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PRESS RELEASE

New York Fed Completes Financing Arrangement Related to JPMorgan Chase's Acquisition of Bear Stearns

June 26, 2008

The Federal Reserve Bank of New York announced today that it has completed certain arrangements associated with JPMorgan Chase & Co.'s acquisition of Bear Stearns Companies Inc. To facilitate the arrangements, the New York Fed has extended a \$28.82 billion loan and JPMorgan Chase & Co. has extended a \$1.15 billion loan to a Delaware limited liability company (LLC). Total credit extended by the New York Fed is lower than originally anticipated as a result of an extensive review of the portfolio. The LLC, which will be consolidated on the books of the New York Fed, will use the proceeds of the loans to finance the purchase of a portfolio of assets formerly owned by Bear Stearns Companies Inc. The portfolio of assets is pledged to the New York Fed as security against the extensions of credit.

The estimated fair value of the portfolio, as of June 26, 2008, will be released in the Federal Reserve Statistical Release H.4.1. on July 3, 2008. Thereafter, the estimated fair value of the portfolio will be updated quarterly in the H.4.1, generally within two weeks following the quarter end. The Federal Reserve's balance sheet, presented weekly, will include consolidated LLC activity such as purchases, sales and accruals.

BlackRock Financial Management, Inc. will manage the portfolio under guidelines established by the Federal Reserve Bank of New York.

[May 29, 2008 Press Release >>](#)

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