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# CLEARY, GOTTlieb, STEEN & HAMILTON

ONE LIBERTY PLAZA  
NEW YORK, NY 10006-1470

(212) 225-2000

FACSIMILE (212) 225-3999

2000 PENNSYLVANIA AVENUE, N.W.  
WASHINGTON, DC 20008-1801

41, AVENUE DE FRIEDLAND  
75008 PARIS

RUE DE LA LOI 57  
1040 BRUSSELS

CITY PLACE HOUSE  
55 BASINGHALL STREET  
LONDON EC2V 5EH

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NEUE MAINZER STRASSE 62  
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00187 ROME

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ONE GARDEN ROAD  
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CHIYODA-KU, TOKYO 100-0013

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MICHAEL D. DAYAN  
BOAZ S. MORAG  
SPECIAL COUNSEL

Writer's Direct Dial: (212) 225-2026  
E-Mail: [ecreede@cgsh.com](mailto:ecreede@cgsh.com)

April 12, 2001

## VIA FEDERAL EXPRESS

David Weaver, General Counsel  
Dealer Registration Division  
State Securities Board  
208 East 10th Street, 5th Floor  
Austin, Texas 78701

RECEIVED  
APR 13 2001  
STATE SECURITIES BOARD

Re: Credit Suisse First Boston Capital LLC (formerly,  
Credit Suisse First Boston Private Advisor, LLC) (the "Firm")  
CRD #103821 -- NO ACTION REQUEST

Dear Mr. Weaver:

This is in furtherance of our letter dated December 26, 2000 in which we advised your office of anticipated changes in the name, ownership, officers and directors and business operations of the above mentioned Firm. Commencing on or about May 1, 2001, the Firm intends to operate an OTC derivatives business to be conducted in accordance with the procedures set forth in a series of rules (the "OTC Derivatives Dealer Rules") under the Securities Exchange Act of 1934 (the "Exchange Act") applicable to qualifying entities called "OTC derivatives dealers" as set forth in the Exchange Act Release No. 40594 (October 23, 1998) (the "Adopting Release"). A copy of the Adopting Release is enclosed for your information and review.

As noted in the Adopting Release, under the federal OTC Derivatives Dealer Rules, an OTC derivative dealer is considered a “dealer” that limits its activities primarily to engaging in transactions in eligible OTC derivatives instruments with permissible counterparties and certain other limited categories of permissible proprietary transactions. The Adopting Release provides that registration as an OTC derivatives dealer is available to firms that are affiliated with a full purpose broker-dealer and that limit their securities derivative activities to those enumerated in the Adopting Release. The OTC derivatives dealer is required to register as such with the SEC under Exchange Act Section 15(b) by filing Form BD and to effect its securities transactions through an affiliated full purpose broker-dealer (which is subject to applicable self-regulatory organization sales practice requirements), except in the case of transactions with certain types of professional counterparties. In addition all contacts with customers on behalf of the OTC derivatives dealer must be conducted by registered representatives of its affiliated full purpose broker-dealer.

OTC derivatives dealers are exempt from a number of regulatory requirements applicable to full purpose broker-dealers including, among others, (i) the provisions of Regulation T of the Board of Governors of the Federal Reserve System governing extensions of credit by the dealer (provided that the dealer complies with the requirements of Regulation U governing extensions of credit by banks and other non-broker-dealers), (ii) the provisions of the Securities Investment Protection Act, and (iii) the requirement to become a member of a self-regulatory organization.

In accordance with the above, the Firm intends to rely on the services of its affiliate Credit Suisse First Boston Corporation (CRD No. 816) (“CSFB”), a registered broker-dealer in your state, to contact and effect transactions with its customers in your state, with the limited exceptions outlined in the Adopting Release which include transactions with a registered broker or dealer, a bank acting in a dealer capacity, a foreign broker or dealer, or an affiliate of the OTC derivatives dealer, provided that the counterparty is acting as principal. The requirement that securities transactions be effected through a fully regulated broker-dealer means that the Firm’s counterparties in these transactions will be considered customers of CSFB. In addition any person that solicits a potential counterparty to engage in a securities transaction with the Firm will be required to be a registered representative of the fully regulated broker-dealer affiliate, CSFB.

In light of the above described SEC requirement that the Firm, an OTC derivatives dealer, must conduct its securities business with its non-professional dealer customers through its affiliate, CSFB, a fully regulated broker-dealer registered with your state, we ask that you confirm that registration of the Firm as a broker-dealer in your state is not required.

We have enclosed a fee of \$100.00 in connection with this request. In addition, we have enclosed copies of the letters the Firm has received from the states of Connecticut and

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Iowa which confirm those states' no action position for your information. We have received confirmation from a majority of the remaining states that they have no objection if the Firm's state registration is withdrawn.

Please do not hesitate to contact me at 212-225-2026 if you have any questions with respect to this matter.

Kindly acknowledge receipt of this letter and enclosures by stamping the enclosed copy of the letter and returning it in the enclosed self-addressed stamped envelope.

Very truly yours,

*Ellen M. Creede /ek*

Ellen M. Creede

Enclosures