

FDIC to Discuss Guaranteeing Mandatory Convertible Debt Under the Temporary Liquidity Guarantee Program

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In an open Board meeting on Friday, February 27, 2009, the Federal Deposit Insurance Corporation (the "FDIC") is expected to discuss a modification to the Temporary Liquidity Guarantee Program (the "TLGP") to guarantee mandatory convertible debt. The Final Rule for the TLGP currently excludes from the definition of senior unsecured debt, among other instruments, any debt instruments that are paired or bundled with other securities, convertible debt, and securities containing embedded options, forwards, swaps, or other derivatives.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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