

Dear Sir/Madam

On behalf of Helvea Inc - CRD 132007

We have read the publication on Indications of Interest and there are some comments which we would like to make.

1. Relating to the questions:

Is the requirement that a firm has received a customer order before labelling an IOI or quotation in a manner that indicates the interest originated with a customer too limiting?

Are there instances in which a customer would not want to place an order with a firm, but would want the firm to label an IOI in that manner?

Is there an alternative standard that could achieve the same regulatory purpose?

If so, what should that standard be?

On occasion, a client may place an order with us, with the instruction that if we don't obtain a certain amount, then they don't want the order to be completed.

e.g. Buy 10,000 shares - but I don't want anything less than 7,000.

For this reason, we may place an IOI to ascertain if there is sufficient liquidity enabling us to complete the order.

We believe that this is especially important for smaller firms which only act in an agency capacity, and which may not be in a position to hold proprietary positions.

In the above example - without this tool, those firms would risk purchasing up to, but less than, 7,00 shares and having to hold on to the securities themselves.

Assuming that the spirit of the rule is to eliminate fraudulent/fishing type IOIs, then perhaps there can be a requirement which allows Agency Trading firms to place a "natural IOI" only when a client has given an instruction.

This instruction could be evidenced by email/phone records, rather than the order management system, and could be matched off with the IOI that was placed.

This would be more flexible and allow an IOI in the circumstances described above.

2. Other Comment:

On a slightly different point, I wanted to just clarify that the requirement for IOIs being "truthful, accurate and not misleading" does not always apply to an indication of a smaller quantity.

For example, we may have an IOI for 10,000 shares but, for smaller cap companies, to indicate this to the market may have an immediate impact on the price/demand which could disadvantage the client.

Therefore, we may only advertise an IOI for 2,500 to begin with.

Are we correct in assuming that this is ok, but that to advertise 15,000 when we only have an interest in 10,000 would fall foul of the rule?

We appreciate you taking the time to consider our comments

With best regards
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