

(c)(1)

[REDACTED]

[REDACTED]

[REDACTED]

July 19, 2002

BY HAND

Nancy M. Ovuka  
Premerger Notification Office  
Room 303  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

2002 JUL 19 A 8:55

FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE

Dear Nancy:

Thank you for taking the time yesterday afternoon to discuss the potential applicability of the HSR premerger notification requirements to a proposed transaction of our client. This letter is written to confirm my colleagues' and my understanding of our conversation.

As we discussed, our client, a federal savings bank, proposes to purchase through a newly-formed acquisition subsidiary a portfolio of asset-based loans with a book value of approximately \$500 million. Asset-based loans are commercial loans secured primarily by the business assets--rather than real property assets--of the borrower. Our client is currently engaged in asset-based lending and will continue to do so following the proposed transaction. The proposed transaction represents an expansion of its current activities.

The ultimate parent of the seller of the loan portfolio is a large foreign bank holding company. In the proposed transaction, one of the holding company's indirectly held business units engaged in asset-based lending will be sold. Upon completion of the transaction, that bank holding company will continue to have other business units engaged in asset-based lending. In addition to purchasing the loans from the business unit, our client will acquire certain business assets from the seller, such as furniture, office equipment, and software licenses, that are incidental to the administration of the loan files, and will sub-lease certain premises of the business unit. Our client also expects to employ substantially all employees of the business unit at the time of closing. However, in view of our client's primary purpose to acquire the loan portfolio and expand its current business, it is not a

[REDACTED]

[Redacted]

Nancy M. Ovuka  
July 19, 2002  
Page 2

condition of the proposed transaction that any employees of the seller agree to work for our client in the future.

Based on our discussion with you, we understand that the proposed transaction is exempt under the "(c)(1)" exemption to the HSR Act. Please contact me at [Redacted] after you have had an opportunity to review this letter to confirm that it correctly reflects our conversation.

We thank you for your prompt attention and assistance yesterday afternoon and for your further assistance in reviewing and responding to this letter.

Sincerely yours,

[Redacted Signature]

7/19

Confirmed advice  
w/ writer

nmo

MV ConCURS

[Redacted]