



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

February 14, 1997

Mr. Steven M. Bunkin  
Vice President and  
Assistant General Counsel  
J.P. Morgan & Co. Incorporated  
60 Wall Street  
New York, New York 10260-0060

Dear Mr. Bunkin:

This is in response to the request submitted by Morgan Guaranty International Finance Corporation ("MGIFC"), Newark, Delaware, dated December 24, 1996, for J.P. Morgan GmbH, Frankfurt, Germany, MGIFC's indirect subsidiary, to act as a general clearing member of the DTB Deutsche Terminbörse ("DTB") for certain non-clearing members of that exchange. By letter dated June 6, 1996, the Board granted authority for MGIFC to engage in clearing-only futures commission merchant activities under Regulation K, subject to the commitment that it would not act as a primary or qualifying clearing firm for an unaffiliated third party. The proposed activity may be deemed to constitute acting as a primary or qualifying clearing firm for an unaffiliated party.

In light of all the facts of record, the Director of the Division of Banking Supervision and Regulation, acting pursuant to authority delegated by the Board under section 265.7(a)(2) of the Board's Rules Regarding Delegation of Authority (12 C.F.R. 265.7(a)(2)), hereby grants MGIFC relief from this commitment with respect to the activities of J.P. Morgan GmbH on the DTB. In granting this approval, the Director relied on the representations made in MGIFC's request and subsequent submissions. This authority should not be construed as approving any request other than that specifically set forth in this letter, and does not give relief from any other conditions or commitments or authorize any other activity.

Very truly yours,

A handwritten signature in cursive script, reading "Jennifer J. Johnson".

Jennifer J. Johnson  
Deputy Secretary of the Board

cc: Federal Reserve Bank of New York