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April 21, 2005

VIA EDGAR AND FACSIMILE

Angela Jackson
Staff Accountant
Division of Corporation Finance
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

**Re: Lazard Ltd
Registration Statement on Form S-1,
filed December 17, 2004, as amended February 11, 2005,
March 21, 2005, April 11, 2005 and April 18, 2005
File No. 333-121407**

Dear Ms. Jackson,

Per your request, on behalf of Lazard Ltd (the "Company" or "Lazard Ltd"), we are delivering the following information on a supplemental basis to the Staff of the Division of Corporation Finance (the "Staff") with respect to the above referenced registration statement. The following sets forth the Company's analysis with respect to Lazard Ltd's consolidation of the operations of Lazard LLC ("Lazard Group") for financial accounting purposes.

The Company advises the Staff that it has applied the guidance of ARB 51, *Consolidated Financial Statements*, and FIN 46(R), *Consolidation of Variable Interest Entities*, in determining whether Lazard Ltd should consolidate Lazard Group. Based on the Company's

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analysis of the aforementioned pronouncements, it has concluded that Lazard Ltd will consolidate the operations of Lazard Group because:

- Lazard Ltd, Lazard Group, LAZ-MD Holdings LLC (“LAZ-MD Holdings”) and the managing member of Lazard Group are related parties as contemplated by FIN 46(R), and
- Lazard Ltd will control Lazard Group through an indirectly wholly controlled subsidiary which is the managing member of Lazard Group.

The Company’s application and analysis of accounting treatment with respect to these pronouncements is explained below.

In its analysis of Lazard Ltd and Lazard Group as voting interest entities, the Company considered the voting interests among the entities. In the proposed transaction, Lazard Ltd will issue two classes of common stock. Lazard Ltd’s Class A common stock will be held by the investing public and will have approximately 33.7% of the voting power at Lazard Ltd. Lazard Ltd’s Class B common stock will be held by LAZ-MD Holdings and will have approximately 66.3% of the voting power at Lazard Ltd. An indirect wholly controlled subsidiary of Lazard Ltd will be the “managing member” of Lazard Group. Since the managing member of Lazard Group will have the exclusive right to appoint and remove the board of directors of Lazard Group (and there are no other voting interests at Lazard Group), Lazard Ltd will control Lazard Group and therefore will be required to consolidate Lazard Group.

The Company also considered the provisions of FIN 46(R) as they apply to these entities. Specifically, the Company considered the provisions of paragraph 5 to determine whether Lazard Group and Lazard Ltd are subject to consolidation pursuant to this interpretation. The conditions of Paragraph 5 and the Company’s conclusions as to their applicability are as follows:

“Variable Interest Entities

FIN46(R), Par. 5

An entity shall be subject to consolidation according to the provisions of this Interpretation if, by design, the conditions in *a, b, or c* exist:

a. The total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support provided by any parties, including equity holders. For this purpose, the total equity investment at risk:

(1) Includes only equity investments in the entity that participate significantly in profits and losses even if those investments do not carry voting rights

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(2) Does not include equity interests that the entity issued in exchange for subordinated interests in other variable interest entities

(3) Does not include amounts provided to the equity investor directly or indirectly by the entity or by other parties involved with the entity (for example, by fees, charitable contributions, or other payments), unless the provider is a parent, subsidiary, or affiliate of the investor that is required to be included in the same set of consolidated financial statements as the investor

(4) Does not include amounts financed for the equity investor (for example, by loans or guarantees of loans) directly by the entity or by other parties involved with the entity, unless that party is a parent, subsidiary, or affiliate of the investor that is required to be included in the same set of consolidated financial statements as the investor.

Paragraphs 9 and 10 discuss the amount of the total equity investment at risk that is necessary to permit an entity to finance its activities without additional subordinated financial support.”

Conclusion:

The Company, using the guidance provided in paragraph 9 on equity investment at risk, has determined that, on a qualitative and quantitative basis, the Company has sufficient equity at risk to finance its activities without additional subordinated financial support provided by other parties, including equity holders, given the value of the Company on a fair value basis. Using the guidance in paragraph 9, the Company determined that the 10% threshold, which the Company materially exceeds, was appropriate, since the Company does not participate in capital intensive activities and does not hold high-risk assets or have material exposures that are not reflected in the reported amounts of the entities assets and liabilities.

“b. As a group the holders of the equity investment at risk lack any one of the following three characteristics of a controlling financial interest:

(1) The direct or indirect ability through voting rights or similar rights to make decisions about an entity’s activities that have a significant effect on the success of the entity. The investors do not have that ability through voting rights or similar rights if no owners hold voting rights or similar rights (such as those of a common shareholder in a corporation or a general partner in a partnership).

(2) The obligation to absorb the expected losses of the entity. The investor or investors do not have that obligation if they are directly or indirectly protected from the expected losses or are guaranteed a return by the entity itself or by other parties involved with the entity.

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(3) The right to receive the expected residual returns of the entity. The investors do not have that right if their return is capped by the entity's governing documents or arrangements with other variable interest holders or the entity."

Conclusion:

Paragraph 5b.1

As noted above, at the Lazard Group level, the sole voting interest in Lazard Group is vested in the "managing member," who will have the exclusive right to appoint and remove the board of directors of Lazard Group. An indirect wholly controlled subsidiary of Lazard Ltd will be the managing member of Lazard Group, and therefore Lazard Ltd will control Lazard Group. Although the equity holders do not control the entity directly through voting rights, the equity holders do indirectly control Lazard Group through the control of the managing member. The Company considered the provisions of paragraph 16, which states, in part, that "for purposes of determining whether it is the primary beneficiary of a variable interest entity, an enterprise with a variable interest shall treat variable interests in that same entity held by its related parties as its own interests." Pursuant to this provision, the Company has determined that the equity holders as a group have the indirect ability to make decisions about the activities that have a significant effect on the success of Lazard Group, because LAZ-MD, Lazard Ltd, the managing member of Lazard Group are related parties as contemplated by FIN 46(R).

Paragraph 5b.2 and 5b.3

The equity holders of Lazard Group (LAZ-MD Holdings and Lazard Ltd) hold all the common membership interests in Lazard Group. These common membership interests entitle the holders to receive the residual returns as well as absorb the expected losses of Lazard Group as outlined in the Company's registration statement.

"c. The equity investors as a group also are considered to lack characteristic (b)(1) if (i) the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both and (ii) substantially all of the entity's activities (for example, providing financing or buying assets) either involve or are conducted on behalf of an investor that has disproportionately few voting rights. For purposes of applying this requirement, enterprises shall consider each party's obligations to absorb expected losses and rights to receive expected residual returns related to all of that party's interests in the entity and not only to its equity investment at risk."

Conclusion:

The equity investors as a group do not meet both conditions of paragraph 5c. Although the voting rights of some investors are not proportional (i.e., Lazard Ltd holds 100% of the controlling interest and 33.7% of the economic interest of Lazard Group) to their obligations

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to absorb the expected losses and receive the expected residual returns of the entity, substantially all of the entity's activities either do not involve or are not conducted on behalf of an investor (i.e. LAZ-MD Holdings) with disproportionately few voting rights.

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Should you require further clarification of the matters discussed in this letter or relating to the information submitted herewith, please contact me or Gavin D. Solotar, Esq. at (212) 403-1000 (facsimile: (212) 403-2000).

Sincerely,

/s/ Benjamin D. Fackler

Benjamin D. Fackler, Esq.

cc: Scott D. Hoffman, Esq.
Managing Director and General Counsel, Lazard LLC

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