

Corporate & Financial Weekly Digest

September 9, 2011 by [Jeffrey M. Werthan](#)

FDIC Announces New Investor Match Program

The Federal Deposit Insurance Corporation (FDIC) on September 7 announced the launch of a new program to encourage small investors and asset managers to partner with larger investors to participate in the FDIC's structured transaction sales for loans and other assets from failed banks. The Investor Match Program will help to facilitate partnerships in order to bring together sources of capital and expertise. Participants in the program will use a customized database to identify potential collaborations, which will be identified at the sole discretion of the participating firms.

The FDIC believes in the value of facilitating a cooperative solution between large investors and small investors and asset managers. The goal of the Investor Match Program is to expand opportunities for participation by smaller investors and asset managers, including minority and women-owned firms, in FDIC structured sales transactions. To participate in the Investor Match Program, every investor must be pre-qualified to bid in FDIC structured sales transactions.

The FDIC's structured transactions are one of several strategies used to sell assets retained from failed banks. Loans and real estate are transferred to a limited liability company (LLC). The FDIC then sells an equity stake in the LLC to an investor. The investor is responsible for managing the LLC and working the assets to maximize their value. This technique allows the FDIC to capture potential future upside from the assets. The dollar amount of the assets sold range from several hundred million to well over one billion dollars.

For more information on the Investor Match Program, click [here](#).

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