

Minutes
of
The Meeting of the FDIC Advisory Committee on Economic Inclusion
of the
Federal Deposit Insurance Corporation
Held in the Board Room
Federal Deposit Insurance Corporation Building
Washington, D.C.
Open to Public Observation
July 16, 2007 - 9:14 A. M.

The meeting of the FDIC Advisory Committee on Economic Inclusion ("ComE-IN" or "Committee") was called to order by ComE-IN Chairman Diana L. Taylor.

The members of ComE-IN present at the meeting were: Diana L. Taylor, ComE-IN Chairman and immediate past New York State Superintendent of Banks; Ted Beck, President and Chief Executive Officer, National Endowment for Financial Education; Kelvin Boston, Executive Producer and Host of PBS' *Money wise with Kelvin Boston*; Martin Eakes, Chief Executive Officer, Self-Help/Center for Responsible Lending; Lawrence K. Fish, Chairman and Chief Executive Officer, Citizens Financial Group, Inc.; Rev. Dr. Floyd H. Flake, Senior Pastor, Greater Allen AME Cathedral of New York; Ester R. Fuchs, Professor, School of International and Public Affairs, Columbia University; Wade Henderson, President and Chief Executive Officer, Leadership Conference on Civil Rights, and Counselor to the Leadership Conference on Civil Rights Education Fund; Alden J. McDonald, Jr., President and Chief Executive Officer, Liberty Bank and Trust Company, New Orleans, LA; Frederic S. Mishkin, Governor, Federal Reserve System; John W. Ryan, Executive Vice President, Conference of State Bank Supervisors; Robert K. Steel, Under Secretary of the Treasury for Domestic Finance, U.S. Department of Treasury; Peter Tufano, Sylvan C. Coleman Professor of Financial Management, Harvard Business School, and Senior Associate Dean and Director of Faculty Development; and Elizabeth Warren, Leo Gottlieb Professor of Law, Harvard University. Erica F. Bovenzi, Designated Federal Officer for the Committee and Deputy General Counsel of the

Federal Deposit Insurance Corporation ("Corporation" or "FDIC"), was also present at the meeting. Committee members Ronald Grzywinski, Chairman, ShoreBank Corporation of Chicago; Manuel Orozco, Senior Associate at the Inter-American Dialogue, and Senior Researcher, Institute for the Study of International Migration, Georgetown University; Maria Otero, President and CEO, ACCION International; and Deborah C. Wright, Chairman and CEO, Carver Bancorp, Inc., were absent from the meeting.

Members of the Corporation's Board of Directors present at the meeting were Sheila C. Bair, Chairperson; Martin J. Gruenberg, Vice Chairman; and Thomas J. Curry, Director (Appointive). Corporation staff that also attended the meeting included Alice C. Goodman, Lisa K. Roy, Sara A. Kelsey, Sandra L. Thompson, Lee Bowman, Michael H. Krimminger, David M. Barr, Andrew B. Stirling, Jr., Angelisa M. Harris, Valerie J. Best, and Leneta G. Gregorie.

William Apgar, Jr., Faculty Chair, Kennedy School of Government Senior Executive Program for State and Local Government Officials, and Senior Scholar, Joint Center for Housing Studies, Harvard University; John C. Weicher, Director, Center for Housing and Financial Markets, Hudson Institute; Michael Shea, Executive Director, ACORN Housing Corporation; Diane Thompson, Supervisory Attorney, Land of Lincoln Legal Assistance Foundation; Kenneth D. Wade, Chief Executive Officer, NeighborWorks® America; Michael Desmond, Tax Legislative Counsel, Office of Tax Policy, U.S. Department of Treasury; and Jack M. Guttentag, Professor of Finance, Emeritus, Wharton School, University of Pennsylvania, also attended the meeting.

Committee Chairman Taylor opened and presided at the meeting.

FDIC Chairman Bair welcomed ComE-IN members and guest speakers. She then provided an update on several matters: (1) the FDIC Board of Directors approval of the Committee's recommendation at its March meeting to initiate a pilot program of low cost, small dollar loans to be launched by individual banks; (2) the progress of meetings held with the securitization industry on subprime lending; and (3) the launching of a new program by the Alliance for Economic Inclusion and NeighborWorks America to provide affordable refinancing opportunities. Chairman Bair also advised that staff are continuing to look at the legal and practical implications of banks investing in the Prosper Marketplace, Inc. lending platform--an issue that was raised at the March meeting.

Committee Chairman Taylor then introduced the first two speakers, William Apgar, Jr. of Harvard University and John C.

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