1. Maiden Lane LLC borrows $30 billion from Federal Reserve Bank of New York and JPMC.
   a. JPMC lends $1.15 billion taking a subordinated position.
   b. FRBNY lends approximately $28.8 billion senior loan pursuant to Section 13(3) of the Federal Reserve Act taking a senior position.

2. Bear Stearns transfers $30 billion of assets to Maiden Lane.

3. Maiden Lane pays Bear Stearns $30 billion for assets.

4. JPMC acquires Bear Stearns.
   b. JPMC guarantees trading obligations of Bear Stearns.
   c. Bear Stearns shareholders receive $10 per share from JPMC.
   d. JPMC receives assurances of “deal certainty”.
Plan A: Attempted Rescue.
  - Bear Stearns precedent with a variation.
    - The private sector was to provide financing for asset purchase.
    - The private sector (a consortium of banks) committed to provide financing ($30 Billion) to take assets from Lehman’s balance sheet.
  - Two suitors for prospective merger.
    - Bank of America (acquired Merrill Lynch instead).
    - Barclays Bank.
  - Reason for inability to conclude rescue.
    - Barclays needed a shareholder vote under U.K. law to tender guarantee.
    - No mechanism for waiver, or willingness to permit waiver, by U.K. authorities.

Plan B: Bankruptcy.