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PRESS RELEASE

New York Fed Sells Remainder of Maiden Lane II LLC Securities; Approximately \$2.8 Billion Net Gain Generated for U.S. Public from the Portfolio

February 28, 2012

The Federal Reserve Bank of New York (New York Fed) today announced the sale of the remaining securities in the Maiden Lane II LLC (ML II) portfolio. The New York Fed's management of the ML II portfolio will result in full repayment of the \$19.5 billion loan extended by the New York Fed to ML II and generate a net gain for the benefit of the public of approximately \$2.8 billion, including \$580 million in accrued interest on the loan.

William C. Dudley, president of the New York Fed, said, "The completion of the sale of the Maiden Lane II portfolio has resulted in significant gains for the public and marks an important milestone in the wind-down of the extraordinary interventions necessitated by the financial crisis."

Net proceeds from this sale combined with proceeds from previous sales, as well as cash flow the securities generated while held by ML II, enable the full repayment of the New York Fed's senior loan plus interest, the junior AIG deferred purchase price plus interest, and provide residual income, which will be distributed in accordance with the ML II agreements.

In this latest sale, the New York Fed sold assets with a current face amount of \$6.0 billion from ML II through a competitive process to Credit Suisse Securities (USA) LLC.

The transaction was prompted by an unsolicited offer from Morgan Stanley & Co. LLC to BlackRock Solutions, the investment manager for ML II, to buy the assets. Consistent with its March 2011 announcement regarding the disposition procedures for ML II, which allowed for these types of reverse inquiries, the New York Fed directed BlackRock Solutions to conduct a sale via a competitive process. The five broker-dealers included in the competitive process were Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, and RBS Securities Inc. The broker-dealers were selected based on the strength of each of their recently submitted offers to acquire ML II securities.

The New York Fed decided to move forward with the transaction only after determining that the winning bid represented good value for the public.

Net proceeds from the sale will be reported as part of the portfolio's normal reporting schedule on April 16, 2012. In keeping with previously declared policy, the New York Fed will also provide further details regarding all ML II transactions, including an account showing the acquirer and the price paid for each individual security, on May 29, 2012.

For more information, including the most recent holdings report as of December 31, 2011, visit Maiden Lane II LLC.

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