

Department of the Treasury, Departmental Offices
Supporting Statement and Request for Clearance
Troubled Asset Relief Program –
Legacy Securities Public Private Investment Fund Application

1. Circumstances necessitating the collection of information

Authorized under the Emergency Economic Stabilization Act (EESA) of 2008 (Public Law 110-343), the Department of the Treasury is implementing several aspects of the Troubled Asset Relief Program. The statute provides the Secretary broad authority to purchase and insure mortgage assets, and to purchase any other financial instrument that the Secretary, in consultation with the Federal Reserve Chairman, determines necessary to stabilize our financial markets. The TARP includes several components including a voluntary Legacy Securities Public Private Investment Fund (PPIF). Under this plan the Treasury will contribute equity funding equal to or less than the private capital raised by private investors. In addition Treasury will consider requests for loans from Treasury in amounts of up to 100% of the total equity capital (Treasury plus private) of a Legacy Security PPIF. The Treasury is seeking applicant information for financial institutions that seek participation in the Legacy Securities PPIF.

Institutions will be prequalified to participate in the program. Eligible institutions are those which have demonstrated capacity to raise at least \$500 million in private capital; demonstrated experience investing in eligible assets, including through performance track records; a minimum of \$10 billion (market value) of eligible assets currently under management; demonstrated operational capacity to manage the funds in a manner consistent with Treasury's stated investment objective while also protecting taxpayers. To qualify, the applicant must have its headquarters in the United States. Applications are due April 10, 2009, though Treasury may reopen the application process.

2. Use of the data

The application information will be used to determine eligibility and participation in the Legacy Securities PPIF.

3. Use of information technology

Applications may be submitted in PDF through e-mail or by courier.

4. Efforts to identify duplication

The information that will be collected in the Legacy Securities PPIF application is a one-time request. To limit duplication, applicants may rely on data and information it uses in its regular pitch book process.

5. Impact on small entities

Most of the participating financial institutions do not meet the definition of small entities. Further, the information collection imposes only minimal burdens because the information is readily available to these financial institutions.

6. Consequences of less frequent collection and obstacles to burden reduction

If the information is not collected, Treasury will not be able to determine which financial institutions seek to participate in the program. The application for Legacy Securities PPIF participation is a one-time submission during a limited period of statutory authority.

7. Circumstances requiring special information collection

Applicants may be required to submit amended applications to provide the Treasury Department with additional information.

8. Solicitation of comments on information collection

Treasury officials have consulted with some potential applicants regarding the information that would likely be collected. Treasury published a notice for public comment in the Federal Register on July 29, 2009, volume 74, page 37769. No comments were received.

9. Provision of payments to recordkeepers

Not applicable.

10. Assurance of confidentiality

The information collection provides that applicants may request confidential treatment of specific portions of applications. Any confidential information provided voluntarily by financial institutions will be maintained as confidential consistent with applicable provisions of the Trade Secrets Act and Freedom of Information Act. See application instructions.

11. Justification of sensitive questions

Not applicable.

12. Estimated burden of information collection

The information collection burden is estimated at 3 people taking 20 hours to complete the application. The number of applicants is estimated to be between 10 and 20. So the total estimated one-time burden for the collection is 600 to 1,200 hours (3 people x 20 hrs x (10 to 20 applicants)).

13. Estimated total annual cost burden to respondents

The Department estimates that there will be no annualized capital/start-up costs for the applicants to collect and submit this information.

14. Estimated cost to the federal government.

There will be no annualized capital/start-up costs for the government to receive this information.

15. Reasons for change in burden

There are no changes.

16. Plans for tabulation, statistical analysis and publication

Not applicable.

17. Reasons why displaying the OMB expiration date is inappropriate

Display of the OMB expiration date will create confusion because, under EESA, this program has a limited duration.

18. Exceptions to certification requirement of OMB Form 83-I

Regarding this request for OMB approval, there are no exceptions to the certification statement in item 19 of Form 83-I.