

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Announces Receipt of Applications to Become Fund Managers under Public Private Investment Program

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Washington, DC -- The Treasury Department today announced the receipt of more than 100 unique applications from potential fund managers interested in participating in the Legacy Securities portion of the Public Private Investment Program (PPIP). A variety of institutions applied, including traditional fixed income, real estate, and alternative asset managers.

Successful applicants must demonstrate a capacity to raise private capital and manage funds in a manner consistent with Treasury's goal of protecting taxpayers. Treasury will also evaluate the applicant's depth of experience investing in eligible assets. Finally, the applicant must be headquartered in the United States.

Treasury expects to inform applicants of their preliminary qualification around May 15, 2009. Once a fund receives preliminary qualification, it can begin raising the expected minimum of \$500 million in private capital that will serve as the investment that, pending further approval, will be matched with taxpayer funds. As we have stated previously, Treasury anticipates opening the program to smaller fund managers in the future, which may result in a lower minimum private capital raising requirement.

Since announcing the program details on March 23, Treasury has encouraged small, veteran, minority and women owned private asset managers to partner with other private asset managers. On April 6, Treasury extended the deadline for fund manager applications to provide more time to facilitate these types of partnerships. We are pleased to see a number of creative partnership proposals among the applications we are currently evaluating.

Today's announcement is the latest milestone in making operational the PPIP for legacy loans and securities, a key part of the Administration's efforts to repair balance sheets throughout our financial system and ensure that credit is available to the households and businesses, large and small, that will help drive us toward recovery.

For further information on the PPIP, please visit:

<http://www.financialstability.gov/roadtostability/publicprivatefund.html>

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