FDIC
**Federal Deposit Insurance Corporation**
550 17th Street NW, Washington, D.C. 20429-9990 Legal Division

July 12, 2010

Mr. Thomas Kim
Associate Director, Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Federal Deposit Insurance Corporation Pilot Securitization—Guaranteed Senior Certificates

Dear Mr. Kim:

The Federal Deposit Insurance Corporation (the "FDIC") respectfully submits this request for confirmation from the Securities and Exchange Commission (the "SEC") of the FDIC's interpretation of Section 3(a)(2) of the Securities Act of 1933, as amended (the "Act"), as it relates to the exempt status of certain Senior Certificates to be issued by a mortgage trust established pursuant to the FDIC's pilot securitization program. In connection with the formation of the mortgage trust and issuance of the Senior Certificates the FDIC will enter into a Guaranty Agreement (as described in greater detail below). The FDIC, as Guarantor, will issue a full faith and credit guarantee to Holders of the Senior Certificates of timely payment of interest and of principal at maturity or earlier as required in the Operative Trust Agreements (as defined below).

Section 3(a)(2) provides an exemption from the registration requirements of the Act for the offering and sale of "exempted securities," which include "any security issued or guaranteed by the United States... or by any person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States." The FDIC, which was created by an act of the Congress of the United States and is controlled by a Board of Directors composed of five members, three appointed by the President of the United States and confirmed by the United States Senate and two ex officio,[1] is an instrumentality of the Government of the United States for purposes of Section 3(a)(2).

The FDIC's full and unconditional guarantee with respect to the Senior Certificates will expire upon the earlier of (i) maturity of such Senior Certificates or (ii) termination of the Trust and retirement of the Senior Certificates. The principal amount of the Guaranty will be the initial certificate balance of the Senior Certificates at issuance and the Guaranty will be, by its terms, available for the payment of that amount plus any accrued interest. The Guaranty will cover the amount of any and all amounts due and payable under the Senior Certificates whether at maturity or otherwise. Consequently, the Guaranty will meet the requirements of section 15(d) of the Federal Deposit Insurance Act, 12 USC 1825(d), and will therefore be supported by the full faith

[1] The two ex officio members are the Comptroller of the Currency and the Director of Thrift Supervision.

and credit of the United States. It is the view of the FDIC that any Senior Certificate that is guaranteed by the FDIC under the Guaranty Agreement would be a security exempt from the registration requirements of the Act under Section 3(a)(2) because such security would be fully and unconditionally guaranteed by the FDIC.

The Senior Certificates will not be registered under the Act. They will be offered and sold in either a non-public transaction under Section (4)(2) and Rule 144A or, if available, in a transaction exempt from registration in reliance on Section 3(a)(2). In either case, the Certificates will be offered and sold only to qualified institutional buyers, as that term is defined in Rule 144A under the Act. To the extent reasonably ascertainable from the records of the receiverships, which are contributing mortgage loans to the Trust, the information included in the offering materials will be consistent with that required by Regulation AB. Similarly, on an ongoing basis after the issuance of the Senior Certificates, disclosure of loan level information consistent with Regulation AB will be provided to the extent such information is available.

The Trust will, in fact, issue three classes of certificates but only the Senior Certificates will be offered for sale to investors at this time and only the Senior Certificates will be supported by the Guaranty. The Senior Certificates will be a separate and distinct class of certificates from any other classes of certificates issued by the Trust. The entitlement of the Holder of a Senior Certificate to receive a monthly distribution of either interest or principal, or both, will be set out in the Pooling and Servicing Agreement (the "Pooling Agreement"), to which the Trustee, Master Servicer, Securities Administrator, FDIC as Receiver and FDIC as Guarantor will be parties. The Guaranty Agreement (the "Guaranty," with the "Pooling Agreement," the "Operative Trust Agreements"), to which the FDIC, the Trustee and the Securities Administrator will be parties, will provide that the FDIC, as Guarantor, irrevocably and unconditionally guarantees the due and punctual payment when due of (a) on each distribution date and on the maturity date, all interest accrued and payable on the Senior Certificates; (b) principal of the Senior Certificates on the date such principal becomes due and payable in accordance with the terms of the Pooling Agreement; and (c) if the outstanding principal balance of the Senior Certificates as of any distribution date exceeds the sum of (i) the outstanding principal balance of the loans in the mortgage pool and any REO properties; and (ii) all amounts attributable to principal then on deposit in Trust accounts and available for distribution, an amount equal to such excess (the "Loan Parity Obligation") (collectively, the "Guaranty Payments"). Other than in respect of a Loan Parity Obligation, the principal of the Senior Certificates will not be considered due and payable until the Maturity Date or upon termination of the Trust in accordance with the terms of the Pooling Agreement.

The Guaranty will also provide for, among other things, certain ongoing notice and reporting requirements, including a requirement that the Securities Administrator, on behalf of the Senior Certificateholders, notify the FDIC when it has determined that a Guaranty Payment will be required and that the Trustee, on behalf of the Senior Certificateholders, make a demand for such payment in the event that the required Guaranty Payment is not made when due. The Guaranty will also provide that notwithstanding the designation of the Securities Administrator and the Trustee as authorized representatives of the Senior Certificateholders, individual beneficial Holders of such Certificates may opt out from such representation and may make demand directly to the Guarantor. Giving effect to this right to "opt-out", the Operative Trust Agreements will provide that if the Trust has failed to make a scheduled payment, and the Guarantor, after notice, fails to do so, any beneficial Holder of a Senior Certificate who has opted out of such representation may immediately bring suit on its own behalf directly against the Guarantor for payment of all amounts then due and payable on such Holder's Certificates.

Finally, the Operative Trust Agreements will require that the Trust reimburse the FDIC for any Guaranty Payments made under the Guaranty and for the subrogation of the Guarantor to all rights of the holders of the Senior Certificates against the Trust to the extent of Guaranty Payments made and will require that the Trustee on behalf of the Senior Certificateholders, or an individual Holder of a Senior Certificate that made a demand for payment directly against the Guarantor, execute an assignment to the Guarantor of any and all claims it or they, as applicable, may have against the Trust to the extent that such holders have received payment from the Guarantor under the Guaranty. The failure of the Trust or of the Securities Administrator to comply with any of the obligations imposed under the Guaranty or any of the other Operative Trust Agreements will not affect the FDIC's full and unconditional guarantee in support of all Senior Certificates then issued and outstanding.

Based on the foregoing, we hereby respectfully request your confirmation of our understanding that, for purposes of Section 3(a)(2), the Senior Certificates to be issued by the Trust as described above, to the extent that payment due to the holders of such Senior Certificate are fully and unconditionally guaranteed by the FDIC, will be considered to be guaranteed by an instrumentality of the United States Government for purposes of Section 3(a)(2).

If you have any questions as to any of the foregoing, please contact Elliot Pinta of my office at 703-562-2445. Thank you.

Kind regards,

The Federal Deposit Insurance Corporation

By: Michael Bradfield
Michael Bradfield
General Counsel

Enclosures