801.1(d)(1)

[redacted]

FOUNDED [redacted]

[redacted]

May 22, 2003

By Email

Mr. Patrick Sharpe
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
7th & Pennsylvania Ave., NW, Room 303
Washington, DC 20580

Re: Rule 802.1

Dear Patrick:

I am writing pursuant to Rule 803.30 concerning the potential reportability under the Hart-Scott-Rodino Act of a proposed transaction described below (the "Proposed Transaction"). It is my understanding that the Proposed Transaction, as described, comes within the exemption set forth in Rule 802.1 and that, therefore, the parties need not file an HSR Notification in connection with the Proposed Transaction.

Corporation A is a United States corporation engaged in the business of providing third parties with asset-based financing through loan and lease arrangements and the servicing of managed assets. Corporation A is a wholly-owned, indirect subsidiary of Corporation B, a foreign person. Corporation A operates out of facilities in States X and Y.

Corporation A's business primarily consists of: (i) providing floorplan financing to retailers purchasing inventory products (the "Inventory Finance Portfolio"); (ii) providing financing for the purchase of commercial aircraft (the "Commercial Aircraft Portfolio"); (iii) providing financing for the purchase of business aircraft (the "Business Aircraft Portfolio"); (iv) providing financing for the purchase of industrial equipment (the "Industrial Equipment Portfolio"); and (v) servicing other portfolios of financed assets for which Corporation A no longer originates new financing. Corporation A has announced publicly that it intends to continue to originate and service new financing in connection with its Inventory Finance Portfolio, Commercial Aircraft Portfolio and Industrial Equipment Portfolio, which together represented approximately 45% of its assets under [redacted] [redacted]

management as of the end of its most recent fiscal year, but that it intends to cease, or has ceased, to originate new financings in its other lines. With respect to those other lines, Corporation A intends to continue servicing the loans and leases in its portfolios until those loans and leases expire by their own terms through the normal course of business or are sold to third parties.

The Proposed Transaction involves the proposed sale by Corporation A to Corporation C, a corporation completely independent of Corporation A and Corporation B, of certain (but not all) loans and leases originated and serviced by Corporation A in connection with its Business Aircraft Portfolio. The Proposed Transaction contemplates the sale of approximately 30% of the Business Aircraft Portfolio as a whole and approximately 55% of the retail aircraft portion of the Business Aircraft Portfolio. Although Corporation A no longer intends to originate new financing for the Business Aircraft Portfolio (including the retail aircraft portion), it will continue to service the remaining loans and leases within the Business Aircraft Portfolio (including the retail aircraft portion) until completely wound-down (a process that is expected to last at a minimum for several more years) or sold to a third-party in one or more subsequent transactions. Corporation A has no current plan to sell the portion of the Business Aircraft Portfolio which will remain after the Proposed Transaction, and Corporation A will retain a sufficient staff to service the remaining Business Aircraft Portfolio (including the retail aircraft portion).

In addition, Corporation A operates its entire Business Aircraft Portfolio (including the retail aircraft portion) exclusively out of its State X facility, where Corporation A also operates the Commercial Aircraft Portfolio and the Inventory Finance Portfolio. The Business Aircraft Portfolio and Commercial Aircraft Portfolio (which will not be wound down) are treated by Corporation A as a single business unit. They are managed by a common manager and share personnel with responsibilities for both the Business Aircraft Portfolio and the Commercial Aircraft Portfolio. Corporation A believes that because of these shared resources it will retain the ability to fully service the Business Aircraft Portfolio and, should its management decide to do so in the future, to originate new financing in connection with the Business Aircraft Portfolio on a more limited basis.

Based on the above description, it is clear that Corporation A will continue in the business of providing asset-based financing in general and servicing the Business Aircraft Portfolio (including the retail aircraft portion) in specific. Because the Proposed Transaction does not involve the sale of substantially all of the assets of any business unit, however defined in this circumstance, the Proposed Transaction is exempt from HSR notification under Rule 802.1. The facts underlying the Proposed Transaction are similar to those described in a letter addressed to you bearing the date September 6, 2000 (file number [redacted] That transaction was found to be exempt under reasoning similar to that described above.

If you disagree with anything I have stated in this letter, please contact me as soon as possible. Thank you for your assistance and advice in this matter.

Sincerely,

[redacted]

I concur with this letter.
PS 5/27