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Government Affairs Bulletin

Contact Us

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<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.*

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Roundtable Membership Reaches 100 Companies

The Roundtable is proud to announce that it has recently reached its 100 company maximum for membership. The latest three companies to be approved for membership include:

- Hartford Financial Services Group
- E*Trade Financial Corporation
- TSYS

“Reaching a full membership of 100 marks something of a ‘return to normal’,” said Steve Bartlett, President and CEO for the Roundtable. “While a number of companies have joined the Roundtable in recent years, an equal number have gone out of business due to merger or, during the economic crisis, outright collapse. It has been several years since the Roundtable has been at 100 members.”

Roundtable Membership is limited to 100 of the largest financial services companies in the United States. Our companies are active in banking, insurance, securities, consumer finance and all other forms of financial services. We are proud to represent each and every one of you.

For more information, please contact Kristen Washington in the Membership Department, Membership@fsround.org.

Legislative News

Small Business

This week the Senate was unable to arrive at an agreement on amendments and floor procedure to move forward on the Small Business Jobs bill before the Senate adjourned for its August recess. The underlying bill would create a \$30 billion lending fund, increases the SBA loan limits for both 7(a) and 504 from \$2 million to \$5 million, extends the SBA borrower fee reductions and 90% loan guarantee, and provides an estimated \$12 billion in tax relief to small business.

Before adjournment, Senate Majority Leader Harry Reid (D-NV) filed a number of motions on the Senate floor to set up votes on the Small Business Jobs bill when the Senate returns on the week of September 13th, 2010. Votes related to the Small Business Jobs bill are expected to take place on Tuesday, September 14. The Roundtable supports this bill.

For more information, please contact Brian Tate, Brian@fsround.org.

Retirement Security

The Small Business Jobs Act pending before the full Senate contains provisions relating to retirement plans. In brief, the bill would allow participants in 457 plans to treat elective deferrals as Roth contributions, allow rollovers from elective deferrals plans to Roth accounts, permit partial annuitization of a non-qualified annuity contract, and provide technical corrections to the defined benefit pension plan funding relief that was passed by Congress in June. This week the Senate was unable to arrive at an agreement on amendments and floor procedure to move forward on the Small Business Jobs bill before the Senate adjourned for its August recess. The bill will remain on the Senate agenda when it returns in September. The Roundtable supports this bill.

For more information, please contact Brian Tate, Brian@fsround.org.

Community Reinvestment Act (CRA)

On Friday, August 6, 2010, the Federal Reserve Bank of Atlanta held a hearing on CRA. This is the second of four public hearings, jointly sponsored by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision. The hearings will focus on a wide range of views on whether and how the agencies should revise their regulations to better serve the goals of CRA. The public is invited and encouraged to submit written comments addressing their views on the CRA regulations, whether or not they plan to testify at the hearings. Written comments may be provided to any agency through August 31, 2010. The Roundtable will be submitting a statement. The remaining hearing dates are August 12, 2010 - Chicago, Illinois; and August 17, 2010 - Los Angeles, California. The Roundtable believes CRA as currently constituted works and believes any changes that are made to the law should be carefully considered, pragmatic, and provide incentives to banks to continue to strive for an outstanding CRA rating.

For more information, please contact Brian Tate, Brian@fsround.org.

Regulatory

The Roundtable and HPC Comment on the SEC's Proposed Changes to Regulation AB

On August 2, 2010, the Roundtable and the Housing Policy Council submitted joint comments in response to the SEC's proposed amendments to Regulation AB. The proposed rule significantly changes the requirements for shelf registration of an asset-based security. The Roundtable and HPC argue that (1) the SEC should harmonize the Proposed Rule with the Dodd-Frank Act, (2) there should be a workable time period for implementation of the final rule, (3) the definition of "asset-backed security" should be narrowed, (4) the risk retention requirement should be withdrawn, or at least re-issued in a newly proposed rule, (5) the CEO certification requirement should be withdrawn, (6) a number of the Proposed Rule disclosure requirements and data points should be reconsidered, (7) the waterfall computer program will not benefit the majority of investors, (8) the amendments affecting Rule 144A and Regulation D safe harbors should be withdrawn, (9) the definition of "structured finance product" should be clarified, (10) the SEC should confirm that undrawn commitments are grandfathered, and (11) there should be no requirement to disclose historic loan repurchase activity.

For more information, please contact Brad Ipema, Brad.Ipema@fsround.org.

Terrorism Risk Insurance

This week, the Roundtable responded to the President's Working Group on Financial Markets' request for comments on the long-term availability and affordability of terrorism risk insurance. The Roundtable supports the federal government's role in the marketplace of terrorism risk insurance and supports the continued federal backstop that the Terrorism Risk Insurance Act (TRIA) and accompanying reauthorization acts provide. A link to the request for comments can be found [here](#).

For more information, contact Peter Freeman, Peter@fsround.org.



FHA Legislation passes to provide authority to adjust premiums

On August 4, the Senate passed H.R. 5981 which will give the Federal Housing Administration (FHA) authority to adjust its Single Family Mortgage Insurance premium, which would better protect the FHA from delinquencies while maintaining its mission of providing liquidity to the housing market. The House of Representatives passed H.R. 5981 on Friday, July 20. The Roundtable and HPC sent a letter to the Senate in support of passing H.R. 5981. The Housing Policy Council believes that the passage of H.R. 5981 is a first step in reforming FHA and continues to urge Senate action on H.R. 5072, the FHA Reform Act, which contains other needed steps to strengthen FHA. H.R. 5072 has passed the House and is awaiting Senate consideration.

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

Foreclosure Prevention: HOPE NOW and HPC hold briefing for Congressional staff

The HOPE NOW Alliance, the Housing Policy Council and other partners held a foreclosure prevention briefing for Congressional staff on Monday, August 2. More than forty five House and Senate staff received an update on industry and non-profit efforts to offer loan modifications and other foreclosure solutions to homeowners. Hill Staff were briefed on the state of the housing and mortgage market; how servicers are reaching homeowners through national in-person outreach events, as well as the HOPE homeowners hotline; implementing the HAMP program and providing additional proprietary modifications; and the potential of the HOPE LoanPort for counselors to

assist homeowners in submitting complete loan modification applications to servicers through a secure web portal. Presenters included: Larry Gilmore of HOPE LoanPort, Faith Schwartz and Eric Selk of HOPE NOW, Ernest Brooks of Home Free USA; John Snyder of NeighborWorks America; Diane Zyats of the Homeownership Preservation Foundation, and Mike Fratantoni, MBA Economist.

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

Research

Fast Facts: Housing Market

Spending on housing increased by 27.9% to \$358.5 billion in Q2 2010. This is the largest increase in residential investment in nearly 27 years and a boost from -12.3% in Q1 2010. Additionally, the percentage of current and performing mortgages increased in Q1 2010 for the first time since 2008. During that same period, delinquency rates dropped for all categories of mortgages (prime, Alt-A, and subprime), and modifications increased. Many Americans are struggling with housing issues, and homeownership rates dropped to 66.9% in Q2 2010 from a peak of 69.2% in 2004. However, the industry continues to provide workout solutions to these homeowners, offering 9,578,008 total workout solutions and 3.2 permanent modifications from July 2007 to May 2010.

For more information, please contact Abby McCloskey, Abby@fsround.org.



Faces of Recovery: Homeowner Stacey, Atlanta GA.

Listen to Stacey's experience [here](#).

The HOPE NOW Alliance is an industry-led effort to provide at-risk homeowners with in-depth debt management, credit counseling and overall foreclosure counseling. HOPE NOW has held face-to-face events throughout the country, designed to bring mortgage servicers and nonprofit housing counselors together to assist homeowners in avoiding foreclosure. Many of the families who attend these Homeownership Preservation Workshops receive decisions on-site or initiate the workout process. All who attend will leave with a clearer picture of their mortgage situation.

These are the faces of recovery, and we invite you to hear their stories. To learn more, click [here](#).

Across the country, homeowners can get face-to-face help from servicers and counselors. Find an upcoming event here: <https://www.hopenow.com/upcoming-events.php>.

For more information, please contact Elise Brooks, Elise@fsround.org, or Brad Dwin, Brad@hopenow.com.

HOPE NOW Reaches Out to Distressed Homeowners in Atlanta

On July 30th and 31st HOPE NOW held a Homeownership Preservation Workshop in Atlanta, GA. During the event, 17 mortgage servicers and 13 non-profit housing counselors worked with 2,250 distressed homeowners looking to avoid foreclosure. In the upcoming weeks HOPE NOW will be holding events in Denver, CO and Milwaukee, WI.

HOPE LoanPort continues to grow, expanding non-profit counselor participation as part of the ongoing effort to reach homeowners looking to avoid foreclosure. Approximately 250 counseling agencies across the country are using the portal to submit complete modification applications directly to servicers. HOPE LoanPort is also expanding

partnerships with state housing finance agencies; four states have committed to using HOPE LoanPort and three of which are a part of the Treasury's 10 hardest Hit States.

For additional information, please contact Joseph Putney Josephp@hopenow.com.



“Simplifying Regulation for Agents and Brokers...”

Agents for Change Ramps Up Recruitment

Agents for Change has recruited more than 500 producers in the last two weeks putting our total membership at well over 8,000 members nationwide and across all lines of insurance.

On August 31, Agents for Change is hosting a thank you event for Representative Walt Minnick (D-ID) in Boise, ID. As one of eight co-sponsors of the National Insurance Consumer Protection Act, Agents for Change is pleased to provide the Congressman with producer support in a tough election year. Please invite your producers and executives in the Boise area to attend.

Agents for Change is focused on recruitment and in-district meetings. Our goal is to represent over 9,000 producers across all lines of insurance when the 112th Congress is sworn-in.

Please consider inviting Agents for Change to speak with your colleagues as opportunities to educate insurance professionals are paramount to our success.

Additionally, Agents for Change is securing in-district meetings for members to speak directly with their elected officials in a local more relaxed setting.

Membership in Agents for Change includes over 8,000 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.

If you are not a member company of Agents for Change, we welcome your support.

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; 202-589-1929.

THE FINANCIAL SERVICES ROUNDTABLE



Community Service 2010 Company of the Week: Barclays Capital, Inc.
Week of August 1, 2010

“Company of the Week” is a feature that communicates the variety of Roundtable member companies’ community service projects. Through “Company of the Week,” companies can showcase their community involvement and innovative ideas to help their communities.

Barclays Capital Volunteers in the Bronx and Brooklyn



Barclays Capital summer analysts paint a playground to brighten up the community at Soundview Park in the Bronx, New York.



Volunteers create a walkway at Pelham Bay Park to protect the plants and wetlands.

Barclays Capital has a proud tradition of supporting and investing in the communities where it does business, leveraging employees' talents, time and resources to enhance communities around the world and reinforce Barclays Capital's philanthropic mission. So far in 2010, more than 1,700 employees in the Americas have participated in nearly 75 volunteer activities, contributing more than 12,000 hours of service.

As part of its commitment to the local community, Barclays Capital partnered with Partnership for Parks and New York Cares to organize two events for almost 600 Barclays Capital summer analysts and associates.

On July 9, 300 Barclays Capital employees revitalized Soundview Park and Pelham Bay Park/Orchard Beach in the Bronx, New York. An opening ceremony was attended by Congressman Joseph Crowley (D-NY) and Barclays Capital executives, alongside Steve Bartlett, President and CEO of The Financial Services Roundtable, and representatives from Partnerships for Parks and New York Cares. Barclays Capital was honored with The Financial Services Roundtable's Leadership in Community Service award to acknowledge the firm's outstanding dedication to

community service during this ceremony.

At Soundview Park, volunteers planted flowers and shrubs, removed debris, painted facilities and weeded overrun sections of the parks. Nearby, at Pelham Park/Orchard Beach, Barclays employees worked in the wooded sections of the park to remove invasive species, constructed a walkway to protect plants and wetlands and cleaned the shoreline along the beach.

In Brooklyn, New York, an additional 240 summer analysts and associates volunteered to help revive Fort Greene Park and P.S. 46 Edward C. Blum School on July 16. Congressman Edolphus Towns (D-NY) and representatives from Partnership for Parks, New York Cares and Barclays Capital gave opening remarks at the Prison Ship Martyrs Monument in the center of the park. The volunteers added fresh coats of paint to park benches, planted flowers, and spread mulch and woodchips to prevent new weeds. Volunteers also created and painted several literacy-themed murals at the school and repainted the fencing surrounding the school.

“Supporting our local communities is one of the key elements of our charities program,” said Gerard LaRocca, Chief Administrative Officer, Americas, at Barclays Capital. “Barclays Capital is proud to bring its employees together to benefit New York City neighborhoods.”



Barclays Capital volunteers spread mulch at Fort Greene Park in Brooklyn, New York.



Summer analysts and associates paint a mural at P.S. 46 Edward C. Blum School in Brooklyn, New York.

Congratulations Barclays Capital!

For more information on Community Service 2010, please visit www.financialcommunityservice.org.

For more information, please contact Judy Chapa, Judy@fsround.org.

Roundtable in the News

Clip of the Week

On Wednesday, August 4, Steve Bartlett spoke with Fox 5 to discuss personal tips when buying a home. The video can be found [here](#).

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

Roundtable Engaging in Social Media

Follow the Roundtable's tweets at: [@fsroundtable](https://twitter.com/fsroundtable), and watch Roundtable videos at <http://www.youtube.com/fsround>.

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.

