

From: Via, Stafford
To: Kashkari, Neel;
Date: Thursday, September 18, 2008 6:32:28 PM

Neel,

Do you have a copy of the hill points you put together for Hank?

Thanks.

From: Mueller, King
To: Fromer, Kevin; Kashkari, Neel;
Nason, David;
Subject: Re: Meeting
Date: Thursday, September 18, 2008 11:19:46 PM

Let's not get off to the wrong foot then. They want substance of our proposal, so let's be sure we're in agreement w/ what we are putting forward. Once we show our hand, the negotiations have begun.

I agree we should impress upon them that it should be a joint fed/tres meeting.

From: Fromer, Kevin
To: Kashkari, Neel; Mueller, King; Nason, David
Sent: Thu Sep 18 23:01:16 2008
Subject: RE: Meeting

Clearly they don't want that. If I need to push back for that, let's discuss.

Kevin I. Fromer
Assistant Secretary for Legislative Affairs
U.S. Department of the Treasury
202.622.1900/202.622.0534 FAX
kevin.fromer@do.treas.gov

From: Kashkari, Neel
Sent: Thursday, September 18, 2008 11:00 PM
To: Fromer, Kevin; Mueller, King; Nason, David
Subject: Re: Meeting

I think so but lang may not be ready yet. Is that ok? I think we can talk about it.

Shouldn't we do w fed at same time?

From: Fromer, Kevin
To: Kashkari, Neel; Mueller, King; Nason, David
Sent: Thu Sep 18 22:57:27 2008

Subject: FW: Meeting

Will we be ready to discuss the proposal at 2?

From: Maher, Shawn (Banking) [mailto:Shawn_Maher@banking.senate.gov]

Sent: Thursday, September 18, 2008 10:55 PM

To: Fromer, Kevin; [REDACTED]

Cc: Duhnke, B (Banking)

Subject: Meeting

We'd like to meet tomorrow afternoon to discuss in more detail the contents of the proposal presented tonight by Chairman Bernanke and Secretary Paulson. Would like to propose Treasury at 2 and the Fed at 4. Can you please advise us asap if that will work? Thanks.

From: [Fromer, Kevin](#)
To: [Kashkari, Neel](#); [Mueller, King](#);
[Nason, David](#);
Subject: RE: Meeting
Date: Thursday, September 18, 2008 11:01:17 PM

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Cc: Duhnke, B (Banking)
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Wise, Amanda

Subject: Briefing for Hill Meetings
Start: Tue 4/20/2010 11:00 AM
End: Tue 4/20/2010 11:00 AM
Recurrence: (none)
Organizer: Paulson, Henry M

When: Thursday, September 18, 2008 5:50 PM-6:10 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Secretary's Office

~~*~*~*~*~*~*~*~*

Added by CW 9/18/08

Participants:

HMP
Fromer
Neel
Michele

Wise, Amanda

Subject: Briefing for Hill Meetings

Start: Tue 5/4/2010 10:00 AM

End: Tue 5/4/2010 10:00 AM

Recurrence: (none)

Organizer: Paulson, Henry M

Added by CW 9/18/08

Participants:

HMP

Fromer

Neel

Michele

Wise, Amanda

Subject: Meeting with the President
Start: Tue 5/4/2010 10:00 AM
End: Tue 5/4/2010 10:00 AM
Recurrence: (none)
Organizer: Paulson, Henry M

Added by CW 9/18/08

From: Ford, Frederick H. [<mailto:Frederick.H.Ford@who.eop.gov>]

Sent: Thursday, September 18, 2008 12:49 PM

To: West, Christal; Matera, Cheryl; Taylor, Andrea; Rita.C.Proctor@frb.gov; Marie.L.Spicer@frb.gov; ChristM@SEC.GOV; Nagesh, Ammani; Alvarado, Carmen; Mayo, Courtney; Kashkari, Neel; Dalton, Candice N.; Stokes, Veronica; SirriE@sec.gov; Gathers, Shirley; Margaret.Owens@frb.gov; Wilmoth, Benton M.; Aylward, Patrick S.; Stefanik, Elise M.; Byrd, Leslea T.; Marshall, Kristin E.; Herzog, John T.; Byrne, Christopher J.; Forton, Jessica M.; Landon, Jill R.; Williams, Alice H.; Daigle, Sandra F.

Cc: Bennett, Melissa S.; Houston, LaRhonda M.; Heilig, Rebecca B.; OOO; Blahous, Charles; Swanson, Jonathan

Subject: 3:30pm Briefing with the President

The President will participate in a briefing on our financial markets system **today from 3:30 - 4:30 pm** in the Roosevelt Room. Please confirm attendance immediately.

Note: The timing of this meeting may shift based on market developments. Please plan to be flexible and watch for updates.

Thanks,
Freddy
456-5806

Secretary Hank Paulson, Department of the Treasury

Chairman Ben Bernanke, U.S. Federal Reserve

Chairman Christopher Cox, Securities and Exchange Commission

Michele Davis, Assistant Secretary for Public Affairs and Director of Policy Planning, Department of the Treasury

Kevin Fromer, Assistant Secretary for Legislative Affairs, Department of the Treasury

Neel Kashkari, Senior Advisor, Department of the Treasury

Deputy Director Steve McMillin, Office of Management and Budget

Tony Ryan, Assistant Secretary for Financial Markets, Department of the Treasury

Erik Sirri, Director, Division of Trading and Markets, Securities and Exchange Commission

Jim Wilkinson, Chief of Staff, Department of the Treasury

Kevin Warsh, Governor, U.S. Federal Reserve

Joshua Bolten, Chief of Staff

Joel Kaplan, Deputy Chief of Staff for Policy

Ed Gillespie, Counselor to the President

Keith Hennessey, Assistant to the President for Economic Policy

Dan Meyer, Assistant to the President for Legislative Affairs

Dana Perino, Press Secretary

Dan Price, Assistant to the President and Deputy National Security Advisor for International

Economic Affairs

David Addington, Chief of Staff to the Vice President

Eddie Lazear, Chairman, Council of Economic Advisers

Wise, Amanda

Subject: Meeting with Congressional Leaders
Start: Tue 5/4/2010 10:00 AM
End: Tue 5/4/2010 10:00 AM
Recurrence: (none)
Organizer: Paulson, Henry M

Added by CW 9/18/08

Participants:
HMP
Fromer

To say to press on the way out of the meeting:

We met tonight to discuss current market conditions, and to begin a discussion on a system-wide solution.

I intend to work with the congress through the weekend, to find a comprehensive approach to address the illiquid assets on bank balance sheets that are at the underlying source of the current stresses in our financial institutions and financial markets.

From: Mayo, Courtney
Sent: Thursday, September 18, 2008 5:50 PM
To: Fromer, Kevin
Cc: West, Christal
Subject: Jaime from Speaker Pelosi's office called

He just wanted me to let you know that there is going to be a brief press "spray" (is the term I believe he used) prior to the meeting. Jaime said it shouldn't last long, but wanted to call with the heads up.

From: Fromer, Kevin
Sent: Thursday, September 18, 2008 5:12 PM
To: West, Christal; Mueller, King; 'laricke.d.blanchard@frb.gov'
Subject: Fw: Would it help

From: Meyer, Daniel P.
To: Davis, Michele; Kaplan, Joel ; Fratto, Tony; Gillespie, Edward W. ; Perino, Dana M. ; Fromer, Kevin
Sent: Thu Sep 18 16:57:33 2008
Subject: RE: Would it help

We've scheduled a 7 PM meeting for Paulson, Bernanke and Cox to meet with the Speaker, 4 Leaders, 4 Whips and the 4 Banking Committee Chairs and Rankers. It will be in H-230, which is a conference room in the Speaker's office. I'm sure press will be swarming in the hallways.

Wise, Amanda

Subject: Briefing for Hill Meetings
Start: Thu 5/13/2010 11:30 AM
End: Thu 5/13/2010 11:30 AM
Recurrence: (none)
Organizer: Paulson, Henry M

When: Thursday, September 18, 2008 5:50 PM-6:10 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Secretary's Office

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Added by CW 9/18/08

Participants:

HMP

Fromer

~~Neel~~

Michele

Wise, Amanda

Subject: Briefing for Hill Meetings
Start: Thu 4/15/2010 10:00 AM
End: Thu 4/15/2010 10:00 AM
Recurrence: (none)
Organizer: Paulson, Henry M

When: Thursday, September 18, 2008 5:50 PM-6:10 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Secretary's Office

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Added by CW 9/18/08

Participants:

HMP
~~Fromer~~
Neel
Michele

Wise, Amanda

Subject: Strategy Call
Start: Tue 4/20/2010 11:00 AM
End: Tue 4/20/2010 11:00 AM
Recurrence: (none)
Organizer: Foley, Trip

When: Thursday, September 18, 2008 7:30 AM-8:00 AM (GMT-05:00) Eastern Time (US & Canada).

Where: Tony's Office

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Fromes Calendar

From: Fromer, Kevin
To: Davis, Michele;
cc: McLaughlin, Brookly;
Subject: Re: Hill mtg at 7
Date: Thursday, September 18, 2008 4:56:34 PM

Yes

----- Original Message -----

From: Davis, Michele
To: Fromer, Kevin
Cc: McLaughlin, Brookly
Sent: Thu Sep 18 16:54:23 2008
Subject: RE: Hill mtg at 7

And if we confirm, we should say that it is to discuss recent market developments. The press is wanting to say it is about an RTC.

-----Original Message-----

From: Fromer, Kevin
Sent: Thursday, September 18, 2008 4:50 PM
To: Davis, Michele
Subject: Hill mtg at 7

We tried for 730 but spkr had to do it earlier.

From: [Fromer, Kevin](#)
To: [Davis, Michele](#);
cc: [McLaughlin, Brookly](#);
Subject: Re: Hill mtg at 7
Date: Thursday, September 18, 2008 4:56:34 PM

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From: Fromer, Kevin
To: Davis, Michele;
cc: McLaughlin, Brookly;
Subject: Re: Hill mtg at 7
Date: Thursday, September 18, 2008 4:56:18 PM

She's inviting the others so might as well.

----- Original Message -----

From: Davis, Michele
To: Fromer, Kevin
Cc: McLaughlin, Brookly
Sent: Thu Sep 18 16:52:53 2008
Subject: RE: Hill mtg at 7

She already told the press. Do we confirm?

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From: [Fromer, Kevin](#)
To: ["Duhnke, B \(Banking\)";](#)
Subject: RE: Hearing
Date: Wednesday, September 17, 2008 11:47:47 AM

We are still saying no, not to be jerks but it's just not possible (or advisable). I told Shawn this morning that our preferences for next week are wed pm, thurs am, tues in that order, which reflected my consultation with fhfa and the fed as well. His standing request was tomorrow morning but he was going to talk to Dodd. Paulson has a call into Shelby and Dodd to give them a posting on what we're seeing today. I expect he and the chairman will discuss the hearing at that point. Dodd did not return our phone calls yesterday and did not raise it at all last night.

From: Duhnke, B (Banking) [mailto:b_duhnke@banking.senate.gov]
Sent: Wednesday, September 17, 2008 11:42 AM
To: Fromer, Kevin
Subject: Hearing

Are you still saying no? I need to know if I should be doing an opening statement or not.

William D. Duhnke III
Republican Staff Director and Counsel
Committee on Banking, Housing & Urban Affairs
United States Senate
534 Dirksen Senate Office Building
Washington, DC 20510
p: (202) 224-2232
f: (202) 224-3755

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From: Fromer, Kevin
To: Norton, Jeremiah;
Subject: RE: pretty good piece out of the meeting from congress daily
Date: Thursday, September 18, 2008 10:46:24 PM

When are you returning?

From: Norton, Jeremiah
Sent: Thursday, September 18, 2008 10:41 PM
To: Fromer, Kevin
Subject: Re: pretty good piece out of the meeting from congress daily

I thought hmp looked good on tv

From: Fromer, Kevin
To: Davis, Michele; Zuccarelli, Jennifer; Kashkari, Neel; Norton, Jeremiah; Jester, Dan (Contractor); Wilkinson, Jim; Mueller, King; McLaughlin, Brookly; Foley, Trip; Nason, David; Ryan, Tony; Via, Stafford; West, Christal
Sent: Thu Sep 18 22:38:47 2008
Subject: pretty good piece out of the meeting from congress daily

ECONOMY: PAULSON, BERNANKE DELIVER 'SOBER' NEWS TO CONGRESS,
WITH

INTERVENTION TO COME

By Bill Swindell, with Dan Friedman, Benjamin Schneider,
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congressional leaders in an emergency meeting Thursday night
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working to create a government mechanism to purchase the bad assets of

firms teetering near insolvency -- the latest dramatic step by the

government to stem the economic crisis.

House and Senate leaders from both parties met in House Speaker Pelosi's

office along with committee chairmen and ranking members from panels with

jurisdiction over the banking and financial systems.

A Treasury spokesman said Paulson and Bernanke "began a discussion with

them on a comprehensive approach to address the illiquid assets on bank

balance sheets that are at the underlying source of the current stresses in

our financial institutions and financial markets. They are exploring all

options, legislative and administrative, and expect to work through the

weekend with congressional leaders to finalize a way forward."

Treasury will send a proposal to Capitol Hill to address the illiquid

assets, which will include mortgages and mortgage-backed securities.

There is no time frame for the proposal to be sent, though Senate Banking

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Chairman Christopher Dodd said he had instructed his staff to be ready

through the weekend.

"I have been in the Senate 28 years, Congress 34. There has never been a

moment as serious as this one," Dodd said. He will hold a hearing Tuesday,

with Paulson slated to appear.

"We all understand the stakes; we have all committed to working with the

administration, and we are all anxious to see their proposal within a

matter of hours, not days," Senate Majority Leader Reid said in a

statement.

House Financial Services Chairman Barney Frank said there is wide-scale

agreement to put something together. "It will be bipartisan, bicameral,

bi-everything. We're going to do this before we [leave]," Frank said.

Republicans echoed the notion that there would be bipartisan consensus.

Senate Minority Leader McConnell said, "We reached a bipartisan agreement

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Senate Banking ranking member Richard Shelby, who has been very concerned

about the extent to which taxpayers could be on the hook, predicted that "I

don't think Congress will act irresponsibly. ... I think we heard some

sobering news."

Senate Minority Whip Kyl said: "We're trying to get everything done as

quickly as possible. There's no time limit."

The meeting signaled an impetus to act before Congress leaves for its

recess next week before fall elections, though Pelosi said Thursday night

in a letter to President Bush that Congress was willing to work beyond its

targeted adjournment date of Sept. 26 "to consider legislative proposals

and conduct necessary investigations."

The hastily called meeting was another significant step in an

unprecedented week in which Lehman Brothers Holdings filed for bankruptcy,

Bank of America Corp. bought up Merrill Lynch & Co., and American

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Bank of America Corp. bought up Merrill Lynch & Co., and American

International Group teetered near bankruptcy until the Fed stepped in late

Tuesday night with an emergency line of credit of \$85 billion. While before

the meeting both sides had made political charges and countercharges, they

were throwing up ideas with acronyms such as RTC, RFC and MFI.

One proposal under consideration is by Frank to create an agency to take

over troubled assets of investment banks and others similar to Resolution

Trust Corp, which was designed in the late 1980s to assume and liquidate

the assets of failed savings-and-loan associations.

"I think we are talking about a good-bank, bad-bank problem. We have to

decide what assets do you buy? What constraints do you put on if you buy

from an ongoing operation?" Frank said before the meeting.

Sen. Charles Schumer, D-N.Y., chairman of the Joint Economic Committee,

suggested another approach today by using a model from the Great

Depression: the Reconstruction Finance Corporation, which was established

in 1932 to provide capital to struggling financial institutions in exchange

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Schumer would require banks who accept such federal aid to accept a major

change in bankruptcy laws, allowing judges to reduce the principal of the

mortgage to a home's current market value.

While conservatives earlier Thursday decried increasing government

bailouts in the financial sector, the GOP presidential nominee, Sen. John

McCain of Arizona, called for federal intervention, sensing the high

economic anxiety among voters less than two months before Election Day.

McCain called for a proposed Mortgage and Financial Institutions trust.

"The priorities of this trust will be to work with the private sector and

regulators to identify institutions that are weak and take remedies to

strengthen them before they become insolvent. For troubled institutions

this will provide an orderly process through which to identify bad loans

and eventually sell them," McCain said in a statement.

The Democratic presidential nominee, Sen. Barack Obama of Illinois, is

for an equity stake.

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The Democratic presidential nominee, Sen. Barack Obama of Illinois, is

scheduled to unveil his plan today.

At a rally Thursday in New Mexico, Obama announced plans to host a meeting

with his top economic advisers in Florida today. The meeting will include

former Treasury secretaries Lawrence Summers, Robert Rubin and Paul

O'Neill; Nobel Prize economist Joseph Stiglitz; former Fed Chairman Paul

Volcker, and Warren Buffett.

Obama said he would call for the passage of a homeowner and financial

support measure that "would establish a more stable and permanent solution

than the daily improvisations that have characterized policy-making over

the last year."

The meeting today is designed to hammer out the details of the plan his

campaign is calling "a major proposal," a collection of ideas he has been

talking about or proposed over the last two years and others reached during

conversations and conference calls with his advisers this week.

"The events of the past few days have made clear that we need to do more,"

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lurching around. We need some clear and steady leadership and that's why I

was ahead of the curve in calling for regulation."

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From: Fromer, Kevin
To: West, Christal;
Subject: RE: Hrg
Date: Monday, September 15, 2008 2:20:07 PM

Good. Thanks.

Kevin I. Fromer

Assistant Secretary for Legislative Affairs

U.S. Department of the Treasury

202.622.1900/202.622.0534 FAX

kevin.fromer@do.treas.gov

From: West, Christal
Sent: Monday, September 15, 2008 2:05 PM
To: Fromer, Kevin
Subject: RE: Hrg

He thinks we may be back up in NYC again mid-late week (obviously VERY tentative - depending on what happens). He said he MAY try and get down to LSSI for some point, but I'm not sure that's very realistic. I think he'd want to keep as much flexibility as possible this week - so agree that it would be better next week....(just my opinion)

From: Fromer, Kevin

Sent: Monday, September 15, 2008 2:00 PM

To: West, Christal

Subject: Hrg

Confirmed cancellation.

From: Fromer, Kevin
To: West, Christal;
Subject: RE: Hrg
Date: Monday, September 15, 2008 2:20:07 PM

Good. Thanks.

Kevin I. Fromer

Assistant Secretary for Legislative Affairs

U.S. Department of the Treasury

202.622.1900/202.622.0534 FAX

kevin.fromer@do.treas.gov

From: West, Christal
Sent: Monday, September 15, 2008 2:05 PM
To: Fromer, Kevin
Subject: RE: Hrg

He thinks we may be back up in NYC again mid-late week (obviously VERY tentative - depending on what happens). He said he MAY try and get down to LSSI for some point, but I'm not sure that's very realistic. I think he'd want to keep as much flexibility as possible this week - so agree that it would be better next week...(just my opinion)

From: Fromer, Kevin

Sent: Monday, September 15, 2008 2:00 PM

To: West, Christal

Subject: Hrg

Confirmed cancellation.

Feeling us out for Thursday now. I need to discuss with Jim and Michele before I respond. I presume he will be here despite his current sched but I don't want to do anything until next week.

Feeling us out for Thursday now. I need to discuss with Jim and Michele before I respond. I presume he will be here despite his current sched but I don't want to do anything until next week.

From: [Fromer, Kevin](#)
To: ["Webb, Seth";](#)
Subject: RE: Boehener (Heads Up)
Date: Wednesday, September 17, 2008 10:40:42 AM

Thx for the heads up. This could be a problem.

Kevin I. Fromer
Assistant Secretary for Legislative Affairs
U.S. Department of the Treasury
202.622.1900/202.622.0534 FAX
kevin.fromer@do.treas.gov

From: Webb, Seth [<mailto:Seth.Webb@mail.house.gov>]
Sent: Wednesday, September 17, 2008 10:30 AM
To: Fromer, Kevin
Subject: Boehener (Heads Up)

Is about to call paulson to ask that he and bernake come up tomorrow at 11.

Sent from my BlackBerry Wireless Handheld

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Sent from my BlackBerry Wireless Handheld

From: [Fromer, Kevin](#)
To: ["Maher, Shawn \(Banking\)";](#)
Subject: RE: Call
Date: Tuesday, September 16, 2008 5:01:25 PM

Reuters called us asking if we are preparing ots/occ merger legislation at the request of a MoC, in connection with Wamu. No one in main treasury at the senior levels is aware of such a request or effort. However, these rumors start somewhere so we'll continue to dig.

From: Maher, Shawn (Banking) [mailto:Shawn_Maher@banking.senate.gov]
Sent: Tuesday, September 16, 2008 3:49 PM
To: Fromer, Kevin
Subject: Re: Call

To be more precise, am being told the proposal will be split off and transmitted as an urgent request by Admin.

From: Kevin.Fromer@do.treas.gov
To: Maher, Shawn (Banking)
Sent: Tue Sep 16 15:30:58 2008
Subject: Re: Call

Latter was in our finc reg blueprint.

From: Maher, Shawn (Banking)
To: Fromer, Kevin
Sent: Tue Sep 16 15:19:33 2008
Subject: Re: Call

OK. Just so you know, he is saying that he hopes and expect the Secretary to appear on Thursday.

Are people in your shop preparing a proposal to merge OTS and OCC? Hearing rumors to that effect.

From: Kevin.Fromer@do.treas.gov
To: Maher, Shawn (Banking)
Sent: Tue Sep 16 14:42:57 2008
Subject: Re: Call

He has a 330-430 nxt door, otherwise here.

From: [Fromer, Kevin](#)
To: ["Maher, Shawn \(Banking\)";](#)
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From: Maher, Shawn (Banking)
To: Fromer, Kevin
Sent: Tue Sep 16 14:39:58 2008
Subject: Re: Call

He's been in wall-to-wall meetings since 10. Should be able to call w/in an hour or so. I can tell you that I conveyed your concerns about Thursday.

From: Kevin.Fromer@do.treas.gov
To: Maher, Shawn (Banking)
Sent: Tue Sep 16 14:25:35 2008
Subject: Call

Our office has called and spoken with gail a few times to connect them but we haven't heard back. Wanted to post u and if you can help that wud be great. Thx.

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From: [Fromer, Kevin](#)
To: [West, Christal](#);
Subject: Re: Conference
Date: Wednesday, September 17, 2008 10:57:41 AM

Thx

From: West, Christal
To: Fromer, Kevin
Sent: Wed Sep 17 10:49:58 2008
Subject: RE: Conference

HMP did NOT commit to this. he said they'd talk at the end of the day.

From: Fromer, Kevin
Sent: Wednesday, September 17, 2008 10:42 AM
To: West, Christal
Subject: FW: Conference
Importance: High

I need to talk with Hank BEFORE he responds to this.

Kevin I. Fromer
Assistant Secretary for Legislative Affairs
U.S. Department of the Treasury
202.622.1900/202.622.0534 FAX
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From: Sommers, Mike [<mailto:Mike.Sommers@mail.house.gov>]
Sent: Wednesday, September 17, 2008 10:24 AM
To: Fromer, Kevin
Cc: Dion, Stacey
Subject: Conference

Kevin,

From: [Fromer, Kevin](#)
To: [West, Christal](#);
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Kevin,

Heads up: Boehner is going to call Paulson to ask him to come up tomorrow to brief the conference at 11. He would like Bernanke to come to.

Mike

Heads up: Boehner is going to call Paulson to ask him to come up tomorrow to brief the conference at 11. He would like Bernanke to come to.

Mike

From: Fromer, Kevin
To: Davis, Michele; McLaughlin, Brookly; Zuccarelli, Jennifer;
Mueller, King;
Subject: RE: Dodd
Date: Wednesday, September 17, 2008 5:14:29 PM

Yes. We never agreed to a hearing tomorrow and in fact offered our availability for next week.

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From: Davis, Michele
Sent: Wednesday, September 17, 2008 5:04 PM
To: McLaughlin, Brookly; Fromer, Kevin; Zuccarelli, Jennifer; Mueller, King
Subject: Re: Dodd

You have to.

From: McLaughlin, Brookly
To: Fromer, Kevin; Davis, Michele; Zuccarelli, Jennifer; Mueller, King
Sent: Wed Sep 17 17:01:09 2008
Subject: Dodd

His staff is telling reporters that they were expecting us at the hearing he's holding tomorrow and we cancelled on him again. Can I get off record and call BS on this?

Brookly McLaughlin

Deputy Assistant Secretary for Public Affairs

U.S. Treasury Department

1500 Pennsylvania Avenue, NW

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From: [Fromer, Kevin](#)
To: ["b_duhnke@banking.senate.gov";](mailto:b_duhnke@banking.senate.gov)
Subject: Re: GSE Hearing
Date: Tuesday, September 16, 2008 3:29:47 PM

I have said we can't. SM replied above his grade. Secy has 3 calls into dodd. No return.

From: Duhnke, B (Banking)
To: Fromer, Kevin
Sent: Tue Sep 16 15:01:50 2008
Subject: GSE Hearing

Just told by Shawn that they are moving the hearing to Thursday. What say you?

William D. Duhnke III
Republican Staff Director and Counsel
Committee on Banking, Housing & Urban Affairs
United States Senate
534 Dirksen Senate Office Building
Washington, DC 20510
p: (202) 224-2232
f: (202) 224-3755

From: [Fromer, Kevin](#)
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United States Senate
534 Dirksen Senate Office Building
Washington, DC 20510
p: (202) 224-2232
f: (202) 224-3755

From: [Fromer, Kevin](#)
To: ["Pelletier, Eric C \(GE, Corporate\)";](#)
Subject: RE: Hang in there buddy.....
Date: Thursday, September 18, 2008 11:05:49 PM

She mentioned it.

Kevin I. Fromer
Assistant Secretary for Legislative Affairs
U.S. Department of the Treasury
202.622.1900/202.622.0534 FAX
kevin.fromer@do.treas.gov

-----Original Message-----

From: Pelletier, Eric C (GE, Corporate) [<mailto:eric.c.pelletier@ge.com>]
Sent: Thursday, September 18, 2008 11:05 PM
To: Fromer, Kevin
Subject: Re: Hang in there buddy.....

Ugliness to follow.....everyone is scared.....

Does Pelosi want her stimulus package too?

----- Original Message -----

From: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
To: Pelletier, Eric C (GE, Corporate)
Sent: Thu Sep 18 23:02:19 2008
Subject: RE: Hang in there buddy.....

Only to work together. It was pretty positive. Of course it's only the beginning.

-----Original Message-----

From: Pelletier, Eric C (GE, Corporate) [<mailto:eric.c.pelletier@ge.com>]

Sent: Thursday, September 18, 2008 10:51 PM
To: Fromer, Kevin
Subject: Re: Hang in there buddy.....

Did you guys reach any agreements with the leaders tonight?

----- Original Message -----

From: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
To: Pelletier, Eric C (GE, Corporate)

From: [Fromer, Kevin](#)
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To: Pelletier, Eric C (GE, Corporate)

Sent: Thu Sep 18 19:49:30 2008
Subject: Re: Hang in there buddy.....

Ugliness

----- Original Message -----

From: Pelletier, Eric C (GE, Corporate) <eric.c.pelletier@ge.com>

To: Fromer, Kevin

Sent: Thu Sep 18 19:21:12 2008

Subject: Hang in there buddy.....

Sent: Thu Sep 18 19:49:30 2008
Subject: Re: Hang in there buddy.....

Ugliness

----- Original Message -----

From: Pelletier, Eric C (GE, Corporate) <eric.c.pelletier@ge.com>
To: Fromer, Kevin
Sent: Thu Sep 18 19:21:12 2008
Subject: Hang in there buddy.....

From: Fromer, Kevin
To: Mueller, King;
Subject: RE: Has shawn confirmed w/ you that the hrg is off?
Date: Monday, September 15, 2008 1:33:34 PM

Just now

Kevin I. Fromer

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Feeling me out for thursday

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From: Mueller, King
Sent: Monday, September 15, 2008 1:33 PM
To: Fromer, Kevin
Subject: Has shawn confirmed w/ you that the hrg is off?

From: [Fromer, Kevin](#)
To: ["Kumar, Rohit \(McConnell\)";](#)
Subject: RE: Heads Up
Date: Thursday, September 18, 2008 9:52:46 PM

thanks

Kevin I. Fromer
Assistant Secretary for Legislative Affairs
U.S. Department of the Treasury
202.622.1900/202.622.0534 FAX
kevin.fromer@do.treas.gov

From: [Kumar, Rohit \(McConnell\) \[mailto:Rohit_Kumar@mcconnell.senate.gov\]](mailto:Rohit_Kumar@mcconnell.senate.gov)
Sent: Thursday, September 18, 2008 9:14 PM
To: Fromer, Kevin
Subject: Heads Up

Sen Gregg trying to reach you so I gave him your cell #.

From: Fromer, Kevin
To: "Kumar, Rohit (McConnell)";
Subject: RE: Heads Up
Date: Thursday, September 18, 2008 9:52:46 PM

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Sent: Thursday, September 18, 2008 9:14 PM
To: Fromer, Kevin
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From: [Fromer, Kevin](#)
To: [Davis, Michele](#);
cc: [McLaughlin, Brookly](#);
Subject: Re: Hill mtg at 7
Date: Thursday, September 18, 2008 4:56:34 PM

Yes

----- Original Message -----

From: Davis, Michele
To: Fromer, Kevin
Cc: McLaughlin, Brookly
Sent: Thu Sep 18 16:54:23 2008
Subject: RE: Hill mtg at 7

And if we confirm, we should say that it is to discuss recent market developments. The press is wanting to say it is about an RTC.

-----Original Message-----

From: Fromer, Kevin
Sent: Thursday, September 18, 2008 4:50 PM
To: Davis, Michele
Subject: Hill mtg at 7

We tried for 730 but spkr had to do it earlier.

From: Fromer, Kevin
To: Davis, Michele;
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Subject: Re: How do we answer the Q
Date: Thursday, September 18, 2008 9:11:08 PM

I'm hdg back dwn.

----- Original Message -----

From: Mueller, King
To: Fromer, Kevin
Sent: Thu Sep 18 21:05:38 2008
Subject: FW: How do we answer the Q

Pls let me know when we can talk for a minute.

-----Original Message-----

From: Davis, Michele
Sent: Thursday, September 18, 2008 9:04 PM
To: Fromer, Kevin
Cc: McLaughlin, Brookly; Zuccarelli, Jennifer; Mueller, King; Mason, Jeb
Subject: Re: How do we answer the Q

We will send draft legislation as soon as possible and will be working with the committees of jurisdiction throughout the weekend.

----- Original Message -----

From: Davis, Michele
To: Fromer, Kevin
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Sent: Thu Sep 18 21:00:50 2008
Subject: How do we answer the Q

Are we sending up a proposal?

Meyer seemed to suggest we say that we will be working w banking cmtes to develop one. But that directly contradicts what reid said. Do you want us to do that?

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From: Fromer, Kevin
To: Mueller, King; Norton, Jeremiah; McLaughlin, Brookly;
Zuccarelli, Jennifer;
Subject: RE: Latest from the rumor mill...
Date: Tuesday, September 16, 2008 4:29:51 PM

Dodd's staff has heard the rumor and has been asking if true. I said not to my knowledge.

From: Mueller, King
Sent: Tuesday, September 16, 2008 4:27 PM
To: Norton, Jeremiah; McLaughlin, Brookly; Zuccarelli, Jennifer; Fromer, Kevin; Davis, Michele
Subject: RE: Latest from the rumor mill...

Not that I am aware of.

From: Norton, Jeremiah
Sent: Tuesday, September 16, 2008 4:26 PM
To: McLaughlin, Brookly; Zuccarelli, Jennifer; Mueller, King; Fromer, Kevin; Davis, Michele
Subject: Re: Latest from the rumor mill...

Did anyone ask?

From: McLaughlin, Brookly
To: Zuccarelli, Jennifer; Mueller, King; Fromer, Kevin; Davis, Michele; Norton, Jeremiah
Sent: Tue Sep 16 16:23:13 2008
Subject: Latest from the rumor mill...

Reuters hearing that a member of Congress has asked us to draft emergency legislation to merge the OTS and OCC. They're speculating that if JPM buys Wamu that will knock out a significant funding source for OTS and they'd need to be combined with OCC.

Brookly McLaughlin

Deputy Assistant Secretary for Public Affairs

U.S. Treasury Department

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(202) 622-2920-office

From: [Fromer, Kevin](#)
To: ["Jeanne.Roslanowick@mail.house.gov";](mailto:Jeanne.Roslanowick@mail.house.gov)
Subject: Re: Mornin
Date: Thursday, September 18, 2008 1:59:27 PM

Not sure what he meant. We're not there yet.

From: Roslanowick, Jeanne
To: Fromer, Kevin
Sent: Thu Sep 18 13:56:18 2008
Subject: RE: Mornin

Your boss just called mine and I understand there's an "ask" – I need more as soon as you have it

From: Kevin.Fromer@do.treas.gov [<mailto:Kevin.Fromer@do.treas.gov>]
Sent: Wednesday, September 17, 2008 12:01 PM
To: Roslanowick, Jeanne
Subject: RE: Mornin

We were hearing this yesterday. The rumor was we'd been asked by a Member of Congress to provide. We have no plans to submit emergency legislation on anything. If that were ever to become necessary (like we don't have enuf issues already) we would consult with you all extensively.

From: Roslanowick, Jeanne [<mailto:Jeanne.Roslanowick@mail.house.gov>]
Sent: Wednesday, September 17, 2008 11:55 AM
To: Fromer, Kevin
Subject: FW: Mornin

Just fyi

From: Roslanowick, Jeanne
Sent: Wednesday, September 17, 2008 11:54 AM
To: 'King.Mueller@do.treas.gov'
Subject: RE: Mornin

Hearing a rumor that Treasury is working on "emergency legislation" to merge OCC and OTS – anything to that?

From: [Fromer, Kevin](#)
To: ["Jeanne.Roslanowick@mail.house.gov";](mailto:Jeanne.Roslanowick@mail.house.gov)
Subject: Re: Mornin
Date: Thursday, September 18, 2008 1:59:27 PM

Not sure what he meant. We're not there yet.

From: Roslanowick, Jeanne
To: Fromer, Kevin
Sent: Thu Sep 18 13:56:18 2008
Subject: RE: Mornin

Your boss just called mine and I understand there's an "ask" – I need more as soon as you have it

From: Kevin.Fromer@do.treas.gov [<mailto:Kevin.Fromer@do.treas.gov>]
Sent: Wednesday, September 17, 2008 12:01 PM
To: Roslanowick, Jeanne
Subject: RE: Mornin

We were hearing this yesterday. The rumor was we'd been asked by a Member of Congress to provide. We have no plans to submit emergency legislation on anything. If that were ever to become necessary (like we don't have enuf issues already) we would consult with you all extensively.

From: Roslanowick, Jeanne [<mailto:Jeanne.Roslanowick@mail.house.gov>]
Sent: Wednesday, September 17, 2008 11:55 AM
To: Fromer, Kevin
Subject: FW: Mornin

Just fyi

From: Roslanowick, Jeanne
Sent: Wednesday, September 17, 2008 11:54 AM
To: 'King.Mueller@do.treas.gov'
Subject: RE: Mornin

Hearing a rumor that Treasury is working on "emergency legislation" to merge OCC and OTS – anything to that?

From: King.Mueller@do.treas.gov [mailto:King.Mueller@do.treas.gov]
Sent: Wednesday, September 17, 2008 10:44 AM
To: Roslanowick, Jeanne
Subject: Re: Mornin

Ahh, and I imagine the agenda for the thurs hrg will go beyond f/f

From: Roslanowick, Jeanne
To: Mueller, King
Sent: Wed Sep 17 10:42:13 2008
Subject: RE: Mornin
Still in process but working on panel of economists and one of authors of rtc piece in this morning's wsj

HP, BB and Lockhart on F/F are on Thursday

From: King.Mueller@do.treas.gov [mailto:King.Mueller@do.treas.gov]
Sent: Wednesday, September 17, 2008 10:23 AM
To: Roslanowick, Jeanne
Subject: Mornin

I am here at the hearing w/ our Treas witness. BF mentioned a hrg next wed? Have you hammered out details yet?

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From: Fromer, Kevin
To: "mike.sommers@mail.house.gov"; "Stacey.Dion@mail.house.gov";
Subject: Re: Reuters
Date: Thursday, September 18, 2008 4:51:25 PM

That's the view here

From: Sommers, Mike
To: Fromer, Kevin; Dion, Stacey
Sent: Thu Sep 18 16:50:23 2008
Subject: Re: Reuters

So the dow was up 400 based on a bad rumor?

----- Original Message -----

From: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
To: Sommers, Mike; Dion, Stacey
Sent: Thu Sep 18 16:37:59 2008
Subject: Re: Reuters

Not true

From: Sommers, Mike
To: Dion, Stacey ; Fromer, Kevin
Sent: Thu Sep 18 16:34:23 2008
Subject: Re: Reuters

NPR just reported Paulson has briefed Congressional leaders on this proposal. If true, Boehner is not one of them.

----- Original Message -----

From: Dion, Stacey
To: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
Cc: Sommers, Mike
Sent: Thu Sep 18 16:17:19 2008
Subject: FW: Reuters

Kevin-

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May we have some details of this proposal? This was news to JAB. Apparently some Congressional staff have some details of the Secretary's proposal, and my boss is asking for it as well when you have a moment.

Paulson raises RTC-style concept with Congress-source

Thu Sep 18, 2008 3:54pm EDT

(Adds details, background)

WASHINGTON, Sept 18 (Reuters) - U.S. Treasury Secretary Henry Paulson has been shopping around a proposal to Congress that would create an entity to deal with bad debt in a bid to end the financial turmoil that has rocked global markets, a congressional aide said on Thursday.

"It's a modernized version of the Resolution Trust Corporation, which was used after the S&L crisis," said the aide, referring to the past savings and loan meltdown.

The congressional aide, who declined to be identified, said such a plan would eliminate the need for individual company bailouts. The Treasury Department and Federal Reserve, which engineered an \$85 billion rescue plan for insurer American International Group Inc (AIG.N: Quote <<http://www.reuters.com/stocks/quote?symbol=AIG.N>> , Profile <<http://www.reuters.com/stocks/companyProfile?symbol=AIG.N>> , Research <<http://www.reuters.com/stocks/researchReports?symbol=AIG.N>> , Stock Buzz <<http://reuters.socialpicks.com/stock/r/AIG>>) earlier this week, declined to comment.

The aide also pointed to an opinion piece in Wednesday's Wall Street Journal by former Federal Reserve Chairman Paul Volcker, former Comptroller of the Currency Eugene Ludwig and former Treasury Secretary Nicholas Brady in which they said such a body could buy up troubled real estate debt to get credit markets working again.

However, getting Congress to approve such a plan quickly would likely be difficult because lawmakers plan to leave by the end of the month to campaign for the Nov. 4 election.

White House spokeswoman Dana Perino declined to comment on what steps, if any, the Bush administration was considering. She also questioned whether

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The congressional aide, who declined to be identified, said such a plan would eliminate the need for individual company bailouts. The Treasury Department and Federal Reserve, which engineered an \$85 billion rescue plan for insurer American International Group Inc (AIG.N: [Quote <http://www.reuters.com/stocks/quote?symbol=AIG.N>](http://www.reuters.com/stocks/quote?symbol=AIG.N) , [Profile <http://www.reuters.com/stocks/companyProfile?symbol=AIG.N>](http://www.reuters.com/stocks/companyProfile?symbol=AIG.N) , [Research <http://www.reuters.com/stocks/researchReports?symbol=AIG.N>](http://www.reuters.com/stocks/researchReports?symbol=AIG.N) , [Stock Buzz <http://reuters.socialpicks.com/stock/r/AIG>](http://reuters.socialpicks.com/stock/r/AIG)) earlier this week, declined to comment.

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doing something in the middle of a market correction was wise and acknowledged it could be difficult to approve something quickly.

"I think Democrats themselves, and maybe some Republicans, have questioned whether or not they will be able to get anything done in the next two weeks," Perino said.

"And it probably isn't that smart to try to finalize legislation in the middle of a market correction as we're trying to figure out what other possible necessary steps may or may not need to be taken as we move forward," she said.

Earlier Thursday, Sen. Charles Schumer, D-NY, told reporters he has spoken with officials at the Treasury Department and Federal Reserve about trying to do something more permanent.

"I think both the Federal Reserve and the Treasury are realizing that we need a more comprehensive solution," he said. "You can't just keep ... having the government take over one company after another without really solving the problem," Schumer said. (Reporting by Jeremy Pelofsky and Richard Cowan; editing by Jeffrey Benkoe)

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From: [Fromer, Kevin](#)
To: ["Ed.Lorenzen@mail.house.gov";](mailto:Ed.Lorenzen@mail.house.gov)
Subject: Re:
Date: Thursday, September 18, 2008 7:05:24 PM

Yep

From: Lorenzen, Ed
To: Fromer, Kevin
Sent: Thu Sep 18 18:57:11 2008
Subject: Re:

Probably. And expect stimulus to enter the conversation.

----- Original Message -----

From: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
To: Lorenzen, Ed
Sent: Thu Sep 18 18:56:33 2008
Subject: Re:

Bulk auction

From: Lorenzen, Ed
To: Fromer, Kevin
Sent: Thu Sep 18 18:55:08 2008
Subject: Re:

Barney will also want to use this as an opportunity to use funds to buy mortgages and write them down to prevent foreclosures

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From: Kevin.Fromer@do.treas.gov <Kevin.Fromer@do.treas.gov>
To: Lorenzen, Ed
Sent: Thu Sep 18 18:53:21 2008
Subject: Re:

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From: [Fromer, Kevin](#)
To: ["Sharon Soderstrom@mcconnell.senate.gov";](mailto:Sharon_Soderstrom@mcconnell.senate.gov)
Subject: Re:
Date: Thursday, September 18, 2008 12:10:36 PM

We shud but I'll double back.

From: Soderstrom, Sharon (McConnell)
To: Fromer, Kevin
Sent: Thu Sep 18 11:27:55 2008
Subject:

On the long shot that we adjourn into February, do we have room under the debt limit? I'm assuming the Housing bill gives you ample head room despite the recent actions of infusing my hard earned cash into big Wall Street investment firms.

From: [Fromer, Kevin](#)
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