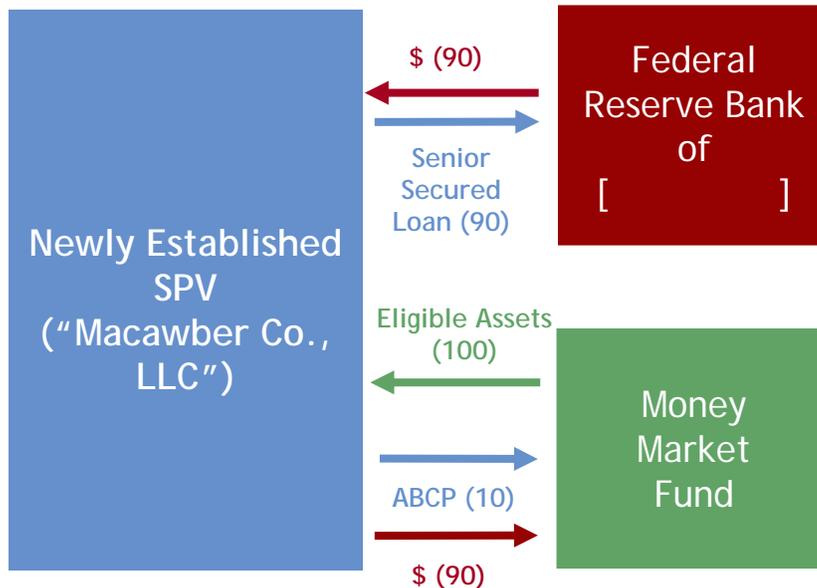


Several new conduits funded with a senior secured loan and ABCP will purchase eligible term assets and thereby ameliorate current market stress

A tiered liability structure will provide the Federal Reserve with appropriate security



- J.P. Morgan will establish [four] new SPVs that will borrow from the Federal Reserve and issue asset-backed commercial paper. Proceeds will be used to purchase eligible asset from []
 - The Federal Reserve will make loans with maturity dates equal to the maturity date of the eligible assets (90% of the amortized cost)
 - The ABCP will be issued such that proceeds are equal to 10% of the amortized cost of the assets at a rate consistent with the amortized cost of the eligible asset
- Eligible assets will be limited to a pre-defined list of short-term [bank] debt in the form of CP or CDs described below
- The Federal Reserve will have a first priority, senior secured interest in the assets of the conduit
- Money Market Funds will retain risk through the ownership of Macawber ABCP
- The net spread, less fees and expenses, will be trapped in a cash collateral account held in trust for the benefit of secured creditors

NewCo Transaction Participants

Owner & Equity Holders

G.S.S Holdings ("Macawber Co., LLC"), Inc. (a newly established Delaware C Corp.)

Admin Services

G.S.S Holdings, Inc.

Cash Collateral Depository

JPMCB

Rating Agencies

[S&P, Moody's Fitch]

Custodian/Trustee

[]

IPA

[]

Placement Agent (s)

JPMSI, TBD

Structuring Advisor

JPMSI

Deal Counsel

Orrick Herrington & Sutcliffe LLP

Lender

Federal Reserve Bank of []

[]

NewCo Balance Sheet

Assets

- Limited to 10 different credits
- Unsecured Bank or Bank Hold Co. CP
- Certificates of Deposit
- A-1/P-1/F1 or better ratings
- Remaining days to maturity < 90
- U.S. Dollar denominated
- Acceptable issuer domicile (OECD)
- Subject to rating agency pre-approval
- Limit to largest obligor []
- Limit to two largest obligors []

Liabilities and Equity

- Senior Secured Loan
 - Initially [90%]
- ABCP
 - [A-1/P-1/F1]
 - Initially [10%]
- Cash Collateral
- Nominal Equity