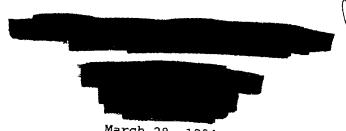
7A(c)(1); 802.1(6)



March 28, 1994

BY HAND

Mr. Richard B. Smith The Premerger Notifica

This material may be subject to the curfidentiality provisions of Section

with of the Olevbon Act which restricts

orters both standard and premium

Room 303

Washington n c hace

exemption Under the Hart-Scott Date

In accordance with our telephone

tion, that the transaction described below (the "Transaction") would be exempt from the premerger notification requirements under the Hart-Scott-Rodino Antitrust Improvements Act of 1976,

Our client (the "Bankin

Davings Dank With total assets of approximately \$5.1 billion at December 31, 1993. The Bank maintains a nationwide VISA® and MasterCard® credit card program with approximately 890,000 accounts and total receivables (consisting of

credit card accounts.

Based on figures published by VISA U.S.A., Inc. and MasterCard International Inc., there were over 188 million VISA and MasterCard credit card accounts, with total receivables of approximately \$189 billion, in circulation nationally at Septem-

The Bank proposes to sell to another bank approximately 30,000 VISA and MasterCard another bank approximately

million at the time of sale (the "Accounts to be Sold"). The Accounts to be Sold will



Mr. Richard B. Smith March 28, 1994 Page Two

include both standard and premium credit card accounts. They will be selected from a qualifying pool of accounts meeting specified credit and other criteria of cardbolders in rumerous states.

The Transaction represents the sale of approximately 6% of Bank total credit card portfolio, measured by the receivables balances of the Accounts to be Sold. The Bank will not withdraw from any market for its credit card operations as a result of the Transaction, nor will the Transaction constitute a stage in a contemplated withdrawal from any such market. Following the

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transactions that were consummated in 1989, 1990 and 1991.

Based on the foregoing, we believe that the Transaction does

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Within the macring of 16 C.F. P. 5 802 1/b) We believe

'/A(C)(1) of the HSR Act from the premerger notification requirements under the HSR Act.

We understand from our telephone conversation with the staff on March 24, 1994, that, based on the facts of the Transaction as set forth in this letter, the staff concurs with the foregoing interpretation of the HSR Act. Unless we receive a contrary indication from the staff following its receipt of this letter, we will so advise the Bank.

If you have any questions regarding this matter or need any additional information, please do not hesitate to telephone the undersigned at (

Very truly vours

treatment of accounts receivable, this transaction is non-regardable under TA (c)(1) and 802.1(b) as a transfer in the ordinary course of business.