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Out with the Old, In with the New: Manatt Table Compares the Terms of Treasury's New Capital Assistance Program with the Earlier Capital Purchase Program

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We have prepared a table comparing the terms of the new Capital Assistance Program (CAP), with the earlier Troubled Asset Relief Capital Purchase Program (TARP CPP) for publicly traded banking organizations. To access the table, click on this link.

Under the previously enacted TARP CPP, the U.S. Department of the Treasury injected approximately $196 billion into more than 400 financial institutions over a four-month period in the form of a preferred security. The new CAP supplements the TARP CPP and is intended to further bolster the United States financial system by ensuring that banking organizations have a sufficient capital cushion against larger than expected future losses. The CAP is open immediately for application by eligible banking organizations that are publicly traded. Capital injected under the CAP will be in the form of a preferred security that is convertible into common equity.

Under the CAP, the 19 largest United States banking organizations will also be participating in coordinated supervisory assessments, which are forward-looking "stress test" assessments to evaluate the capital needs of the institution under a more challenging economic environment. Should this assessment indicate the need for the bank to establish an additional capital buffer to withstand more stressful conditions, these larger institutions may access the CAP immediately. In addition, under the CAP, banking organizations will be allowed to exchange their existing TARP CPP preferred stock for the new CAP preferred instrument.

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Again, you may access the table comparing the terms of the new CAP convertible preferred security and the earlier CPP preferred security for publicly traded banking organizations, by clicking on this link. The table can also be found at our firm's web site at www.manatt.com, under "White Papers."

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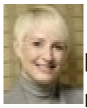
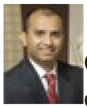


Angelee Harris Ms. Harris represents public and closely held companies in business and corporate and securities matters, including capital market transactions, mergers and acquisitions, corporate governance and regulatory issues. Ms. Harris counsels companies and investment banks in underwriting, purchasing and placing equity, debt and convertible securities.



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