

Advice You Value

TARP Warrant Valuation Services

“Fair Market Value means...value as determined by the Board of Directors...in reliance on an opinion of a nationally recognized independent investment banking firm...”

—Under Section 4.9(a) of the TARP Securities Purchase Agreement

Duff & Phelps is uniquely qualified to assist financial institutions that issued preferred stock and warrant securities to the U.S. Treasury under the Troubled Asset Relief Program (TARP).



The Goldman Sachs Group, Inc. requested to redeem the 10-year warrant issued to the U.S. Treasury in connection with the TARP preferred stock investment. Duff & Phelps served as independent financial advisor to the board of directors of The Goldman Sachs Group, Inc. and issued a valuation opinion related to the TARP warrant.



Northern Trust

Northern Trust Corporation requested to redeem the 10-year warrant issued to the U.S. Treasury in connection with the TARP preferred stock investment. Duff & Phelps served as independent financial advisor to the board of directors of Northern Trust Corporation and issued a valuation opinion related to the TARP warrant.

CONGRESSIONAL
OVERSIGHT PANEL



Duff & Phelps was engaged by the Congressional Oversight Panel (COP) to value \$184 billion of preferred stock and warrant securities issued to the U.S. Treasury under various TARP programs.

The Duff & Phelps Valuation Report to the COP

In late 2008, Duff & Phelps was engaged by the Congressional Oversight Panel to estimate the fair market value of certain preferred stock and warrant securities acquired by the U.S. Treasury under various TARP programs.

“ While the [Duff & Phelps] report itself does not draw any conclusions as to the validity of Treasury’s decisions or any particular goals, the information will be extremely valuable to policy makers in drawing their own conclusions. ”

—February Oversight Report published by
Congressional Oversight Panel (February 6, 2009)

Issuers included the following financial institutions: American International Group, Inc; Bank of America Corporation; Citigroup Inc (two investments); The Goldman Sachs Group, Inc; JP Morgan Chase & Co; Morgan Stanley; PNC Financial Services Group; U.S. Bancorp; and Wells Fargo & Company.

On February 6, 2009, the Congressional Oversight Panel submitted a report entitled “Valuing Treasury’s Acquisitions” to Congress, the content of which relied heavily on analysis performed by Duff & Phelps.

The Duff & Phelps valuation report can be downloaded at www.duffandphelps.com/Pages/newsDetail.aspx?ID=121&list=News

Under Section 4.9(a) of the TARP Securities Purchase Agreement

“Following the redemption in whole of the Preferred Shares held by the Investor or the Transfer by the Investor of all of the Preferred Shares to one or more third parties not affiliated with the Investor, the Company may repurchase, in whole or in part, at any time any other equity securities of the Company purchased by the Investor pursuant to this Agreement or the Warrant and then held by the Investor, upon notice given as provided in clause (b) below, at the Fair Market Value of the equity security.”

About Duff & Phelps

As a leading global independent provider of financial advisory and investment banking services, Duff & Phelps delivers trusted advice to our clients principally in the areas of valuation, transactions, financial restructuring, dispute and taxation. Our world class capabilities and resources, combined with an agile and responsive delivery, distinguish our clients’ experience in working with us. With more than 1,200 employees serving clients worldwide through offices in North America, Europe and Asia, Duff & Phelps is committed to fulfilling its mission to protect, recover and maximize value for its clients. Investment banking services in North America are provided by Duff & Phelps Securities, LLC. Investment banking services in Europe are provided by Duff & Phelps Securities Ltd. Duff & Phelps Securities Ltd. is authorized and regulated by the Financial Services Authority. (NYSE: DUF)

Contact

Robert A. Bartell, CFA

Managing Director
+1 312 697 4654
bob.bartell@duffandphelps.com

Christopher Janssen

Managing Director
+1 312 697 4643
chris.janssen@duffandphelps.com

Jeffrey S. Schiedemeyer

Managing Director
+1 312 697 4655
jeff.schiedemeyer@duffandphelps.com

David Turf, CFA

Managing Director
+1 312 697 4642
dave.turf@duffandphelps.com