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METRIS COMPANIES INC
Form DEFA14A
November 29, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant Check
the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by
Rule 14a-6(e) (2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to ss.240.14a-12

METRIS COMPANIES INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i) (4) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed
pursuant to Exchange Act Rule 0-11 (set forth the amount on which the
filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule
0-11(a) (2) and identify the filing for which the offsetting fee was paid
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or the Form or Schedule and the date of its filing. (1) Amount Previously
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- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

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HSBC Confirms Satisfaction of Condition
for Merger with Metris Companies

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MINNETONKA, Minn. (November 28, 2005) - Metris Companies Inc. (NYSE:MXT) announced following the close of business today that it had received notice from HSBC Finance Corporation ("HSBC Finance") that the condition precedent to its pending merger with Metris, which requires the Securities and Exchange Commission's ("SEC") investigation of Metris to be resolved prior to closing the transaction, has been satisfied.

HSBC Finance indicated the condition has been satisfied based on communications from the Midwest Regional Office of the SEC informing Metris that the Midwest Regional Office does not intend to recommend that the SEC bring an enforcement action against Metris with respect to the SEC's pending investigation of Metris. The condition was contained in Section 7.2(g) of the Agreement and Plan of Merger dated as of August 4, 2005 among Metris, HSBC Finance Corporation and HSBC Corporation I.

If the merger is approved by Metris stockholders at the special stockholder meeting on November 30, 2005, the transaction is expected to close on December 1, 2005. Upon completion of the transaction, Metris will become a wholly owned subsidiary of HSBC Finance Corporation.

Metris Companies Inc., based in Minnetonka, Minnesota, is one of the largest bankcard issuers in the United States. The company issues credit cards through Direct Merchants Credit Card Bank, N.A., a wholly owned subsidiary headquartered in Phoenix, Arizona.

HSBC Finance Corporation, headquartered in Prospect Heights, Illinois, through its subsidiaries and affiliates, is the sixth largest issuer of MasterCard and Visa cards in the nation. HSBC Finance is a subsidiary of HSBC North America Holdings Inc., one of the top 10 financial organizations in the United States with assets totaling more than \$300 billion. Both companies are wholly owned subsidiaries of HSBC Holdings plc (HSBC) which is headquartered in London and is the holding company of HSBC Group, one of the largest banking and financial services organizations in the world, with well-established businesses in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

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Certain information discussed in this press release may constitute forward-looking statements within the meaning of the federal securities law. Forward-looking statements are based on certain assumptions by management and are subject to risks, trends and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These risks and uncertainties include, but are not limited to: the fact that completion of the merger is dependent on, among other things, receipt of stockholder and regulatory approvals, the timing of which cannot be predicted with precision and which may not be received at all; financial performance of each of HSBC Finance and Metris through completion of the merger; changes in the capital markets; the occurrence of any circumstance or event that would constitute a material adverse effect with respect to Metris for purposes of the merger agreement; adverse governmental or regulatory policies; failure to resolve Metris' pending SEC investigation in the manner contemplated by the terms of the merger agreement; competition from other financial services companies in Metris' and HSBC Finance's markets; the loss of key employees; and general economic conditions, including movements in interest rates, that could adversely affect credit quality and loan originations and the costs or availability of funding.

For further information on risks that could impact us and the statements contained in this press release, please refer to our filings with the Securities and Exchange Commission, including our current reports on Form 8-K, quarterly reports on Form 10-Q, and annual reports on Form 10-K, as amended.

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