
From: Stegman, Michael
Sent: Friday, May 11, 2012 3:52 PM
To: Bowler, Timothy
Cc: Stegman, Michael; Eberly, Janice
Subject: RE: PR talking points

TFG will meet privately with Ed on Monday. The whole memo will first crisply list our case for GSE participation in PRA—the studies, etc.

The next piece is what leverage do we have over FHFA to get them to do PRA?
The part I am asking you to do is to do bullets—not a whole lot of text around the PSPA issue.

One option that TFG raised and dismissed was our holding up execution of the PSPAs—this, he decided, would play havoc with market, etc.

So, he asked if any of the covenants were more important to him than to us—I don't think so, but I am not 100% sure. He then asked whether we knew of anything that that either GSE or FHFA wanted from us that we could reasonably withhold unless they participated in PRA.

So, the question is what's our leverage in getting him to do PRA?

The PSPA bullets will go into the memo that Jan has lead on--

Michael Stegman
Counselor for Housing Finance Policy
U.S. Department of the Treasury

From: Bowler, Timothy
Sent: Friday, May 11, 2012 3:45 PM
To: Stegman, Michael
Cc: Foster, Jeff; Chepenik, Adam; Mlynarczyk, Beth
Subject: Re: PR talking points

Yes

Adding the team

I am a bit confused

Can you add some context to the below?

I am a bit confused on what exactly we need to do

From: Stegman, Michael
Sent: Friday, May 11, 2012 03:43 PM
To: Bowler, Timothy
Subject: FW: PR talking points

Tim

Can you please get your team to put together bullets on the PSPA issues I raise in this note. This will be part of briefer for TFG private meeting with DeMarco on Monday.

Mike

Michael Stegman
Counselor for Housing Finance Policy
U.S. Department of the Treasury

From: Stegman, Michael
Sent: Friday, May 11, 2012 3:13 PM
To: Eberly, Janice; Miller, Mary; Massad, Timothy; Kingsley, Darius; Shore, Stephen; Scharlemann, Therese
Cc: Adeyemo, Adewale (Wally); Patterson, Mark (DO); LeCompte, Jenni; Fitzpayne, Alastair; Bowler, Timothy
Subject: RE: PR talking points

Yes, but let's get clear what the PSPA issues were that were raised, so that we can add to Jan's piece. TFG asked how important is it to us to get the PSPAs done quickly vs. how important it is to Ed. Tim also asked how long can we wait to get the PSPAs done. Another thing I heard was whether we know of anything that FHFA wants from Treasury, inside or outside of the PSPAs, that would provide us leverage on the PRA issue.

Do others have other notes on the PSPA issue that we should address?

Mike

Michael Stegman
Counselor for Housing Finance Policy
U.S. Department of the Treasury

From: Eberly, Janice
Sent: Friday, May 11, 2012 2:55 PM
To: Miller, Mary; Stegman, Michael; Massad, Timothy; Kingsley, Darius; Shore, Stephen; Scharlemann, Therese
Cc: Adeyemo, Adewale (Wally); Patterson, Mark (DO); LeCompte, Jenni; Fitzpayne, Alastair
Subject: PR talking points

TFG asked for talking points laying out the arguments on principal reduction for his Monday meeting. We'll draft a first pass, based on the document we prepared earlier to make the case for PR. We won't have the language on the PSPAs, though. Can Domestic Finance cover that part?

Thanks,
Jan