

UNITED STATES OF AMERICA
Before the
CONSUMER FINANCIAL PROTECTION BUREAU

ADMINISTRATIVE PROCEEDING
File No. 2014-CFPB-0002

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| In the Matter of |) | |
| PHH CORPORATION, |) | |
| PHH MORTGAGE CORPORATION, |) | ENFORCEMENT COUNSEL'S |
| PHH HOME LOANS LLC, |) | STATEMENT REGARDING |
| ATRIUM INSURANCE CORPORATION, and |) | PROPOSED REDACTIONS |
| ATRIUM REINSURANCE CORPORATION |) | |

Enforcement Counsel submits this statement in response to the Director's March 3, 2015 Order (Dkt. 222) concerning the redaction proposed by Radian Guaranty Inc. (Radian) of two phrases from Enforcement Counsel's Reply Brief in Support of its Appeal (Reply Brief) (redacted version filed February 26, 2015), pursuant to the Protective Order in this matter, as modified (Dkt. 48, 176).

Enforcement has discussed some of the extensive background relevant to an understanding of the operation of the Protective Order in this proceeding in its prior filings. *See, e.g.*, Dkt. 161-B, 165, 174, 186 (joint filing), 193 (same), 202. Enforcement has worked with the parties and third parties for more than a year in an effort to "make this proceeding as transparent as reasonably possible while also protecting confidential business information or other sensitive information," Dkt. 202 at *1, consonant with the Bureau's Rules.

Here, the two redacted phrases at issue in the Reply Brief quote passages from ECX 0580. Enforcement has previously taken the position that ECX 0580, a Radian

document dating from December, 2003, is not subject to withholding under the Protective Order. *See* Dkt. 174, at *4. Nevertheless, during extended negotiations between Enforcement and Radian, as previously detailed, Dkt. 193, 202, Radian took the position that ECX 0580 is “prohibited from public disclosure by law,” Dkt. 176 at *5, specifically, by a Minnesota statute governing examination materials. While Enforcement believes that this is an unwarrantedly aggressive reading of the Protective Order, in light of Radian’s willingness to drop its objection to public disclosure of a series of other documents, *see* Dkt. 193, and in order to preserve resources, Enforcement elected not to object to continuing protected status for ECX 0580. Enforcement did not object to Radian’s proposed redactions to the Reply Brief for the same reasons.

Against that background, and specifically in response to the Director’s order, Enforcement, consistent with its previous position, offers no substantive argument in support of the proposed redactions or of other restrictions on the public release of ECX 0580 or any part of it, and respectfully defers to the Director to resolve the question as he may deem fit.

DATED: March 6, 2014

Respectfully submitted,

Sarah J. Auchterlonie

**Acting Deputy Enforcement Director for
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/s/Donald R. Gordon

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Enforcement Counsel

Certificate of Service

I hereby certify that on this 6th day of March 2015, I caused a copy of the foregoing “Enforcement Counsel’s Statement Regarding Proposed Redactions” to be filed with the Office of Administrative Adjudication and served by electronic mail on the following persons who have consented to electronic service:

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