

§ 802/1  
7A(5)(1)

[REDACTED]

[REDACTED]

WRITER'S DIRECT DIAL NUMBER

June 19, 1992

BY MESSENGER

John M. Sipple, Jr., Esq.  
Assistant Director For Premerger Notification  
Federal Trade Commission  
Pennsylvania Avenue and 6th Street, N.W.  
Washington, D.C. 20580

JUN 19 10 06 AM '92  
FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE

Re: Eligibility For Exemption From  
Hart-Scott Rodino Reporting Requirements

Dear John:

This letter is to confirm our conversations of June 17, 1992, whereby you determined that my client's proposed transaction would qualify for a Section 18a(c)(1) exemption from the Hart-Scott-Rodino premerger notification requirements.

The basis for this exemption is the following fact situation:

The Seller in the proposed transaction is a [REDACTED] that [REDACTED] for third party investors and for its own account. Pursuant to an agreement with the Office of the Comptroller of the Currency, the regulatory agency of the Seller, regarding attainment of certain target capital ratios, the Seller is required to sell the servicing rights to approximately \$2.8 billion in

[REDACTED]  
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mortgage loans. The mortgage loans, the servicing rights of which are the subject of this transaction, are owned by third party investors. Subsequent to the consummation of this transaction, the Seller will continue to service a small portfolio of third party mortgage loans as well as its own \$275 million commercial portfolio.

The Purchaser in this proposed transaction is a Texas mortgage company that currently services approximately \$10.2 billion in third party servicing.

The parties have determined that the estimated purchase price for the subject servicing rights is \$30-32 million.

Based on the above information, you advised me that it was your position that the Seller's third party ("outside") mortgage servicing business was not a separate line of business from the Seller's portfolio ("in-house") mortgage servicing business, and that this proposed transaction therefore qualifies for an exemption under Section 18a(c)(1).

If the information contained in this confirmation letter does not accurately reflect our conversation, please contact me immediately at [REDACTED] or, in my absence, [REDACTED] at [REDACTED].

We appreciate your consideration of this matter, as well as the timeliness of the Premerger Notification Office's response to our inquiry.

Best regards.

Sincerely,  
[REDACTED]

cc: [REDACTED]  
[REDACTED]

*Accurately reflects advice given.  
Also, [REDACTED] servicing rights are not considered  
C (2) assets. Therefore, another exemption is necessary  
if filing is not to be required when servicing rights  
are acquired.*

5/92