



## Lessons Learned Oral History Project Interview

<b>Interviewee Name</b> <b>Crisis Position</b>	Mara McNeill <sup>1</sup> Senior Counsel, Automotive Investment Financing Program, U.S. Department Treasury – Obama Administration
<b>Interviewer Name</b>	Mary Anne Chute Lynch (Contractor) Yale Program on Financial Stability
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### Introduction

The Yale Program on Financial Stability (YPFS) contacted Mara McNeill by email to request an interview regarding her time as Senior Counsel to the Department of Treasury on the Obama Administration’s Automotive Investment Financing Program, (Jan. 2009 – April 2011), established in the aftermath of the financial crisis of 2007-09.<sup>2</sup>

As Senior Counsel, McNeill was responsible for the department’s \$80 billion financing of General Motors, Chrysler, Ally Financial, and Chrysler Financial. The Automotive Investment Financing Program (AIFP) was managed by a bipartisan Auto Task Force. The number of Auto Task Force members working mostly full time on the AIFP was approximately 17 (when including members who were assigned after some initial members had left in the summer of 2009) and was charged with structuring transactions intended to give the restructured businesses a “new lease on life” while exercising strong financial principles to get a full return of the government debt and equity investments. The Auto Task Force team worked 13-hour days, 6-days-per-week for over 6 months from March 2009 through August 2009, and long days thereafter to negotiate with the corporate leadership, unions, investors, and stakeholders, to restructure and save the auto industry and millions of jobs in the United States.

In May 2011, McNeill, a graduate of the United States Air Force Academy, returned to private practice. She currently is President and CEO of Toyota Financial Savings Bank at Toyota North America.

***This transcript of a telephone interview has been edited for accuracy and clarity.***

### Transcript

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<sup>1</sup> The opinions expressed during this interview are those of Ms. McNeill, and not those any of the institutions for which the interview subject is affiliated.

<sup>2</sup> A stylized summary of the key observations and insights gleaned from this interview with Ms. McNeill is available in the Yale Program on Financial Stability’s *Journal of Financial Crises*.

**YPFS: How did you become involved with the automatic investment financing program and when were you there?**

McNeill: I had interviewed to come over as an attorney for the Troubled Asset Relief Program (TARP) from my law firm, and I basically arrived on the Obama transition day in January of 2009. I had actually thought that I would be working on banks. The chief counsel at the time, had other plans and put me as the lead attorney on autos, which ended up being a very good assignment. I was there from that January until April of 2011.

**YPFS: Whom did you work with on the Automotive Investment Financing Program (AIFP) at the Treasury and on the auto task force?**

McNeill: I was basically working with everybody on the Auto Task Force as well as others on the TARP legal team and the rest of the Treasury Department who had interactions on the AIFP. After helping to structure and document arrangements, I facilitated the coordination to make sure the Treasury leaders who were not actively involved with the auto program but who were necessary for approvals received the information they needed.

**YPFS: Could you explain the process in negotiating the restructuring and how you**

McNeill: The first set of loans, the December loans, were penned right before I came in. There was a lot of discussion because the auto team was just getting together, discussing what would be done to show the milestones that had to be met; those were bridge loans. I was getting to know some of the team as they were coming in, having discussions about how the loan documents worked, talking to the outside counsel who penned them, and getting briefings from different constituencies about what was coming up in terms of needs.

We'd get sub-questions that we had to pay attention to on the legal side, including somebody's initial issues on whether the loan caps were within the authority of TARP. That conclusion rested on the auto companies qualifying as financial institutions under the act. The Treasury General Counsel, George Madison and I literally had to go to brief the secretary of Treasury, Tim Geithner saying, "Now it's your turn to pull the trigger on the next round of Chrysler financing, and here's the legal analysis on how we shoe-horned these loans falling within TARP legislation when Congress didn't act to authorize this explicitly. Here are some of the risks in terms of people who could later come up and object that we weren't within proper authority. It was a lot of triage of what to do with the loans, what an exception would look like, risks around the new administration making new advances.

**YPFS: You were looking more at the legal issues or how you wanted the restructuring to be?**

McNeill: I was in the legal group and so I would talk about the rights under the current documents and work more so with the businesspeople on the team about the direction of the restructuring.

**YPFS: Were you part of the team that rejected GM's and Chrysler's early proposals for restructuring?**

McNeill: Yes, in terms on sending forth frameworks on how we would look at it, but I wasn't pouring over all the business financials the way the business teams were. I knew how that dialogue was going and the direction of it.

**YPFS: What were the criteria you required before approving AIFP loans?**

McNeill: When the new business teams were coming in, whether they were proposing viable changes with respect to constituent stakeholders, or whether it was too little and too late. Definitely, we wanted to see they would be healthy organizations going forward.

**YPFS: Steve Rattner, lead adviser to the Presidential Task Force on the Auto Industry, said Chrysler and GM had the weakest financial operations he had ever seen and needed gigantic reductions in healthcare, labor costs and manufacturing, but they were in denial. How difficult were the negotiations with them and were you involved in the negotiations with the companies?**

McNeill: For that stage, I wasn't directly talking to the companies, because the business teams were usually on the calls. I was sensing the frustration, the hopes that the auto companies would have submitted better business cases than they had.

**YPFS: Were you involved in some of that negotiating with General Motors, Chrysler, the finance companies, the suppliers on what they needed to do?**

McNeill: Yes. I assisted with Auto Team deliberations on these matters. For instance, the Supplier Support Program—We would say, 'Your suppliers are critical, and they are going down. What can we do? Is it within our framework?' We had to think about structuring because we couldn't offer guarantees. Setting up the Supplier Support Program with direct conversations with the people at GM and Chrysler gobbled up a ton of my time during that period.

**YPFS: Were you more involved with the people at Treasury?**

McNeill: Yes. We would say, this is direction we want to go and how do we legally structure this, and we were working with outside counsel to do so.

**YPFS: Was the Chief Counsel Matt Feldman?**

McNeill: No. We had a Troubled Asset Relief Program Chief Counsel, and all the attorneys who were hired by the Treasury department would report to Duane Morse. He didn't do much with the auto program after that was delegated to me. Further, after Duane left, Tim Massad came in as Chief Counsel for a period. He was explicitly conflicted from working on the auto matter, given the law firm from which he came had conflicts due to their representation of the GM board. Matt Feldman was an assigned attorney, like me, but he was the restructuring attorney that organized the bulk of the bankruptcies for the first six months (and then he returned to his firm).

**YPFS: Were you the only attorney?**

McNeill: No. While Feldman was mentioned the most during his short period with the Treasury, we were there for a two-year period, and a number of others who picked up pieces of the project including Lindsay Simmons who assisted me a great deal. I directed a few other Treasury attorneys and many outside counsel who were critical to the effort.

**YPFS: How about the changes in management at GM and the new board chair, who was brought in from outside, the new CEO, and replacing half the board? Were you involved in that?**

McNeill: I sat through a number of board member interviews and helped do some assessments of type of skills of the people who were filling the seats.

**YPFS: What were you looking for when you were interviewing?**

McNeill: If you were backing as a private equity investor, how are you managing your stakeholders' investments—the stakeholder being U.S. taxpayers. Is this a company that's clearly established in the industry and has a breadth of experience compared to companies of this scale? I wasn't involved in all the interviews, but a number of them.

**YPFS: There was criticism from banks and bond holders that the process broke the bankruptcy rules or turned the bankruptcy system upside down. What are your thoughts on that? Were you involved in that?**

McNeill: When it came down to the Chrysler lien holders, the real crux of it is we were the only debt financier out there. If there is no other financing available, and you're providing the debt financing, you're talking about the other creditors receiving liquidation value for their security. For example, the Chrysler lien holders had a first lien on collateral, which was worth about \$2 billion in collateral and that is what they got. The U.S. government was entitled to the rest of the pie.

I don't believe that Obama should have said what he said in the press conference about the holdouts, but I do believe that there wasn't a very, very

strong legal leg for them to stand on. If the government was not involved, the union workers might not have gotten as much, but they did need to get paid as a continuing stakeholder. I'm a lawyer, and that's the way I explain it to people who say we bent the rules of bankruptcy.

**YPFS:** **There was criticism that the union workers got a better deal than the bond holders and others, and more concessions should have been demanded from the unions. Their wages were not cut. What are your thoughts on that? Or were you involved in those negotiations with the unions?**

McNeill: Feldman and the outside bankruptcy attorneys very carefully thought about what could be done in terms of keeping those union workers, who were needed when the companies came out of restructuring, and not causing immediate problems. I was not doing the calculus of who got what, but I was very much of the mindset of trying to make sure whatever we documented was something we'd get the most money back on in the long run for what the government put forward. I wasn't a political appointee, and I would consider myself a bit more of the scribe at that stage, rather than shaper of how that worked. The bond holders can complain, but there was nobody to provide the debt financing besides us.

**YPFS:** **There have been lawsuits. How do you think losses could be avoided in those situations?**

McNeill: That's a good question. In hindsight, we were saying there have to be workers at a company. Democrats have more sympathy for union workers than for salaried workers. Without favoring one over the other, maybe some of that could have been mitigated, but I think the bond holders are going to litigate regardless.

**YPFS:** **The General Accounting Office also noted in November 2009, that no unit was set up to oversee the federal investment in the car companies, and they questioned if there would be adequate expertise to determine when and how to divest. When Treasury sold their last equities in GM, taxpayers lost over \$10 billion in their investment. Did you set up any timelines or mechanism to monitor the auto companies after all this was negotiated?**

McNeill: It was a continuous process of talking to advisors about the best exit strategies, as any private equity investor would have. I think the only way to have avoided a loss of GM would have been to have predicted with more accuracy the exact amount of good financing that was needed. If we put \$10 billion less in the debt, financing, we would have broken even, but there was no way to know that that wasn't going to be needed and there was no going back and getting it, if we didn't put it in upfront. I think when you have a club

that you're using to try to solve a policy problem, it leaves room for possible errors I think given the blunt instrument we had, that was the best we could do. We were constantly, after the fact, looking to optimize exit strategies and did not lack the advisors. I helped to put a whole bunch of those advisors on contract, so even when the auto team got smaller, we still had plenty of access to good expertise to monitor that. For instance we worked with Jimmy Lee from JPMorgan Chase and others through the post-bankruptcy financing and initial public offerings, and I feel we did what we needed to do to make good decisions regarding the investments that we still had, even though most of the initial Auto team left in six months.

**YPFS: Do you think too much money was given to GM?**

McNeill: Yes. For the reasons, I described above. Only with regard to the bankruptcy DIP financing, but that was because you didn't know how much they were going to need to keep their supply base alive. If the bankruptcy had gone on three more months, we would have needed that, but we didn't know that we'd be able to get out as quickly as we wanted. There was no way to get another tranche of capital after the bankruptcy started. We had to set and fund the amount of the DIP loan up front in the face of that uncertainty.

**YPFS: Were you involved in discussions about doing something other than the 365 bankruptcy? Or did you consider other types of things?**

McNeill: There's no way to keep lending to an insolvent company because it wasn't really a loan anymore. It's an equity investment. You don't want to put equity investments in something that didn't already shed the extra liabilities that it had. There were discussions on that, and Feldman was more at the center of the options than I was, but it is the most logical way.

**YPFS: What would you have recommended?**

McNeill: I can't think of anything, when companies are at that stage, that could have been more expedient than a 363 bankruptcy.

**YPFS: What was your involvement in negotiations between General Motors and the Pension Benefit Guarantee Corporation, or were you involved in that?**

McNeill: No.

**YPFS: What do you think is needed in a nation's leader to be able to bring about a rescue such as you enacted, or what do you think is needed in the various Task Force members?**

McNeill: Hopefully, to know the right industries with a breadth of very deep financial expertise and experience in structuring sophisticated deals. You need people

with the grit to go in and work hard and get paid very little. I think it does attract a special group of people, who in that case, rose to the occasion despite difficult circumstances. One of the difficult circumstances was that we had 12 people working full time, but we had about 30 people trying to oversee us. Try to get work done when you're getting calls from the GAO and the Congressional Oversight Panel and the Special Investigator General of TARP (SIGTARP).

Speaking of SIGTARP, we would have to listen to some government bureaucrat who came from Iraq Special Investor General saying why he's so qualified to be on this assignment for ten valuable minutes but has no idea of financials and he made it clear he was not with every question he asked—I spent hours and hours trying to explain what a special purpose vehicle was.

For the government folks who read this, remember—it's not only the expertise of the bailout teams, but it's the oversight people that you have monitoring them that matter for proper execution and governance. Don't torture teams in the heat of a crisis by having oversight bodies with people who have absolutely no business experience.

The Congressional Oversight Panel did have a shining star (who is still in the policy space), Isaac Boltansky. He was a pleasure to work with.

**YPFS: That was a big part of your negotiations?**

McNeill: Yes, a big part of my duties anyhow. I spent hours with SIGTARP and the Congressional Oversight Panel.

**YPFS: Do you think the government was heavy fisted, or do you think the task force should have been more involved in managing the companies after the investment?**

McNeill: It is such a balancing act. The government didn't want to be an equity holder, but once you are, you can't shirk your responsibilities and proper management. There are always opportunities to say we were too heavy-handed or not heavy-handed enough, but I think the balance is pretty good given the circumstances.

**YPFS: Some people from the auto task force teams have commented that President Obama did not try to push a political policy, but just wanted this issue resolved. Do you think that was true? Do you think that's a good practice?**

McNeill: I always think of Brian Deese, Special Assistant to the President for Economic Policy, and member of the National Economic Council (NEC), as driving the ideas that pushed the administration's policies. If you think of fuel

efficiencies and things like that, there's a whole bunch of stuff that wasn't just to resolve the issue but was to make a policy point.

**YPFS:** **Ford requested and did not get a loan from you, but they were required to produce battery-run cars and other types of cars; GM and Chrysler did not have to do that. Do you know why that was?**

McNeill: Yes. Ford got all the credit for not getting loans, but there was the Department of Transportation loan that they had, which was outside of TARP. There were strings attached to getting those loans. What the Department of Transportation would mandate versus things that we would mandate in Treasury, including keeping domestic production and things like that, were different for those reasons.

**YPFS:** **Do you think enough changes have been made in terms of federal regulation and monitoring to prevent the auto companies or other industries from repeating a scenario like this? What do you see as recurring issues that leave companies and the economy vulnerable?**

McNeill: Whether you're talking about the autos or the airlines, the banks, obviously is a matter of the utmost importance. For the banks, the laws have changed to require larger amounts of capital to be held so that when you get to a recession like this, they are well capitalized, so they're not in the problem-child camp. I don't know how, when you have a super important industry in a country, how to prevent the moral hazard of the government needing to step in if that industry is impacted by adverse circumstances.

I do think the public outrage afterwards—whether people wouldn't buy a GM but would go buy Ford—I do think there is a bit of a stigma that sticks to companies for a little while after taking advantage of these programs. I can't say I've got a magic bullet of what type of laws would help drastically in this regard.

**YPFS:** **Do you think that an industry like the auto industry should have been bailed out, or do you think that they should have been allowed to fail?**

McNeill: Growing up in Warren, Michigan with an immigrant father who ran his business from a barn in my backyard, I come from a small business, you've-got-to-help-yourself, balance-the-budget people, and if they don't do their part, should be allowed to fail. The hard thing is when it's so systemic, and it was going to crater all of Michigan and a lot of the supply base around the country, it is easier said than done. I am in favor of what happened versus what I think would have happened if the government didn't intervene, even though, deep down, I'm not usually in favor of these types of interventions at all.



**YPFS: Were you part of the discussion about whether they would go forward and bail out the companies or was that all decided?**

McNeill: The initial loans were in December, so we could have said, we're out of restructuring money, but then there were the discussions of how systemic is the risk, and what happens to these companies, and how would their assets be sold off? There were no companies that were buying those assets at the time, and if there aren't domestic buyers, do you have a lack of a U.S.-headquartered auto industry? I certainly can't claim to have had my thumb on that scale in any significant manner at the time, but logically I'm not pulling the plug; it made sense to most of us.

**YPFS: What do you think is needed in a nation's leader to orchestrate this type of bailout or situation?**

McNeill: I think it is the willingness to dig in and understand, to ask a lot of questions and push on the assumptions. Questions like, 'Is the industry pivotal or are there other emerging entities that are standing up, that can pick-up some of the things that the legacy institution is lifting?' I could imagine at different stages of the country's history, that the type of intervention, the calculus that I think was needed at this time, might not have been there.

One of the things that scares me about a government that has an anti-business bent—and you see constituencies taking government in that direction—you need government officials who have understanding of the private sector and dynamics. I think you need the ability to draw from the right sectors, to draw the right teams together to dig in and ask questions, and try to have a hard line about being a lender of last resort. You have to make the costs of interacting with the government a little painful. Chrysler's high interest loans after bankruptcy made it a little painful for them, and so they got out quick. Thinking about all those things is important for closing doors in those situations and not having government involved after it is no longer needed.

**YPFS: Were you advising Obama and the Treasury people, or were you having those discussions with them every day?**

McNeill: I frequently briefed Treasury leaders through the whole process - including Neel Kashkari, Herb Alison, and Tim Geithner (especially when their signatures were needed). I also went with the later stage Auto Team to talk to Larry Summers and others (Ron Bloom was still there), but after the bankruptcies were already underway.

**YPFS: For the benefit of future policy makers, national and world leaders and financial and legal experts, what would you advise and what would you do differently if such a situation were to occur again, or is occurring now?**

McNeill: For anything that the government is going to do with the private sector, there's going to be strings attached. Try to identify those strings and create a flexible policy that doesn't tie the private companies to one solution. Speaking personally and not for my company, you wouldn't have wanted what California is proposing for electric vehicles now to have been mandated for GM and Chrysler because they got the government money. You could be handicapping them because you're locking them into a vehicle that the government is promoting, but there are multiple ways to meet emissions goals (including via hybrids) you don't need to mandate battery cars as the only solution. You need to be thoughtful about balancing general policy objectives without being so prescriptive that you handicap the companies going forward.

**YPFS: What do you think policy makers need to set up right away, and what would you warn them to be aware of when facing a crisis?**

McNeill: That's a good question. Part of that handoff between Bush and Obama, was that the original loans had been given before the Obama administration came in. If you pull the trigger on something that clearly requires a lot of government oversight, you need staffing to monitor that and stay ahead of it, and you need to structure things well earlier, as well as the cost. You need leadership around setting up the right team, giving them the authority to act with appropriate guidelines but without unnecessary strings. You need to make sure the oversight teams are set up sensibly as well.

**YPFS: What do you think were the most significant achievements of your effort on the auto team and other things that you worked on?**

McNeill: I was happy to be recognized as the "unsung hero" for setting up the Supplier Support Program because it was one of the least utilized and the most profitable. There are parallels with the fed programs under the CARES Act now. The government wins when it can set up programs that just by being there provide a sense of stability and you don't have to deploy money. That part of the program gets less attention, but it had the desired effect. That's the only place I got a shout-out in the Rattner book.

I was also happy to provide a great amount of continuity for the team. There were a few of us that were in at the first part and who stayed on for months after the bankruptcy to help other teams, to continue conversations with companies about exit options and implementation of the exit options, including some of the Ally discussions, which were of a whole different flavor. We helped newcomers to the team and Treasury learn what they needed to keep up with the work through the end.

**YPFS: I was going to ask you about your dealing with Ally.**

McNeill: I wasn't as much a fan of the Ally board's interactions with the government, and over-promise, and what things that they were doing internally to ring-fence risks. We sure had a couple of Christmases ruined by throwing tons of effort into getting last minute December investments into them because of things they hadn't shored up. We had a different team that was focused on that, with Millstein and some of the other folks more so than Rattner and Bloom.

Another thing on the Ally side—we had GM wanting to try to buy back the Auto business and not the other parts. There were a lot of complicated discussions for them to get stabilized and keeping pace with those. We managed to get most of the money back out of that one, which was a good one, with a profit.

**YPFS: You referred to GM wanting part of Ally and not part of it. Could you go into a little more detail?**

McNeill: We had to move GMAC out of GM as a bank-holding company, and all of a sudden, we subsidize the heck out of Ally, and GM comes in and says, okay, we want to buy the hidden gem of Ally, which is just the auto portfolio, and leave you with all the rest. We said no; you can't do that. We have to figure out an exit strategy that's going to make us whole. Then they go out and buy AmeriCredit, now GM Financial, and that reduced the value of that line. We could have gotten out of Ally with all our money even quicker if GM hadn't set up GM financial. That was a mess for Ally. Still, an auto company does have the ability to stand up a captive, and in hindsight, GM financial turns out to be doing a good job for GM.

**YPFS: What was your involvement with the Delphi deal, and GM's involvement in getting them out of bankruptcy? Were you involved in that?**

McNeill: No, I believe that was on Matt Feldman.

**YPFS: What about the trans-national nature of the auto companies? How did that complicate that bankruptcy?**

McNeill: The international nature—everything is complicated when you're the U S government. The hazard of the government doing something is, as soon as they realize you're involved, everybody thinks they have hold-up value—like the GM bondholders. Houlihan Lokey came in with all their fancy rings saying how they were going to be made whole because we're the Treasury, and we're going to bail them out. We didn't have an interest in overpaying bondholders who were paying fancy Houlihan Lokey fees, and the same thing with international. If you want to get a change of control, you go to a country's regulators, and everybody came up with all kinds of burdens and favors that they wanted. It was a bunch of regulatory crap to get that done.

**YPFS: How did you resolve that? How did you get them to see reality?**

McNeill: I remember Argentina being one of them. I cannot remember anything that people really extracted out of the government, but that was the main thing. I do have to give a shout out to Ron Bloom. He was the best. If you think of every progressive organization that wanted a favor done, he would take the calls from all of them, and he would listen to their sometimes crazy demands, and tell them why they're so important, and all their great ideas, and why there was no way the Treasury was going to have a part to play in any of it. They would leave happy because of the amount of respect and dignity that he gave them, while they were talking to us. I think there is a little bit of an art in dealing with people who are not used to dealing with economic reality. That I saw him practice at a higher art level.

**YPFS: What do you think is the lesson to be learned in that, that will be helpful in future situations?**

McNeill: You win more people with honey. I do think you have to talk tough and let people know they are not going to extract something from the U.S. government that is going to cause taxpayers to lose money. There's a way you can do that, showing the other side a lot of dignity, and Ron Bloom did that well.

**YPFS: Is that how you dealt with international companies?**

McNeill: I tried. I deal with regulators a lot now, and I have to say that part of my skill sets, regardless of what level of expertise you think the person has on the other side. When they ask for more than requirements dictate, and I can carefully explain why the entity I represent can't give them exactly what they are requesting, but how we are doing our best to meet requirements fully. It gets you a lot further than providing things as directly as some people like to.

**YPFS: What is your assessment of the economic response to the COVID pandemic thus far?**

McNeill: I'm pretty pleased with it. I had given the head nod to some of the federal funds programs, monies that were available that have basically helped the commercial paper markets, and everything stay very liquid. My small bank (Toyota Financial Savings Bank at Toyota North America) was able to help put out about \$500 million in PPP loans to auto dealers. I am still in this phase of addressing the multiple and changing SBA requirements. The program helped tremendously. People (our dealers) were closed for business for periods of time, and they didn't know how long they were going to be closed. They would have had to fire more people. Nothing's perfect, but I do think that a number of the efforts that have been taken this time have been well-crafted.

**YPFS: You were able to get money for the PPP, and you are an international Company?**

McNeill: Yes and no. Toyota Financial Savings Bank is domiciled in Nevada. We have had our charter since 2003. We have a parent company that is a U.S. company, and all of our financing is U.S. based, but our ultimate parent company is international. Industrial loan companies have been around for a hundred years, and a number of people, domestic and foreign, have set up ILCs to help with financing across the retail institutions. The FDIC is very good at making sure we play by all the rules that you want a well-capitalized bank to play by. We don't get any concessions on the capital we have to hold or the type of practices that we have to adhere to from a safety and soundness perspective. We were one of the few captives that had a PPP program, because we had those protections of being an ILC bank, regulated by the FTC and our state regulator, which is Nevada. That helped us become a small business lender quickly during this pandemic, and one of the many small banks that administered that program on behalf of the borrowers.

**YPFS: What do you think the economic recovery will look like?**

McNeill: I think there are a lot of positive things in terms of people pausing on unnecessary expenditures or shoring up savings, growing deposits or sometimes paying down debts. People want additional stimulus to keep people in homes and buying things, but if a vaccine takes hold, I'm pretty optimistic about next year. People say there's a lot of uncertainty. I'm sure it will help a lot of people to get a moderate-size, additional economic stimulus.

If you follow the auto sector, you'll see that it starts to look pretty rosy, and people are, in hindsight, saying, 'Your dealers should have never gotten PPP loans.' But tell that to them. Hindsight is 2020. At that particular time, they needed it. Now most of them have rebounded, and hopefully other sectors can see the same favorable trend.

**YPFS: The auto industry is doing well.**

McNeill: It's interesting because everybody thinks about the new cars, and a number of them were paused for manufacturing or had to slow down. At the same time, there's a nice flow of used cars that are out there, and people, including our dealers, can keep making money selling the used cars, and people still need servicing and other products associated with their cars. Products started flowing again, so across the industry, it's looking pretty good.

**YPFS: Do you think that was partly because of what was set up after the bankruptcies ten years ago in terms of regulations and what they were required to do?**

McNeill: With the auto companies (unlike banks), there wasn't much you could set up in terms of what they have to do to insulate them from a future recession. From talking to small bankers in the western states to big bankers whom I know, they feel much more able to support their commercial borrowers through the cycle now than in the Great Recession.

**YPFS: It sounds like it affected your own bank.**

McNeill: The Toyota bank has been around since 2004. It's been small—we had more of a dip back in the Great Recession—and we really haven't had any dip this go-round. We do have good capital, and we are much more linked to the auto industry. It's more of a V-recovery for the auto industry so far, and that's been helpful to us.

**YPFS: You left in 2011, but a lot of people left that summer or that year in 2009. Why did you leave when you did?**

McNeill: There was still deal-making, and we had a lot of exit work, and working to help the taxpayers get out of their investments in these companies. So long as the government was able to give me a job that had this much importance and purpose, it seemed to make sense to stick around until the hard work was really done.

**YPFS: Would you go back and serve if asked again in such a situation?**

McNeill: That's possible. I have a lot of work to do at my bank right now, but at some point, in the future, I definitely would like to be of service to my country whenever I can be.

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