# THIS WEEK IN WALL STREET REFORM

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## *CFPB and Consumer Issues*

**Consumer Issues**

**Cordray Announces U.S. Inquiry Into Bank Overdraft Policies**
Carter Dougherty (Bloomberg)
February 22, 2012

*"The U.S. Consumer Financial Protection Bureau is starting an inquiry into bank checking account overdraft policies and may initiate related enforcement actions during the probe, director Richard Cordray said today. 'With today's technologies, consumers have more opportunities to access their checking accounts and cause overdrafts,' Cordray said in an e-mailed statement. 'But overdraft practices have the capacity to inflict serious economic harm on the people who can least afford it.' Large banks such as JPMorgan Chase & Co. (JPM) and Wells Fargo & Co. (WFC) as well as smaller institutions rely on overdrafts for revenue in retail banking. Banks and credit unions were set to charge customers about $38 billion from overdraft fees in 2011, according to a Sept. 15 estimate by Moebs Services, a Lake Bluff, Illinois-based economic research firm." Click here for more.*

**Click here** to view the CFPB's official press statement and **click here** to view prepared remarks by Richard Cordray at the CFPB roundtable on overdraft practices in New York City.

**Click here** to view AFR's press statement.

*Excerpt:*

> *"AFR welcomes the Consumer Financial Protection Bureau's newly announced inquiry into overdraft fees, their impact on consumers, and in particular the Bureau's focus on check re-ordering, and misleading or confusing marketing of so-called "standard" overdraft protection, a product deemed so abusive that regulators now require a consumer's affirmative consent or 'opt-in'. In 2008, banks charged their own customers $23.7 billion in overdraft fees on only $21.3 billion worth of purchases. To put this number in context, $23.7 billion was more than all Americans spent on fresh vegetables that year."*

**CFPB targets debt collectors and credit bureaus**
Dave Clarke (Reuters)
February 16, 2012

*"The new U.S. Consumer Financial Protection Bureau released a proposal to regulate about 200 debt collectors and companies that produce credit reports as part of an effort to extend its oversight beyond the banking industry. The agency is charged by the 2010 Dodd-Frank financial oversight law with overseeing consumer financial products, such as credit cards and mortgages offered by banks, as well as some products offered outside the industry, including residential mortgages and student loans." Click here for more.*

**David Lazarus: Keeping credit reporting firms, debt collectors honest**
David Lazarus (LA Times)
February 20, 2012

*"Pamela Johnson of Orange is one of many people who have recently received notices from a debt collector called West Bay Acquisitions over supposedly unreturned Hollywood Video DVDs. The video-rental chain's parent company, Hollywood Entertainment, was purchased by an outfit called Movie Gallery in 2005. Five years later, Movie Gallery went out of business, selling its portfolio of outstanding customer obligations to West Bay Acquisitions. Johnson, 68, said she was 'dumbfounded' to receive a notice the other day saying she owes $24.43 for several DVDs that she rented from Hollywood Video in 2009 and never returned. 'I've never kept any DVDs,' she said. 'I never had any problem with Hollywood Video at all. As it stands, debt collectors are largely unregulated by the federal government. They fall mainly under the purview of states, which may or may not have the wherewithal to ensure that consumers are treated fairly. But new rules proposed by the Consumer Financial Protection Bureau would change that. For the first time, large debt collectors and credit reporting companies would have Uncle Sam looking over their shoulder to guarantee*

*that people were getting a fair shake. 'Debt collectors and credit reporting agencies have gone unsupervised by the federal government for too long,' [Richard Cordray], director of the agency, told me.'" [Click here for more.]*

**Click here** to view the CFPB's official press statement.

**Click here** to view AFR's press statement.

Excerpt:

> *"In issuing its proposed rule defining 'larger participants 'in the debt collection and consumer credit reporting markets the CFPB took an important step towards more accountability and fairness in the consumer financial marketplace."*

**How Obama's financial watchdog can prove himself**
Gary Weiss (Salon.com)
February 21, 2012

*"Is the new Consumer Financial Protection Bureau poised to stamp out lawlessness by the street thugs of American business: debt collection agencies? The answer is a rousing 'maybe.' On Friday, the CFPB inserted a 17-page rule proposal into the Federal Register, in a major step toward getting a grip on the out-of-control debt collection business, as well as riding herd over consumer credit bureaus. But this was just the first step on a long and perilous journey into one of the most nauseating back alleys of free enterprise. It's an open question whether the CFPB, under its new director, Richard Cordray, is up to the task of corralling these corporate snakes. It's almost certain to run into stiff opposition from the debt-collectors' pals in Congress. But let's look on the bright side. This is Cordray's big opportunity, a chance to really make a difference in an area that matters to millions of consumers. Let's hope he doesn't blow it. No other facet of American business is more corrupt, more intoxicated with illegality, more weakly regulated, and has a greater impact on poor and working people than debt collectors; not credit card companies or subprime mortgages, not even payday lenders." Click here for more.*

**CRL: End predatory bank payday lending now, 250 groups tell bank regulators**
Center for Responsible Lending
February 22, 2012

*"Two hundred and fifty national, state and local organizations and individual advocates have asked bank regulators to stop banks from making predatory payday loans, which carry triple-digit annual interest rates of as much as 400 percent. On Wednesday, a New York consumer group presented a letter signed jointly by the groups to Richard Cordray, Director of the Consumer Financial Protection Bureau, as the CFPB seeks information on checking account practices in New York City….Find the letter and the full list of signers here: http://rspnsb.li/vdfUSO ...Consumers can join the call asking regulators to stop bank payday lending by signing a petition here: http://rspnsb.li/vZb3iH"*

**Who's worried about the CFPB? This group of community banks.**
Suzy Khimm (Washington Post)
February 21, 2012

*"Most of the sweeping changes under Dodd-Frank target big banks: Citigroup, Bank of America, and the like. But there are a slew of new regulations that will affect small businesses as well — an effort that the Consumer Financial Protection is heading up. The CFPB aims to target unscrupulous practices by foreclosure mills, payday lenders and other smaller financial firms. But Cam Fine, CEO and president of the Independent Community Bankers Association, worries that small community banks will bear much of the new regulatory burden. …In fact, the CFPB announced today that it's forming a 'Small Business Review Panel' to gather feedback and evaluate the costs and benefits of its new mortgage disclosure requirements — an effort that the ICBA is involved with as well. As part of that effort, the CFPB has also issued a lengthy document outlining the potential costs and benefits to its new regulations, revealing the depth of its concerns about unintended consequences. 'The CFPB is dedicated to issuing thoughtful, research-based rules that take into account not only the benefits to consumers but also how businesses of all sizes will be affected,' CFPB Director Richard Cordray said in a statement. 'We take all feedback seriously.' But while Fine says that he appreciates the outreach, the 'jury is still out' on whether CFPB regulators will adjust accordingly, he said." Click here for more.*

**Click here** to view the CFPB's official press release on the Small Business Review Panel.

**CFPB Crowdsources Nominations For Key Advisory Posts**
Zach Carter (Huffington Post)
February 23, 2012

*"In a significant break with traditional federal policy, the new Consumer Financial Protection Bureau is appealing directly to the public for nominees for key advisory positions -- crowdsourcing the appointment process to help ensure that the agency is attuned to consumer abuses and committed to curbing them. The CFPB is reaching out for nominees to its Consumer Advisory Board, a group of experts who guide the agency's attention toward problems in consumer finance as the issues develop in communities. The crowdsourcing move is required by the Dodd-Frank Act, the Wall Street reform legislation that President Barack Obama signed into law in 2010. The strategy accompanies a broader push from CFPB founder Elizabeth Warren to utilize both the public and new technology to ensure that the new agency remains accountable to citizens. Warren is now a Democratic candidate for Senate in Massachusetts, with former Ohio Attorney General Richard Cordray serving as CFPB Director." Click here for more.*

**Click here** to view the CFPB's official press release on the Consumer Advisory Board nominations.

**CFPB Received 2,300 Mortgage Complaints in December: Official**
Kate Berry (American Banker – subscription required)
February 23, 2012

*"The Consumer Financial Protection Bureau received about 2,300 complaints from borrowers about mortgage servicers in December, and that pace has been steady ever since, a senior advisor at the agency said Wednesday." Click here for more.*

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## *Volcker Rule*

**Under Volcker, Old Dividing Line in Banks May Return**
Steven M. Davidoff (DealBook/NYT)
February 21, 2012

*"The Volcker Rule, and its limitations on bank trading, may have the unintended effect of dividing the world back into investment banks and commercial banks. The unusual twist here is that Goldman Sachs and Morgan Stanley may end up stuck on the wrong side of the fence, treated under the law as commercial banks instead of the investment banks they once were. The backdrop to this issue is that it is increasingly clear that banks are simply unable to make as much money from proprietary and other trading businesses as they did before the financial crisis. Take Goldman Sachs. In 2007, Goldman had revenue of $7.6 billion from traditional investment banking, but $31.2 billion in revenue from trading-related operations. Last year, Goldman had just $17.3 billion in revenue related to trading operations. This is a trend likely to accelerate. Under the Dodd-Frank regulatory overhaul, derivatives are to be traded on central clearing agencies rather than between investment banks as before the financial crisis. Heightened bank capital requirements prevent warehousing large amounts of securities and increase the cost of financing. Then there is the Volcker Rule, which is likely to substantially reduce much of the banks' profits from their trading businesses." Click here for more.*

**How Volcker Helps Hedge Funds**
Ben White (Morning Money)
February 24, 2012

*"On Bloomberg TV, Fortress' Investment Group President Mike Novogratz said something that rarely gets public mention: hedge funds see huge advantage in the toughest possible implementation of the Volcker Rule: 'It creates an amazing opportunity. Our biggest competitors often were the banks. The Volcker Rule's intent is [for] banks to take less and less proprietary risk. We'll see how it finally is implemented when it starts*

*getting implemented in the next 12 months-- but that, coupled with the new compensation structure at most banks, has lots of talent looking to join hedge funds.'"*

**Banks Lobbied to Widen Volcker Rule Before Inciting Foreigners Against Law**
Yalman Onaran (Bloomberg)
February 22, 2012

*"U.S. banks pushed regulators to widen proposed restrictions on trading and hedge-fund ownership by foreign firms, then encouraged governments around the world to complain about the rule's reach. The two-pronged lobbying strategy resulted in foreign officials joining U.S. lenders to push back against the Volcker rule, named after former Federal Reserve Chairman Paul A. Volcker and incorporated in the 2010 Dodd-Frank Act. 'The criticism of foreign governments on behalf of their banks is helping U.S. banks fight the rule,' said Anat Admati, a professor of finance at Stanford University. 'It also muddies the water, shifting the debate away from the main issue, which is reducing the risks banks impose on the economy.' The Volcker rule seeks to prevent deposit-taking firms from making bets with their own capital or owning hedge funds. Last year, U.S. banks including JPMorgan Chase & Co. (JPM) and Morgan Stanley lobbied the Fed and other regulators to apply the regulation more broadly to companies based outside the U.S., according to four people with knowledge of the discussions who asked not to be identified because the talks were private." Click here for more.*

**The Volcker Rule, Made Bloated and Weak**
Jesse Eisinger (ProPublica)
February 22, 2012

*"Last week, it finally became clear that the Volcker Rule was as good as dead. The Volcker Rule, named after Paul A. Volcker, former chairman of the Federal Reserve, is meant to bar financial institutions that are protected and subsidized by the federal government from trading for their own accounts. That is, it's pretty simple: Traders shouldn't speculate for their own personal gain using the money you and I pay in taxes.Yet bank lobbyists with complicit regulators and legislators took a simple concept and bloated it into a 530-page monstrosity of hopeless complexity and vagueness. They couldn't kill the rule. Instead, they are getting Congress and regulators to render it morbidly obese and bedridden. 'Most of the length, complexity and questions are in there because of industry lobbying,' said Dennis Kelleher, who runs **Better Markets**, a financial regulatory reform group. The rule is "the bastard child of the lobbying industry," he said. "You can't demand and insist and lobby for all these rules and exemptions and then complain that it's too long and complex."" Click here for more.*

**Fed Writes Sweeping Rules From Behind Closed Doors**
Victoria McGrane and Jon Hilsenrath (WSJ – subscription required)
February 21, 2012

*"The Federal Reserve has operated almost entirely behind closed doors as it rewrites the rule book governing the U.S. financial system, a stark contrast with its push for transparency in its interest-rate policies and emergency-lending programs. While many Americans may not realize it, the Fed has taken on a much larger regulatory role than at any time in history. Since the Dodd-Frank financial overhaul became law in July 2010, the Fed has held 47 separate votes on financial regulations, and scores more are coming. In the process it is reshaping the U.S. financial industry by directing banks on how much capital they must hold, what kind of trading they can engage in and what kind of fees they can charge retailers on debit-card transactions. The Fed is making these sweeping changes—the most dramatic since the Great Depression—almost completely without public meetings. Rather than discussing rules and voting in public, as is done at other agencies with which the Fed often collaborates, Fed Chairman Ben Bernanke and the Fed's four other governors have held just two public meetings since July 2010. On 45 of 47 of the draft or final regulatory measures during that period, they have emailed their votes to the central bank's secretary." Click here for more.*

**Simon Johnson: Opening Up the Fed**
Simon Johnson (NYT's Economix blog)
February 23, 2012

*"The Federal Reserve has great power in modern American society, including the ability to move the economy and, at least indirectly, to create or destroy fortunes. Its powers operate in two ways: through*

*control over monetary policy, meaning interest rates and credit conditions more broadly, and through its influence over how the financial system is regulated generally and how specific large banks are treated. The secrecy of our central bank has long been a source of controversy. In line with changes at central banks in other countries over recent decades, the Fed's chairman, Ben Bernanke, has pushed for more transparency regarding how individual members of the Federal Open Market Committee view the economy — and thus how they are thinking about the future course of interest rates ([and the Fed keeps us posted](#)). This is a commendable change, helping people throughout the economy understand what the Fed is trying to do and why. Under pressure from both left and right — consider the unlikely alliance of Senator Bernard Sanders of Vermont and Representative Ron Paul of Texas — the Fed has also, after the fact, [disclosed](#) more of its actions during the recent financial crisis. … Just on the [Volcker Rule](#) — the provision in [Dodd-Frank](#) to limit proprietary trading and other high-risk activities by megabanks — Fed board members and staff members apparently met with JPMorgan Chase 16 times, Bank of America 10 times, Goldman Sachs nine times, Barclays seven times and Morgan Stanley seven times (as depicted in a chart that accompanies the Wall Street Journal article). How many meetings does a single company need on one specific issue? How many would you get? For example, **Americans for Financial Reform**, an organization that describes itself as 'fighting for a banking and financial system based on accountability, fairness and security,' met with senior Federal Reserve officials only three times on the Volcker Rule. (Disclosure: I have appeared at public events organized by **Americans for Financial Reform**, but they have never paid me any money. I agree with many of its policy positions, but I have not been involved in any of their meetings with regulators.) Americans for Financial Reform works hard for its cause, and it produced [a strong letter](#) on the Volcker Rule — as did others, including [Better Markets](#) and [Anat Admati's group](#) based at Stanford University. Based on what is in the public domain on the Fed's [Web site](#), my assessment is that people opposed to sensible financial reform — including but not limited to the Volcker Rule — have had much more access to top Federal Reserve officials than people who support such reforms. More generally, it looks to me as though, even by the most generous (to the Fed) account, meetings with opponents of reform outnumber meetings with supporters of reform about 10 to 1. According to those records, for example, the Admati group has not yet managed to obtain a single meeting with top Fed officials on any issue, despite the fact that the group's members are top experts whose input is welcomed at other leading central banks. To my definite knowledge, they have tried hard to engage with people throughout the Federal Reserve System; some regional Feds are receptive, but the board has not been – either at the governor or staff level." [Click here for more.](#)*

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## *Shadow Markets and Systemic Risk*

**A bipartisan push to bring back bank bailouts**
Suzy Khimm (Washington Post)
February 17, 2012

*"Remember the Lincoln amendment? Passed as part of Dodd-Frank, it prohibits firms that trade in certain kinds of derivatives from receiving government assistance, with the intent of making big bank bailouts less likely.  First proposed by then-Sen. Blanche Lincoln (D-Ark.), the amendment led to a huge fight during the 2010 debate over Wall Street reform. Now House Republicans are moving forward with a [bill](#) to repeal it. And some Democrats — including Rep. Barney Frank, the legislation's namesake — are joining them. …Advocates on the left, however, are adamant that the ban remain in place, [arguing](#) that it forces banks to put up greater collateral to back up risky bets. 'It is a form of firewall between swaps dealing and the rest of your operations, requiring separate capitalization,' says Marcus Stanley, policy director of **Americans for Financial Reform**. 'When you allow banks to do absolutely unlimited derivatives activities, it's hard to separate banking from speculation.' With support from some prominent Democrats, Hayworth's bill stands a better chance of passing than most of the Dodd-Frank reform bills that Republicans have pushed thus far. That said, while House Democrats might not put up a fight to stop the repeal bill, their Senate counterparts might feel otherwise." [Click here for more.](#)*

**SEC Widens Probe of Exchange-Traded Funds**
Reuters
February 21, 2012

*"U.S. securities regulators have widened their inquiry into the trillion-dollar market for exchange-traded funds, according to a person familiar with the matter. Prompted by a delay in a big trade at a popular ETF, the Securities and Exchange Commission is taking a closer look at a possible connection between high-frequency traders and hedge funds jumping in and out of ETFs, and instances where ETF trades fail to settle on time, this person said. The SEC's inquiry is part of a wider probe that began last year and focused on complex ETFs that allow investors to magnify returns or bet against stock indexes. U.S. and U.K. regulators are concerned that so-called settlement fails—when trades are not completed on time—could contribute to volatility and systemic risk in financial markets." Click here for more.*

**SEC May Ticket Speeding Traders**
Scott Patterson and Andrew Ackerman (WSJ – subscription required)
February 23, 2012

*"The Securities and Exchange Commission is looking to curb high-frequency traders' huge influence on stock trading and is considering charging fees for the myriad buy and sell orders that are later canceled, among other options. SEC Chairman Mary Schapiro said a large portion of equities trading has little to do with 'the fundamentals of the company that's being traded.' She said it had more to do with 'the minuscule aberrational price move' that computer-assisted traders with direct connections to the exchange can "jump on" in fractions of a second. Such activity 'worries me,' Ms. Schapiro said in a breakfast meeting Wednesday with reporters. One solution would be forcing high-frequency traders to pay for the canceled trades that make up nine-tenths of all orders, she said." Click here for more.*

**Major Dodd-Frank Act Vote Delayed Yet Again In Face Of Industry Pressure**
Marcus Baram (Huffington Post)
February 24, 2012

*"In what is becoming a troubling pattern, financial regulators have yet again delayed a vote on a crucial provision of the Dodd-Frank Act. The Commodity Futures Trading Commission again put off voting on a rule that would more strictly regulate the massive swaps market, which is used by firms to fix or lock in their energy costs, more clearly defining which banks and energy companies would be subject to costly regulations. Major commodity companies, such as BP, Shell and Cargill have vigorously argued that they should be exempt from the new regulations because their use of swaps is necessary to insulate themselves from major changes in prices and currency values." Click here for more.*

**CFTC plan sheds light on delays for block trades**
Christopher Doering (Reuters)
February 23, 2012

*"The U.S. futures regulator on Thursday approved a measure that provides more insight on when dealers can delay reporting large over the counter swap transactions with sensitive price and size information to the public. However, Republican commissioners at the Commodity Futures Trading Commission warned that poor quality data used in the proposed new rule was 'troubling' and could serve to undermine efforts by the agency to boost swaps transparency. The CFTC proposal, which passed along party lines by a 3-2 vote, establishes at what level block trades are big enough to qualify for a longer reporting delay. The agency measure will define and categorize block sizes for five asset classes, including interest rate and credit swaps." Click here for more.*

**CFTC opposes request to block position limits rule**
Christopher Doering (Bloomberg)
February 18, 2012

*"The U.S. futures regulator said the financial industry had failed to prove that a federal court should temporarily block regulations that the agency approved last year, aimed at preventing excessive speculation in the commodity markets. The Securities Industry and Financial Markets Association (SIFMA) and the International Swaps and Derivatives Association (ISDA) told the court earlier this month if the U.S. Commodity Futures Trading Commission's rules go into effect they would irreparably harm their members and the public. But the CFTC late on Friday countered in a 52-page filing that the groups failed to meet any*

*of the criteria needed for a preliminary injunction, and as a result their request should be denied by the U.S. District Court for the District of Columbia. The regulator wrote that while the groups said some of their members would need to spend millions of dollars to comply with the new rule 'they never allege that these costs come anywhere close to threatening any member's business.' …The filing by the CFTC comes about a week before the court holds a hearing on February 27 to consider the preliminary injunction request.Earlier this month, SIFMA and ISDA said unless the court granted a preliminary injunction to delay the rules until the case is decided, the industry would shoulder additional costs that could never be recovered."* *Click here for more.*

**Oakland's Toxic Deal with Wall Street**
*Darwin BondGraham (East Bay Express – Oakland, CA)*
*February 15, 2012*

*"Although last week's $26 billion settlement between the Obama administration, attorneys general from 49 states, and five large banks over unscrupulous lending practices appears to have been deeply flawed, it may provide a modicum of relief for two million homeowners nationwide, including a half-million Californians. The agreement, however, does nothing for cities like Oakland that are trapped in expensive and toxic financial deals with some of Wall Street's biggest players. Oakland's bad lending deal is with Goldman Sachs, and it's already cost the city $26 million. By 2021, the total pricetag for local taxpayers could reach $46 million."* *Click here for more.*

**Barbara Roper: SIFMA Hypocritically Protests CFTC User Fee Plan**
Barbara Roper (Huffington Post)
February 22, 2012

*"When President Obama announced his proposal last week to provide a desperately needed funding boost for the Commodity Futures Trading Commission (CFTC) and to pay for $117 million of that funding through user fees, the securities industry issued a predictable and predictably hypocritical statement of opposition. 'We do not know how such a fee could affect the markets nor the extent to which such a fee could harm investors, who would likely bear the ultimate burden of this fee,' Kenneth Bentsen Jr., executive vice president of the Securities Industry and Financial Markets Association, reportedly told the* Wall Street Journal*. So, let me get this straight: SIFMA is concerned that $117 million in industry fees to help support effective oversight of a $337 trillion U.S. futures and swaps market could impose excessive costs on investors. I'm left to wonder, what is the source of SIFMA's sudden cost-consciousness? Because I don't seem to recall ever having heard the association express similar alarm over the costs to investors of the $20 billion or so Wall Street manages to scrape together for bonuses each year. Apparently, that's just the price we all pay to make sure Wall Street workers can afford to maintain their multiple homes and the occasional nice dinner out for their girlfriends."* *Click here for more.*

**Agnes T. Crane: Citigroup and Bank of America: Too Big to Punish**
Agnes T. Crane (Slate.com)
February 17, 2012

*"Sticking it to Uncle Sam should attract harsh punishment. But the fines Citigroup and Bank of America will pay - $158 million and $1 billion respectively - to settle claims they defrauded the U.S. government look easily handled. Citi has even admitted fraud in its dealings over home loan insurance. A ban from participating in the government's mortgage insurance programs would be a better deterrent. But unfortunately, Washington needs big banks too much. BofA's alleged misdeeds are still murky since its settlement was conveniently wrapped up in the broader $25 billion deal between federal and state enforcers and big mortgage servicing banks over so-called robo-signing transgressions. But the complaint against Citi offers a brutal account of the drive for profit squashing quality control. The Federal Housing Administration ended up insuring shoddy Citi mortgages that, in some cases, were in default within six months."* *Click here for more.*

**MF Global**

**Regulators Plan Safeguards to Prevent Another MF Global**
Ben Protess (DealBook/NYT)
February 22, 2012

*"Federal regulators are narrowing a list of possible new safeguards for customers at futures firms, a response to the collapse of MF Global and the disappearance of more than $1 billion in client cash. The Commodity Futures Trading Commission will hold a public roundtable next week to discuss policy changes, including a plan that would allow customers to trade through futures brokerage firms without keeping their excess cash there, according to a copy of the agenda provided to The New York Times. The plan, which would allow customers to keep their cash at clearinghouses rather than brokerage firms, is gaining support in pockets of the regulatory world. The commission is also circulating an internal list of more than 10 other ideas, including keeping customers updated on the whereabouts of their money and creating an insurance fund to backstop losses in customer accounts." Click here for more.*

**Investigators Probe a Rush at MF Global to Move Cash**
Julie Steinberg, Aaron Lucchetti, and Mike Spector (WSJ-Subscription Required)
February 23, 2012

*"Investigators probing the collapse of MF Global Holdings Ltd. are scrutinizing two money transfers made during the securities firm's final days in an effort to uncover what happened to $1.6 billion in missing customer funds. Federal regulators at the Commodity Futures Trading Commission and the U.S. bankruptcy trustee for MF Global's brokerage unit are examining two separate transfers from customer accounts, including a previously undisclosed $165 million transaction, said people familiar with the matter. They said some of the investigators are poring over emails and records related to these and other money transfers." Click here for more.*

**Commodity Speculation**

**In a Nod to Gas Prices, Obama Talks About Energy**
Mark Landler (NYT)
February 23, 2012

*"President Obama, confronted by the political perils of surging gas prices in an election year, on Thursday defended his efforts to wean the United States off imported oil, even as he conceded there was little he could do in the short run to ease the pain at the pump. Speaking to students at the University of Miami, in a swing state where gas averages $3.69 a gallon, Mr. Obama said: 'Just like last year, gas prices are climbing across the country; this time, it's happening even earlier. And when gas prices go up, it hurts everybody.'" Click here more.*

**Click here** to view "Oil Speculation on Wall Street Devastates Household Budgets on Main Street by Dr. Mark Cooper, Consumer Federation of America's Director of Research.

**Click here** to view "How Wall Street Speculation is Driving Up Gasoline Prices Today" by Robert Pollin and James Heintz at the Political Economy Research Institute at the University of Massachusetts, Amherst.

**International**

**Europe's Banker Talks Tough**
Brian Blackstone, Matthew Karnitschnig and Robert Thompson (WSJ – subscription required)
February 24, 2012

*"European Central Bank President Mario Draghi warned beleaguered euro-zone countries that there is no escape from tough austerity measures and that the Continent's traditional social contract is obsolete, as he waded into an increasingly divisive debate over how to tackle the region's fiscal and economic troubles. Mario Draghi, president of the European Central Bank, on the importance of austerity in Europe, the Greek bailout deal and the ECB's recent decision to exempt its Greek bond portfolio from losses. In a wide-ranging interview with The Wall Street Journal at his downtown office here, Mr. Draghi reflected on how the region's travails were pushing Europe toward a closer union. He said Europe's vaunted social model—which places a*

*premium on job security and generous safety nets—is "already gone," citing high youth unemployment; in Spain, it tops 50%. He urged overhauls to boost job creation for young people."* Click here for more.

**Athens told to change spending and taxes**
Peter Spiegel in Brussels, Gerrit Wiesmann in Berlin and Kerin Hope in Athens (FT – registration required)
February 23, 2012

*"European creditor countries are demanding 38 specific changes in Greek tax, spending and wage policies by the end of this month and have laid out extra reforms that amount to micromanaging the country's government for two years, according to documents obtained by the Financial Times."* Click here for more.

**Greek Crisis Raises New Fears Over Credit-Default Swaps**
Peter Eavis (DealBook/NYT)
February 21, 2012

*"Greece's debt restructuring is dragging credit-default swaps back into the spotlight. The last time this financial instrument was on the global stage was in 2008, when the American International Group's credit-default swaps brought the insurer, as well as the wider financial system, to the brink of collapse. A.I.G. had unique weaknesses, and regulators have started to overhaul the credit-default swap market since 2008. European policy makers have nonetheless looked warily at credit-default swaps, at least until recently, while they structured the Greek rescue over the last six months. They aimed for a voluntary debt exchange that would not initiate the default swaps, fearing that payments on the swaps might set off destabilizing chain reactions through Europe's financial system."* Click here for more.

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## *Foreclosures and Housing*

**Some Doubt a Settlement Will End Mortgage Ills**
Nelson D. Schwartz (NYT)
February 20, 2012

*Even as government officials prepare to unveil new standards this week for how banks treat millions of Americans facing foreclosure, housing advocates and homeowners are skeptical the rules will be able to do something past efforts have not: provide a beleaguered borrower with one individual to help them navigate the mortgage maze. While the entire process of seeking a mortgage modification is complicated and time-consuming, few elements are as maddening as the inability to get through to a representative at the bank, or being asked for the same documents again and again. So the promise of a single point of contact has emerged as a crucial element in the much-ballyhooed $26 billion settlement reached earlier this month involving state attorneys general, the federal government and the five biggest mortgage servicers. These rules will apply nationwide and come with commitments of strong enforcement by federal and state authorities, but they carry a familiar ring for those experienced in the foreclosure process. … 'It doesn't seem like much has changed,' said Josh Zinner, co-director of the Neighborhood Economic Development Advocacy Project, or Nedap, a resource and advocacy center that works with community groups in New York. 'We're still seeing the same systematic problems.'* Click here for more.

**Bonds Backed by Mortgages Regain Allure**
Azam Ahmed (DealBook/NYT)
February 18, 2012

*"Some Wall Street investors made money as the mortgage market boomed, while others profited when it fell apart. Having reaped big gains during both of those turns, Greg Lippmann, a former star trader at Deutsche Bank, is now catching the next upswing — buying the same securities built from mortgages that he bet against before the financial crisis erupted. Mr. Lippmann is joined by other big-money investors — mutual funds like Fidelity as well as hedge funds — in riding a wave of interest in the same complex loan pools that nearly washed away the financial system."* Click here for more.

**Fed's push on housing crosses a line, critics say**
Zachary A. Goldfarb (Washington Post)
February 21, 2012

*"Senior Federal Reserve officials are injecting themselves into a noisy debate over how to solve the housing crisis, drawing criticism from some lawmakers who say the Fed has no business straying from its traditional role as the U.S. central bank. Amid complaints that the Fed has encroached on Congress's territory, Chairman Ben S. Bernanke has tried to allay concerns on Capitol Hill over the past few weeks, in the latest flap in a broader debate about the Fed's proper role in the economy. That discussion began after the Fed started taking unorthodox measures in 2008 to address the financial crisis, including several rounds of massive bond purchases and steps to shore up lending markets. All the Republican presidential candidates have criticized Bernanke on various counts, saying he has printed too much money, damaged the value of the dollar and carried out programs that simply haven't worked." Click here for more.*

**NACA, NCLC & NACBA: Mortgage Servicers Continue to Wrongfully Foreclose on Homeowners According to a Recent National Survey of Consumer Attorneys**
Press release
February 22, 2012

*" Results of a new nationwide survey published today by the National Association of Consumer Advocates (NACA), the National Consumer Law Center (NCLC) and the National Association of Consumer Bankruptcy Attorneys (NACBA) show that mortgage servicers continue to initiate foreclosure proceedings improperly, either while a homeowner is awaiting a loan modification or due to improper fees or payment processing. "This survey provides yet more evidence that banks wrongfully foreclose on tens of thousands of homeowners every year," said National Consumer Law Center Attorney Diane Thompson. "Until rigorous national mortgage servicing standards that are enforceable by homeowners are put in place by the federal government, banks will continue to seize homes illegally and routinely." Click here for more.*

**With Banks As Landlords, Some Tenants Neglected**
Aarti Shahani (NPR)
February 23, 2012

*"Across the country, big banks and other large investors are buying up tens of thousands of foreclosed rental properties. They're not always model landlords, according to tenants and regulators. Some banks are failing to follow local and state housing codes, leaving tenants to live in squalor — without even a number to call in the most dire situations. Pedro Jimenez and three of his kids, in the living room of their East Oakland, Calif., apartment. JPMorgan Chase hasn't hired a management company to fix the shattered window panes or make other repairs. Pedro Jimenez signed the lease for his second-floor apartment in 2006. Since then, he says, 'Here was leaking water. Part of the ceiling [fell]. See all the windows crack.' The panes are completely shattered; vandals broke them, he says." Click here for more.*

**Marine makes last stand in foreclosed home**
Kari Huus (MSNBC.com)
February 22, 2012

*"Arturo de los Santos lost his home to foreclosure more than a year ago and was evicted. But because he felt he was treated unfairly, he moved back into his home of 10 years in an effort to force the lender, Freddie Mac, to back down. 'I'm just a regular guy who gets up each day, takes the kids to school and goes to work,' said de los Santos, a long-time aerospace factory supervisor who served five years in the Marine Corps. Now he is hunkered down in the modest three-bedroom house in Riverside, Calif., surrounded by an encampment of Occupy Riverside protesters and community activists. 'We've done everything the way we were supposed to. We're not going to just sit back and let Freddie Mac steal our home.' … The home sat empty for about six months before de los Santos decided to take bold action. He and his family moved back into the home on Dec. 6. Activists from the Occupy movement and the **Alliance of Californians for Community Empowerment** launched their 'occupation' of the property to bolster his bid to renegotiate on Feb. 2. Since then, said Peter Kuhns, a spokesman for ACCE, there have been 10 to 15 activists present at the house around the clock, and often more." Click here for more.*

**Freddie to adopt new way of valuing foreclosed properties**
Jon Prior (HousingWire)
February 22, 2012

*"Freddie Mac will use a new method of valuing REO acquired this year. The government-sponsored enterprise acquired 24,300 REO properties in the third quarter. It sold more than 25,000, and held an inventory of nearly 60,000 previously foreclosed homes. 'We've struggled with REO valuation,' said Tracy Mooney, senior vice president of single-family servicing at Freddie Mac, during the Mortgage Bankers Association servicing conference in Orlando, Fla. Last year, the GSE tweaked its existing valuation model to the pricing characteristics of REO. Under the new system, the Freddie team in Dallas and in McLean, Va., will measure the variances between the original broker priced opinion ordered for the property."* *Click here for more.*

**BofA Fight With Fannie Shows Turn From Last Year's Hope**
Wall Street Journal
February 23, 2012

*"Bank of America and Fannie Mae have battled back and forth this year, and Thursday, BofA upped the ante. The bank said in a filing today that it has stopped selling most mortgages to Fannie, a result of the continued shifts in Fannie's demands that Bank of America buyback old mortgages that have gone into default. This represents an about face from last January, when the two signed an accord to settle claims on billions of mortgages and Bank of America thought it had essentially put the worst of government repurchase requests behind itself."* *Click here for more.*

**Citigroup accused of defrauding Fannie, Freddie**
Bloomberg News
February 22, 2012

*"Citigroup Inc., which last week admitted breaking Federal Housing Administration rules and paid a fine, also violated regulations for home loans sold to Fannie Mae and Freddie Mac, according to a whistle-blower's complaint. The bank 'defrauded, falsified information or misled federal government entities' by selling or securing insurance for mortgages with defects such as improper appraisals and not reporting them as required, Sherry Hunt, a Citigroup quality-assurance vice president, said in her complaint, which was unsealed Tuesday. It was filed under the False Claims Act in federal court in Manhattan in August."* *Click here for more.*

**Housing Takes Another Step Out of The Cellar**
Kathleen Madigan (WSJ – subscription required)
February 22, 2012

*"Wednesday brought further evidence that housing has climbed out of the sub-basement. But it's a long way from heading up the stairs to expansion. Existing home sales increased 4.3% to an annual rate of 4.57 million in January. But the gain came only because the **National Association of Realtors** sharply lowered December sales to 4.38 million. If December sales had stayed at their original 4.61 million, January sales would have been down slightly. Even so, the home sales report joins other data that point to a stabilization in housing. The most positive sign was the reduction in excess supply of homes for sale. According to the Realtors, 2.31 million homes were on the market at the end of January, the lowest number since March 2005. At the current sales pace, that represents a 6.1 months' supply of inventory, a healthy rate and half the months' supply seen during housing's worst days."* *Click here for more.*

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## *Executive Compensation*

**Lloyds Banking Group says it will claw back executive bonuses over insurance losses**
Associated Press
February 20, 2012

*"Lloyds Banking Group has canceled bonus payments for its former chief executive and a dozen other directors over their involvement in the costly misselling of payment protection insurance. Lloyds, struggling to emerge from part-nationalization, has set aside 3.2 billion pounds ($5.1 billion) to reimburse people persuaded to buy policies which they did not need. That's by far the biggest provision by any British bank. Former CEO Eric Daniels will lose 40 percent of his bonus for 2010, Lloyds announced Monday, worth about 580,000 pounds ($920,000).* The bank will withhold shares of that value which were part of his deferred bonus." *Click here for more.*

**House Panel Approves Bill to Exempt New Firms From Pay Votes**
Ted Allen (ISS blog)
February 23, 2012

*"On Feb. 16, the U.S. House Financial Services Committee voted overwhelmingly to approve a bill that would exempt newly public companies from holding say-on-pay votes for five years. A similar bill has been introduced in the Senate and has attracted bipartisan support. The House bill, the 'Reopening American Capital Markets to Emerging Growth Companies Act,' H.R. 3606, would create a new class of issuers, 'emerging growth companies' that would be exempt from the Dodd-Frank Act-mandated advisory votes for five years, or until they reach $1 billion in annual revenue or $700 million in public float. These companies also would be exempt from holding separate shareholder votes on 'golden parachute' severance arrangements. …**Americans for Financial Reform** (AFR), a coalition of consumer and investor groups that includes the AFL-CIO, has urged the Senate Banking Committee to reject the emerging company legislation. The coalition criticized the auditor attestation exemption and noted that say-on-pay votes have nothing to do with eliminating barriers to new IPOs. 'We strongly oppose this bill, which legitimizes the idea that companies should be allowed to go public and raise money from average, retail investors without being able to meet basic standards designed to ensure that they provide those investors with accurate and reliable information on which to base their investment decisions,' **AFR** argued in a Feb. 15 letter." Click here for more.*

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## *Student Lending*

**Mounting student loans a 'debt bomb' waiting to explode**
Herb Weisbaum (The Bottom Line on MSNBC.com)
February 22, 2012

*"It's a vicious cycle. Many families in this country cannot afford the skyrocketing cost of higher education without student loans. But many graduates cannot find a job and cannot pay off the loans. As a result, they wind up in a much deeper hole (as interest and collection fees accrue) with no way out. Student loan debt in the U.S. now totals more than $1 trillion. That's more than all the outstanding credit card debt in the country. The association's report says the country faces a serious economic threat from this growing mountain of student debt, one that could be every bit as devastating as the mortgage meltdown." Click here for more.*

**Andrew Gillen and Richard Vedder: To Fix Student Lending, Rethink the Concept**
Andrew Gillen and Richard Vedder
February 20, 2012

*"This past fall, Occupy Wall Street protesters around the country called for far-reaching changes in our society, including forgiveness of student-loan debt. While we believe loan forgiveness is a bad idea for a variety of reasons, we also think the protesters are right in calling attention to the nation's Byzantine and inefficient system of student lending. Here are a number of beneficial steps that policy makers can take to begin to fix our student-loan system. Specifics aside, the larger point is that efforts to restructure student loans to stop treating them like an investment in a factory and start treating them as an investment in human capital are very promising for students and for society. …Andrew Gillen is research director at the Center for*

*College Affordability and Productivity and an adjunct professor of economics in Washington, D.C. Richard Vedder is director of the center, an adjunct scholar at the American Enterprise Institute, and a professor of economics at Ohio University.*" Click here for more.

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## *FTT*

**Merkel Says 'We Want Financial Transaction Tax in Europe'**
*Tony Czuczka* (Bloomberg)
February 22, 2012

*"Chancellor Angela Merkel reiterated her support for a financial-transaction tax in Europe as a way to push back on speculation and raise revenue. 'We want a financial transaction tax in Europe,' Merkel told a gathering of Christian Democratic Union party members today in the town of Demmin in the northern state of Mecklenburg-Western Pomerania." This is the entire article.*

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## *Investor Protection*

**Madoff Trustee May Struggle to Undo HSBC Ruling, Lawyers Say**
Linda Sandler and Bob Van Voris (Bloomberg)
February 22, 2012

*"The liquidator of Bernard Madoff's firm asked an appeals court to reinstate $30 billion of his claims against banks including HSBC Holdings Plc and JPMorgan Chase & Co. Madoff trustee Irving Picard filed arguments in a federal appeals court in New York on why district judges Jed Rakoff and Colleen McMahon were wrong in barring him from demanding damages from the banks, which include UBS AG and UniCredit SpA. He is challenging two similar rulings made on 'solid legal ground,' said Peter Henning, a former Securities and Exchange Commission lawyer who teaches at Wayne State University in Detroit. Rakoff in July threw out almost $9 billion in damages that Picard demanded from HSBC and feeder funds, saying the trustee can't sue on behalf of customers, using common-law claims against parties who had an alleged duty to detect Madoff's fraud. Picard demanded $19 billion in damages from the con man's banker, JPMorgan, which McMahon also dismissed." Click here for more.*

## *Big Banks, Money, and Politics*

**Wall Street in the White House?**
Inside Story: US 2012 (Al Jazeera)
February 23, 2012

*"The Republican Party may have its doubts about Mitt Romney, but when it comes to Wall Street it is a completely different story. Financial executives are throwing their support, and their money, behind Romney's bid for the White House. Figures released recently show Wall Street has shifted its support toward the former Massachusetts governor and away from Barack Obama, the US president. A campaign monitoring group found that in 2011 the leaders of six Wall Street giants gave nearly $2m to Romney's campaign. They have also been joined by hedge fund managers and private equity leaders who have been pouring money into Romney's unofficial political action committee or Super PAC - the machine behind his now-infamous campaign attack ads." Click here for more.*

**Ben & Jerry's launches a campaign to overturn Citizens United**
Alex Moore (Death and Taxes)
February 21, 2012

*"Last fall Ben & Jerry's became the first high-profile company to support Occupy Wall Street. Shortly thereafter, they became the first ice cream company to piss off a concerned-mothers organization with their*

*Schweddy Balls flavor, commemorating Alec Baldwin's classic SNL skit. Now Ben & Jerry's is pushing buttons again by launching a campaign to overturn the Supreme Court's 2010 decision Citizens United."* *Click here for more.*

**Occupy Wall Street Objects to the Occupy Wall Street PAC**
John Hudson (The Atlantic's Wire)
February 17, 2012

*"The formation of an Occupy Wall Street super PAC by an activist in Decatur, Alabama is sparking a backlash from the movement's organizers in Washington, D.C. and New York City. This week activist John Paul Thornton opted to fight fire with fire, filing paperwork with the FEC to establish The Occupy Wall Street Political Action Committee, allowing it to raise unlimited corporate funds for federal candidates pledging to get money out of politics. The irony was not lost on a number of Occupy activists who've long protested the very existence of super PACs following the controversial 2010* Citizens United *Supreme Court case." Click here for more.*

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## *Other*

**Banking Crisis May Recur, Santa Cruz's Dooley Says: Tom Keene**
Austen Sherman and Tom Keene (Bloomberg)
February 22, 2012

*"The U.S. banking crisis may repeat itself as the turmoil of 2008 fades and partisanship divides lawmakers, according to the University of California Santa Cruz's Michael Dooley. While the Dodd-Frank Wall Street Reform and Consumer Protection Act passed in 2010 is 'far-reaching,' Dooley said he has doubts about how well it will be put into effect. The reforms for the financial industry are very complicated and contradictory in some places, he said. 'The cynical view is that we will swing pretty hard toward enforcing the regulations, but we will again forget over a five- to 10-year time period, and this will happen again,' Dooley, an economics professor and the head of research at Cabezon Capital Management in San Francisco, said today in a radio interview on 'Bloomberg Surveillance' with Tom Keene and Ken Prewitt. 'That's a reasonable bet.'" Click here for more.*

**Citigroup Faces Smith Barney Hit**
Suzanne Kapner and Aaron Lucchetti (WSJ – subscription required)
February 22, 2012

*"Citigroup Inc. is facing a potential multibillion-dollar write-down as it begins unwinding its minority investment in the Morgan Stanley Smith Barney brokerage. Morgan Stanley has the right this spring to start buying Citigroup out of the joint venture, which was formed in 2009, when the sides combined Citigroup's Smith Barney with Morgan Stanley's wealth-management unit. Price is likely to be one of the main points under discussion when negotiations begin this spring, people familiar with the situation said." Click here for more.*

**As Schumer Gets Quieter on Regulatory Issues, Gillibrand Steps up to Champion Wall Street**
Reid Pillifant (Capital New York)
February 21, 2012

*"Last month, a senator from New York **sent a letter to five federal agencies**, joining with a number of Republicans in expressing concern about how a new piece of Wall Street regulation would be implemented. The senator wasn't Chuck Schumer. Defending the prerogatives (and profits) of the largely New York-based finance industry has long been the territory of Schumer, who has in turn been handsomely rewarded in campaign contributions from Wall Street. But as he has become more of a national Democratic leader, his message on Wall Street has come more into line with his party's. He has dropped the anti-regulatory tone, and even boasted on national television recently that Wall Street types no longer donate money to him as they once did. Meanwhile, Kirsten Gillibrand has quietly overcome considerable skepticism about her on Wall Street to become a go-to advocate for the financial services industry in her own right." Click here for more.*

**Bruce Springsteen takes on Wall Street**
Kim Peterson (MSN Money)
February 21, 2012

*"Bruce Springsteen is furious at Wall Street, and he funneled that anger into his newest album, 'Wrecking Ball.' The result is a collection of songs about the destruction of the American dream. You don't get too deep into that subject before you hit the financial crisis -- and Wall Street's role in it. 'An enormous fault line cracked the American system wide open, and its repercussions are just beginning to be felt,' Springsteen said in interviews promoting the album, which comes out next month. It's a dark album, layered with themes of the common man versus the bankers and fat cats. Rolling Stone was streaming one song, 'Shackled and Drawn,' on its website Tuesday. The song describes how life is fat and easy on 'banker's hill,' while the working man is shackled and drawn. Here's the video for the first song from the album, 'We Take Care of Our Own.' Here's a performance of another, called 'Wrecking Ball.'" Click here for more.*

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## *Upcoming Events*

### Capitol Hill

**House Committee on Financial Services**

Hearing entitled "Understanding the Effects of the Repeal of Regulation Q on Financial Institutions and Small Businesses"
Financial Institutions and Consumer Credit
March 1, 2012 9:30 AM in 2128 Rayburn HOB

Hearing entitled "Monetary Policy and the State of the Economy"
Full Committee
February 29, 2012 10:00 AM in 2128 Rayburn HOB

Hearing entitled "Oversight of the Department of Housing and Urban Development"
Insurance, Housing and Community Opportunity
February 28, 2012 10:00 AM in 2128 Rayburn HOB

**House Small Business Committee**

No pertinent markups/hearings scheduled as of 2/24/12

**House Committee on Agriculture**

**Wednesday, February 29, 2012 – 10:00 a.m.**
1300 Longworth House Office Building
Washington, D.C.
**Full Committee on Agriculture – Public Hearing**
**RE: The Commodity Futures Trading Commission 2012 Agenda**

**Committee on Oversight and Government Reform**

No pertinent markups/hearings scheduled as of 2/24/12

**Subcommittee on TARP, Financial Services and Bailouts of Public and Private Programs**

No pertinent markups/hearings scheduled as of 2/24/12

## Senate

**Senate Banking, Housing, and Urban Affairs Committee**

Hearings are webcast live at: http://banking.senate.gov.

Testimony and archived videos will be posted at:
http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Home

Full Committee: **"State of the Housing Market: Removing Barriers to Economic Recovery, Part II"**

Panel I: The Honorable Shaun Donovan, Secretary, U.S. Department of Housing and Urban Development

Panel II: The Honorable Elizabeth A. Duke, Governor, Board of Governors of the Federal Reserve System and Mr. Edward J. DeMarco, Acting Director, Federal Housing Finance Agency

DATE: Tuesday, February 28, 2012

TIME: 10:00 A.M.

LOCATION: Room SD-538, Dirksen Senate Office Building

Full Committee: **"The Semiannual Monetary Policy Report to the Congress"**

WITNESS: The Honorable Ben Bernanke, Chairman, Board of Governors of the Federal Reserve System

DATE: Thursday, March 1, 2012

TIME: 10:00 A.M.

LOCATION: Room SD-538, Dirksen Senate Office Building

**Senate Committee on Finance**

**The President's Budget for Fiscal Year 2013**
Full Committee Hearing
Tuesday, February 14, 2012, 10:00 AM

**The President's Budget for Fiscal Year 2013**
Full Committee Hearing
Wednesday, February 15, 2012, 10:00 AM

**Senate Committee on Agriculture, Nutrition and Forestry**

No pertinent markups/hearings scheduled as of 2/24/12

**SEC**

No pertinent markups/hearings scheduled as of 2/24/12

**CFTC**

**CFTC Staff to Host a Two-Day Public Roundtable to Discuss Additional Customer Collateral Protections**

The Commodity Futures Trading Commission (CFTC) today announced that staff will hold a two-day public roundtable to discuss additional customer collateral protection. The roundtable is to gather public input on a variety of ideas to further protect customers. The agenda for the roundtable is listed below.

Specifically, day one discussions will focus on issues related to the advisability and practicality of implementing the legal segregation with operational commingling (LSOC) model as the segregation model for collateral posted by futures customers (the Commission has already approved this model for swaps); alternative models for the custody of customer collateral; enhancing futures commission merchant (FCM) controls over the disbursement of customer funds deposited for trading on U.S. futures markets; increasing transparency surrounding an FCM's holding and investment of customer funds; and lessons learned from commodity brokerage bankruptcy proceedings.

Day two of the two-day session will focus primarily on the protection of customer funds deposited with FCMs for trading on foreign futures markets; particular issues associated with entities dually registered with the CFTC as FCMs and the U.S. Securities and Exchange Commission as broker-dealers (BDs); and enhancing the self-regulatory structure.

The roundtable discussions are scheduled for Wednesday, February 29 and Thursday, March 1. Both are scheduled to begin at 9:30 a.m., in the Conference Center at the CFTC's Headquarters at 1155 21st Street, NW, Washington, DC.

Listening information for Day 1 and Day 2:

**US Toll-Free:** 866-844-9416
**International Toll:** 203-369-5026
**Passcode:** CFTC

Transcripts of the roundtable discussions will be published on the CFTC's website at: http://www.cftc.gov/LawRegulation/DoddFrankAct/Dodd-FrankPublicEvents/index.htm.

Members of the public wishing to submit their views on the topics addressed at the roundtable may do so via:

• Paper submission to David Stawick, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581; or

• Electronic submission by visiting http://comments.cftc.gov and following the instructions for submitting comments through the CFTC's website.

All comments on the Day 1 discussions must be identified by RIN number 3038-AD70. All comments on the Day 2 discussions must be identified by RIN number 3038-AD71.

All submissions provided to the CFTC in any electronic form or on paper may be published on the Commission's website, without review and without removal of personally identifying information.

**Click here for more.**

**GW Law's symposium on "Striking the Right Balance: Investor and Consumer Protection in the New Financial Marketplace"**

Friday, March 2, 2012
8 am–7:30 pm

The George Washington University Law School
2000 H Street NW
Washington, DC 20052

GW Law invites you to a timely conference at which senior regulators, leading scholars, and prominent practitioners will discuss the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act on the regulation of markets for derivatives, securities, and consumer financial products. Symposium participants will also review the Sarbanes-Oxley Act on its 10th anniversary and will consider whether the legacy of the Sarbanes-Oxley Act provides encouraging or cautionary lessons regarding the likely future direction of Dodd-Frank's reforms. Register today: www.law.gwu.edu/gwl/consumerprotection

**National Consumer Protection Week (NCPW)**

Annual campaign among government and non-profit entities that encourages consumers to take full advantage of their consumer rights and make better-informed decisions in the marketplace. **The 14th annual NCPW will be March 4 – 10, 2012.** If you have any questions about how to promote NCPW in your community, please send an email to ncpw@ftc.gov.

**Consumer Federation of America**

The Consumer Federation of America invites you to attend our forty-sixth annual Consumer Assembly on March 15th and 16th at the Embassy Suites Convention Center Hotel in Washington, DC.   A preliminary program for the conference, which lists keynote speakers and panelists, is attached to this email. To register online, please use the following link - go to website

If you should need further information on the conference please contact Sally Karwowski at skarwowski@consumerfed.org or 202.939.1005.

**National Community Reinvestment Coalition**

21012 NCRC Annual Conference
Wednesday, April 18, 2012 at 1:00 PM - Saturday, April 21, 2012 at 4:00 PM (ET)
Washington, United States
**Click here for more information.**