

ROSENTHAL COLLINS GROUP, LLC

November 26, 2004

Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street N.W.
Washington DC, 20459

Re: File# SR-FICC-2004-15 (Release #34-50607), Proposed FICC Rule to Require
“Indirect Membership” of Affiliates of FICC Members

Dear Mr. Katz,

Rosenthal Collins Group, LLC (“RCG”), a futures commission merchant registered with and regulated by the Commodity Futures Trading Commission, is a clearing member of all principal United States designated contract markets and is a non-clearing member of various futures/derivatives exchanges worldwide. RCG is also a netting clearing member of the Fixed Income Clearing Corporation; in fact, RCG believes it was the first FCM ever admitted to clearing membership of the Government Securities Clearing Corporation n/k/a FICC.

In November 2003, RCG received a letter from FICC’s President, on behalf of the FICC Fixed Income and Planning Committee, asking that RCG either (i) immediately end submitting to FICC only a post net settlement balance amount with respect to trades of its wholly owned, registered broker/dealer and non FICC member, Rosenthal Global Securities, LLC (“RGS”), and submit those trades on a trade by trade basis, (ii) or terminate RCG’s membership in FICC. In response, RCG pointed out to FICC that it and its non-FICC member affiliate were merely acting and operating as other FICC members and should not be singled out. Subsequently, FICC filed the Rule change proposal pending before the Commission, which is the subject matter of this comment letter.

RGS is a broker/dealer firm fully regulated by and registered with the Commission. It is a member of the National Association of Securities Dealers, Inc. (“NASD”). RGS engages in the proprietary trading of fixed income securities (virtually all U.S. Government Securities) through close to one hundred proprietary traders. RGS trades with various institutional, well-financed and highly regulated counterparties, including Cantor Fitzgerald Securities. RCG, since October 2003, as had been the case with a significant number of FICC members, submits each day new trades of RGS to FICC to reflect the net settlements of that firm.

We are aware, and have read, the comment letter in this matter submitted to the Commission by Cantor Fitzgerald Securities. This is to advise the Commission that Rosenthal Collins Group, LLC substantially agrees with the analysis and positions set

forth in the Cantor comment letter. Accordingly, please take this as the strong opposition of Rosenthal Collins Group, LLC to the FICC proposed Rule change in that RCG believes that the FICC proposal will adversely impact the government securities markets, is anti-competitive, and will not serve its stated purpose of reducing risks in those markets.

Thank you for this opportunity to comment on the FICC proposed Rule change. Please do not hesitate to contact me, at (312) 795-7965 or sgordon@rcgdirect.com, should you desire to discuss this further.

Very truly yours,

/S/ Scott Gordon

Scott Gordon
Chief Executive Officer

Cc: Les Rosenthal, Rosenthal Global Securities, LLC
Stephen Merkel, Esq., Cantor Fitzgerald Securities
Paul Saltzman, eSpeed, Inc.
Jeffrey Ingber, Esq., FICC