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Verne, B. Michael

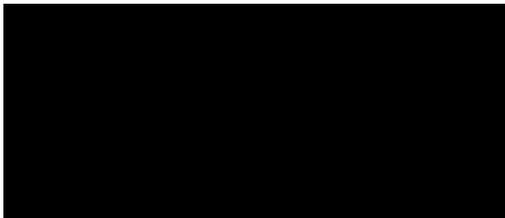
From: [REDACTED]**Sent:** Tuesday, July 08, 2008 9:08 AM**To:** Verne, B. Michael

It appears to me that a government sponsored enterprise is subject to HSR. A GSE is defined by one source as follows:

Privately held corporations with public purposes created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy. Members of these sectors include students, farmers and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare.

Examples of GSEs include: Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), Federal Farm Credit Bank and the Resolution Funding Corporation.

Is this correct? I did not see any interpretation dealing with this. But, they do not appear to be exempt under the definition of 'entity'.



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They don't appear to be exempt. Apparently [REDACTED] was a federal agency until 1968 when it went private, so it is an entity now.

BM
7/8/08