

Regional Bulletin: 08-09

FDIC Temporary Liquidity Guarantee Program



Dear Chief Executive Officer:

On November 21, 2008, The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) approved the final rule to strengthen the FDIC's Temporary Liquidity Guarantee Program (TLGP). The Program has two primary components: The Debt Guarantee Program, by which the FDIC will guarantee the payment of certain newly issued senior unsecured debt of banks, thrifts, and certain holding companies, and the Transaction Account Guarantee Program by which the FDIC will guarantee certain noninterest bearing deposit transaction accounts. The industry funded program does not rely on the taxpayer or the deposit insurance fund to achieve its goals.

All eligible entities must file the FDIC Temporary Guarantee Program Election Form, using FDICconnect, no later than 11:59 p.m., Eastern Standard Time (EST), December 5, 2008. Any eligible entity that does not opt out of the Debt Guarantee Program must report on its Election Form the amount of outstanding senior unsecured debt as of September 30, 2008, that is scheduled to mature on or before June 30, 2009.

Any eligible entity that does not opt out of the Debt Guarantee Program must attest on its Election Form that it agrees to be bound by and comply with the terms of the Master Agreement. Each participating entity in the Debt Guarantee Program must execute and submit the Master Agreement to the FDIC within five (5) business days from the date it executes the Election Form. The choice to opt in, once made, is irrevocable. Similarly, the choice to affirmatively opt out, once made, is irrevocable.

Below is the web link for the FDIC's Liquidity program. The form must be signed by the Chief Financial Officer (or equivalent):

<http://www.fdic.gov/regulations/resources/TLGP/index.html>

If you have any questions, please contact Assistant Director, Steven Gregovich at (650) 746-7020. Steve is the OTS Regional contact person for this Program, and can forward any questions to the FDIC.

Sincerely,

A handwritten signature in black ink that reads 'Darrel W. Dochow'.

Darrel W. Dochow
Regional Director