

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

December 12, 2007

**DISCOUNT WINDOW:
TERM AUCTION FACILITY**

To Depository Institutions in the
Twelfth Federal Reserve District:

Federal Reserve and Other Central Banks Announce Measures Designed to Address Elevated Pressures in Short-Term Funding Markets

The Board of Governors of the Federal Reserve System today announced measures adopted by the Bank of Canada, the Bank of England, the European Central Bank, the Federal Reserve, and the Swiss National Bank designed to address elevated pressures in short-term funding markets. The Announcement is available at <http://www.federalreserve.gov/newsevents/press/monetary/20071212a.htm>

Federal Reserve Actions

Actions taken by the Federal Reserve include the establishment of a temporary Term Auction Facility (TAF), approved by the Board of Governors of the Federal Reserve System. To facilitate further understanding of the TAF, a series of conference call briefings by Federal Reserve officials exclusively for depository institutions have been scheduled. This series of briefings will be held daily at 2:00 P.M. Eastern time on December 12, 13, and 14, 2007.

Briefing information:

Wednesday, December 12, 2007: TAF Overview
Thursday, December 13, 2007: Follow Up Questions
Friday, December 14, 2007: Auction Details
Participant Toll-Free Number: (866) 254-5938
Participant Access Code: 901631

The Board website includes questions and answers that explain the TAF. Additional questions depository institutions would like answered on the briefings should be submitted by e-mail in advance of those calls to TAF@ny.frb.org.

We encourage depository institutions to participate in the briefing conference calls mentioned above to answer any questions they may have on the TAF. Staff at the Federal Reserve Bank of San Francisco are also available to answer questions, and can be reached by calling the Credit and Risk Management toll free number at (866) 974-7475, option 1.

Donald Lieb
Group Vice President and
Chief Financial Officer