

SSGN 2010-L1 Transaction Summary

The FDIC sold \$1.38 billion in notes backed by performing and non-performing construction loans and REO assets. These notes were originally issued to the FDIC by an LLC created in October 2009 to facilitate the sale of a 40% equity interest in the loans and REO to a consortium of private investors, with the FDIC retaining the remaining 60% equity interest. The loans and REO contributed to the LLC were previously held by the FDIC as receiver for Corus Bank. The notes issued by the LLC benefit from a full and unconditional FDIC Guaranty backed by the full faith and credit of the United States of America.

Pricing Details

- The transaction features three classes of non-interest bearing notes backed by a pool of performing and non-performing construction loans and REO assets.
 - The Class A1 notes with face amount of \$150mm were priced at 98.30% to yield approximately 1.07% per annum with maturity of October 25, 2011
 - The Class A2 notes with face amount of \$850mm were priced at 95.72% to yield approximately 1.69% per annum with maturity of October 25, 2012
 - The Class A3 notes with face amount of approximately \$377mm were priced at 92.22% to yield approximately 2.26% per annum with maturity of October 25, 2013
- Pricing Date: March 10, 2010
- Closing Date: March 16, 2010
- Financial Advisor to FDIC / Structuring Agent / Sole Bookrunner: Barclays Capital Inc.

Note Structure

- Through this transaction the FDIC has sold all its holdings of notes issued by the LLC, though the FDIC still owns a 60% equity interest in the LLC
- The notes do not accrue interest at a stated rate or make any payments prior to maturity, but instead make a single bullet payment of the face amount on the respective maturity date
- The notes are repaid prior to any cash flow distribution to equity holders
- The notes represent 1:1 leverage at the time of the LLC creation in October 2009, and will benefit from credit enhancement provided by the cash flow structure and FDIC Guaranty

FDIC Guaranty

- The FDIC, in its corporate capacity, will fully and unconditionally guarantee the timely payment of principal due on the notes.
- The Guaranty is backed by the full faith and credit of the United States of America.

Structured Sale of Corus Bank Receivership Assets

- Information regarding the October 2009 creation of the LLC, the structured sale of Corus Bank assets held by the FDIC as receiver, and the issuance of the notes can be found at the following link to the FDIC website:
<http://www.fdic.gov/news/news/press/2009/pr09183.html>

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