

April 6, 2009

**Glossary of Bailout Programs**

Acronym	Program	Description
AGP	Asset Guarantee Program	Treasury is authorized to provide guarantees of certain troubled assets held by systemically significant U.S. financial institutions that face a high risk of losing market confidence due to a portfolio of distressed or illiquid assets. Treasury is using the AGP to implement the guarantee provisions of the Citigroup assistance package announced on Nov. 23, 2008 and the Bank of America assistance package announced on Jan. 16, 2009. It is not anticipated that the AGP will be made widely available.
APP	Asset Purchase Program	Treasury is authorized to engage in reverse auction and other market purchases of troubled assets from U.S. financial institutions. Although the APP was initially the centerpiece of TARP, Treasury has indicated that it does not expect to pursue the program at this time.
CPFF	Commercial Paper Funding Facility	The Federal Reserve is lending to an SPV that purchases highly-rated 3-month unsecured and asset-backed commercial paper of eligible U.S. issuers. Eligible U.S. issuers include U.S. issuers with a foreign parent and U.S. branches of a foreign bank.
CAP	Capital Assistance Program	Treasury will run mandatory “stress-tests” on banking institutions with assets in excess of \$100B. Institutions determined to need an additional capital buffer will be required to either raise capital privately or accept further Treasury investment. Banking institutions with assets below \$100B may participate on a voluntary basis.

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CPP	Capital Purchase Program	Treasury has indicated it will make up to \$250B of senior preferred investments in banking institutions on standardized terms. Nine large banking institutions received the initial investments totaling \$125B; another approximately 350 regional and local banks have since received a total of \$74B. The deadline for applications to the program has passed. The CPP requires participants to agree to certain restrictions on dividends, stock repurchases and executive compensation.
MMIFF	Money Market Investor Funding Facility	The Federal Reserve is providing financing to private sector SPVs to fund their purchases of eligible money market instruments from certain U.S. money market investors. The financing is secured by all the assets of the SPV. Eligible money market instruments include U.S. dollar-denominated certificates of deposit, bank notes and commercial paper issued by highly rated financial institutions with remaining maturities of at least 7 and no more than 90 days. The SPVs will cease purchases and begin a wind-down process on April 30, 2009 unless the Federal Reserve extends the program.
PPIF	Public Private Investment Program	The PPIF consists of two programs: the Legacy Loans Program and the Legacy Securities Program. For the Legacy Loans Program, Treasury will make up to a 50% equity investment in Public-Private Investment Funds (“PPIFs”) that will purchase “legacy assets” of participating banking institutions. The remainder of the equity in a PPIF will come from private sources. The Federal Deposit Insurance Corporation (“FDIC”) will guarantee the debt of a PPIF, which will be allowed to finance purchases at up to a 6:1 debt-to-equity ratio with FDIC approval. For the Legacy Securities Program, Treasury will make up to a 50% equity investment in PPIFs that will purchase certain non-agency residential mortgage backed securities, commercial mortgage backed securities, and asset backed securities. The remainder of the equity in a PPIF will come from private sources. The Treasury will loan funds to a PPIF equal to 50% of the PPIF’s total equity, or up to 100% of total equity on a case-by-case basis.
SSFI	Systemically Significant Failing Institutions Program	Treasury is authorized to purchase assets directly from a financial institution, including securities or obligations issued by the institution. Participating institutions must provide Treasury with warrants or alternative consideration and will be subject to executive compensation limits and possibly other corporate governance requirements. SSFI was the source of \$40B of funding for AIG. The program allows Treasury to customize assistance to systemically important market participants on a case-by-case basis.

<b>Acronym</b>	<b>Program</b>	<b>Description</b>
TALF	Term Asset-Backed Securities Loan Facility	The Federal Reserve will make up to \$200B of fully secured loans to U.S. holders of ABS backed by eligible auto loans, student loans, credit card loans, small business loans, and certain commercial and non-Agency residential mortgages to U.S-domiciled obligors. To secure the loans U.S. holders will pledge eligible ABS. The loans will have a three-year term and will be non-recourse to the borrower. Treasury will provide credit protection to the Federal Reserve with up to \$20B in TARP funds. The TALF was announced on Nov. 25, 2008 and is intended to support consumer and small business lending, including by non-bank institutions.
TARP	Troubled Asset Relief Program	The TARP is the umbrella Treasury program serving as the cornerstone of the federal government's efforts to address current economic conditions. The TARP provides Treasury broad authority to infuse capital in, and purchase and guarantee assets of, financial institutions. Treasury's purchase and guarantee authority is \$700B. The AGP, APP, CAP, CPP, SSFI, and TIP are programs under the TARP.
TIP	Targeted Investment Program	Treasury is authorized to purchase assets directly from a financial institution, including securities or obligations issued by the institution. Participating institutions must provide Treasury with warrants or alternative consideration and will be subject to executive compensation limits and possibly other corporate governance requirements. The TIP was announced January 5, 2009 and identified as the program under which the Nov. 23, 2008 Citigroup investment was made. The eligibility and participation terms are virtually identical to those for the SSFI.

<b>Acronym</b>	<b>Program</b>	<b>Description</b>
TLGP	Temporary Liquidity Guarantee Program — Debt Guarantee Program	<p>The FDIC will guarantee through the earlier of Dec. 31, 2012 or maturity, senior unsecured debt with a maturity greater than 30 days issued on or prior to Oct. 31, 2009 by FDIC-insured depository institutions, U.S. bank or financial holding companies, and certain U.S. savings and loan holding companies. The fee for the optional program will be tiered from 50 to 100bps annually based on maturity (surcharges will apply for debt with a maturity of at least one year issued on or after Apr. 1, 2009, based upon the type of issuer, maturity and the date of issuance). The guarantee is capped at 125% of all senior unsecured debt outstanding as of Sept. 30, 2008 that is scheduled to mature before June 30, 2009. Participation is optional; institutions wishing to opt out had to do so by Dec. 5, 2008. The guarantee is payable upon uncured payment default and is backed by full faith and credit of the U.S. Government. Debt guaranteed under the TLGP is risk-weighted at 20 percent. The guarantee covers mandatory convertible debt that converts into common stock of the issuer.</p>
TLGP	Temporary Liquidity Guarantee Program — Transaction Account Guarantee Program	<p>The FDIC will provide unlimited insurance for non-interest bearing transaction accounts and certain NOW accounts through Dec. 31, 2009 as part of an optional program costing participating FDIC-insured depository institutions 10bps annually. Institutions wishing to opt out had to do so by Dec. 5, 2008.</p>