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802r)

December 14, 1992

Staff Attorney  
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Premerger Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
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Washington, DC 20580

*I am not  
an attorney  
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DEC 17 1 54 PM '92

FEDERAL TRADE COMMISSION  
PREMERGER NOTIFICATION

Re: Purchase of loan portfolio

Dear Mr. Sharpe:

This letter is to confirm our December 10, 1992 conversation during which you informed me that the transaction described below is exempt from the premerger notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act.

The transaction consists of the purchase by [redacted] of approximately \$40 million in loans from [redacted]. The loans are loans made by [redacted] to 28 independent leasing companies. The loans are secured by [redacted] leased by the independent leasing companies and by the leases for the leased [redacted]. The loans were initially made by [redacted] as revolving loans. However, on January 1, 1992 [redacted] terminated all but one of the loans and has made no further advances to 27 of the 28 independent leasing companies this year.

As of the end of the third quarter of 1992 [redacted] total loan portfolio was approximately [redacted] including [redacted] in consumer receivables, [redacted] in lease receivables and over [redacted] in commercial loan receivables.

The confidence of the public in the Commission is maintained by the fact that the Commission is not bound by the provisions of Section 24 (b) which restricts the release of information to the public. The Commission is authorized to release information to the public in accordance with the provisions of the Freedom of Information Act.

[redacted]

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After the acquisition of the 28 loans, [redacted] may reopen some of the terminated loans and make additional advances. In addition, [redacted] intends to continue making advances to the one loan which has not been terminated.

} Irrelevant  
? we are  
concerned  
about the  
seller's contin-  
in the loan  
business not  
the buyer  
Is seller  
exiting the  
business?

Thank you for your prompt assistance in this matter.

Very truly yours,  
[redacted]

[redacted]  
see #23 in the Premerger Practice Manual refers to the PMN office position on loans.

called [redacted] 12-16-92

[redacted] noted that the sale of substantially all of a portfolio of loans can be exempt under C-1 or 802.1 as long as the seller is not exiting the loan business, that it is not all or substantially all of the assets of a subsidiary or division, that it is not all of the assets of a region (e.g. New England) or all of the assets within a state.

[redacted] concurred that none of the above will occur and that it will be exempt under C-1.