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July 31, 2003

Letter of Comment No: 38 File Reference: 1200-001 Date Received: 07/31/03

Major Projects & Technical Activities Director Financial Accounting Standards Board 401 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-51666

Re:

File Reference No. 1200-001

Exposure Draft on Qualifying Special-Purpose Entities and Isolation of Transferred Assets, an amendment to FASB Statement No 140

Ladies and Gentlemen:

As a member of the American Securitization Forum ("ASF"), we endorse the comment letter jointly submitted by ASF and the Bond Market Association on July 28 (the "Comment Letter") to the above-referenced Exposure Draft.

The risk of unintended consequences and harm to "innocent bystanders" highlighted in the Comment Letter is great, particularly as the proposed changes relate to revolving master trust structures. A great deal of time and expense has gone into creating and perfecting these structures over the past decade and a half, without any significant concerns raised as to their effect on the "understandability" of the securitizing institution's financial reporting.

Also, we are concerned that the reissuance provisions in the proposed changes might inadvertently and adversely affect auction rate securities and other remarketed securities. This concern relates not only the municipal bond securitization programs highlighted in the Comment Letter, but also to programs involving the issuance of billions of dollars of student loan securities.

In any event, we would hope that any final amendment be the subject of at least one additional period of transition time, as proposed in Section V of the Comment Letter.

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McKee Nelson LLP appreciates the opportunity to provide the foregoing comments in response to the Exposure Draft. We look forward to participating in the roundtable discussion on the Exposure Draft. Should you have any questions or desire any clarification concerning the matters addressed in this letter, please do not hesitate to contact either me at 917-777-4565 or Edward Gainor at 202-775-4137.

Sincerely,

Edward M. De Sear