; analysis of Citigroup’s condition, and Treasury’s ongoing monitoring efforts. Some in June report but more in the Fall.*
- *PPIP and TALF: Evaluate oversight systems, monitor activities, and evaluate indicators of success. Depending on level of activity Fall or toward end of calendar year.*
- *Auto Industry: What is the Treasury’s exit strategy with respect to this program? Fall.*
- *Financial Audit of TARP: Due November 15, 2009.*
- *Effect of TARP on Treasury’s Debt Management: Late this year or early next year.*

#### New Audits

- *Partnering with SIGTARP on oversight of government management of formerly private sector entities.*

### D. FDIC OIG<sup>4</sup>

#### Ongoing Evaluation

- *Evaluation of the FDIC’s Consideration of Capital Regulatory Relief Requests from OneUnited: The objective of this evaluation was to review the FDIC’s actions related to OneUnited’s request for (1) relief from devalued GSE securities and favorable treatment of corresponding deferred tax assets and (2) CPP funding. (Please note that the draft and final versions of this report will not be made publicly available because it is predecisional and contains confidential open bank information.)*

#### Endnotes

<sup>1</sup> Treasury OIG, response to SIGTARP data call, 7/8/2009.

<sup>2</sup> Federal Reserve OIG, response to SIGTARP data call, 7/10/2009.

<sup>3</sup> GAO, response to SIGTARP data call, 7/8/2009.

<sup>4</sup> FDIC OIG, response to SIGTARP data call, 7/7/2009.

## KEY OVERSIGHT REPORTS AND TESTIMONIES

This list reflects TARP-related reports and testimonies published since SIGTARP's last quarterly report. See SIGTARP's April 2009 Quarterly Report to Congress for a list of prior reports and testimonies.

### U.S. DEPARTMENT OF THE TREASURY (TREASURY)

#### ROLES AND MISSION

*The mission of Treasury is to serve the American people and strengthen national security by managing the U.S. government's finances effectively; promoting economic growth and stability; and ensuring the safety, soundness, and security of the U.S. and international financial systems. Treasury advises the President on economic and financial issues, encourages sustainable economic growth, and fosters improved governance in financial institutions.*

#### OVERSIGHT REPORTS

Treasury, *Tranche Report*, 11/3/2008- 6/3/2009, [www.financialstability.gov/latest/reportsanddocs.html](http://www.financialstability.gov/latest/reportsanddocs.html), accessed 7/9/2009. (for every \$50 billion committed)

Treasury, *Transactions Report*, 11/7/2008-7/2/2009, [www.financialstability.gov/latest/reportsanddocs.html](http://www.financialstability.gov/latest/reportsanddocs.html), accessed 7/9/2009. (released weekly)

Treasury, *Section 105(a) Report*, 12/5/2008- 6/10/2009, [www.financialstability.gov/latest/reportsanddocs.html](http://www.financialstability.gov/latest/reportsanddocs.html), accessed 7/9/2009.

Treasury, *Section 102 Report*, 12/31/2008, [www.financialstability.gov/latest/reportsanddocs.html](http://www.financialstability.gov/latest/reportsanddocs.html), accessed 7/9/2009.

Treasury, "The U.S. Treasury Department Summary Response to Recommendations in the January 2008 GAO Report," 1/16/2009, <http://www.financialstability.gov/latest/reportsanddocs.html>, accessed 7/9/2009.

Treasury, "Regulatory Reform Over-The-Counter (OTC) Derivatives," 3/13/2009, [http://www.financialstability.gov/latest/tg\\_05132009.html](http://www.financialstability.gov/latest/tg_05132009.html), accessed 7/9/2009.

Treasury, "The U.S. Treasury Department Summary Response to Recommendations in the January 2009 GAO Report," 3/18/2009, <http://www.financialstability.gov/latest/reportsanddocs.html>, accessed 7/9/2009.

Treasury, "U.S. Treasury Department 100 Days Progress Report," 4/29/2009, [http://www.treas.gov/press/releases/reports/100daysreport\\_042909.pdf](http://www.treas.gov/press/releases/reports/100daysreport_042909.pdf), accessed 7/9/2009.

#### RECORDED TESTIMONY

Treasury, "Prepared Statement by Treasury Secretary Tim Geithner at the Inter-American Development Bank's Annual Meeting of the Boards of Governors," 3/29/2009, [http://www.financialstability.gov/latest/tgSp3\\_29\\_09.html](http://www.financialstability.gov/latest/tgSp3_29_09.html), accessed 7/9/2009.

Treasury, "New Multi-Agency Crackdown on Loan Modification Fraud and Foreclosure Rescue Scams," 4/6/2009, <http://www.financialstability.gov/latest/tgSp40609.html>, accessed 7/9/2009.

Treasury, "Treasury Secretary Tim Geithner Written Testimony," Congressional Oversight Panel, 4/21/2009, <http://www.financialstability.gov/latest/tgSp40609.html>, accessed 7/9/2009.

Treasury, "Treasury Secretary Tim Geithner Opening Remarks – As Prepared for Delivery Congressional Oversight Panel," 4/21/2009, <http://www.financialstability.gov/latest/tg90.html>, accessed 7/9/2009.

Treasury, "Secretary Timothy F. Geithner Remarks before The Economic Club of Washington," 4/22/2009, [http://www.financialstability.gov/latest/tgSp4\\_22\\_09.html](http://www.financialstability.gov/latest/tgSp4_22_09.html), accessed 7/9/2009.

Treasury, "Remarks by the Secretary Tim Geithner before the Independent Community Bankers of America," Annual Washington Policy Summit, 5/13/2009, <http://www.financialstability.gov/latest/tg139.html>, accessed 7/9/2009.

Treasury, "Treasury Secretary Tim Geithner Written Testimony," Senate Banking Committee, 5/20/2009, <http://www.financialstability.gov/latest/tg139.html>, accessed 7/9/2009.

Treasury, "Secretary Timothy F. Geithner Written Statement," House Committee on Appropriations Subcommittee on General Government and Financial Services, 5/21/2009, <http://www.financialstability.gov/latest/tg5212009.html>, accessed 7/9/2009.

Treasury, "Opening Statement of Herbert M. Allison, Nominee for Assistant Secretary of the Treasury for Financial Stability," Senate Committee on Banking, Housing, and Urban Affairs, 6/4/2009, <http://www.financialstability.gov/latest/tg157.html>, accessed 7/9/2009.

Treasury, "Gene Sperling, Counselor to the Secretary of the Treasury, Opening Statement," 6/11/2009, the U.S. House of Representatives Committee on Financial Services, <http://www.financialstability.gov/latest/tg166.html>, accessed 7/9/2009.



**U.S. DEPARTMENT OF THE TREASURY (TREASURY) (CONTINUED)**

Treasury, "Treasury Secretary Timothy F. Geithner Opening Statement," U.S. Senate Banking Committee Financial Regulatory Reform, 6/18/2009, the U.S. House of Representatives Committee on Financial Services, <http://www.financialstability.gov/latest/tg166.html>, accessed 7/9/2009.

Treasury, "Assistant Secretary for Financial Stability Herbert M. Allison, Jr. Opening Remarks," 6/24/2009, Opening remarks before the Congressional Oversight Panel, As Prepared for delivery, <http://www.financialstability.gov/latest/tg177.html>, accessed 7/9/2009.

**FINANCIAL STABILITY OVERSIGHT BOARD (FSOB)****ROLES AND MISSION**

FSOB is responsible for reviewing the exercise of authority under programs developed in accordance with EESA, including:

- policies implemented by the Secretary and the Office of Financial Stability, including the appointment of financial agents, the designation of asset classes to be purchased, and plans for the structure of vehicles used to purchase troubled assets
  - the effect of such actions in assisting American families in preserving home ownership, stabilizing financial markets, and protecting taxpayers
- In addition, FSOB is responsible for making recommendations to the Secretary on the use of the authority under EESA, as well as for reporting any suspected fraud, misrepresentation, or malfeasance to SIGTARP or the U.S. Attorney General.

**OVERSIGHT REPORTS**

FSOB, "Quarterly Report to Congress pursuant to section 104(g) of the Emergency Economic Stabilization Act of 2008," 4/24/2009, <http://www.financialstability.gov/latest/reportsanddocs.html>, accessed 7/9/2009.

**RECORDED TESTIMONY**

None

**SECURITIES AND EXCHANGE COMMISSION (SEC)****ROLES AND MISSION**

SEC administers the federal securities laws, requires disclosure by public companies, and brings enforcement actions against violators of securities law. While other federal and state agencies are legally responsible for regulating mortgage lending and the credit markets, SEC has taken these decisive actions to address the extraordinary caused by the current credit crisis:

- aggressively combating fraud and market manipulation through enforcement actions
- taking swift action to stabilize financial markets
- enhancing transparency in financial disclosure

**OVERSIGHT REPORTS**

SEC, "Report and Recommendations Pursuant to Section 133 of the Emergency Economic Stabilization Act of 2008: Study on Mark-to-Market Accounting," Office of the Chief Accountant, Division of Corporation Finance, 12/30/2008, <http://www.sec.gov/news/studies/2008/marktomarket123008.pdf>, accessed 1/22/2009.

**RECORDED TESTIMONY**

SEC, "Testimony Concerning the Oversight and Regulation of Executive Compensation," Brian V. Breheny, Deputy Director, before the United States House of Representatives Committee on Financial Services, 6/11/2009, <http://www.sec.gov/news/testimony/2009/ts032009ebw.htm>, accessed 7/9/2009.

**GOVERNMENT ACCOUNTABILITY OFFICE (GAO)****ROLES AND MISSION**

GAO is tasked with performing ongoing oversight of TARP's performance, including:

- evaluating the characteristics of asset purchases and the disposition of assets acquired
- assessing TARP's efficiency in using the funds
- evaluating compliance with applicable laws and regulations
- assessing the efficiency of contracting procedures
- auditing TARP's annual financial statements and internal controls
- submitting reports to Congress at least every 60 days

**OVERSIGHT REPORTS**

GAO, "Small Business Administration's Implementation of Administrative Provisions in the American Recovery and Reinvestment Act," 4/16/2009.

GAO, "Troubled Asset Relief Program: March 2009 Status of Efforts to Address Transparency and Accountability Issues" GAO-09-504, 3/31/2009, <http://www.gao.gov/new.items/d09504.pdf>, accessed 7/9/2009.

GAO, "Auto Industry: Summary of Government Efforts and Automakers' Restructuring to Date," 4/23/2009, <http://www.gao.gov/new.items/d09553.pdf>, accessed 7/9/2009.

GAO, "Troubled Asset Relief Program: June 2009 Status of Efforts to Address Transparency and Accountability Issues" (GAO-09-539), 6/17/2009, <http://www.gao.gov/docsearch/pastsixmonths.html>, accessed 7/9/2009.

GAO, "Troubled Asset Relief Program: Capital Purchase Program Transactions for October 28, 2008, through May 29, 2009, and Information on Financial Agency Agreements, Contracts, Blanket Purchase Agreements, and Interagency Agreements Awarded as of June 1, 2009," 6/17/2009, <http://www.gao.gov/special.pubs/gao-09-707sp>, accessed 7/6/2009.

**RECORDED TESTIMONY**

None

## CONGRESSIONAL OVERSIGHT PANEL (COP)

### ROLES AND MISSION

COP is tasked with reviewing the current state of the financial markets and the regulatory system. As a by-product of these oversight activities, COP is required to produce the following reports to Congress:

- regular reports every 30 days that cover a variety of issues, including administration of the program, the impact of purchases on the financial markets/financial institutions, market transparency, and the effectiveness of foreclosure mitigation, minimization of long-term costs, and maximization of benefits for taxpayers
- a special report on regulatory reform, published no later than January 20, 2009, analyzing the current state of the regulatory system and its effectiveness at overseeing the participants in the financial system and protecting consumers. The report is to provide recommendations for improvement regarding whether any participants in the financial markets that are currently outside the regulatory system should become subject to the regulatory system, the rationale underlying such recommendation, and whether there are any gaps in existing consumer protections.

### OVERSIGHT REPORTS

COP, "Foreclosure Crisis: Working Toward a Solution," 3/6/2009, <http://cop.senate.gov/reports/library/report-030609-cop.cfm>, accessed on 7/9/2009.

COP, "Assessing Treasury's Strategy: Six Months of TARP," 4/7/2009, <http://cop.senate.gov/reports/library/report-040709-cop.cfm>, accessed on 7/9/2009.

COP, "Reviving Lending to Small Businesses and Families and the Impact of the TALF," 5/7/2009, <http://cop.senate.gov/reports/library/report-050709-cop.cfm>, accessed on 7/9/2009.

COP, "Stress Testing and Shoring Up Bank Capital," 6/9/2009, <http://cop.senate.gov/reports/library/report-060909-cop.cfm>, accessed on 7/9/2009.

### RECORDED TESTIMONY

COP, "Oversight Concerns Regarding Treasury Department Conduct of the Troubled Asset Relief Program," before the House Financial Services Committee, 12/10/2008, <http://cop.senate.gov/documents/testimony-121008-hensarling.pdf>, accessed 7/9/2009.

COP, "Pulling Back the TARP: Oversight of the Financial Rescue Program," Elizabeth Warren, before the Senate Banking Committee, 2/5/2009, <http://cop.senate.gov/documents/testimony-020409-warren.pdf>, accessed 7/9/2009.

COP, "A Review of TARP Oversight, Accountability and Transparency for U.S. Taxpayers," Elizabeth Warren, before the House Financial Services Committee, Oversight and Investigations Subcommittee, 2/24/2009, <http://cop.senate.gov/documents/testimony-022409-warren.pdf>, accessed 7/9/2009.

COP, "TARP Accountability and Oversight: Achieving Transparency," Damon Silver, testimony before the Joint Economic Committee, 3/11/2009, <http://cop.senate.gov/documents/testimony-031109-silvers.pdf>, accessed 7/9/2009.

COP, "TARP Accountability and Oversight: Achieving Transparency," Richard Neiman, before the Joint Economic Committee, Oversight and Investigations Subcommittee, 3/11/2009, <http://cop.senate.gov/documents/testimony-022409-warren.pdf>, accessed 7/9/2009.

COP, "TARP Oversight: A Six Month Update," Elizabeth Warren, before the Senate Finance Committee, Oversight and Investigations Subcommittee, 3/31/2009, <http://cop.senate.gov/documents/testimony-022409-warren.pdf>, accessed 6/16/2009.

COP, "COP Field Hearing in New York City on Corporate and Commercial Real Estate Lending," 5/28/2009, <http://cop.senate.gov/hearings/library/hearing-031909-lessons.cfm>, accessed on 6/19/2009.

COP, "COP Hearing with Assistant Treasury Secretary Herb Allison," 6/24/2009, <http://cop.senate.gov/hearings/library/hearing-062409-allison.cfm>, accessed 7/9/2009.

## OFFICE OF MANAGEMENT AND BUDGET (OMB)

### ROLES AND MISSION

OMB's predominant mission is to assist the President in overseeing the preparation of the federal budget and to supervise its administration in Executive Branch agencies. In helping to formulate the President's spending plans, OMB evaluates the effectiveness of agency programs, policies, and procedures, assesses competing funding demands among agencies, and sets funding priorities. OMB ensures that agency reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with Administration policies.

In addition, OMB oversees and coordinates the Administration's procurement, financial management, information, and regulatory policies. In each of these areas, OMB's role is to help improve administrative management, to develop better performance measures and coordinating mechanisms, and to reduce any unnecessary burdens on the public.

### OVERSIGHT REPORTS

None

### RECORDED TESTIMONY

OMB, "Testimony of Peter R. Orszag, Director of the Office of Management and Budget Before the Committee on the Budget, U.S. House of Representatives," 3/3/2009, [http://www.whitehouse.gov/omb/assets/testimony/030309\\_budget.pdf](http://www.whitehouse.gov/omb/assets/testimony/030309_budget.pdf), accessed 7/9/2009.

## CONGRESSIONAL BUDGET OFFICE (CBO)

### ROLES AND MISSION

*CBO's mandate is to provide the Congress with objective, nonpartisan, and timely analyses to aid in economic and budgetary decisions on the wide array of programs covered by the federal budget, and the information and estimates required for the Congressional budget process.*

*CBO assists the House and Senate Budget Committees, and the Congress more generally, by preparing reports and analyses. In accordance with the CBO's mandate to provide objective and impartial analysis, CBO's reports contain no policy recommendations.*

### OVERSIGHT REPORTS

CBO, "The Troubled Asset Relief Program: Report on Transactions Through June 17, 2009," 6/2009, <http://www.cbo.gov/ftpdocs/100xx/doc10056/06-29-TARP.pdf>, accessed 7/9/2009.

### RECORDED TESTIMONY

CBO, "Addressing the Ongoing Crisis in the Housing and Financial Markets," 1/28/2009, [http://www.cbo.gov/ftpdocs/99xx/doc9971/01-28-FinancialMarkets\\_Testimony.pdf](http://www.cbo.gov/ftpdocs/99xx/doc9971/01-28-FinancialMarkets_Testimony.pdf), accessed 7/9/2009.

CBO, "Estimated Macroeconomic Impacts of H.R.1 as Passed by the Senate and the House," Douglas W. Elmendorf, Director, before the Committee on the Budget U.S. House of Representatives 5/21/2009, [http://www.cbo.gov/ftpdocs/100xx/doc10086/05-21-State\\_of\\_Economy\\_Testimony.pdf](http://www.cbo.gov/ftpdocs/100xx/doc10086/05-21-State_of_Economy_Testimony.pdf), accessed 7/9/2009.

## FEDERAL RESERVE BOARD (FEDERAL RESERVE)

### ROLES AND MISSION

*Federal Reserve's duties fall into four general areas:*

- *conducting the nation's monetary policy by influencing the monetary and credit conditions in the economy in pursuit of maximum employment, stable prices, and moderate long-term interest rates*
- *supervising and regulating banking institutions to ensure the safety and soundness of the nation's banking and financial system and to protect the credit rights of consumers*
- *maintaining the stability of the financial system and containing systemic risk that may arise in financial markets*
- *providing financial services to depository institutions, the U.S. government, and foreign official institutions, including playing a major role in operating the nation's payments system*

### OVERSIGHT REPORTS

No report issued to date

### RECORDED TESTIMONY

Federal Reserve, "FRB: Speech—Duke, A Framework for Analyzing Bank Lending—March 30, 2009," 3/30/2009, <http://www.federalreserve.gov/newsevents/speech/duke20090330a.htm>, accessed 7/9/2009.

Federal Reserve, "The economic outlook," Chairman Ben S. Bernanke, Testimony Before the Joint Economic Committee, U.S. Congress, 5/5/2009, <http://www.federalreserve.gov/newsevents/testimony/2009testimony.htm>, accessed 7/9/2009.

Federal Reserve, "Executive compensation," Scott G. Alvarez, General Counsel 6/11/2009, <http://www.federalreserve.gov/newsevents/testimony/2009testimony.htm>, accessed 7/9/2009.

## FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

### ROLES AND MISSION

*FDIC is an independent agency created by Congress that maintains the stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions, and managing receiverships.*

### OVERSIGHT REPORTS

None

### RECORDED TESTIMONY

FDIC, U.S. House of Representatives, "Statement of John F. Bovenzi, Deputy to the Chairman and Chief Operating Officer, Federal Deposit Insurance Corporation on Promoting Bank Liquidity and Lending Through Deposit Insurance, Hope for Homeowners, and Other Enhancements," Committee on Financial Services, 2/3/2009, <http://www.fdic.gov/news/news/speeches/chairman/spfeb0309.html>, accessed 7/9/2009.

"FDIC, "Statement of Martin J. Gruenberg, Vice Chairman, Federal Deposit Insurance Corporation on Exploring the Balance Between Increased Credit Availability and Prudent Lending Standards before the Financial Services Committee, U.S. House of Representatives; 2128 Rayburn House Office Building," 3/25/2009, <http://www.fdic.gov/news/news/speeches/chairman/spmar2509.html>, accessed 7/9/2009.

FDIC, "Remarks by FDIC Chairman Sheila Bair to The Economic Club of New York," 4/27/09, <http://www.fdic.gov/news/news/speeches/chairman/spapr2709.html>, accessed 7/9/2009.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)** (CONTINUED)

FDIC, U.S. Senate “Statement of Sheila C. Bair Chairman, Federal Deposit Insurance Corporation on Regulating and Resolving Institutions Considered “Too Big To Fail,” Committee on Banking, Housing and Urban Affairs, 5/6/2009, <http://www.fdic.gov/news/news/speeches/chairman/spmay0609.html>, accessed 6/16/2009.

FDIC, “Joint Statement by Secretary of the Treasury Timothy F. Geithner, Chairman of the Board of Governors of the Federal Reserve System Ben S. Bernanke, Chairman of the Federal Deposit Insurance Corporation Sheila Bair, and Comptroller of the Currency John C. Dugan on The Treasury Capital Assistance Program and the Supervisory Capital Assessment Program,” 5/6/2009, <http://www.fdic.gov/news/news/speeches/chairman/spmay0709.html>, accessed 6/16/2009.

**SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF PROGRAM (SIGTARP)****ROLES AND MISSION**

*The Office of the Special Inspector General for the Troubled Asset Relief Program (“SIGTARP”) was established by the Emergency Economic Stabilization Act of 2008 (“EESA”). Under EESA, the Special Inspector General has the responsibility, among other things, to conduct, supervise and coordinate audits and investigations of the purchase, management and sale of assets under the Troubled Asset Relief Program (“TARP”). SIGTARP’s goal is to promote economic stability by assiduously protecting the interests of those who fund the TARP programs — i.e., the American taxpayers. This is achieved by facilitating transparency in TARP programs, providing effective oversight in coordination with other relevant oversight bodies, and through robust criminal and civil enforcement against those, whether inside or outside of Government, who waste, steal or abuse TARP funds.*

**OVERSIGHT REPORTS**

SIGTARP, “Questions and Answers Regarding the February 6, 2009 SIGTARP Letter,” 2/25/2009, [http://www.sig tarp.gov/reports/audit/2009/Questions\\_and\\_Answers\\_Regarding\\_Use\\_of\\_Funds\\_Request\\_Letter.pdf](http://www.sig tarp.gov/reports/audit/2009/Questions_and_Answers_Regarding_Use_of_Funds_Request_Letter.pdf), accessed 6/16/2009.

SIGTARP, “Engagement memo — Review of Federal Oversight of Executive Compensation Requirements Including Bonus Payments to AIG and Other TARP Recipients,” 3/20/2009, [http://www.sig tarp.gov/reports/audit/2009/EM\\_Review\\_of\\_Fed\\_Oversight\\_of\\_Exec\\_Compensation\\_Requirements\\_Including\\_Bonus\\_Payments\\_to\\_AIG\\_and\\_Other\\_TARP\\_Recipients.pdf](http://www.sig tarp.gov/reports/audit/2009/EM_Review_of_Fed_Oversight_of_Exec_Compensation_Requirements_Including_Bonus_Payments_to_AIG_and_Other_TARP_Recipients.pdf), accessed 6/16/2009.

SIGTARP, “Engagement Memo - Review of Payment of Counterparty Claims Settled by AIG,” 4/2/2009, [http://www.sig tarp.gov/reports/audit/2009/EM\\_Review\\_of\\_Payment\\_of\\_Counterparty\\_Claims\\_Settled\\_by\\_AIG.pdf](http://www.sig tarp.gov/reports/audit/2009/EM_Review_of_Payment_of_Counterparty_Claims_Settled_by_AIG.pdf), accessed 6/16/2009.

SIGTARP, “Use of Funds Request Letters continued,” 4/14/2009, [http://www.sig tarp.gov/reports/audit/2009/Use\\_of\\_Funds\\_Request\\_Letters\\_continued.pdf](http://www.sig tarp.gov/reports/audit/2009/Use_of_Funds_Request_Letters_continued.pdf), accessed 6/16/2009.

SIGTARP, “Use of Funds Request Letters,” 4/14/2009, [http://www.sig tarp.gov/reports/audit/2009/Use\\_of\\_Funds\\_Request\\_Letters.pdf](http://www.sig tarp.gov/reports/audit/2009/Use_of_Funds_Request_Letters.pdf), accessed 6/16/2009.

SIGTARP, “Quarterly Report to Congress,” 4/21/2009, [http://www.sig tarp.gov/reports/congress/2009/April2009\\_Quarterly\\_Report\\_to\\_Congress.pdf](http://www.sig tarp.gov/reports/congress/2009/April2009_Quarterly_Report_to_Congress.pdf), accessed 6/30/2009.

**RECORDED TESTIMONY**

None

Note: Italics style indicates verbatim narrative taken from source documents.

**Sources:**

Treasury, [www.treas.gov](http://www.treas.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; Treasury Inspector General, [www.treas.gov](http://www.treas.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; Financial Stability Oversight Board, [www.treas.gov](http://www.treas.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; SEC, [www.sec.gov](http://www.sec.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; GAO, [www.gao.gov](http://www.gao.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; COP, [www.cop.senate.gov](http://www.cop.senate.gov), accessed 1/30/2009, 4/2/2009, 7/9/2009; OMB, [www.whitehouse.gov](http://www.whitehouse.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; CBO, [www.cbo.gov](http://www.cbo.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; Federal Reserve Board, [www.federalreserve.gov](http://www.federalreserve.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; FDIC, [www.fdic.gov](http://www.fdic.gov), accessed 1/30/2009, 3/23/2009, 4/2/2009, 7/9/2009; FDIC OIG, [www.fdicigo.gov](http://www.fdicigo.gov), accessed 4/10/2009, 7/9/2009; OMB, [www.whitehouse.gov](http://www.whitehouse.gov), accessed 4/2/2009, 7/9/2009; CBO, [www.cbo.gov](http://www.cbo.gov), accessed 4/2/2009, 7/9/2009.