

**Meeting Between Federal Reserve Board Staff  
and Representatives of Nordstrom, Inc.  
July 28, 2011**

**Participants:** Amanda Allexon, Kevin Bertsch, Cynthia Course, Margaret Donovan, Anna Lee Hewko, Gary Knoblach, Allison LaMarca  
(Federal Reserve Board)

Mindy Harris, Kevin Knight (Nordstrom); Oliver Ireland, Dwight Smith  
(Morrison & Foerster LLP)

**Summary:** Representatives from Nordstrom provided an overview of the operations of Nordstrom's thrift subsidiary, Nordstrom fsb, and one nonbank subsidiary that holds receivables, Nordstrom Credit, Inc. Nordstrom representatives explained the nature of its credit extension products and the distribution of those products. Nordstrom representatives explained how the thrift business fit within the context of the top-tier company's overall corporate strategy.

Representatives from Nordstrom addressed the potential establishment of intermediate holding companies ("IHCs"), as provided for in the Dodd-Frank Act. Specifically, Nordstrom representatives discussed certain elements of the thrift's financial reporting, governance structure, and routine transactions with affiliates, within the context of how rules might apply to an IHC. They also expressed an interest in learning more about how sections 23A and 23B of the Federal Reserve Act might be applied to IHCs, specifically with regard to transactions between an IHC and "affiliates."

Federal Reserve Board staff explained the rulemaking process and highlighted the usefulness of the public comment period.