

360 Madison Avenue
New York, NY 10017-7111
Telephone 646.637.9200
Fax 646.637.9126
www.bondmarkets.com

1399 New York Avenue, NW
Washington, DC 20005-4711
Telephone 202.434.8400
Fax 202.434.8456

St. Michael's House
1 George Yard
London EC3V 9DH England
Telephone 44.20.77 43 93 00
Fax 44.20.77 43 93 01



December 17, 2004

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

Re: File No. S7-39-04
Fair Administration and Governance of Self-Regulatory Organizations

Dear Sir:

The Bond Market Association respectfully requests an extension of the deadline for comments on the proposed rules concerning self-regulatory organizations contained in Release No. 34-50699 (the "Proposed Rules"), including those regarding Fair Administration and Governance of Self-Regulatory Organizations, until March 8, 2005, which is already the deadline for comments on the Concept Release Concerning Self-Regulation, Release No. 34-50700 (the "Concept Release").

We understand that the Commission Staff believed that the Proposed Rules would be neither surprising nor controversial to proposed commenters. We believe it is premature to reach this conclusion. The Proposed Rules present significant issues about the nature of self-regulation and the Commission's attitude toward self-regulation and our members need the time to thoroughly discuss them.

The release explaining the Proposed Rules, and the Proposed Rules themselves, are lengthy. The 45-day comment period is not, particularly considering the fact that it coincides with the December holiday period. We believe that an additional 45 days will allow us to provide the Commission a fuller, more carefully considered set of comments on the Proposed Rules.

Accordingly, we respectfully request that the deadline for comments be extended to March 8, 2005.

In the alternative, we believe the Commission should extend the comment period for the rules relating to SRO governance and SRO ownership and voting restrictions, while maintaining the current January 24 comment deadline for Proposed Regulation AL (National Securities Exchanges and Registered Securities Associations Listing Affiliated Securities) and the rules concerning Disclosure and Periodic Reporting by SRO's.

Sincerely,

Marjorie E. Gross
Senior Vice President & Regulatory Counsel

cc: Chairman William H. Donaldson
Commissioner Paul S. Atkins
Commissioner Roel C. Campos
Commissioner Cynthia A. Glassman
Commissioner Harvey J. Goldschmid
Annette Nazareth, Director, Division of Market Regulation
Robert L.D. Colby, Deputy Director, Division of Market Regulation
Nancy J. Sanow, Assistant Director, Division of Market Regulation
Susie Cho, Special Counsel, Division of Market Regulation
Heather Seidel, Attorney Fellow, Division of Market Regulation