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2009



Government Affairs Bulletin

Contact Us

Jennifers@fsround.org

<http://www.fsround.org>

Core Beliefs of The Financial Services Roundtable:

- *Large, integrated financial companies finance the nation's economy.*
- *The competitive marketplace should govern the delivery of products and services.*
 - *Uniform national standards across state lines are critical.*
 - *The effective use of technology is essential.*

Legislative:

- [Bankruptcy Cram-Down Bill Sent to the Senate](#)
- [Hearing: Congressional Oversight Panel on TARP Accountability and Oversight](#)
- [Hearing: Senate Judiciary Holds Hearing on Patent Reform, Markup Scheduled](#)

Regulatory:

- [Hearing: Mark-to-Market Accounting](#)
- [Hearing: SEC's Actions Relating to the Financial Crisis](#)

Housing Policy Council:

- [Hearing: House Financial Institutions Subcommittee Holds Hearing on Mortgage Reform](#)
- [HOPE NOW Announces New Interactive Website for Homeowners](#)

ITAC, the Identity Theft Assistance Center:

- [ITAC Launches an Official Blog](#)

BITS:

- [BITS Vendor Management Program Spring Meeting](#)

Other:

- [Agents for Change](#)
- [Community Service 2009](#)
- [Roundtable in the News](#)

Legislative News

Bankruptcy Cram-Down Bill Sent to the Senate

H.R. 1106, the Bankruptcy Cram-Down Bill, was referred to Senate Banking Committee. Efforts are being made to continue to

narrow the bill, either by offering sweeteners, like increasing the Federal Deposit Insurance Corporation's (FDIC) borrowing authority, or by making it applicable to subprime loans only and making cram-down the last resort. The Roundtable continues to oppose the bill and is working to narrow it.

For more information, please contact Scott Talbott, Scott@fsround.org.

Hearing: Congressional Oversight Panel on TARP Accountability and Oversight

A Joint Economics Committee hearing on Wednesday focused on the accountability and oversight of Troubled Assets Relief Program (TARP) funds, with all committee members agreeing that taxpayers have a right to know how their money is being spent. Damon Silvers, of the Congressional Oversight Panel (COP), said the panel is waiting on a specific plan from the Obama Administration on how to deal with toxic assets. Richard Neiman, also of the COP, wants more data to see what effects TARP is having on capital markets and the economy. Neiman also stressed the need for regulatory restructuring and reform.

For more information, please contact Paul Begey, Paulb@fsround.org.

Hearing: Senate Judiciary Holds Hearing on Patent Reform, Markup Scheduled

The Senate Judiciary Committee held a hearing on *the Patent Reform Act of 2009* on Tuesday. Judiciary Chairman Patrick Leahy (D-VT) discussed his interest in advancing this bill, especially given its importance to the economy. The main point of contention raised by both Senators and witnesses was over how the bill addresses damages. The Roundtable supports the *Patent Reform Act of 2009* (S. 515), and urges its swift passage.

The Judiciary Committee has noticed a markup of the Patent Reform Act, for next Thursday, March 19. Under Senate Judiciary Committee rules the bill may not be considered until March 25. The Roundtable will be meeting with Senate Judiciary Committee members urging their support for this legislation.

For more information, please contact Paul Begey, Paulb@fsround.org.

Regulatory

Hearing: Mark-to-Market Accounting

A House Subcommittee on Capital Markets, Insurance and Government-Sponsored Enterprises held a hearing on mark-to-market accounting on Thursday. Robert Herz, Chairman of the Financial Accounting Standards Board (FASB), pledged to implement new guidelines on mark-to-market rules within three weeks, giving some flexibility to financial institutions to account for toxic assets on their balance sheets. Chairman Paul E. Kanjorski (D-PA) said Congress will act if regulators do not implement these changes. Additionally, House Financial Services Committee Chairman Barney Frank (D-MA) said he will hold a full committee hearing on accounting issues at end of March.

For more information, please contact Irving Daniels, Irving@fsround.org.

Hearing: SEC's Actions Relating to the Financial Crisis

On Wednesday, Securities and Exchange Commission Chairwoman Mary Shapiro testified before the House Appropriations Subcommittee on Financial Services and General Government on the SEC's actions relating to the financial crisis. Key points in her testimony included how the SEC plans to discuss whether or not to reinstate the uptick rule, how FASB is providing guidance for the SEC on mark-to-market and that the SEC is in need of more personnel and technology advancements.

For more information, please contact Melissa Netram, Melissa@fsround.org.



Hearing: House Financial Institutions Subcommittee Holds Hearing on Mortgage Reform

On Wednesday, March 11, the House Financial Services Subcommittee on Financial Institutions and Consumer Credit held a hearing on the mortgage lending system. The purpose of the hearing was to focus on comprehensive mortgage lending reform legislation that the House Financial Services Committee is expected to consider later in March. The Subcommittee took testimony from three panels of regulators, consumer groups and industry trade groups. The first panel included: Sandra Braunstein, Director of the Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System and Steven Antonakes, Commissioner, Massachusetts Division of Banks, on behalf of Conference of State Bank Supervisors. Ms. Braunstein outlined the new mortgage lending regulations issued by the Federal Reserve in July 2008 under the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA). She commended Congress' work on "Mortgage Reform and Anti-Predatory Lending Act of 2007" H.R. 3915, and stated the need for minimum underwriting standards for high price loans. She also said that there would be a need for clear safe harbors for qualified loans. Commissioner Antonakes stressed the important role of states in protecting consumers and called for improved federal and state regulatory cooperation. The second and third panels consisted of consumer groups and the industry representatives. Consumer groups called for additional legislation on mortgage underwriting standards, although some groups said the approach in H.R. 3915 was too complex. H.R. 3915 was passed by the House in November 2007. The Senate did not act on mortgage lending legislation in 2007-2008. Chairman Barney Frank (D-MA) said he intends to act on a new Mortgage Lending bill that will be based on H.R. 3915. HPC is working to coordinate and communicate member company priority issues for the new Mortgage Reform legislation.

For more information, please contact Paul Leonard, Paul@fsround.org.

HOPE NOW Announces New Interactive Website for Homeowners

Homeowners concerned about their mortgage situation now have an improved way to contact their mortgage servicer. The HOPE NOW Alliance has added a new tool to its website to better assist borrowers who need to contact their mortgage servicer. The HOPE NOW website, www.hopenow.com, now features an online Assistance Intake Form, which a homeowner may use to submit a request for assistance to his or her mortgage servicer. This Intake Form will help borrowers connect with their servicer and receive assistance faster. The intake form will also help borrowers contact their servicer to inquire if they are eligible for the President's new loan modification program, the Homeowner Affordability and Stability Plan (HASP). The borrower can submit the form which will go to the servicer who will then contact the borrower about their eligibility for the program. The HOPE NOW website also contains information on HOPE NOW's on-going efforts including community outreach events and data on mortgage loan workouts.

For more information, please contact Larry Gilmore, Larry@fsround.org.



ITAC Launches an Official Blog

ITAC, the Identity Theft Assistance Center, has launched its official blog, www.itacidentityblog.com, which will serve as a news and information resource on fraud and identity theft, and as an online forum for privacy and security experts, policymakers, academics, and law enforcement. ITAC made the announcement at a briefing on the results of a national survey showing identity fraud is increasing, a summary of which is posted on the ITAC blog.

“One of the greatest challenges to fighting identity theft is the lack of communication between professionals from different disciplines working on aspects of the same problem,” said ITAC President Anne Wallace. “An online community will give everyone fighting identity fraud a voice.”

ITAC's new social media strategy includes the launch of a [Facebook Fan Page](#), [Linked-In Group](#), and [Twitter handle](#).

For more information, please contact Anne Wallace, Anne@fsround.org

BITS

FINANCIAL SERVICES
ROUNDTABLE

BITS Vendor Management Program Spring Meeting

The BITS Vendor Management Working Group will meet on April 30 and May 1, hosted by Wells Fargo in Minneapolis, MN. Agenda topics are being solicited. Suggested topics include:

- Legal and Regulatory Compliance Risk - Discussion of methods of notifying service providers of their regulatory and legal responsibilities, effectively targeting notification, and monitoring service provider compliance.
- Unique Risk - Regulators are asking some institutions to identify risks unique to a given service provider. Discussion of regulator expectations and feedback, risk identification, and risk mitigation.
- ID Theft Red Flags Program Feedback - Presentations from member(s) whose programs have been examined with group discussion of gaps between expectations and existing programs.
- Counterparty Risk - Discussion on identifying, evaluating, and remediating counterparty risk in an environment likely to yield more business failures.
- Navigating Increased Financial Risk - Discussion of potential responses and ramifications to discovery your service provider is in a precarious financial position.
- Avoiding the next Satyam - Discussion of institutional changes to due diligence and ongoing monitoring in light of recent service provider fraud.

For more information, please contact John Ingold, JohnI@fsround.org.

Other



“Simplifying Regulation for Agents and Brokers...”

This Week with Agents for Change

Earlier this week Agents for Change served as a co-host at a breakfast for Congresswoman Melissa Bean (D-IL) in Schaumburg, IL. In her remarks, the Congresswoman noted that she expects to introduce legislation to modernize insurance regulation in the “next several weeks.”

Last week, Agents for Change exhibited at the World Financial Group’s Convention of Champions. This opportunity allowed us to better educate producers about the current dynamics in Washington, D.C. surrounding insurance regulation reform, and recruit additional members. While we are still counting new applications our estimates indicate that we recruited 600 new producers, which brings our total membership to approximately 7,500.

As the planning season is among us, consider inviting Agents for Change to speak with your producers and/or executives about the benefits inherent in insurance reform. Opportunities to educate insurance professionals are paramount to our success.

Agents for Change is hosting an in-district meeting for Rep. William Lacy Clay, (D-MO) on March 24, in St. Louis, MO. Please let us know if you have producers who are interested in attending this meeting.

As part of Project Town Hall, Agents for Change brings to the attention of our members Congressional town hall meetings throughout the country. These meetings, scheduled directly by Congressional offices, oftentimes focus on the economy, healthcare, and the war. Therefore, when a constituent raises the arcane but important issue of insurance regulation reform it makes an impact and sticks to the member's ribs.

Please let us know if you have producers (or executives) who are interested in attending town hall meetings and we will provide a detailed list of upcoming meetings.

The 4th annual Agents for Change legislative conference will be held on June 23 and 24 in Washington, D.C. Hailed as "2009: Year of Change," the goal of this year's conference is to urge members of Congress to support insurance regulation reform.

Participants will attend meetings on Capitol Hill with members of Congress to discuss the need to increase speed to market of products, enact licensure reform, and implement free market pricing. The conference is an excellent opportunity for producers to further their relationships with elected officials.

Attendees will hear from high level guest speakers, network with peers, attend a Washington Nationals baseball game, and enjoy private tours of Washington, D.C. landmarks. Please consider inviting your producers to attend.

If you are not a member company of Agents for Change, we welcome your support. Insurance regulation reform is poised to receive a significant amount of attention in the 111th Congress.

Membership in Agents for Change includes 7,500 producers in 50 states, the District of Columbia, Puerto Rico, and Guam. Members learn about Agents for Change at trade shows, by word of mouth, via the press and our website, and through member companies.

Visit the Agents for Change website – www.agents4change.net – for additional information, updates, background material, FAQ's, and more. To receive periodic e-mail updates from Agents for Change please contact Peter Ludgin, Peter@agents4change.net.

THE FINANCIAL SERVICES ROUNDTABLE



COMMUNITY SERVICE 2009

FOCUS: FINANCIAL EDUCATION

Co-Chairs: Don McGrath, BancWest Corporation • Larry Zimpleman, Principal Financial Group

CS09 Hosts First Highlight Event

Community Service 2009 hosted its first Highlight Event with John Hancock Financial Services and Habitat for Humanity in New Orleans, LA today. In attendance at the event were Jim Boyle, President, John Hancock Life Group, Congressman Anh "Joseph" Cao, and representatives from Senator David Vitter and Senator Mary Landrieu's offices. Complete details will follow next week.

2009 Financial Literacy Day on Capitol Hill

The Council for Economic Education, Junior Achievement and Jump\$tart Coalition will again co-present the 2009 Financial Literacy Day on the Hill. As co-founders of the House Financial Literacy Caucus, US Representatives Judy Biggert (R-IL) and Rubén Hinojosa (D-TX) will lead the event on Thursday, April 30, in the Cannon House Office Building. To learn more, visit www.myJA.org.

The Roundtable will be an exhibitor at this event. We will showcase member companies' financial literacy curriculums.

Action Requested by Community Service 2009 National Sponsors:

If you are a CS09 National Sponsor and would like the Roundtable to showcase your company's financial literacy efforts, please send along any information you would like us to share. This can include one-page documents, website information, or any type of handouts you would like to provide. Please send any information by **COB April 24, 2009**.

Spotlight on Partners: Boston College Center for Corporate Citizenship

The Boston College Center for Corporate Citizenship offers management development programs for Community Involvement/Community Relations managers and is offering a discount to the Community Service 2009 Working Group. The special CS09 rate is \$1,850, which is \$645 off of the regular non-member rate of \$2495. The discount will be applied to **any** course offered April-July, 2009. Upcoming classes include:

- Enhancing and Improving Your Employee Volunteer Program, Apr 29 - May 1 in New Orleans, LA
- Communications for Community Involvement Managers, May 13-15 in Seattle, WA
- Developing a Community Involvement Strategy, July 15-17 in Denver, CO

If your company is a member of both The Center and the Roundtable, you are eligible for an additional 20% off the BC member rate (special fee: \$1480). To register you must put "FSR discount" in the "comments" section of the online registration form. For more information and to register for a course, [click here](#). To learn if your company is already a member of the Center, [click here](#). For questions call Karen O'Malley at 617.552.1553.

Community Service 2009 Partners

The following link provides contact information and overviews of each Community Service 2009 Partner: <http://www.fsround.org/community/pdfs/Partners.pdf>. Also included is Partner contact information for affiliate organizations across the country. If your company is interested in working with a CS09 National Partner on a community service project, please feel free to contact them directly.

As of today, March 13, 2009:

CS09 National Sponsors: AEGON USA, Inc., The Allstate Corporation, AXA Equitable, Bank of America Corporation, BancWest Corporation, Barclays Capital, Inc., BBVA Compass, Capital One Financial Corporation, Charles Schwab Corporation, Edward Jones, GMAC Financial Services, ING, MasterCard Worldwide, The NASDAQ OMX Group, Inc., Nationwide, Northern Trust Corporation, The PMI Group, Inc., Principal Financial Group, Protective Life Corporation, Raymond James Financial, Inc., Regions Financial Corporation, State Farm Insurance Companies, Toyota Financial Services, Union Bank of California, N.A., U.S. Bancorp, Visa, Inc., Wells Fargo & Company

CS09 Partners: Boston College - Center for Corporate Citizenship, Council for Economic Education, Gilda's Club, Habitat for Humanity, Hands on Network, Junior Achievement, March of Dimes, NeighborWorks® America, Operation HOPE, Rebuilding Together, Society for Financial Education and Professional Development

For more information on CS09, please visit www.financialcommunityservice.org.

For more information, please contact Aleksia Ilic, Aleksia@fsround.org.

CS09 Company of the Week:

SunTrust Banks, Inc.

Week of March 1, 2009



In keeping with its mission of helping people and institutions prosper, SunTrust has long participated in community service activities across its footprint. From partnerships with national nonprofit organizations, such as Habitat for Humanity and Rebuilding Together, to local affordable housing and community-based organizations, SunTrust is a strong advocate for, and supporter of, activities that revitalize and stabilize communities. During 2008 in Florida alone, SunTrust participated in more than 100 activities that supported affordable housing. Activities have already begun in earnest for 2009, and the following examples demonstrate the impact that we are making in neighborhoods and communities

Rebuilding Together Tampa Bay, Inc. (RTTB) is a non-profit organization formed in 2000 in response to the increasing need for residential housing rehabilitation programs to improve living conditions for very low- and low- income families, especially senior citizens and persons with disabilities. This year, Rebuilding Together Tampa Bay held a Rebuild event in conjunction with the Super Bowl XLII in a neighborhood that has, to a large extent, felt forgotten by the rest of the community. The day was a rousing success – more than 1,500 volunteers worked to help 21 families rehabilitate their homes in a five-block area of the Old West Tampa neighborhood near Raymond James Stadium, site of Super Bowl XLIII. The SunTrust team, headed by Branch Manager Leo Alvarez, worked alongside other volunteers to assist a family with general home repairs, replacing appliances, painting, and landscaping.

While SunTrust and its associates work to help address affordable housing issues in its communities, we are also very involved in state- and local-level initiatives of the “America Saves” program. On February 23, 2009, SunTrust, in partnership with War on Poverty, sponsored and participated in the Miami Job Corp Financial Festival in celebration of Florida Saves Week. Florida Saves is the statewide coalition promoting America Saves Week. During the national America Saves Week, February 22 – March 1, local organizers, banks and community volunteers were out across Florida to spread the word about building wealth versus debt, and encouraging residents to save.

Miami Job Corp Center helps financially challenged students from primarily inner city neighborhoods develop and improve workforce skills. In addition, the Center provides opportunities for leadership development and offers personalized attention and strong coaching to the students as they enhance their personal development and technical skills.

SunTrust employees provided more than 300 students and faculty with engaging and fun presentations on the importance of saving using SunTrust Get Started Savings Calculators, and awarded gift cards to outstanding students to encourage them to start savings accounts.

These examples represent a fraction of the efforts SunTrust is undertaking in Florida -- and across its footprint -- to support affordable housing and financial literacy. Even in these uncertain economic times, SunTrust remains committed to meeting the needs of its clients, and prospective clients, in all of the communities it serves.

Congratulations, SunTrust!

For more CS09 Company of the Week articles, please visit: <http://www.financialcommunityservice.org/>

For more information on CS09 Company of the Week, please contact Aleksia@fsround.org.

Roundtable in the News

Roundtable Senior Vice President of Government Affairs Scott Talbott was featured in a National Public Radio (NPR) news report on Thursday: "SEC May Reinstate 'Uptick Rule.'" In the report, Talbott expressed the Roundtable's support for the Securities and Exchange Commission to bring back the Uptick Rule.

"Mr. TALBOTT: It's designed as a circuit breaker or a shock absorber or a guardrail to prevent short sellers from artificially decreasing the stock price.

Please click [HERE](#) to listen to the report.

For more information, please contact Elise Brooks, Elise@fsround.org.

The Mission of The Financial Services Roundtable:

To be the premier executive forum of the financial services industry.

To provide powerful legislative and regulatory advocacy.

To enhance the industry's reputation.

Led by BITS, to promote best practices and a strong infrastructure in technology.