From: Schiffman, Dana [mailto:dschiffman@allenmatkins.com]
Sent: Thursday, April 09, 2009 8:37 PM
To: LLPComments
Subject: Legacy Loans Program

The following supplements my prior comments posted as item no. 123.

1. Care should be taken to design pools so that they do not contain loans cross-defaulted to other loans not included in the pool.

2. The terms of the PPIF will need to address the interplay among the FDIC's lien on the collateral, release of such lien in connection with the resolution of the underlying asset, payments under the Note and the FDIC guarantee.

3. Certain information describing the PPIF mentions private investors with a long term horizon. That may not always be the correct focus. In regards to return on equity, it may be in the best interests of the Treasury to sacrifice some potential upside return in the interests of a quicker exit from the program (repayment of Treasury's equity and replacement of the FDIC's guarantee).

4. Although there are concerns to prevent gaming of the system, as a potential incentive to banks to participate in the program, consideration should be given to permitting a PPIF structure that would allow the selling bank to retain a participating interest in the portfolio.

Dana Schiffman
Allen Matkins Leck Gamble Mallory & Natsis LLP
619.233.1155
619.233.1158 Fax
dschiffman@allenmatkins.com
Allen Matkins
www.allenmatkins.com