



July 2008

SUBPRIME SOLUTIONS

Skillfully Navigating the Credit Crisis

We are pleased to present the July edition of *Subprime Solutions*, a newsletter from Mintz Levin's Subprime Practice Group that gathers news on the subprime and credit crises from a variety of sources, to keep you apprised of breaking developments in this ever-evolving area and its far-reaching consequences.

Please draw your attention to our [July 11th advisory](#), issued by **Peter Pendergast** of the Subprime Practice Group, regarding a recent decision that supports the enforceability of credit default swaps.

Additionally, please note this month's "[Spotlight on Rich Moche](#)," co-chair of the Subprime Practice Group. As manager of the firm's Public Finance Section, Rich has brought to the group his extensive expertise regarding the financial instruments that are driving the credit crisis.

We hope you enjoy this issue of *Subprime Solutions*.
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Spotlight on Rich Moche

Rich Moche, a member located in the Boston office of Mintz Levin, co-chairs the Subprime Practice Group.

As Manager of the firm's Public Finance Section, Rich has brought indispensable expertise pertaining to the financial instruments that are driving the subprime credit crisis. Among other accomplishments, Rich co-hosted a webinar with fellow co-chair **Jack Sylvia** and Subprime Practice Group member **Bridget Rohde**, entitled "[Take Stock of Your Own House: Proactively Responding to the Subprime Crisis](#)." He also represented the purchasers of the equity tranche in the first publicly offered municipal bond collateralized debt obligation and has extensive experience with swaps, collars, and other interest rate and equity derivatives.

Rich's practice primarily involves the representation of mutual-fund companies, hedge funds, insurance

companies, and indenture trustees in tax-exempt bond transactions, with a particular focus in the area of high-yield securities, in both workout and new money transactions. He has extensive experience in workouts, restructurings, capital recoveries, and bankruptcies in all manner of municipal finance transactions, including revenue bonds, tax increment financings, securitizations of tax-exempt bonds, and project financings. His sector expertise includes healthcare, multi-family housing, solid waste disposal, charter schools, assessment districts, and hospitality and recreational facilities. Rich's experience also encompasses counseling end users of derivative products such as swaps and collars.

His recent professional accomplishments include representing an investor in negotiating an equity derivative on stock valued in excess of \$200 million; an investor who suffered damages in auction rate securities; bondholders in numerous receiverships and foreclosures of multi-family assets; the indenture trustee for bondholders in an airline bankruptcy in the restructuring of the indenture securities; an investor in the purchase of a defaulted lease on a correctional facility; and a developer on its financing of a recycling facility in Eastern Massachusetts. Rich also served as one of the principal drafters of the National Federation of Municipal Analysts' (NFMA) standard hospital term sheet.

Rich was the recipient of the NFMA's Meritorious Service Award in 2006, in recognition of his long-term service in education and advocacy to the buy side of the high-yield market. He is a frequent panelist on topics concerning distressed bonds and tax-exempt finance. Rich is admitted to practice in Massachusetts. He received his undergraduate degree from Brown University (1980), where he was elected to *Phi Beta Kappa*, and his J.D. from the University of Chicago Law School (1985).

In the News

[Treasury, Banks Promote "Covered Bonds"](#)

The Washington Post - July 29, 2008

[Unintended Fallout of Loan Crisis](#)

The Boston Globe - July 26, 2008

[Existing-Home Sales in U.S. Drop in June](#)

The Seattle Times - July 25, 2008

[Thousands Flock for a Chance at Loan Relief](#)

The Washington Post - July 24, 2008

[Federal Grand Jury Investigating Countrywide, IndyMac, New Century](#)

Los Angeles Times - July 23, 2008

[Fannie, Freddie Rescue May Cost \\$25 Billion, CBO Says](#)

Bloomberg - July 22, 2008

[Bear Stearns—Case Charges May Grow](#)

The Wall Street Journal - July 19, 2008

[Housing Starts in U.S. Probably Fell in June to 17-Year Low](#)

Bloomberg - July 17, 2008

[S&P Considers Adding Volatility As Rating Point](#)

The Wall Street Journal - July 17, 2008

[IMF Sticks by \\$1 Trillion U.S. Subprime Fallout](#)

Reuters - July 16, 2008

[Finance Directors See Credit Crisis Worsening](#)

Reuters - July 14, 2008

[Decision Supports Enforceability of Credit Default Swaps](#)

Subprime Practice Group Advisory, Mintz Levin - July 11, 2008

[Fannie, Freddie Plummet](#)

Los Angeles Times - July 11, 2008

[Housing, the Subprime Mortgage Crisis, and the Enduring Resilience of the US Economy](#)

CBS News - July 7, 2008

[With the Loan Bar Higher, the Rules Are Different Now](#)

The Miami Herald - July 6, 2008

[Mortgage Brokers as Naysayers](#)

The New York Times - July 6, 2008

[As Adjustable-Rate Mortgages Reset This Summer, Foreclosures Could Peak](#)

The Seattle Times - July 5, 2008

[Bitter Lessons Learned from Refinancing](#)

Los Angeles Times - July 5, 2008

[Resets Peaking on Subprime Loans](#)

The Washington Post - July 1, 2008

[Expect U.S. Economic Woes to Linger into 2009](#)

The Christian Science Monitor - June 30, 2008

[These Banks Step In to Avert Foreclosure](#)

The Christian Science Monitor - June 30, 2008

Government and Regulatory

[Treasury Releases Best Practices to Encourage Additional Form of Mortgage Finance](#)

Press Release, U.S. Department of Treasury - July 28, 2008

[White House to Get Senate-Approved Housing Bill](#)

NPR.org - July 27, 2008

[FDIC Ready for Subprime Time](#)

Chicago Tribune - July 27, 2008

[FDIC Shuttles Two More Regional Banks](#)

CNN Money - July 26, 2008

[Frank, Waters Urge Mortgage Industry to Forbear Foreclosures until New Law Takes Effect](#)

Press Release, House of Representatives Committee on Financial Services - July 25, 2008

[Treasury's Changed Man](#)

Los Angeles Times - July 25, 2008

[Fed Discount Loans to Commercial Banks Rise to Record](#)

Bloomberg - July 24, 2008

[House Passes Comprehensive Housing Rescue and Foreclosure Prevention Legislation](#)

Press Release, House of Representatives Committee on Financial Services - July 23, 2008

[Remarks by Secretary Henry M. Paulson, Jr. on Reinforcing Market Stability and Confidence at the New York Public Library](#)

Press Release, U.S. Department of Treasury - July 22, 2008

[States Battle Mortgage Foreclosure Threat](#)

USA Today - July 18, 2008

[Bernanke, Frank Form Improbable Alliance over Subprime Crisis](#)

Bloomberg - July 17, 2008

[Washington Throws Long Lifeline](#)

The Boston Globe - July 15, 2008

[Testimony by Secretary Henry M. Paulson, Jr. on GSE Initiatives before the Senate Banking Committee](#)

Press Release, U.S. Department of Treasury - July 15, 2008

[SEC Targets Lenders, Investment Banks in Subprime Investigation](#)

Bloomberg - July 15, 2008

[Fed Rules Aim to Stem Abusive Lending](#)

The Washington Post - July 15, 2008

[Board Issues Final Rule Amending Home Mortgage Provisions of Regulation Z \(Truth in Lending\)](#)

Press Release, Federal Reserve - July 14, 2008

[Bush Administration Implements Expansion of FHA Secure Mortgage Assistance for Struggling Homeowners](#)

Press Release, U.S. Department of Housing and Urban Development - July 14, 2008

[The View from the Boston Fed](#)

The Boston Globe - July 13, 2008

[Board Grants Federal Reserve Bank of New York the Authority to Lend to Fannie Mae and Freddie Mac Should Such Lending Prove Necessary](#)

Press Release, Federal Reserve - July 13, 2008

[Struggling Mortgage Lender Taken Over by Regulators](#)

The Washington Post - July 12, 2008

[Oral Statement by Secretary Henry M. Paulson, Jr. on Regulatory Reform before House Committee on Financial Services](#)

Press Release, U.S. Department of Treasury - July 10, 2008

[Federal Regulators Prepare to Tighten Mortgage Rules](#)

Los Angeles Times - July 9, 2008

[Study Finds Flawed Practices at Ratings Firms](#)

The New York Times - July 9, 2008

[Remarks by Secretary Henry M. Paulson, Jr. on U.S. Housing Market before FDIC's Forum on Mortgage Lending to Low and Moderate Income Households](#)

Press Release, U.S. Department of Treasury - July 8, 2008

[Emergency Mortgage Aid Boggled Down](#)

The Boston Globe - July 8, 2008

[Fed and SEC Agree to Information Pact to Help Avoid Crisis](#)

International Herald Tribune - July 7, 2008

[S&P, Moody's Must Be Clearer on Asset-Backed Ratings](#)

Bloomberg - July 4, 2008

[Paulson Calls for Regulatory Reform](#)

MarketWatch - July 2, 2008

[SEC Investigations of Subprime Mortgage Crisis Expand](#)

Los Angeles Times - June 28, 2008

[In Bear Bailout, Fed Says It Tried to Avert Contagion](#)

The New York Times - June 28, 2008

Events

[Steve Forbes: Elections and the Credit Crisis](#)

What Next for the U.S. Economy?

August 7, 2008

The Commonwealth Club Office

San Francisco, California

[Advanced Securities Law Workshop 2008](#)

Hosted by PLI

August 14–15, 2008

Loews Coronado Bay Resort

Coronado, California

[Subprime Institute 2008](#)

Hosted by PLI

September 23, 2008

PLI New York Center

New York, New York

Subprime Lending, Foreclosure and Race: National Convening

October 2–3, 2008
The Ohio State University
Kirwan Institute for the Study of Race and Ethnicity
Columbus, Ohio

ABCs of SWAPs and Other Derivatives / Advanced SWAPs and Other Derivatives 2008

Hosted by PLI
October 20–22, 2008
PLI New York Center
New York, New York

National Bankruptcy Conference 2008

October 23–24, 2008
Washington, D.C.

Cato Institute 26th Annual Monetary Conference

Lessons From the Subprime Crisis
November 19, 2008
Cato Institute
F.A. Hayek Auditorium
Washington, D.C.

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