

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

DIVISION OF CONSUMER AND COMMUNITY AFFAIRS

DATE: July 9, 2010
TO: Public Docket R-1366
FROM: DCCA Staff
SUBJECT: Meeting with FHLB Representatives

On January 21, 2010, Board staff met with representatives of the Federal Home Loan Bank of Chicago at their request. The representatives were: Sybil Melody Malinowski and Eric Schambow, FHLB Chicago; and Robert E. Cook and Jeremiah Buckley, Buckley Sandler. The representatives expressed their concerns with the Board's proposed regulation of loan originator compensation. They stated that the proposed rule would prevent the FHLB from paying compensation based on a loan's interest rate to banks who participate in the FHLB's Mortgage Partnership Program. They believe that the proposed rule would prevent banks who participate in the Mortgage Partnership Program from offering 30-year fixed-rate mortgages to their customers.