Selected Current Financial Interventions by the Federal Government

Institution/Program	Action	Possible Effect on:	
		Flow of Funds	GDP Statistics
Troubled Asset Relief Program (TARP) (October 3, 2008)	 Total authority of purchases up to \$700 billion. Of which \$250 billion available to purchase senior preferred shares in qualifying US controlled banks, sav- ings associations, and S&Ls. Remaining \$450 billion not yet determined. 	- Federal government - Banks and thrifts	- Federal dividends receipts - Federal administrative costs
AIG (September 16 and October 8, 2008)	Two-year secured loan from the Fed- eral Reserve Board of up to \$122.8 billion	- Federal Reserve - Funding corps (AIG)	- Federal Reserve profits - Federal administrative costs
Fannie Mae and Freddie Mac (September 7, 2008)	Placed in conservatorship		- Federal administrative costs
	Senior Preferred Stock Purchases Agreement: Initial commitment of \$1 billion each and \$100 billion as needed for each.	- Federal government - GSEs (Fannie Mae and Freddie Mac)	- Federal dividend receipts
	Purchase of Mortgage-Backed Secu- rities issued by the companies: No set financial commitment		- Federal interest receipts
	Government Sponsored Enterprise Credit Facility: Provides secured funding on an as needed basis - No set financial limit		- Unknown
Bear Stearns (March 14, 2008)	Asset purchase through Maiden Lane LLC controlled by the Federal Reserve Board for \$28.8 billion	- Federal Reserve - Funding corps (Maiden Lane)	- Federal Reserve profits - Federal administrative costs



