



United States House of Representatives
One Hundred Eighteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

March 23, 2023

Adrienne A. Harris
Superintendent
New York Department of Financial Services
1 State Street
New York, NY 10004

RE: Supervision of Signature Bank, New York, New York

Dear Superintendent Harris:

We write regarding the New York Department of Financial Services' (NYDFS) supervision and subsequent closure of Signature Bank, New York, New York. As you are aware, Signature Bank, which the NYDFS jointly supervised with the Federal Deposit Insurance Corporation (FDIC), was placed into FDIC receivership on March 12th, 2023.

On the evening of March 12th, the U.S. Department of the Treasury (Treasury), the Board of Governors of the Federal Reserve System (Federal Reserve Board), and the FDIC issued a joint statement announcing that, among other things, the systemic risk exception to the least cost resolution mandate would be invoked to fully protect all depositors of both Silicon Valley Bank and Signature Bank. Notably, this was also the first time an announcement was made that the NYDFS had closed Signature Bank on March 12th, and appointed the FDIC as receiver. On March 18th, the FDIC conducted an auction for Signature Bank and accepted a bid from Flagstar Bank, N.A. to purchase the substantial majority of Signature Bank's assets and liabilities.

Given the unprecedented speed with which the banks failed over a three-day period and the subsequent effects those failures had on the U.S. financial system, it is critical that policy makers understand the events leading up to and following the failure of Signature Bank.

To that end, please respond to the following:

1. For the period of January 1, 2019 to March 12, 2023, please provide all records and communications from the NYDFS to Signature Bank communicating supervisory determinations, including, but not limited to, all reports of examination or inspection or any ratings downgrade. Please provide all workpapers supporting such supervisory determinations.
2. Please provide any informal or formal enforcement actions proposed to or issued against Signature Bank.

3. Please provide all records and communications between the NYDFS and the FDIC, including the Chairman, on the various risks posed by Signature Bank's balance sheet at any time(s) from January 1, 2019 through March 12th, 2023.
4. Please provide all records and communications between and among the NYDFS and the FDIC regarding Signature Bank between January 1, 2019 and March 10, 2023.
5. How many NYDFS staff were assigned to supervise and conduct examinations of Signature Bank?
6. Please explain how the NYDFS and the FDIC coordinated supervision and examination of Signature Bank.
7. Please explain NYDFS's reasoning for closing Signature Bank on a Sunday rather than at the close of the business day on Friday, March 10th, 2023.
8. Did the Federal Reserve Board, the FDIC, or the Secretary of the Treasury consult NYDFS prior to making the decision to invoke the systemic risk exception? If you were not consulted, on which day and at what time was this decision communicated to you?
9. Was the decision to invoke the systemic risk exception as to Silicon Valley Bank, Santa Clara, CA communicated to you before your decision to close Signature Bank?
10. Did you attend the Sunday, March 12th virtual meeting of the Financial Stability Oversight Council (FSOC) in your capacity as a non-voting member of the FSOC, or in another capacity?¹ If yes, did you make the decision to close Signature Bank before or after the FSOC meeting.
11. Were you involved in evaluating Flagstar Bank, N.A.'s bid for Signature Bank, and if so, what criteria did you use to evaluate the bid?

Please provide written answers to these questions no later than April 6, 2023.

¹ "State Bank Supervisors Appoint New York Superintendent Adrienne A. Harris to FSOC," Dec. 13, 2022, Conference of State Bank Supervisors, available at <https://www.csbs.org/newsroom/state-bank-supervisors-appoint-new-york-superintendent-adrienne-harris-fsoc>.

We appreciate your immediate attention to this request. If you have any questions, please do not hesitate to contact Jeff Wrase at (202) 225-7502.

Sincerely,



Andy Barr
Chairman
Subcommittee on Financial Institutions
and Monetary Policy



Bill Huizenga
Chairman
Subcommittee on Oversight
and Investigations



Michael V. Lawler
Member of Congress



Andrew Garbarino
Member of Congress

CC: The Honorable Maxine Waters, Ranking Member