From: Zietara, Timothy [mailto:Timothy.Zietara@ingclarion.com]
Sent: Thursday, April 09, 2009 1:48 PM
To: LLPComments
Subject: legacy loans

Questions:

1) What is the waterfall/priority of debt repayments and investor returns?
2) What happens with loans that have future funding obligations?
3) What happens to the loan if cash flows are insufficient for debt service? Will the FDIC make that shortfall up from their guarantee? Or accrue and take this from future returns?
4) Can you increase the normal timing for due diligence from the standard FDIC bids in the past?
5) Will there be any reps or warrantees from the selling bank?
6) The winning bidder should get a management fee or at least a preferred return for their work on the assets.

Comments:

There should be a minimum reserve price that is disclosed for investors to expend the time and dollars to make a bid. There should be certainty of execution.

Consistently formatted data tapes on each loan pool (that is reliable) would be more cost efficient.

Bundle loans in smaller pools for smaller investors, and larger more intuitional assets in larger pools. These larger pools can have more geographic diversity for national firms. The smaller pool should be geographically similar if possible.

There should be some downside for investors who bid without sufficient capital to close. These folks need to be discouraged with real penalties. Investors who take government funds should be creditworthy themselves.

Make it extremely clear that the rules won't change mid stream, and if they do, previous winning bidders are "grandfathered"
under the rules at the time.

Thank You