March 16, 2007

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street & Constitution Avenue, N.W.
Washington, DC 20551

Ms. Nancy Morris, Secretary
U.S. Securities and Exchange Commission
100 F. Street, N.E.
Washington, DC 20549-1090

Re: FRB Docket No. R-1274
SEC File Number S7-22-06

Dear Ms. Johnson and Ms. Morris:

Roma Bank is pleased to comment on proposed Regulation R that would implement certain exceptions for banks and savings associations from the definition of the term "broker" under Section 3(a)(4) of the Securities Exchange Act of 1934 ("Exchange Act"), as amended by the Gramm-Leach-Bliley Act ("GLB"). In preparing this comment letter, it is understood that the GLB excepted from the broker registration requirements of the Exchange Act certain traditional banking activities that involve securities products or securities transactions.

The jointly-issued proposal of the FRB and SEC would define terms and set the parameters for the GLB Act statutory exceptions. The provisions of proposed Regulation R apply to the following GLB Act exceptions: third party networking arrangements; trust and fiduciary activities, sweep and money market account activities, and safekeeping and custody activities.

Roma Bank applauds the efforts of the FRB and SEC to propose a workable regulation to interpret and implement the GLB Act exceptions. We regard proposed regulation R to be a substantial improvement over the SEC's proposed Regulation B, which will be superseded by final Regulation R. In our view proposed Regulation R is a more flexible and workable rule for banks and savings associations, especially since the FRB and SEC have considered industry comments on the Regulation B proposal and have now taken into account how banks and savings associations conduct traditional trust and fiduciary activities for their customers.

We do, however, feel that proposed Regulation R needs to be amplified to consider existing banking law and practices relative to excepted practices. Specifically, we would encourage the FRB and the SEC to broaden the final rule to:

1) Clarify that banks and saving associations may continue to conduct the GLB Act exception in a financial or operating subsidiary as authorized under banking law with broker-dealer registration,

2) Reduce the institutional and high net worth customer eligibility requirements in the networking exception provision,
3) Clarify certain definitions to correspond to how trust and custodian accounts are maintained by banks and savings associations, and

4) Authorize the SEC’s Division of Market Regulation to exempt individual banks and savings associations from the broker-dealer registration requirements on a case-by-case basis.

Additionally, we are concerned that the safekeeping and custody exception of proposed Regulation R will not be available for banks and savings associations that are directed trustees of employee benefit plans and individual retirement accounts (IRAs). As proposed, a bank or savings association designated as a trustee of IRAs would be considered to be acting in a fiduciary capacity under Regulation R. However, banks and savings associations as trustees of these plans are considered fiduciaries only for the purpose of holding the plans’ assets, but have no investment discretion.

Although a bank or savings association is designated as a “trustee” for an IRA, the bank or savings association does not act in a fiduciary capacity, but rather in a “custodian” capacity. We would, therefore, encourage the FRB and SEC to clarify the final rule to stipulate that, although IRA accounts are titles in the financial institution’s name as trustee of the account, banks and savings associations acting as custodian of the account should be covered by the safekeeping and custody activities exception.

Roma Bank appreciates the opportunity to comment on the subject rulemaking proposal. We are members of Americas Community Bankers (ACB), and we will join with the ACB in assisting the FRB and SEC in formulating the final adopted rule.

Sincerely,

[Signature]
Barry J. Zadworny
Senior Vice President, Compliance