

Memorandum to: Public Comment File

From: R. Penfield Starke
Senior Counsel
Legal Division

Date: October 29, 2010

On October 26, 2010, FDIC staff met with group of lawyers representing the financial services industry to discuss issues related to the FDIC's *Notice of Proposed Rulemaking Implementing Certain Orderly Liquidation Authority Provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act*. A list of attendees is attached.

The following topics were discussed:

1. The FDIC was asked to consider the concept of allowing claims by creditors to be satisfied by being given an equity interest in a bridge financial company.
2. It was suggested that proposed § 380.2(c) be clarified to explain when the value of a secured claim would occur and how fair market value of the property that secures the claim would be determined.
3. The FDIC was asked to revise the preamble text to state that an obligation in the form of a guarantee or letter of credit is no longer contingent if the principal obligor becomes in default on its obligation.
4. It was suggested that the FDIC explain the insolvency process under title II of the Dodd-Frank Act would work for a SIPC member broker-dealer and for a forward contracts merchant.
5. The FDIC was asked to confirm that the orderly liquidation provisions of title II would only apply in the case of a financial company whose default is found to be pose systemic risk

October 26, 2010 Meeting
Notice of Proposed Rulemaking

<u>Name</u>	<u>Representing</u>
Jack Murray	Cleary Gottlieb
John Douglas	Davis Polk
Seth Grosshandler	Cleary Gottlieb
Knox McIlwain	Cleary Gottlieb
Gregg Galardi	Skadden Arps
William Sweet	Skadden Arps
Michael Rosenthal	Gibson Dunn
Rebecca Simmons	Sullivan & Cromwell
Erika White	Davis Polk
Glen Siegel	Dechert
Bob Ledig	Dechert
John V. Thomas	FDIC
Thomas Bolt	FDIC
Penfield Starke	FDIC
David Wall	FDIC
Michael Krimminger	FDIC
Jason Cave	FDIC
Arthur Murton	FDIC
Reena Agrawal Sahni	Davis Polk
Michael Bopp	Gibson Dunn
Carter McDowell	SIFMA
Randall Guynn	Davis Polk
Donald Bernstein	Davis Polk