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NYSE
New York Stock Exchange, Inc.

Via email to www.rule-comments@sec.gov

October 22, 2003

Mr. Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549-0609

Re: Foreign Bank Exemption from the Insider Lending Prohibition of Exchange Act Section 13(k) (September 11, 2003); Release No. 34-48481; File No. S7-15-03

Dear Mr. Katz:

The New York Stock Exchange, Inc. ("NYSE") is pleased to take this opportunity to comment on the proposals made by the Commission in the above-referenced September 11 release regarding the proposed exemption for foreign banks from the insider lending prohibition mandated by Section 402(a) of the Sarbanes-Oxley Act of 2002.

As noted in the September 11 release, Section 402 of the Sarbanes-Oxley Act, as well as Section 13(k) of the Securities Exchange Act of 1934 promulgated thereunder, prohibit both domestic and foreign issuers from making or arranging for loans to their directors and executive officers unless the loans fall within the scope of specified exemptions. One of these exemptions permits a bank or other depository institution that is insured under the Federal Deposit Insurance Act to provide certain insider lending. Due to the fact that U.S. banking regulation precludes foreign banks from being deemed "insured depository institutions," foreign banks could not utilize the same exemption as U.S. banks. As a result, foreign banks were precluded from offering loans of any type to their executive officers and directors, while U.S. banks were not likewise limited. This disparate treatment put foreign banks at a significant disadvantage to U.S. banks and led many foreign banks to question the viability of registering or continuing to register their securities in the United States.

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The NYSE strongly supports the proposal to exempt foreign banks that meet specified criteria from the Section 13(k) insider lending prohibition and believes that the Commission's proposal substantially addresses the concerns expressed by non-U.S. listed banks and their regulators about the unequal application of Section 402 of the Sarbanes-Oxley Act.

The NYSE proudly lists 468 of the world's finest non-U.S. companies, including more than 25 foreign banks, from 51 countries with a combined global market capitalization of approximately US\$ 5.1 trillion. It has historically shared with the SEC the common purpose of ensuring that the U.S. capital markets remain attractive to companies around the world. As a result, U.S. investors seeking to invest in foreign private issuers and geographically diversify their portfolios have the opportunity to do so within the U.S. capital market -- and the quality and protections it affords.

Foreign private issuers must comply with home country and home market practices, which often differ from analogous U.S. requirements. Accordingly, the NYSE Listed Company Manual historically specified that compliance with home country governance would suffice. The SEC likewise had long recognized the need to accommodate home country disclosure practices. Following the enactment of the Sarbanes-Oxley Act in July 2002, however, the SEC was mandated to promulgate a number of rules that applied equally to U.S. and non-U.S. companies. A number of non-U.S. listed and prospect companies expressed dismay at the extension of some of the provisions of the Sarbanes-Oxley Act to them, viewing these provisions as a significant departure from the existing reliance on home country disclosure policies and practices. Over the ensuing months, however, the SEC adopted a variety of accommodations for foreign private issuers as part of the rules promulgated under the Sarbanes-Oxley Act, particularly with respect to the audit committee composition and reconciliation of non-GAAP financial information, which clearly expressed the SEC's recognition of the fact that foreign private issuers entering the U.S. market are already subject to home country regulatory regimes and have home market expectations and practices that they must meet. We applaud the SEC's continued efforts to apply the requirements of the Sarbanes-Oxley Act in a manner that shows significant and thoughtful effort to address the concerns expressed by foreign private issuers on potential conflicts with home country requirements.

Thank you for your consideration of these comments. We would be pleased to answer any questions or provide further information that you may find helpful.
Sincerely,

/s/

Darla C. Stuckey
Corporate Secretary