June 24, 2021

Wayne M. Carlin, Esq.
Wachtell, Lipton, Rosen & Katz
51 W. 52nd Street
New York, N.Y. 10019-6150

Re: Huntington Bancshares Incorporated – Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act of 1933

Dear Mr. Carlin:

This is in response to your letter dated June 24, 2021, written on behalf of Huntington Bancshares Incorporated (“Huntington”) and constituting an application for relief from Huntington being considered an “ineligible issuer” under clause (1)(iv) of the definition of ineligible issuer in Rule 405 of the Securities Act of 1933 (“Securities Act”). Huntington requests relief from being considered an ineligible issuer under Rule 405, due to the entry on June 24, 2021 of a Commission Order (“Order”) pursuant to Section 8A of the Securities Act against Gateway One Lending & Finance, LLC (“Gateway”), a subsidiary of Huntington. The Order requires that, among other things, Gateway cease and desist from committing or causing any violations and any future violations of Sections 17(a)(2) and 17(a)(3) of the Securities Act.

Assuming that Gateway complies with the Order, we have determined that Huntington has made a showing of good cause under clause (2) of the definition of ineligible issuer in Rule 405 and that Huntington will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from Huntington being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts or circumstances from those represented in the letter or failure to comply with the terms of the Order would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition the waiver under those circumstances.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Sincerely,

/s/

Tim Henseler
Chief, Office of Enforcement Liaison
Division of Corporation Finance
June 24, 2021

BY ELECTRONIC DELIVERY

Timothy B. Henseler, Esq.
Chief, Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: In the Matter of Gateway One Lending & Finance, LLC

Dear Mr. Henseler:

This letter is submitted on behalf of Huntington Bancshares Incorporated (“Huntington”) in connection with the settlement of the above-captioned administrative proceeding instituted by the U.S. Securities and Exchange Commission (the “Commission”) against Gateway One Lending & Finance, LLC (the “Respondent”) concerning the Respondent’s auto loan-backed securities offerings. The settlement resulted in the entry of an administrative cease-and-desist order (the “Order”) against the Respondent, which is described below.
On June 9, 2021, TCF Financial Corporation ("TCF") merged with and into Huntington, with Huntington as the surviving corporation. Respondent was an indirect, wholly-owned subsidiary of TCF and, as a result of the merger, became an indirect, wholly-owned subsidiary of Huntington on the date of the merger. Solely because the Order was issued after June 9, 2021 – in other words, at a time when Respondent was a subsidiary of Huntington – it has the effect of disqualifying Huntington from its status as a well-known seasoned issuer ("WKSI") as defined in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act"). This is the case even though all events relevant to and described in the Order took place from approximately July 2014 to December 2016, when Respondent was a subsidiary of TCF and had no relationship with Huntington.

Huntington is a publicly-held multi-state diversified regional bank holding company incorporated in Maryland. Through its subsidiaries, Huntington provides full-service commercial and consumer banking services, mortgage banking services, automobile financing, recreational vehicle and marine financing, equipment financing, investment management, trust services, brokerage services, insurance products and services, and other financial products and services. Huntington accesses the capital markets frequently, and often numerous times in a single year.

Pursuant to Rule 405 under the Securities Act, Huntington hereby respectfully requests that the Commission or the Division of Corporation Finance (the "Division"), acting pursuant to its delegated authority, determine that for good cause shown it is not necessary under the circumstances to consider Huntington an "ineligible issuer," as defined in Rule 405. Consistent with the framework outlined in the Division’s Revised Statement on Well-Known Seasoned Issuer Waivers (April 24, 2014) ("Revised Statement"), there is good cause for the Division, on behalf of the Commission, or the Commission itself to grant the requested waiver, as discussed below.

BACKGROUND

For settlement purposes only, the Respondent consented to the Order’s issuance without admitting or denying the findings contained therein, except as to the Commission’s jurisdiction.

On this basis, the Order makes the following findings. Respondent was an auto loan originator, securitizer and servicer, and ceased active operations in 2019. From July 2014 until December 2016, Respondent raised more than $2 billion from investors through the securitization of interests in pools of auto loans it originated (the “Securitizations”). The Order finds that the Respondent gave false and misleading information to investors about the past performance of the auto loans underlying the Securitizations. The Order describes the auto loan information set forth in the Securitizations’ offering documents as understating the historic losses by excluding certain expenses from the Respondent’s calculations, including expenses necessary to repossess and remarket vehicles after a borrower defaulted. The Order states that these expenses were also excluded when the Respondent provided illustrations of the Securitizations’
future performance to investors, underwriters and credit ratings agencies. The Order concludes that, as a result, investors could not properly assess the Securitizations’ risks before investing, and paid more than they otherwise would have and ultimately suffered millions of dollars of losses, due at least in part to Respondent’s misstatements.

The Order finds that the Respondent violated Sections 17(a)(2) and 17(a)(3) of the Securities Act. The Order requires the Respondent to cease and desist from committing or causing any violations and future violations of Sections 17(a)(2) and 17(a)(3), and requires the Respondent to pay disgorgement of $3,915,077, prejudgment interest of $998,115.82, and a penalty of $1,600,000.

Respondent and the Staff had agreed in principle to the terms reflected in the Order and the Staff indicated that they were prepared to recommend a settlement on such terms to the Commission prior to the merger of Huntington and TCF. If the Order had been issued against Respondent prior to the merger being consummated, ineligibility status would not have resulted against Huntington.

**DISCUSSION**

A WKSI is eligible to utilize many important reforms in the securities offering and communication processes that the Commission adopted in 2005. Among other things, a WKSI can register the offer and sale of securities under an automatic shelf registration statement, which becomes effective upon filing, and is also eligible for the other benefits of the streamlined registration process, such as the ability to file automatically effective post-effective amendments to register additional securities and pay registration filing fees on a “pay as you go” basis. A WKSI is also able to communicate more freely than a non-WKSI during the offering process, including through the use of non-term sheet free writing prospectuses (“FWPs”).

In addition to WKSI, the Commission created another category of issuer in Rule 405 – the “ineligible issuer.” A company that is an “ineligible issuer” loses all of the benefits bestowed on a WKSI, including, and most importantly, the ability to utilize an automatic shelf registration statement and to use FWPs (except in very limited circumstances). Huntington understands that the entry of the Order against its subsidiary, the Respondent, renders Huntington an ineligible issuer under Rule 405 (clauses (1)(vi)(B) and (C) in the definition of “ineligible issuer”), absent a waiver from the Commission or the Division.

**REASONS FOR GRANTING A WAIVER**

Consistent with the framework outlined in the Revised Statement, Huntington respectfully requests that the Commission determine that it is not necessary for Huntington to be considered an ineligible issuer as a result of the entry of the Order. For the reasons described
below, applying the ineligibility provisions to Huntington would be disproportionately and unduly severe. The discussion below is organized under the factors outlined in the Revised Statement.

**Nature of the Violation**

The nature of the violation described in the Order does not cast any doubt on the ability of Huntington to produce reliable disclosures to investors, and it is not necessary under the circumstances that Huntington be considered an ineligible issuer. Huntington had no involvement whatsoever with Respondent’s misconduct, which occurred between July 2014 and December 2016 when Respondent was a subsidiary of TCF and not affiliated with Huntington.

The sole reason why Huntington is impacted by the Order is because it was issued after TCF merged with and into Huntington on June 9, 2021. Rule 405(1)(vi) triggers ineligible issuer status if, within the past three years, “the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action” (emphasis added). If the Order had been issued before June 9, Huntington would not be considered an ineligible issuer.

**Did the Violation Involve Scienter?**

The violations charged in the Order do not involve scienter. The Order expressly states in ¶ 19 n.1: “No finding of scienter is required to establish a violation of Sections 17(a)(2) or 17(a)(3); negligence is sufficient.”

**Who Was Responsible for the Misconduct?**

Any individuals with responsibility for the adequacy of Respondent’s disclosures related to the Securitizations left TCF, or their employment was terminated, prior to the merger. None of those persons have joined Huntington in the merger.

**Duration of the Misconduct**

The Order makes findings that the misconduct occurred during the period from July 2014 through December 2016. Accordingly, the relevant conduct ended 4½ years before TCF merged with and into Huntington. Huntington had no involvement with any of the conduct.

**Remedial Measures**

There has been no need for Huntington to take any remedial measures in response to the Order. First, Respondent is no longer engaged in the business activity that gave rise to the Order, or in any other activity related to offering or selling securities to the public. Second, no other
TCF entity or business is engaged in securitizing auto loans. Finally, as already noted, Huntington had nothing to do with the violative conduct, and there is no reason or basis to think that Huntington’s disclosure controls and procedures or internal controls over financial reporting are in any way impacted by Respondent’s historical misconduct as described in the Order. Following the merger, the combined company’s disclosure controls and procedures, internal controls over financial reporting and compliance function more generally will continue to reflect the policies and procedures of Huntington prior to the merger, not those of legacy TCF.2

Impact if the Waiver Request is Denied

The Revised Statement provides that it will “assess whether the loss of WKSI status would be a disproportionate hardship in light of the nature of the issuer’s conduct.” We respectfully submit that the effects of applying ineligible issuer status to Huntington, the Respondent’s new parent company, would be an undue and disproportionate hardship in view of the fact that Huntington had no involvement in, or responsibility for, the misconduct at issue in the Order, which occurred years before TCF merged with and into Huntington on June 9, 2021.

As noted above, through its subsidiaries, Huntington provides full-service commercial and consumer banking services, mortgage banking services, automobile financing, recreational vehicle and marine financing, equipment financing, investment management, trust services, brokerage services, insurance products and services, and other financial products and services. Huntington is a regular issuer of securities that are registered with the Commission and offered and sold off its current and past automatically effective Form S-3ASR registration statements (“WKSI shelf”). The WKSI shelf process, with its provision for automatic effectiveness, allows an issuer to register quickly new securities that would customarily have been registered on a

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1 Huntington has not conducted an auto loan securitization since 2016. Huntington’s business practice since 2016 has been to originate, hold and service these loans. Huntington does not currently intend to securitize its auto loans, and such securitizations are not part of Huntington’s ongoing method of operating this portion of its business. While it is possible that conditions could occur in which Huntington might consider a securitization, there are no current plans to do so. Huntington is not currently engaged in the securitization of other loan types and has no current plans to conduct such securitizations.

2 On March 11, 2019, the Commission issued an order on an omnibus basis granting waivers from a variety of disqualifications to a total of 92 companies, all in connection with enforcement actions arising from the Commission’s Share Class Selection Disclosure Initiative. Huntington was one of 16 companies granted a waiver from becoming an ineligible issuer under Rule 405 pursuant to this order. In the Matter of Certain Investment Advisers Participating in the Share Class Selection Disclosure Initiative, Securities Act Rel. No. 10612 (March 11, 2019). The underlying settled enforcement action against an investment adviser subsidiary of Huntington related to disclosures concerning recommendations of mutual fund share classes to advisory clients, and charged violations of Sections 206(2) and 207 of the Investment Advisers Act of 1940, on a neither admit nor deny basis. In the Matter of Huntington Investment Co., Investment Advisers Act of 1940 Rel. No. 5149 (March 11, 2019). The conduct underlying this settlement did not involve any offer or sale of securities to the public, nor did it involve any aspect of Huntington’s financial reporting.
typical shelf. The WKSI shelf rules also allow access to the widest possible global investor base, as they permit the use of FWPs to provide tailored disclosure targeted at different categories of investors in different markets.3

Huntington has frequently used its WKSI shelf for quick and streamlined access to the capital markets, which is an important source of funding for Huntington to generate and maintain sufficient liquidity to meet its payment obligations and long-term capital to support the operations of Huntington’s businesses, fund business growth, and provide additional loss absorbing capacity to withstand adverse circumstances. Huntington also issues a wide variety of securities that are registered under the WKSI shelf, including multiple series of depositary shares, each representing an interest in a share of non-cumulative perpetual preferred stock, and senior notes. Since January 2016, Huntington has issued and sold approximately $6,650,000,000 of securities off a WKSI shelf in 11 offerings. The WKSI shelf is a significant element of Huntington’s approach to meeting its capital, funding and business requirements.

The flexibility afforded to Huntington by WKSI status is valuable in light of market conditions and uncertainties that are significantly transforming the landscape for financial institutions like Huntington. COVID-19 has resulted in stress and disruption in the global economy and financial markets, and has adversely impacted, and may continue to adversely impact, the results of operations, financial condition, and cash flows of financial institutions, including Huntington.4 Maintaining efficient and prompt access to the capital markets is important to Huntington during this period of uncertainty.

Huntington most recently utilized its WKSI shelf when it offered and sold an aggregate of $1.5 billion of depositary shares in three registered offerings from May 2020 to February 2021 in response to the current market conditions and uncertainties from COVID-19. While the offerings that Huntington chose to go to market with could have been done using a non-WKSI shelf if there was sufficient capacity remaining on such shelf, as those conditions change over time, the additional flexibility of a WKSI shelf would be important to Huntington’s future capital raising activities, particularly if investor demand were to coalesce around a type of security that was not contemplated at the time of the filing of the shelf.

3 While Huntington has not used non-term sheet FWPs in recent years, it is reasonably foreseeable that circumstances could occur in which it would be in Huntington’s and prospective investors’ interest to do so, particularly if Huntington were to offer a different type of security or one with materially different terms than those it has issued in the past.

4 For example, as disclosed in Huntington’s Form 10-K for the year ended December 31, 2020, Huntington’s “provision for credit losses in 2020 was $1.0 billion, up $761 million, or 265%, from 2019. The increase in provision expense over the prior year was primarily attributed to the deterioration in the macroeconomic environment resulting from the COVID-19 pandemic and risk rating downgrades within the commercial portfolio.”
Huntington may require quick access to the capital markets in the short or medium term. It is important that Huntington retain the ability to respond rapidly to market conditions in order to raise capital on acceptable terms. A standard shelf registration statement would not allow Huntington to respond to market conditions to the same extent as a WKSI shelf. For example, the flexibility of a WKSI shelf is important to Huntington’s future liquidity- and capital-raising activities because it allows Huntington to offer new securities not covered by a registration statement and register an indeterminate amount of securities, as it currently does through the WKSI shelf. Even if Huntington were to register more than it reasonably anticipates issuing as a buffer, conditions could arise where Huntington would need to issue more than would reasonably be included on a non-WKSI shelf, which could materially delay Huntington’s ability to raise capital in such circumstances. As a result, loss of WKSI status would harm Huntington by leaving it without an important means of generating and maintaining liquidity and accessing capital promptly.

The consequences to Huntington of a loss of WKSI status would be disproportionate and unnecessary in view of Huntington’s lack of any involvement in the underlying conduct.

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In light of these considerations, Huntington believes that subjecting it to ineligible issuer status is not necessary under the circumstances, either in the public interest or for the protection of investors. Good cause exists to determine that Huntington should not be considered an “ineligible issuer” under Rule 405 under the Securities Act because of the Order’s entry. Huntington respectfully requests that the Commission or the Division, pursuant to its delegated authority, make that determination.

Thank you for your attention to this matter. Please let me know if any additional information is required.

Sincerely,

Wayne M. Carlin