



Comptroller of the Currency
Administrator of National Banks

National Bank Examiners
1166 Avenue of the Americas, 21st Floor
New York, NY 10036

March 10, 2011

Interpretive Letter #1130
April 2011

Gregory S. Meredith
Senior Vice President
Associate General Counsel
270 Park Avenue, Floor 38
New York, NY 10017

Re: EIC No-Objection for Internal Reorganization of EMC Mortgage Corporation's
Servicing Asset

Dear Mr. Meredith:

This letter is response to your correspondence to me dated March 9, 2011, in which you requested my no-objection to the transfer the mortgage servicing business of EMC Mortgage Corporation ("EMC") to JPMorgan Chase Bank, NA ("Bank" or "JPMCB"), pursuant to the internal reorganization exemption in Regulation W, 12 CFR § 223.41(d).

This letter serves as my no objection to the transfer of EMC's mortgage servicing business to the Bank subject to the following conditions:

- (1) Prior to the transfer of EMC's mortgage servicing business to JPMCB, JPMCB shall execute an operating agreement ("Operating Agreement") with the OCC. The Operating Agreement shall provide, among other things, that prior to the transfer of EMC's mortgage servicing business to JPMCB, JPMCB shall enter into an agreement, acceptable to the OCC, with J.P. Morgan Chase & Company ("JPMC"), pursuant to which JPMC agrees to indemnify JPMCB for losses and related expenditures, as specified, that may be incurred by JPMCB arising from the transfer of EMC's mortgage servicing business to JPMCB; and
- (2) The Board of Directors of the Bank shall assure that the Operating Agreement is adopted, fully and timely implemented, and adhered to thereafter.

Mr. Gregory S. Meredith

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The conditions of this action are conditions “imposed in writing by a Federal banking agency in connection with any action any on application, notice or other request” within the meaning of 12 U.S.C. § 1818. As such, these conditions are enforceable under 12 U.S.C. § 1818.

Sincerely,

signed

Scott N. Waterhouse

Examiner-in-Charge

Large Bank Supervision