



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

July 19, 2012

**Re: Capital Purchase Program – Bid Letter Extension**

On July 9, 2012, the United States Department of the Treasury (Treasury) sent you a letter and posted documents to our website setting forth additional information about the process for opting-out of the pooled auctions of the Capital Purchase Program (CPP) investments that Treasury intends to conduct starting in the Fall. In those materials, we stated that we would communicate with you regularly about that process and that Treasury reserved the right to update the procedures from time to time.

The purpose of this letter is to inform you that Treasury is updating the procedures for opting-out of the pooled auction by allowing banks to request an extension of the date when bid letters are due to October 9, 2012, from August 6, 2012. If a bank wishes to obtain an extension, it may do so by submitting an extension request to [cpp@treasury.gov](mailto:cpp@treasury.gov) by not later than August 6, 2012. Any institution that is prepared to submit a bid by August 6, 2012, may continue to do so and any bank that would prefer not to submit a bid and start the process of being included in an earlier pooled auction need not take any action.

Since our original announcement regarding the pooled auctions and opt-out process, many institutions have informed Treasury of their significant efforts to raise capital, meetings with prospective designated bidders, and discussions with their primary federal regulator, all in an effort to either redeem their CPP securities in full or otherwise raise capital or identify investors that would submit a qualifying bid. Treasury encourages these efforts and, to that end, we determined that providing banks with an extension to October 9, 2012, supports those efforts and Treasury's overall objective of winding down CPP in a manner that promotes financial stability and helps maximize taxpayer returns.

As we have previously stated, we'll continue to communicate with you regularly about the pooled auction process and provide additional information on the procedures moving forward. If you have any questions, please feel free to contact us at [cpp@treasury.gov](mailto:cpp@treasury.gov).

Best regards,

Michael Harris  
Director of the Capital Purchase Program