

MEMORANDUM

TO: File No. S7-14-11

FROM: Jay Knight
Special Counsel
Office of Structured Finance
Division of Corporation Finance
U.S. Securities and Exchange Commission

RE: Meeting with Representatives of the Mortgage Bankers Association

DATE: August 10, 2011

On July 29, 2011, Paula Dubberly, Katherine Hsu, Jay Knight, and David Beaning of the Division of Corporation Finance, Eric Emre Carr and Stanislava Nikolova of the Division of Risk, Strategy, and Financial Innovation, and Mike Keehlwetter of the Office of the Chief Accountant met with the following representatives of the Mortgage Bankers Association (“MBA”):

- Gail Cardwell, Senior Vice President, MBA
- Tom Kim, Vice President, MBA
- George Green, Associate Vice President, MBA
- Kathy Marquardt, Associate Vice President, MBA
- Jamie Woodwell, Vice President, MBA
- Keith Dunsmore, Partner, Bryon Cave

The discussion included, among other things, the Commission’s Proposed Rules for Credit Risk Retention. A handout is attached to this memorandum.

Attachment



MBA Meeting With the SEC To Discuss Risk Retention

11:00 a.m. – 12:00 p.m., July 29, 2011
SEC Headquarters
100 F Street, NE
Washington, DC

Agenda

- I. Introduction and Meeting Purpose**
- II. Premium Capture Cash Reserve Account**
 - a. Challenges with the PCCRA
 - b. Replacement for the PCCRA
- III. Risk Retention Forms and Duration**
 - a. “Menu” Approach for Risk Retention
 - b. Additional Risk Retention Forms
 - c. Risk Retention Duration
- IV. Role of the B-Piece Buyer**
 - a. Crapo Amendment
 - b. Operating Advisor
- V. Underwriting Standards for Zero Risk Retention**
 - a. Challenges with Metrics Defining a Low Risk Loan
 - b. MBA’s Proposed Changes to Underwriting Criteria
- VI. Concluding Remarks**