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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/29/2009

To: San Francisco

Attn: SAC Charlene Thornton, San
Francisco
ASAC [redacted] ORA
ASAC [redacted] San
Francisco
SSA [redacted] ORA
SSA [redacted] San
Francisco
SSA [redacted] SJRA

From: San Francisco

[redacted] San Jose Resident Agency

Contact: IA [redacted]

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b7C
b7E

Approved By: Thornton Charlene B

[redacted] *B/b/CP*
for KLE

Drafted By:

[redacted] *elj*
mt

Case ID #: 804H-SF-143728-NEW (Pending) ✓

Title: INITIATION OF ASSESSMENT CONCERNING:
DOMESTIC PUBLIC OFFICIALS (DPOs);
TROUBLED ASSET RELIEF PROGRAM (TARP);
PUBLIC CORRUPTION;
SENSITIVE INVESTIGATIVE MATTER (SIM)

Synopsis: To open an assessment and subfile regarding the Troubled Asset Relief Program (TARP), passed as a part of the Emergency Economic Stimulus Stabilization Act of 2008. The distribution of the \$700 billion by the United States Treasury as part of TARP has been identified as a potential area for public corruption, government fraud and corporate fraud. This assessment will seek to identify these vulnerabilities as they pertain to the area covered by the San Francisco Division.

Details: On 3 October 2008, the President signed the Emergency Economic Stabilization Act of 2008 into law. This Act created TARP, a \$700 billion program to buy mortgages and other troubled

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*opened case
subfile
5/14/09
H.S.*

804H-SF-143728-TARP-1

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Re: 804H-SF-143728-NEW, 03/29/2009

assets owned by banks and other financial institutions, including several in the area covered by the San Francisco Division.

There have been several media reports alleging improper distribution of the TARP funds and inadequate oversight of the money once it is received by the banks and other financial institutions. Provisions were enacted to provide oversight to the TARP funds, including the creation of the Special Inspector General for the TARP (SIGTARP), the Financial Stability Oversight Board and the Congressional Oversight Panel. Though these entities have been tasked to oversee the program, limited staffing and lack of clear authority have made it difficult for them to accomplish their mission.

Given the size of the program and potential for vulnerabilities to public corruption and fraud within the program, it is requested an assessment be opened into the distribution and use of the TARP funds as they apply to entities within the area covered by the San Francisco Division.

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To: San Francisco From: San Francisco
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LEAD(s):

Set Lead 1: (Action)

SAN FRANCISCO

AT OAKLAND RA

Request that subfile 804H-SF-143728-TARP be opened and
assigned to IA

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