

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Department Hires Asset Managers to Serve as Financial Agents for Wind-Down Phase of EESA

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WASHINGTON -- The U.S. Department of the Treasury announced today that it has selected six additional firms to help manage its portfolio of assets in the wind-down phase of the Capital Purchase Program (CPP) and other programs under the Emergency Economic Stabilization Act (EESA). CPP, which is currently only open to small banks, will effectively close at the end of the year. These assets include preferred shares, senior debt, equity warrants, and other equity and debt obligations.

In response to a public solicitation for asset managers on November 7, 2008, Treasury received more than 200 submissions from interested firms. To promote diverse participation and ideas and to identify the best asset management talent throughout the industry, the solicitation indicated the Treasury's interest in receiving responses from qualified small and minority- and women-owned or controlled firms.

On April 22, 2009, Treasury announced the selection of three asset managers from the pool of applicants that had \$2 billion or more in assets under management. Today, following an extensive evaluation process, Treasury announced that it has designated six additional asset managers from the pool of applicants with less than \$2 billion in asset under management, including:

- Avondale Investments, LLC
- Bell Rock Capital, LLC
- Howe Barnes Hoefler & Arnett, Inc.
- KBW Asset Management, Inc.
- Lombardia Capital Partners, LLC, and
- Paradigm Asset Management, LLC.

By leveraging the professional experience, unique knowledge, and specific expertise of these firms, Treasury will ensure that taxpayers' assets are managed in a prudent and transparent manner. These six firms will begin work immediately by providing ongoing valuations of the equity and debt securities issued by public and private financial institutions in the Capital Purchase Program and other programs, including many of Treasury's investments in small and community banks. In addition, these asset managers will provide Treasury with analysis of the financial condition, capital structure, and risks of financial institutions, and will assist in executing transactions consistent with the Treasury's investment policy for the management and disposition of its assets. Treasury entered into agreements with these six firms pursuant to the authority to designate financial agents under EESA.

Details on Asset Managers

Avondale Investments, LLC is a Native American - owned asset management firm with experience working with small and community banks. Based in Oklahoma City, OK, Avondale Investments has specific geographic expertise of Financial Institutions in the Mountain West and South West regions of the country.

Bell Rock Capital, LLC is a woman - owned investment management firm with a dedicated focus on the financial services industry. Based in Rehoboth Beach, DE, Bell Rock has specific expertise in the banking sector and with institutions in the Mid-Atlantic region.

Howe Barnes Hoefler & Arnett, Inc is a full service investment and advisory firm based in Chicago, IL, that specializes in community banks and thrifts.

KBW Asset Management, Inc. is an asset management firm based in New York that focuses on the financial institutions sector with a focus on both equity and fixed income securities.

Lombardia Capital Partners, LLC is a Hispanic- owned money management firm based in Pasadena, CA with over \$1.7 billion in asset under management that focuses on valuations across market capitalizations.

Paradigm Asset Management, LLC is an African American- owned asset management firm based in White Plains, NY that provides quantitative equity strategies built specifically for institutional investors.

