FEDERAL RESERVE BANK of KANSAS CITY

February 9, 2009

Debt Guaranteed Under the Federal Deposit Insurance Corporation's (FDIC) Temporary Liquidity Guarantee Program

ATTENTION: **Chief Executive Officer of Each Tenth District Bank Holding Company**

SUBJECT: Bank and financial holding companies participating in the Debt Guarantee Program included in the FDIC's Temporary Liquidity Guarantee Program (TLG Program).

IN BRIEF: A bank holding company participating in the TLG Program that did not have senior unsecured debt outstanding as of September 30, 2008, must seek prior approval before issuing any debt guaranteed by the FDIC.

HIGHLIGHTS: This letter clarifies that a holding company that did not have senior unsecured debt outstanding as of September 30, 2008, must seek prior approval before issuing any debt guaranteed by the FDIC under the TLG Program.

Under the TLG Program, the FDIC will guarantee, subject to certain limitations, all senior unsecured debt issued by participating eligible entities between October 14, 2008 and June 30, 2009, with guarantees expiring not later than June 30, 2012.

A participating holding company with no senior unsecured debt as of September 30, 2008 has a debt guarantee limit of zero. The alternate 2 percent of total liabilities cap that is available for insured depository institutions is not available for holding companies. Accordingly, a participating holding company with no senior unsecured debt outstanding as of September 30, 2008, may not issue guaranteed debt without the prior approval of the FDIC.

The FDIC may approve debt cap exceptions on a limited basis, taking into consideration the creditworthiness of the issuer and the proposed use of the funds. Instructions for filing an application for an increase to a debt guarantee limit are listed in Section 370.3(h) of the FDIC's Rules and Regulations.

FURTHER INFORMATION: If you have questions, please contact the FDIC Call Center at (877)–ASK–FDIC (877-275-3342) between the hours of 7am to 8pm ET Monday through Friday and 9am to 5pm ET Saturday and Sunday.

INTERNET: http://www.fdic.gov/news/board/08BODtlgp.pdf.