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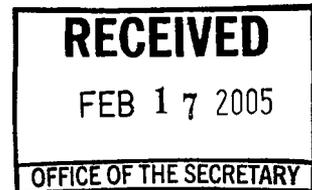
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LAWRENCE R. UHLICK
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February 9, 2005

Annette Nazareth
Director
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549



Dear Annette:

I have had the opportunity to review the most recent proposal of the Fixed Income Clearing Corporation (the "FICC") with respect to managing the legal risk arising from the participation of branches of international banks. We are very pleased that this proposal focuses on an institution-by-institution analysis of the legal risk based upon opinions of counsel provided to FICC. As I mentioned at our earlier meeting, the Institute strongly believes that this is the right approach. Ultimately, the procedures adopted by FICC will have to be judged by how they are implemented. The Institute intends to work with its members in dealing with the opinion requirements imposed by FICC.

We very much appreciated the opportunity to discuss the matter with you and your colleagues. Hopefully, this issue is on the road to an appropriate resolution.

With best regards.

Sincerely,



Lawrence R. Uhlick
Executive Director and
General Counsel

cc: David Karasik

The Institute's mission is to help resolve the many special legislative, regulatory and tax issues confronting internationally headquartered financial institutions that engage in banking, securities and/or insurance activities in the United States.
