

Sirote

SMARTAlert

Keeping you informed of noteworthy developments with the Paulson Plan/Congressional Bailout

Fast-Approaching Deadline for the FDIC's Temporary Liquidity Guarantee Program

December 2, 2008

Sirote Mortgage & Asset Recovery Team (SMART) reports to you on the latest-breaking news concerning the economic bailout plan.

All banks and bank holding companies must complete the FDIC's Temporary Liquidity Guarantee Program election form via FDICConnect **no later than this Friday, Dec. 5, 2008**, to affirm or opt-out of participation in the Debt Guarantee Program and the Transaction Account Guarantee Program.

As reported to you in an earlier **SMARTAlert**, the Federal Deposit Insurance Corporation announced its Temporary Liquidity Guarantee Program on Oct. 14, 2008. The program's purpose is to strengthen confidence and encourage liquidity in the banking system. The Temporary Liquidity Guarantee Program will: "(1) guarantee newly issued senior unsecured debt of eligible institutions, including FDIC-insured banks and thrifts, as well as certain holding companies, and (2) provide full deposit insurance coverage for non-interest bearing deposit transaction accounts in FDIC-insured institutions."

Entities eligible to participate include FDIC-insured depository institutions, U.S. bank holding companies, and savings and loan holding companies with at least one chartered and operating insured depository institution, and other affiliates of insured depository institutions deemed eligible by the FDIC after consultation with the appropriate Federal banking agency.

All eligible entities are covered from Oct. 14, 2008, through Dec. 5, 2008, and will continue to be covered unless they opt-out on or before Dec. 5, 2008. The choice to opt-in or opt-out is irrevocable. **Failure to opt out of either program constitutes a decision to continue participation.** Eligible entities within bank and savings and loan holding companies must make the same participation election for each guarantee program. Failure to do so constitutes an opt-out by all holding company members.

Sirote Mortgage & Asset Recovery Team (SMART) will continue to keep you informed of breaking news concerning the economic bailout plan.

The Answer Is Sirote.

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