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July 14, 2004

By e-mail: rule-comments@sec.gov

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609
Attn: Jonathan G. Katz, Secretary

Re: File Number S7-21-04
Proposed Rule: Asset-Backed Securities

Ladies and Gentlemen:

Capital One Financial Corporation ("Capital One") is pleased to submit this comment letter to the Securities and Exchange Commission (the "SEC") regarding the SEC's proposed rules for asset-backed securities ("ABS") and related commentary contained in Release Nos. 33-8419, 34-49644 (the "Proposal").

Capital One, through its subsidiaries Capital One Bank, Capital One, F.S.B., and Capital One Auto Finance, Inc., engages primarily in the business of retail consumer lending by originating credit card accounts, auto installment sales contracts and loans, and other consumer lending products. Capital One and its subsidiaries have been securitizing the receivables generated by their consumer lending businesses since 1994, and have issued and outstanding ABS in excess of $34.5 billion that were sold in registered offerings, including $28.8 billion of ABS backed by credit card receivables and $5.7 billion of ABS backed by auto installment sales contracts and loans. We employ discrete trust and master trust structures to issue ABS.

We commend the SEC for the immense amount of thought, time and effort invested in the Proposal. We wholeheartedly support the undertaking to address comprehensively the regulatory treatment of ABS under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"), and to codify, improve on and make transparent existing SEC positions and ABS market practices by using a "principles-based" approach. We think the Proposal accomplishes those goals to a great degree (particularly with respect to the provisions addressing master trust structures), and that the Proposal will prove to be of tremendous benefit to ABS investors and all ABS market participants.

We endorse the comprehensive comment letter on the Proposal submitted by the American Securitization Forum, and the comprehensive comment letter to be submitted by the Committee on Federal Regulation of Securities of the American Bar Association, except to the limited extent positions taken in those comment letters may be modified by what follows.

This comment letter is not comprehensive. It addresses discrete parts of the Proposal that particularly concern us, or that we believe should be clarified, in the order in which they appear in the "Text of Proposed Amendments" section of the Proposal.

I. Definition of "Asset-Backed Security"

A. Master Trusts/Addition of Assets

We fully agree with the treatment of master trusts under the Proposal, subject to the following refinements. Item 1101(c)(3)(i) states that the assets of master trusts satisfy the "discrete pools of assets" requirement under the definition of asset-backed securities if "[t]he offering relating to the securities contemplates adding additional assets to the pool that backs such securities *in connection with future issuances of asset-backed securities backed by such pool*" (emphasis ours). We believe the highlighted limitation on additions is not reflective of current master trust mechanics and that ABS investors neither desire nor would be better served by limiting additions to master trusts in this way.

Specifically, such a limitation would not allow for additions to pool assets that maintain the depositor's interest in the trust (*i.e.*, the portion of the trust's assets in excess of the aggregate outstanding principal balance of ABS backed by the trust's assets, which is usually referred to as the "transferor's interest") above a minimum level. Requiring additions to maintain the transferor's interest is an essential means of assuring an adequate pool balance for master trusts with revolving assets. Furthermore, the process of making additions of assets to existing pools cannot always be coordinated closely with new ABS issuances.

For these reasons, we recommend Item 1100(c)(3)(i) be modified as follows:

> "(i) Master trusts. The offering related to the securities provides for the addition of assets to the pool that backs such securities in contemplation of future issuances of asset-backed securities backed by such pool and in connection with maintaining minimum pool balances."

B. Series Trusts

We echo the comments of the American Securitization Forum with respect to the SEC's characterization of "series trusts" as not qualifying as "asset-backed securities" in footnote 63 to the Proposal. We believe that this interpretation of the limitations on the activities of the issuing entity is unnecessarily restrictive. We are particularly concerned that the language in footnote 63 can be read to preclude a current securitization structure used by Capital One in its master note issuance trust (named the Capital One Multi-asset Execution Trust or "COMET"). COMET, as

with other master credit card note issuance trusts, incorporates a previously existing master trust that issues to COMET an interest, often referred to as a "collateral certificate," representing a beneficial interest in the pool of credit card receivables held by the master trust. COMET then issues its own ABS backed by the collateral certificate. COMET also permits the creation of additional asset pools and the issuance of multiple series of ABS, each of which is backed by a discrete asset pool. While the asset pool initially created for COMET consisted of a collateral certificate representing a beneficial interest in a particular master trust, asset pools subsequently created for the issuance trust may consist of credit card receivables or other "whole" assets, a collateral certificate representing a beneficial interest in another trust, or a combination of these. Based on the SEC's discussion and treatment of issuance trusts in Section III.A.6.c. of the Proposal, Capital One does not believe the SEC intended to exclude securitization structures like COMET from the definition of "asset-backed security" or from the shelf registration system.

C. "Non-Performing" Assets

One condition to the proposed definition of "asset-backed security" would require that no "non-performing" assets be a part of the original asset pool at the time of issuance of the ABS. We have one comment with respect to the definition of "non-performing." For the Capital One master trusts, as with other issuer's master trusts, the transaction agreements contemplate that the account may remain designated to the trust after being charged off. In these instances, consistent with their charged-off status, the accounts are assigned a zero balance and are not considered in the calculations of future allocations of cash flows under the transaction agreements. The SEC staff has previously confirmed that the presence of a charged-off asset in an asset pool under these circumstances would not cause a security to fail the definition of "asset-backed security." We respectfully request that the SEC provide guidance confirming this staff interpretation in any final rules adopted by the SEC. Any other interpretation could have significant adverse implications for a number of Capital One's existing securitization platforms and the ABS outstanding thereunder.

D. Redemption of Securities

Item 1112(f)(2) states that a security must be titled "callable" if the security may be redeemed while 25% or more of the original principal balance of the pool assets is still outstanding. For a master trust, the percentage in 1112(f)(2) should relate to the outstanding amount of securities in that series or tranche, rather than to pool assets. In master trust structures, the servicer typically has a clean-up call when a series or tranche of securities has declined to 10% (or 5%) of its original balance, whether or not the principal balance of assets in the trust have declined.

II. Sponsor Securitization Program Disclosure

We believe that Item 1104(c) is too broad. Even in light of the fact that the last sentence of Item 1104(c) is conditioned with "to the extent material," this item would encourage excessive and potentially distracting information that goes beyond current disclosure practices and a principles-based standard of materiality. The result of such a rule may be the production of unnecessarily detailed disclosure regarding sponsors, disclosure that may divert investors attention from information regarding the structure under which the ABS is issued or the sponsor's origination or acquisition of the assets actually backing the ABS. In other words, given the explicit

identification of such information in Item 1104(c), disclosure on this topic may become excessively robust out of a concern that such immaterial detail might be viewed as "presumptively material."

Additionally, we believe that requiring disclosure with respect to non-public securitization programs is inappropriate. Privately negotiated transactions have different pools of assets and may have structuring features materially different from public transactions. As a result, the performance of those private structures have no material bearing on the performance of our public securitization structures. Moreover, certain information with respect to non-public programs is subject to confidentiality provisions limiting disclosure.

We believe, therefore, that Item 1104(c) should be modified to apply only to public securitization programs. Additionally, we recommend that the phrase ", to the extent material" be added to the end of the second sentence of Item 1104(c).

III. Static Pool Data

As a preliminary matter, we note that including static pool data creates a significant increase in the amount of pool data disclosed to investors in virtually all ABS prospectuses.[1] We acknowledge that, in some circumstances, static pool data may be material and should be disclosed. However, we are concerned that Items 1104(e) and 1110(c) will create an expectation that disclosure of static pool data is always required, even though it is clearly immaterial in many cases.

For example, unless there are negative trends with respect to a sponsor's generation of assets of the type being securitized, requiring disclosure of static pool data for prior securitized pools pursuant to Item 1104(e) will in most instances reveal little to ABS investors that is not already conveyed through current disclosure on the assets backing the ABS. Of course, should negative trends exist that are not revealed in current data about the assets backing the ABS, then disclosure with respect to those trends, which may include static pool data, should be included.

Additionally, for large, well-seasoned master trusts like the Capital One Master Trust, the relevance of static pool data from prior securitizations of similar assets is even more limited. Because "prior data" is effectively contained in the data on the seasoned pool, any long-term trends with respect to pool performance should already be apparent. Similarly, while in theory the delinquency and loss static pool data required by Item 1110(c) could be relevant, in large, well-seasoned master trusts it rarely will be. One of the principal instances where negative trends in delinquency and loss data for a pool as a whole might be obscured is if there is a significant amount of "unseasoned" assets in such pool. Charge-offs for many types of loans tend to be minimal initially, and then increase and eventually level off as they mature. Because there are generally either an immaterial amount of unseasoned assets in large, seasoned master trusts, or, more likely, a relatively constant amount of unseasoned assets in such master trusts over time, there is a decreased likelihood that the lower loss rates for such unseasoned assets are materially affecting losses for a pool as a whole, or that such unseasoned assets are affecting

[1] Capital One does not currently disclose static pool data of the kind described in Items 1104(e) or 1110(c) in its registered ABS prospectuses, nor does it prepare and provide such data to rating agencies evaluating its ABS.

losses in a manner distinct from the pool assets as a whole. To require static pool data on delinquencies and losses in this context would result in more, but not necessarily material, disclosure.

These same principles should apply with respect to any materiality consideration for static pool data, whether it is broken down for additions, portfolio purchases, originations, or any of the other categories set forth in the Proposal. If there are no material insights on portfolio performance trends to be gained by disclosing it, then this information should not be required in a prospectus. In fact, if there are no material insights to be gained by including such information, then including it may be confusing to investors. For instance, to the extent static pool data is material and disclosed with respect to an issuer pursuant to Item 1110(c), in most instances the static pool data described in Item 1104(e) with respect to the related sponsor would be less material and would not be required disclosure, as it would most likely be revealing similar trends. Consistent with a principles-based approach, we think that determinations with respect to materiality need to made separately for Items 1104(e) and 1110(c) on a case-by-case basis, and the fact that static pool data described in one provision is material would not be determinative as to the materiality of static pool data described in another provision.

Capital One is committed to always providing material data to its ABS investors, and we appreciate that the SEC's objective in Items 1104(e) and 1110(c) is the same. We believe, however, that if Items 1104(e) and 1110(c) are promulgated without strong guidance from the SEC with respect to a standard of materiality for static pool data, issuers may begin to disclose the data described therein, regardless of its materiality, because of a market presumption that such disclosure is material. We believe such a result would place an unnecessary and costly burden on sponsors without benefiting investors, who would have to sort through enormous amounts of static pool data of often dubious relevance.[2] The regulatory implication that disclosure of more data is always better, even where providing less data would constitute full material disclosure, is inconsistent with the SEC's stated goals of reducing boilerplate and unnecessary recitations. We therefore request that the SEC clarify that static pool data is not material in all instances, and certainly is not presumptively material.

In addition, whatever final rules are promulgated with respect to proposed Items 1104(e) and 1110(c), we request that the obligation to disclose such information be prospective only (*i.e.*, static pool data will only be required for periods from and after the effective date of the ABS rules).

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[2] In defining the standard of materiality under Rule 14a-9 of the Exchange Act, the Supreme Court voiced similar policy concerns:

> "...[I]f the standard of materiality is unnecessarily low, not only may the corporation and its management be subjected to liability for insignificant omissions or misstatements, but also management's fear of exposing itself to substantial liability may cause it to simply bury the shareholders in an avalanche of trivial information – a result that is hardly conducive to informed decisionmaking."

TSC Industries, Inc. v. Northway, Inc., 426 U.S. 438, 448-449 (1976).

IV. Liability for Information Obtained from Unaffiliated Parties

The Proposal requires that issuers provide increased disclosure, including in some cases audited financial information, about certain unaffiliated third parties. For Capital One, some of these parties (*e.g.*, trustees and credit enhancers) are always unaffiliated with the issuer and depositor. In the case of information provided by unaffiliated third parties, the issuer has no involvement in its preparation and, in any practical sense, cannot otherwise control its content.

We request, therefore, that the SEC adopt a rule recognizing that an ABS issuer may reasonably rely on any information provided by unaffiliated third parties in connection with the preparation of any prospectus, report or other material filed with the SEC. We believe that a reasonable reliance standard is uniquely appropriate in the context of ABS transactions where unaffiliated third parties may be the source of substantial amounts of information required to be included in prospectuses and periodic reports and where such information typically rests uniquely within the control of such unaffiliated parties.

Even with a reasonable reliance standard, however, ABS issuers may not be able to manage their potential liability under federal securities law because of uncertainties concerning the legal effect of indemnification arrangements with unaffiliated third-parties providing disclosure information. We respectfully request, therefore, that the SEC clarify and confirm that its opinion concerning the unenforceability of certain indemnification provisions does not apply in any case where an issuer seeks indemnification from an unaffiliated third party for liabilities arising under the Securities Act in connection with the use by such issuer of information provided by such unaffiliated third party. We believe that indemnification arrangements in these instances do not raise any public policy concerns and, in fact, advance sound public policy by holding the party who controls and provides the information responsible and accountable for its accuracy.

V. Pool Characteristics

Similar to our concerns with the static pool data provisions, we feel that some of the categories of specified in Item 1110(b) are immaterial in light of other data that, in many instances, is already being provided by ABS sponsors, and we are concerned that specifying such categories of data will create a standard of presumptive materiality.

To illustrate our point, below are certain categories of data set forth in Item 1110(b), the disclosure of which would be immaterial given what Capital One already discloses in its registered ABS prospectuses:

- The "interest rate" of an asset pool (Item 1110(b)(3)) is not only difficult to calculate,[3] it reveals little more than what an investor can learn about portfolio performance from examining yield data.

[3] For credit card master trusts, calculating an interest rate for the pool as a whole would require tracking interest rates for millions of individual accounts. Rates on individual accounts are continuously changing due to, among other things, the expiration of introductory rate offers, the adjustment of rates based on obligors' performance or changing credit, and changes in general economic conditions. To the extent rates for individual accounts change in the middle of the calculation periods being disclosed, a weighted average for each account would be required to

- Gross and net purchases and returns granted (Item 1110(b)(8)(vii)) are less indicative of portfolio performance than information on actual account balances.

- The percentage of full-balance and minimum payments made (Item 1110(b)(8)(viii)) is of collateral relevance when compared to yield data.

- Ranges of standardized credit scores of obligors and other information regarding obligor credit quality (Item 1110(b)(11)) also are of secondary relevance when compared with the actual performance of the assets in the pool – yield on the assets, delinquencies and losses, and our disclosure regarding underwriting criteria and origination. In addition, standardized credit scores are but one factor in the origination of an account, become less relevant and predictive of payments as the account seasons, and, if updated, give no insight into why the account was originated.

- Pool data breakdowns by geographic region where 10% or more of the pools assets are located (Item 1110(b)(14)(ii)), absent any evidence of material pool characteristics unique to assets in such regions, are unlikely to place investors in a better decision-making position than they would be by viewing data from the overall pool.

Though we acknowledge that the data described in Item 1110(b) may be relevant for some ABS issuances, we are concerned that the provision will operate to require the disclosure of a great deal of additional data that will not add appreciably to investors' understanding of portfolio performance and risk. Capital One is committed in all circumstances to provide investors with material data in ABS prospectuses, but we are concerned about having to disclose data for data's sake. We therefore respectfully recommend that Item 1110(b) be replaced with a principles-based disclosure standard, to the effect that the itemized list of pool characteristics in 1110(b) is eliminated or modified such that the inference of materiality for the entire list is eliminated.

VI. **Credit Enhancement and Other Support**

We generally support the comments regarding Item 1113 expressed in the comment letter submitted by the American Securitization Forum. However, we wish to place additional emphasis on the potential impact of certain aspects of Item 1113.

We believe that the proposed rules with respect to credit enhancement and other support require modification to provide material information while not creating too large a burden for sponsors and credit enhancement providers. With respect to most swaps and other derivative products (other than insurance and similar derivative products), prospectuses historically have (i) provided the identity and credit ratings of the provider of the enhancement along with a very brief description of their business, (ii) included a brief summary of the material terms of the applicable enhancement agreement and (iii) presented a description of the events that terminate the enhancement agreement.

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determine how such changes affect the interest rate for the pool as a whole. Simply put, the sheer magnitude of the calculations required to arrive at such a figure is staggering.

Rather than electing to provide more sweeping disclosure than listed above, it has been our experience that most swap counterparties prefer to provide investors with a mailing address to contact should the investor desire detailed financial information related to such counterparty. Further, to our knowledge investors have not requested the inclusion of additional disclosure in a prospectus beyond the items listed in the previous paragraph. It has been our experience that investors rely mostly on the applicable credit ratings of the swap counterparty when making investment decisions.

Given this background, we are concerned that the SEC is electing to deviate from long-standing industry practice, particularly in a manner that would increase costs for ABS transaction parties or in ways that make compliance impossible. Additionally, we are concerned that the proposed rules would result in delays in marketing and pricing transactions, due to increasing the amount of required financial disclosure. This holds particularly true with respect to foreign and other credit enhancement providers that do not report under the Exchange Act. With respect to companies that are not subject to the Exchange Act, and which do not prepare GAAP financial statements, we believe that financial statements prepared under such entity's regulatory accounting principles should be accepted as a substitute (provided that a statement is included regarding the fact that the financial statements are not prepared in accordance with GAAP). To determine otherwise could (i) result in a movement toward private placements instead of public transactions, (ii) force certain credit enhancement providers out of the market and (iii) increase costs for all parties to the transaction.

We respectfully request, therefore, that Item 1113 be changed to codify the current practice in the ABS market. Item 1113 could be modified to require a description of: (i) the general character of the enhancement provider's business, along with such provider's credit ratings, if any; (ii) a description of the material terms of the agreement governing the enhancement, to the extent material; and (iii) a description of events that would terminate such agreement, to the extent material.

Additionally, we echo the comments of the American Securitization Forum regarding the SEC's proposed measure for assessing whether the 10% and 20% thresholds have been triggered for contingently liable enhancement providers. Such a rule would be a departure from long-standing SEC staff and industry practice and inconsistent with the guidance of the Supreme Court.[4] Instead, as submitted in the comment letter by the American Securitization Forum, we believe that a central component of any materiality assessment for a contingently liable party is the probability of the contingency occurring.[5] Unless such a change is made to Item 1113, the contingent liability component of the SEC's proposal would impose new and very burdensome requirements on our organization. These costs would be shouldered by our organization with little appreciable benefit to investors. To those ends, we believe that the valuation method proposed by the American Securitization Forum in its comment letter is preferable to the rule in the Proposal.

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[4] *See Basic Inc. v. Levinson*, 485 U.S. 224, 238 (1988) (quoting *SEC v. Texas Gulf Sulfur Co.*, 401 F.2d 833, 849 (2d Cir. 1968), *cert. denied*, 394 U.S. 976 (1969) (holding that an evaluation of the materiality of a contingent or speculative event depends upon "a balancing of both the indicated probability that the event will occur and the anticipated magnitude of the event" in light of the totality of the circumstances).

[5] *See id*.

VII. Prefunding Limits for Shelf Registration

The proposed limit on prefunding for purposes of Form S-3 is consistent with the existing no-action letters on this subject.[6] However, in informal communications with the SEC staff, we have been advised that we would be permitted to use Form S-3 for transactions with prefunding in amounts up to 40% of the proceeds of the offering. Further, we have been informed by other ABS market participants that the SEC staff has previously permitted use of Form S-3 for transactions with prefunding in amounts up to, and even in excess of, 50%. While we have rarely issued ABS with a prefunded amount in excess of 25% of the proceeds of the offering, we consider the flexibility to make such an issuance on Form S-3 important to our funding strategy, particularly for our securitizations of auto installment sales contracts and loans.

We urge the SEC to revise the proposed definition of "asset-backed security" to accommodate larger prefunded amounts for takedowns from an effective shelf registration statement. We believe that not only would such a revision serve to accommodate existing market practice, but it would promote the SEC's goal to expand the eligibility of prefunded structures to the ABS regime. Therefore, we respectfully request that the SEC adjust the limitations in the context of Form S-3 to allow for a prefunded amount of up to 50% of the proceeds of the offering.[7]

VIII. Periodic Reporting

A. Form 10-D Content

The General Instructions to the proposed Form 10-D require the delivery of a substantial amount of information in addition to the periodic distribution report. We believe that limiting Form 10-D to the filing of periodic distribution reports, and reserving Form 8-K for reporting other current events, will streamline the reporting process and fit better with most ABS issuer reporting platforms. For example, Capital One's securitization distribution reports are delivered on a separate operational platform from any filings of reportable information that is not included in a distribution report (*i.e.*, any Form 8-K filing that is currently not made in the ordinary course of business). It would require burdensome operational and staffing changes to combine distribution reports and other reportable information under the same form for Exchange Act filings. We therefore respectfully request that Form 10-D apply solely to the filings of distribution reports and that any additional current reporting required under Regulation AB be made pursuant to Form 8-K (including any information reported pursuant to Item 1119 that is not included in a distribution report), and furthermore request that issuers be allowed 15 days (rather than 4

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[6] *See* Letters re Rule 15c2-8(b) No-Action Position from The Bond Market Association (Dec. 15, 2000) (position extended indefinitely); The Bond Market Association (Nov. 20, 1998) (position extended through Dec. 15, 1999); The Bond Market Association (Nov. 14, 1997) (position extended through Dec. 15, 1998); and the Public Securities Association (Dec. 18, 1995) (initial position expiring on Dec. 15, 1997).

[7] In Section III.A.2.e. of the Proposal, the SEC asserts that Form S-1 is more appropriate for ABS with larger prefunded amounts and prefunding periods, because investors are entitled to more information under these circumstances than they would receive typically for ABS registered on Form S-3. We respectfully submit that, generally speaking, investors are not more likely to receive additional material information from a Form S-1 offering, all other things being equal, and this is not a compelling explanation for differentiating between the 25% and 50% prefunding levels in the Proposal.

calendar days, as set forth in the Proposal) from the occurrence of the reportable event to file the related Form 8-K.

B. Filing Extensions

We believe that an extension mechanism for filing periodic reports comparable to that currently available to corporate issuers pursuant to Exchange Act Rule 12b-25, and a filing extension of at least five business days, would be prudent and appropriate. Additionally, the rules should allow the SEC staff, in its discretion, to extend a filing deadline and waive late filings that are cured. These provisions would be particularly important in the context of Form S-3, where form eligibility is conditioned on timely reporting requirements.

IX. Proposed Exceptions from Disclosure and Delivery Conditions

Under proposed Securities Act Rule 190(c), where the asset pool underlying the ABS includes an interest in or the right to the payments or cash flows of another asset pool, the interest in the underlying asset pool may need to be separately registered in connection with the ABS transaction.

In connection with the proposed rule, we request that the SEC clarify that the interest in the underlying asset pool that is separately registered under the Securities Act in connection with the subject ABS transaction be exempted from the requirement that such interest be rated "investment grade" by an NRSRO at the time of its deemed offer and sale to the public. In every case, the subject ABS will have received an investment grade rating as a condition to its issuance pursuant to the Form S-3 registration statement. We believe that this additional ratings requirement for the underlying interest is redundant of the ratings requirement on the subject ABS and, therefore, results in additional offering expense with no incremental benefits to investors.

X. Suspension of Section 15(d) Reporting

The Proposal requests comment on whether the ability to suspend reporting under Section 15(d) of the Exchange Act should be revisited. We strongly believe that this suspension provision should not be modified. The structured finance market consists almost entirely of institutional investors, unlike the broader fixed income market. There is no reason to apply the statutory reporting scheme more restrictively to ABS than to the fixed-income markets generally. It is also important to note that ABS issuers, such as Capital One, commonly make information available to the ABS market through proprietary or third-party websites while their ABS are outstanding, regardless of their reporting status under the Exchange Act.

XI. Transition Period

We believe that the SEC has underestimated the effort that would be required to implement the changes under the proposed rules. As a result of these rule proposals, a host of new internal programs and procedures will need to be created, evaluated and monitored both internally and externally. Additionally, many of the disclosure and ongoing reporting rules require issuers to obtain information from unaffiliated third parties that have not furnished such information in the

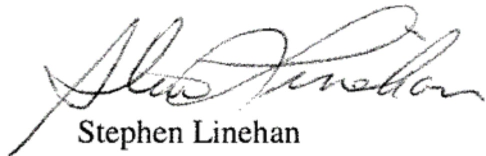
past. The process of obtaining and ensuring future delivery of such information will take time, particularly for large issuers that deal with a wide array of unaffiliated third parties.

In light of those factors, and given the importance to our institution of access to the public capital markets, we request that the SEC provide that the date for compliance will not occur until, at the minimum, (i) twelve months after the effective date for new registration statements or takedowns off of shelf registration statements (regarding both the Securities Act and Exchange Act proposals) and (ii) fiscal years ending twelve months after the effective date for outstanding ABS, including for newly offered ABS from a master trust structure with previously outstanding ABS (regarding the Exchange Act proposals).

Conclusion

We appreciate the opportunity to comment on the Proposal and again thank the SEC for their efforts. Should you have any questions about this letter, please do not hesitate to contact the undersigned at (703) 720-1000.

Respectfully submitted,



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