

## Legacy Securities Program

### Sample Investment Under the Legacy Securities Program

**Step 1:** Treasury launches the application process for managers interested in the LSP.

**Step 2:** A Fund Manager submits a proposal and is pre-qualified to raise private capital to participate in joint investment programs with Treasury.

**Step 3:** The U.S. Government match one-for-one every dollar of private capital that the Fund Manager raises and provides fund-level leverage for the PPIF.

**Step 4:** The Fund Manager raises \$100 of private capital for the Private Vehicle to invest in the PPIF. Treasury provides \$100 equity coinvestment on a side-by-side basis with private capital and will provide a \$100 loan to the PPIF. Treasury will also consider requests from the Fund Manager for an additional loan of up to \$100 to the PPIF.

**Step 5:** The Fund Manager applies the PPIF's \$300 (or, in some cases, up to \$400) in total capital to purchase targeted securities.

**Step 6:** The Fund Manager has full discretion in investment decisions, (predominately following a long-term buy-and-hold strategy). The PPIF may also choose to take advantage of Legacy TALF loans when that program is launched.

