



**OFFICE OF THE SPECIAL INSPECTOR GENERAL**

FOR THE TROUBLED ASSET RELIEF PROGRAM

1801 L STREET, NW, 6<sup>TH</sup> FLOOR  
WASHINGTON, D.C. 20220

**DEC - 8 2009**

MEMORANDUM FOR: Herbert M. Allison Jr., Assistant Secretary for Financial Stability,  
Department of Treasury

Stephen R. Malphrus, Chief of Staff, Board of Governors, Federal  
Reserve System

John C. Dugan, Director, Office of the Comptroller of the  
Currency

John E. Bowman, Acting Director, Office of Thrift Supervision

Sandra L. Thompson, Director, Division of Supervision and  
Consumer Protection, Federal Deposit Insurance Corporation

FROM: Neil M. Barofsky, Special Inspector General for the Troubled  
Asset Relief Program (SIGTARP) *Neil M. Barofsky*

SUBJECT: Engagement Memo – Review of the Exit Process for the Capital  
Purchase Program (CPP)

As part of our continuing oversight of the Troubled Asset Relief Program, we are initiating an audit of the process that the Office of the Financial Stability (OFS) and the federal banking regulators have established for banks to repay the Department of Treasury and exit the Capital Purchase Program. Our specific objective is to assess the process OFS has established for banks to exit the CPP including the role of the federal banking regulators in the process.

We plan to start work on this engagement immediately. This work will be performed under engagement code 018. We expect to perform our field work at the Office of Financial Stability, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Reserve, and the Federal Deposit Insurance Corporation. A member of my staff will contact you shortly to arrange an entrance conference. At that time, we will discuss our scope, methodology, and timeframes in more detail. In the meantime, please contact Mr. Michael Kennedy, SIGTARP Associate Director for Audit, at (202) 622-9257.

cc: Christie Hill, Chief of Oversight, OFS  
Dave Caperton, Special Counsel, Federal Reserve  
Andy Patchan, Assistant Director, FRB/IG  
Laura McAuliffe, Senior Advisor, OCC  
Randy Thomas, Senior Counsel, OTS  
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