October 10, 2005

Letter of Comment No: 33
File Reference: 1225-001

Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5166

Re: File Reference No. 1225-001
Revised Exposure Draft of
Proposed Amendments to FASB Statement No. 140

Ladies and Gentlemen:

As a member of the American Securitization Forum ("ASF"), we endorse the comment letter submitted by ASF (the "Comment Letter") to the above-referenced revised exposure draft (the "Exposure Draft").

In the event that you determine to not delete proposed new paragraph 27A as suggested in the Comment Letter, it is important to clarify that proposed new paragraph 27A is not intended to override existing (and unchanged) paragraph 84. Paragraph 84 refers to an alternative method of achieving legal isolation in the case of FDIC-insured depository institutions, or other non-Bankruptcy Code entities, as transferors. These changes would also allow an alternative method of achieving legal isolation for the transfer of financial assets, like mortgage loans, pursuant to securities contracts, repurchase agreements or similar agreements under the 2005 amendments to the Bankruptcy Code that permit the transferee to liquidate, terminate or accelerate such agreements and to remove those financial assets from the bankruptcy estate if the transferor becomes a debtor under the Bankruptcy Code regardless of whether there had been a true sale of the financial assets.

We would propose the modification of paragraph 27A (if it is retained) to the following effect [ADDITIONS IN [ ] OR ALL CAPS]:

a. [1] the transfer is legally a sale UNDER ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE OR OTHER APPLICABLE LAW OR [2] THE TRANSFEROR HAS RELINQUISHED ANY RIGHT UNDER ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE OR OTHER APPLICABLE LAW TO REDEEM THE FINANCIAL ASSETS.

b. In the event of bankruptcy, receivership, or other insolvency of the transferor or any consolidated affiliate of the transferor that is not a bankruptcy-remote entity, [1] the
transferred asset would not be deemed to be part of the estate of the transferor or its consolidated affiliate OR [2] THE TRANSFEE MAY RETAIN OR SELL THE FINANCIAL ASSETS WITHOUT INTERFERENCE FROM THE BANKRUPTCY TRUSTEE OR RECEIVER, CONSERVATOR, OR LIQUIDATOR FOR THE TRANSFEROR OR THE COURT HAVING JURISDICTION OVER THE BANKRUPTCY OR INSOLVENCY PROCEEDINGS OF THE TRANSFEROR.

McKee Nelson LLP appreciates the opportunity to provide the foregoing comments in response to the Exposure Draft. We look forward to participating in any roundtable or other industry discussions 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 Thomas E. Plank at 202-327-2081.

Sincerely,

Edward M. De Sear