

Legacy Securities Public-Private Investment Fund

U.S. Treasury ("UST")

- Up to 50% Equity
- UST to receive Warrants
- UST to receive management fees & expenses

Debt Financing secured by Eligible Assets* of up to 50% of total equity in Fund (N/A if Private Investors have voluntary withdrawal rights) Private Investors

- At least 50% Equity
- May have voluntary withdrawal rights after third anniversary of Fund's first investment

Financial Institution

- Authorized to sell to UST under §101(a)(i) of EESA
- Cannot be affiliate of Fund Manager or their affiliates or affiliate of a private investor holding at least 10% of the Fund's equity

Purchase "Eligible Assets" from Financial Institution:

- CMBS & RMBS rated AAA or better by 2 Rating Agencies (no enhancements
- Underlying assets predominately in U.S.
- Directly secured by loans or other assets

Private Fund/Asset Manager

Private Fund Vehicle

(maximum 10 year term)

- 5 selected by UST through application process (4/10 deadline)
- After approval, must raise at least \$500 Million of private capital
- Minimum \$10 Billion in assets under management
- May charge fees
- · Long term buy and hold strategy
- · Control assets selection and pricing, liquidation, trading and disposition
- Reporting to UST
- Expected to apply: BlackRock, Legg Mason, PIMCO

^{*} Can also obtain debt financing through Legacy TALF, other UST program or private sources