UNITED STATES OF AMERICA Before the CONSUMER FINANCIAL PROTECTION BUREAU

ADMINISTRATIVE PROCEEDING File No. 2014-CFPB-0002

)	
In the Matter of)	STATEMENT OF RADIAN
PHH CORPORATION,)	GUARANTY INC. REGARDING
PHH MORTGAGE CORPORATION,)	REDACTIONS TO ENFORCEMENT
PHH HOME LOANS LLC,)	COUNSEL'S REPLY BRIEF IN
ATRIUM INSURANCE CORPORATION, and)	SUPPORT OF ITS APPEAL
ATRIUM REINSURANCE CORPORATION)	
)	

Intervenor Radian Guaranty Inc. ("Radian") respectfully submits this statement of reasons as to why certain information in Enforcement Counsel's Reply Brief in Support of its Appeal ("Enforcement's Reply") should be redacted. The redactions should stand because the information at issue is prohibited from public disclosure by law under Minnesota Statutes § 60A.031.

The Protective Order in this proceeding, as modified by Judge Elliot's Order of August 1, 2014 ("August 1 Order"), provides that any submission "that contains, refers to or reflects the use of" information that is "prohibited from public disclosure by law shall be maintained under seal, and shall not be posted on the Bureau's website or otherwise made publicly available unless required by law." August 1 Order at 5.

Enforcement's Reply quotes a confidential document, designated Enforcement's Exhibit 580 ("ECX 0580"), which Radian produced to the Minnesota Department of Commerce ("DOC") in response to an Administrative Subpoena Request served on August 27, 2008. This Administrative Subpoena Request states that it was "issued pursuant to Minnesota Statutes § 60A.031," which governs examinations by DOC. *See* Administrative Subpoena Request, attached as Exhibit A to Document 172. Section 60A.031 provides that materials produced to

DOC "must be given confidential treatment" and "may not be made public, except to the extent provided in paragraph (e)." Minn. Stat. § 60A.031, subd. 4(f). ECX 0580 therefore "must be given confidential treatment" and "may not be made public," unless the referenced paragraph (e) provides otherwise. It does not. Paragraph (e) provides for the public disclosure of DOC's examination report following the completion of an examination. *See* Minn. Stat. § 60A.031, subd. 4(e). However, paragraph (e) does not permit the disclosure of the underlying materials produced to DOC during the examination. *Id*. Moreover, DOC has not yet issued a report or completed the examination pursuant to which ECX 0580 was produced. Hence, ECX 0580 must remain confidential.

On previous occasions, Enforcement has asserted that Radian also produced ECX 0580 to another state or federal agency, such as the United States Department of Housing and Urban Development (HUD). Radian did not produce ECX 0580 to any agency other than DOC, including HUD.

In sum, Radian redacted from Enforcement's Reply material quoted from ECX 0580 because this material is "prohibited from public disclosure by law." Thus, the redactions are proper under the Protective Order and should be allowed.

Respectfully submitted,

/s/ Stephen A. Fogdall

Dated: March 6, 2015

David Smith
Stephen A. Fogdall
Schnader Harrison Segal & Lewis LLP
1600 Market Street, Suite 3600
Philadelphia, PA 19103
Telephone: 215-751-2581
Facsimile: 215-751-2205
dsmith@schnader.com

Counsel for Radian Guaranty Inc.

sfogdall@schnader.com

CERTIFICATE OF SERVICE

I, Stephen A. Fogdall, hereby certify that I have on this date served a copy of the foregoing Statement of Radian Guaranty Inc. Regarding Redactions to Enforcement Counsel's Reply Brief in Support of its Appeal on the following by electronic mail:

Mitchel H. Kider William L. Kirkman

<u>kider@thewbkfirm.com</u> <u>billk@bourlandkirkman.com</u>

David M. Souders Reid L. Ashinoff

souders@thewbkfirm.com reid.ashinoff@dentons.com

Sandra B. Vipond Jay N. Varon vipond@thewbkfirm.com jvaron@foley.com

Michael S. Trabon

Jennifer M. Keas
trabon@thewbkfirm.com

jkeas@foley.com

ideon'e the worthin.com

Sarah Auchterlonie Jane Byrne
Sarah.Auchterlonie@cfpb.gov janebyrne@quinnemanuel.com

Donald Gordon

Kim Ravener

Navid Vazire
Navid.Vazire@cfpb.gov

Kim.Ravener@cfpb.gov

Donald.Gordon@cfpb.gov

Thomas H. Kim

Thomas.Kim@cfpb.gov

/s/ Stephen A. Fogdall Stephen A. Fogdall

Dated: March 6, 2015