

[REDACTED]

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[REDACTED]

May 21, 1999

VIA FACSIMILE AND U.S. MAIL

FAX NO. (202) 326-2624

Mike Vern
Federal Trade Investigator
Assistant Commissioner
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20530

Subject: Confirmation of Non-Reportable Transaction

Dear Mr. Vern:

In our telephone conversation last week, we discussed the following proposed
transaction: (1) the acquiring person will purchase 100 percent of the stock of the acquired
person and (2) substantially all of the acquired person's assets consist primarily of a beneficial

("FTC") is that this transaction is non-reportable under the Hart-Scott-Rodino Antitrust
Improvements Act of 1976 (the "Act").

Since our telephone conversation, I have learned that the Transaction has been modified in form
for tax purposes.

1. The acquired person is subject to a voluntary reorganization and the
Transaction will be part of a plan of reorganization approved by a federal bankruptcy court.

loans (the "Loans"). After originating the Loans, the acquired person assigned the Loans to one

interests or secured by the Loans. The acquired person's beneficial interests in the Trusts

[REDACTED]

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represent the residual rights to receive the cash flow from the Trusts after the payments required under the Senior Securities have been made and the Trusts' expenses have been paid.

3. Less than \$15 million worth of the assets of the acquired person consists of assets other than mortgage servicing rights and its beneficial interests in the Trusts described above.

4. The acquiring person will organize two controlled subsidiaries: Company A and Company B.

5. Company A will purchase certain assets of the acquired person and the acquired person will transfer certain other assets (not wanted by Company B) to a newly formed trust organized for the benefit of the acquired person's creditors. Following these transfers, Company B will purchase 100 percent of the stock of the acquired person.

NOT A MORTGAGE SERVICING RIGHT

Please confirm the FTC's informal position that the Transaction is non-reportable under the Act by signing this letter where indicated below and faxing a copy of the letter to me.

Thank you for your assistance in this matter. Please call me at [redacted] if you have any questions or need any further information.

Very truly yours,

[redacted signature]

Federal Trade Commission

By: _____
Mike Vern
Federal Trade Investigator

IF THE MORTGAGE SERVICING RIGHTS AND THE MORTGAGE ASSETS EXCEED \$15 MILLION, THIS TRANSACTION IS REPORTABLE UNDER

THE RIGHT TO RECEIVE FUTURE CASH FLOW FROM AN INTEREST IN A TRUST WHICH DOES NOT HOLD MORTGAGE LOANS IS EXCEPT UNDER 802.14 / 7A (1)(2).