



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-21-2009
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PARTICIPANTS IN DEBT GUARANTEE COMPONENT OF FDIC'S TEMPORARY LIQUIDITY GUARANTEE PROGRAM

Inclusion of Minority- and Women-Owned Businesses for Contracting and Underwriting Needs

Summary: The FDIC encourages participants in the debt guarantee component of the FDIC's Temporary Liquidity Guarantee Program (TLGP) to consider using qualified minority- and women-owned businesses (MWOBs) to support their contracting and underwriting needs.

Distribution:

FDIC-Insured Institutions

Suggested Routing:

Chief Executive Officer

Related Topics:

Temporary Liquidity Guarantee Program

Attachment:

None

Contact:

For more information about the FDIC's Minority and Women Outreach Program, please contact Robert Elcan, Chief, at 703-562-6070.

Note:

FDIC financial institution letters (FILs) may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2009/index.html.

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Highlights:

- On March 17, 2009, the FDIC's Board of Directors adopted an interim rule that extended the debt guarantee component of the FDIC's Temporary Liquidity Guarantee Program. The interim rule provides that insured depository institutions and certain other participating entities may issue FDIC-guaranteed debt through October 31, 2009.
- The FDIC's guarantee of senior unsecured debt issued by entities participating in the TLGP's Debt Guarantee Program is designed to preserve confidence and encourage liquidity in the banking system in order to ease lending to creditworthy businesses and consumers. Current indications suggest that entities participating in the TLGP's Debt Guarantee Program are benefiting from both improved access to funding and lowered borrowing costs.
- Entities participating in the TLGP's Debt Guarantee Program may be using various contracting services in conjunction with their debt issuances, including services provided by investment banking firms, underwriters, accountants and attorneys.
- The FDIC strongly supports the use of minority- and women-owned businesses in its own contracting efforts, and encourages entities participating in the TLGP's Debt Guarantee Program to consider using qualified MWOBs to support their contracting and underwriting needs.
- The FDIC believes that for those entities utilizing contractors to assist with their FDIC-guaranteed debt issuances, the experience provided by a variety of qualified contractors and underwriters, including MWOBs, will enhance their program and serve to promote their institution's efforts throughout the community.