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October 19, 2010

U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Attention: Ms. Elizabeth M. Murphy, Secretary

Re: **Request for Public Comments on SEC Regulatory Initiatives Under the Dodd-Frank Act Title XV: Miscellaneous Provisions- Section 1502 Conflict Minerals**

Ladies and Gentlemen:

This letter is submitted on behalf of the Committee on Federal Regulation of Securities (the "Committee") of the Section of Business Law of the American Bar Association (the "ABA") to address certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") in response to the July 27, 2010 request for public comments by the Securities and Exchange Commission (the "Commission").

The comments expressed in this letter represent the views of the Committee only and have not been approved by the ABA's House of Delegates or Board of Governors and therefore do not represent the official position of the ABA. In addition, these comments do not represent the official position of the ABA Section of Business Law.

The Committee thanks the Commission for this opportunity to comment on the rulemaking the Commission is required or authorized to undertake in connection with the Dodd-Frank Act. In accordance with the Commission's efforts to organize the submission of comments relating to each major initiative under the Dodd-Frank Act, the Committee expects to submit a number of comment letters, each addressing one of the major initiatives identified by the Commission. This letter comments on the provisions relating

to conflict minerals[1] set forth in Section 1502 of the Dodd-Frank Act, which has added Section 13(p) to the Securities Exchange Act of 1934 (the "Exchange Act"). Because our comments are being presented prior to formal rulemaking, our comments are intended to highlight matters we believe the Commission should consider in formulating its proposed rules pursuant to Section 13(p).

Summary of Our Comments

In our view, in connection with the rulemaking the Commission is required to undertake pursuant to Section 13(p), the Commission should consider the following:

1. Consistent with Congress' decision to limit the new conflict minerals disclosure requirements to those companies where "conflict minerals are necessary to the functionality or production of a product manufactured by such person,"[2] it is important that the Commission implement the statutory provisions by adopting rules that companies can use to determine if they are subject to the new disclosure requirements. In addition to encouraging the Commission to seek comment in response to a broad range of questions regarding the manner in which companies will be able to determine whether they are subject to the disclosure requirements, we provide specific input below on the following four definitional questions that we believe are fundamental to assessing whether a company has a disclosure duty under Section 13(p):

    (i) Do the company's activities involve a product?

    (ii) Is the product manufactured by such person?

    (iii) Is the conflict mineral necessary to the functionality of the product?

    (iv) Is the conflict mineral necessary to the production of the product?

    Disclosure regarding conflict minerals would be required only if the answers to (i) and (ii) are "yes" and the answer to either (iii) or (iv) is "yes."

2. Because the Dodd-Frank Act contemplates that various government agencies will issue standards regarding due diligence and audit standards, any reporting obligation should be deferred until fiscal years commencing a reasonable period of time after the standards provided for in Section 13(p) have been adopted.

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1 As defined in Section 1502, "conflict minerals" means columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives and any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country.

2 Section 13(p)(2).

3. To the extent it is able to do so, we believe that the Commission should consider a phased implementation of the conflict minerals disclosure requirement. We believe it would be in the public interest and consistent with the protection of investors for the new disclosure requirements to first apply to manufacturers that are likely to have the best ability to provide meaningful disclosure based on objective criteria. We believe any proposed rulemaking should solicit comment as to what these criteria might be.

4. For companies that are required to make disclosures regarding conflict minerals, we believe such disclosures should be furnished, but not filed, with the Commission. We believe a new Item of Form 8-K may be the best way to accomplish this. Were the Commission instead to require the disclosures to be set forth in a company's annual report, the Commission should consider extending the submission deadline relating to the item of the annual report providing for conflict minerals disclosure in order to provide companies sufficient time to prepare and audit any required disclosure, without risking delay in the filing of the annual report beyond the current requirements.

Each of these matters is discussed further below.

Discussion

Background

In adopting Section 1502 of the Dodd-Frank Act, Congress stated that "[i]t is the sense of Congress that the exploitation and trade of conflict minerals originating in the Democratic Republic of the Congo is helping to finance conflict characterized by extreme levels of violence in the eastern Democratic Republic of the Congo, particularly sexual- and gender-based violence, and contributing to an emergency humanitarian situation therein." Accordingly, Congress determined that it was appropriate to mandate several steps aimed at increasing available information regarding conflict minerals. One such step was the addition of Section 13(p) to the Exchange Act, which will require certain public companies[3] to provide public disclosure about conflict minerals.

[3] Some have noted that a technical reading of Section 13(p) may not, by its terms, limit the annual reporting obligations to companies otherwise subject to the Commission's reporting obligations. We believe the statutory language is ambiguous, and in the absence of a clear Congressional intent to require non-public companies to report annually to the Commission, the Commission's proposed rules should not be drafted so as to extend this obligation to private companies. We believe this conclusion is supported by Section 1502(d)(2)(C)(ii)(I) of the Dodd-Frank Act, which contemplates reports by the Comptroller General with respect to companies that are not required to file reports with the Commission pursuant to Section 13(p)(1)(A) of the Exchange Act, even though conflict minerals are necessary to the functionality or production of a product manufactured by such person.

Section 13(p) requires the Commission to promulgate regulations requiring certain companies to disclose annually, beginning in the first fiscal year that begins after the date the regulations are promulgated, whether conflict minerals that are necessary to the functionality or production of a product manufactured by such company originated in the Democratic Republic of the Congo or an adjoining country. If the conflict minerals did originate in any such country, the company is required to submit a certified report to the Commission that includes specified additional information. Included in this information is a description of the measures taken by the person to exercise due diligence on the source and chain of custody of such minerals, which measures must include an independent private sector audit of the report conducted in accordance with standards established by the Comptroller General of the United States in accordance with rules promulgated by the Commission in consultation with the Secretary of State.

Comments

We believe the Commission can discharge its statutory mandate under Section 13(p) by clarifying and adding certainty to the statutory provisions, including adding clarity to the identity of the companies that will be obligated to provide conflict minerals disclosures. In our view, it is important that the reporting provisions that will ultimately be adopted by the Commission be both practical and efficient. We believe that it would be very helpful for the Commission to seek, in its final rules, to adopt a bright-line test that will permit companies to readily determine if they are subject to the new disclosure requirement. Eliminating uncertainty and confusion regarding the companies that will be subject to the disclosure obligations will avoid unnecessary cost and expense on the part of such companies, and may minimize the time the staff of the Commission will need to devote to further guidance.

We also believe the goals underlying Section 1502 can best be accomplished by initially imposing the new disclosure requirements on those companies that are likely to have the best ability to provide meaningful disclosure based on objective criteria. Initially focusing the disclosure requirement in this manner will also help balance the overall costs associated with complying with the new requirements with the legislative purpose of the new requirements.

In its proposed rulemaking, we believe that the Commission should solicit responses to a broad range of inquiries to provide companies that may be affected by Section 13(p), industry groups and the groups supporting the conflict minerals disclosure initiatives an opportunity to offer their suggestions as to the best means by which the statutory mandate can be implemented, while minimizing unintended consequences.

We have grouped our specific comments below into three categories. First, we address the process of identifying which public companies should be required to provide the disclosures called for by Section 13(p). Second, we address the timing for implementing the new requirements for companies that are within the scope of Section 13(p), which we refer to as "covered manufacturers." Finally, we address the substantive reporting obligations of covered manufacturers.

1. Identification of Companies Required to Provide Conflict Mineral Disclosures

It is clear from the language of Section 13(p) that Congress did not intend that all public companies be required to provide disclosures regarding their use of conflict minerals.[4] Under Section 13(p)(2), a person is only subject to the conflict minerals disclosure requirements if "conflict minerals are necessary to the functionality or production of a product manufactured by such person."[5]

Although Congress could have made the class of persons subject to the new disclosure requirements broader (for example, it could have applied the new requirements to all companies that derive a direct or indirect economic benefit from conflict minerals), the fact that it did not do so evidences an intent to focus the new requirements on those companies that have the most significant direct involvement with conflict minerals – i.e., those companies whose products themselves contain conflict minerals, and those companies that are dependent upon the use of conflict minerals in the manufacturing of their products.

Consistent with the manner in which Congress focused these new requirements, we believe it would be important for the Commission to appropriately focus its rulemaking by adopting reasonable and consistent guidelines by which a company is able to determine whether it is subject to the new requirements. Because several of the key concepts that subject a company to the new requirements (such as the definitions of the terms "necessary," "manufacture," and "functionality") are not well established in this context, we encourage the Commission to seek comment in response to a broad range of questions regarding the manner in which companies will be able to determine whether they are required to make disclosures under Section 13(p).[6]

In addition to encouraging the Commission to seek broad input from potentially affected companies, we appreciate this opportunity to share our initial thoughts on the following four

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[4] Section 13(p)(1)(A) can be read to create two separate requirements: (1) an annual disclosure requirement regarding whether conflict minerals that are necessary to the functionality or production of a product manufactured by a company originated in the Democratic Republic of the Congo or an adjoining country and (2) a further requirement to submit a report that applies to companies when conflict minerals originate in the Democratic Republic of the Congo or an adjoining country. However, because both of these requirements only apply to persons described in Section 13(p)(2), we distinguish between these two requirements only where the distinction is relevant, such as in our discussion in the section of our letter addressing the form of disclosure obligation.

[5] Section 13(p)(2) also specifies that the new disclosure requirements only apply to persons "required to file reports with the Commission pursuant to paragraph (1)(A)". As discussed above in footnote 3 to this letter, this reference is ambiguous.

[6] We note, among other things, that in many situations it may be impossible to determine the source of conflict minerals, such as where a manufacturer purchases recycled minerals from a distributor. We strongly believe the Commission's proposing release should seek public comment as to the manner in which any final rules should address such considerations.

definitional questions that are fundamental to assessing whether a company has a disclosure duty under Section 13(p):

(i) Do the company's activities involve a product?

(ii) Is the product manufactured by such person?

(iii) Is the conflict mineral necessary to the functionality of the product?

(iv) Is the conflict mineral necessary to the production of the product?

Disclosure regarding conflict minerals would be required only if the answers to (i) and (ii) are "yes" and the answer to either (iii) or (iv) is "yes".

(a) Do the company's activities involve a product?

Section 13(p)(2)(B) expressly refers to products, and therefore should not cover service companies or other companies not engaged in the manufacture of products. We believe that the term "products" should be given a common sense meaning relating to tangible items. Accordingly, companies that manufacture non-tangible items, such as software distributed exclusively through online sales, should not be within the scope of these provisions. Also not included would be companies that would not, in a practical sense, be deemed to be manufacturing products, such as companies engaged in broadcasting activities, motion picture production, advertising, consulting and pure retail operations.

(b) Is the product manufactured by such person?

The manufacturing of products generally involves a number of discrete elements, including product planning, design and engineering, sourcing and procurement of raw materials and other components, assembly, testing, packaging, and shipping and distribution. Clearly a company engaged directly in all of these elements is a manufacturer. A more complex question arises when a company is responsible for one or more, but not all, of these elements. For example, a company may be engaged in the assembly of products pursuant to a contract with a third party, and not in the design, sourcing or procurement of the items it assembles. Absent any involvement in the sourcing process, the assembler may be unable reasonably to determine the materials the items it is assembling are composed of, much less the source of such materials. Any overly-broad definition of the term "manufacturer" risks imposing considerable burdens on company without necessarily advancing the statutory purpose underlying Section 13(p).

In view of the stated legislative purpose of Section 1502, it appears to us that a reasonable basis may exist for the Commission to deem an entity directly responsible for the sourcing and procurement of the raw materials associated with a product to be the manufacturer.[7]

(c) Is the conflict mineral necessary to the functionality of the product?

As a threshold matter, we believe that the concept of "functionality" must be understood and defined in juxtaposition to the other operative word – "production" – that is used in Section 13(p)(2). Accordingly, we believe functionality is intended to refer to conflict minerals that are both (i) an integral component incorporated into a company's manufactured products and (ii) necessary to the product's functioning, whereas production is intended to refer to conflict minerals that are used and consumed in the process of manufacturing a company's products (and therefore are not an actual component of the finished product). We see no statutory basis for imposing any broader definition of functionality (for example, a definition that takes into account how a company's product is used by consumers or other end-users). Any extension of the definition of functionality beyond the statutory scope would impose unnecessary burdens on companies without advancing the Act's objectives. As examples of the foregoing, consider (1) an electric light fixture that does not include any conflict minerals and that is not produced using conflict minerals, but that requires consumers to use a light bulb which may include conflict minerals, or (2) an electronic device that does not include any conflict minerals and that is not produced using conflict minerals, but that requires batteries for its operation, which may include conflict minerals. In these examples, where the manufacturer of the electric light fixture or the electronic device would not necessarily be procuring the items containing the conflict minerals, we believe it would be reasonable not to impose disclosure obligations on the manufacturer of the electric light fixture or the electronic device. Instead, the manufacturer of the light bulb and the battery would be the appropriate entities upon which to impose reporting responsibility.

Furthermore, we note that there is a second significant layer of meaning to the term functionality, because it is possible that conflict minerals may be components of products in a number of ways, including not only the operation of the product, but also its casing or decorative elements. This second meaning is perhaps most readily apparent in the case of gold. We believe that a "but for" test would be appropriate for determining whether a conflict mineral is "necessary" to the functionality of the product: that is, but for the use of the conflict mineral, would the product not be functional? Under this test, the use of a conflict mineral to enhance functionality would not, in and of itself, be sufficient to trigger a disclosure requirement.

(d) Is the conflict mineral necessary to the production of the product?

Section 1502 recognizes that many products that may not themselves contain conflict minerals may require the use of conflict minerals in their production. Although we

[7] Although entities involved in other aspects of the process may not be deemed to be manufacturers, we note that Section 1502 may be read to capture companies that sub-contract with third parties for the manufacture of components of a product or the product itself.

understand that items that are integral to the manufacturing process may well be within the scope of the statute, we suggest that the Commission rules provide that items that are incidental to the production of a product would not be within the scope of the reporting requirement.[8]

2. Timing of Implementation of Disclosure Requirement for Covered Manufacturers

(a) Availability of Diligence and Auditing Standards

We note that Section 13(p) requires the report prepared by covered manufacturers to describe the measures taken by the person to exercise due diligence on the source and chain of custody of conflict minerals, which shall include an independent private audit. The audit is to be conducted in accordance with standards established by the Comptroller General of the United States in accordance with rules promulgated by the Commission in consultation with the Secretary of State. It is unclear to us whether it was the intent of Congress for the rules required to be promulgated by this provision to be part of the same rulemaking as the rules applicable to the preparation of reports by companies. Indeed, it seems to us that the adoption of standards would be preliminary to the imposition of reporting obligations based on those standards. In any event, until and unless the Commission adopts rules in consultation with the Department of State, and the Comptroller General of the United States establishes standards pursuant to that rulemaking, it would be impossible for companies to comply with the statutory requirements. We therefore believe that, in its proposed rules, it would be appropriate for the Commission to provide that the public company reporting obligation will be deferred until fiscal years commencing not less than a reasonable number of days after the standards provided for in Section 13(p) have been established. We suggest that, in the proposed rulemaking, the Commission seek comment as to an appropriate period.[9]

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8 In many respects, the distinction we are making is similar to that made in connection with the use of "hazardous materials" by companies under environmental laws. Although many companies make minor and incidental use of cleaning compounds that may technically include hazardous materials, these companies are not necessarily required by law to store such materials, report the use of such materials, and dispose of such materials in accordance with the panoply of requirements that would apply to a more significant use of such materials. In the context of conflict minerals, virtually every company that makes electrical products uses solder, which may contain tin. As we understand, one of the conflict minerals, cassiterite, is the chief ore needed to produce tin. It is not clear to us that companies, especially smaller companies, have the ability to determine the source of the tin that may be used in the solder. Applying the disclosure requirement to every company that makes even incidental use of solder in the manufacture of a product would impose a significant financial burden on such companies and on the economy as a whole and would not, in our view, meaningfully advance the achievement of the Act's objectives.

9 In addition, we believe the Commission should, in its consultation with public companies and other governmental agencies, seek to identify the most efficient means for covered manufacturers to comply with the requirements. For example, it may be helpful if a covered manufacturer's diligence obligation was limited to confirming that it did not directly source conflict minerals from one of the persons or entities identified on a list compiled and maintained by the U.S. government or an entity approved by the government. Regardless of the manner in which it is implemented, we believe that the Commission's rules should seek to achieve the statutory purpose of Section 1502 of the Dodd-Frank Act with as little burden to public companies as possible.

(b) Phased Implementation

Although we acknowledge that Section 13(p) does not expressly reference a phased implementation of the reporting requirements, we believe that the Commission should explore, within the scope and objective of Section 1502 and the Commission's statutory authority[10], the appropriateness of initially implementing the conflict minerals reporting requirements only for covered manufacturers that meet specified objective criteria, and deferring the implementation of the requirements with respect to other covered manufacturers.[11] We understand that some industries known to be the largest users of conflict minerals have already taken steps to consider appropriate means of implementation. We believe the Commission should, in its proposed rulemaking, seek input, and work cooperatively with representatives of such industries to develop reasonable objective criteria for identifying which companies should first be subject to the new reporting requirements. We believe that limiting the timing of initial implementation to specified companies identified through the rulemaking process would be consistent with the public interest by promptly imposing the Congressional mandate on those companies whose activities have the largest potential to impact the humanitarian concerns underlying Section 1502. A phased implementation would also serve the public interest by facilitating the ultimate compliance by all covered manufacturers, because the companies whose obligations are deferred will greatly benefit by developments during the next few years in determining the means by which supply source assessments will be made, and reports will be prepared and audited. In this regard, we note that Section 1502(d)(3)(c) of the Dodd-Frank Act provides that within thirty months after the date of enactment of the Act, the Secretary of Commerce is to submit to the appropriate Congressional committees a report that includes a listing of all known conflict minerals processing facilities worldwide. Were the information in the report prepared by the Secretary of Commerce to be made available publicly, such information may be extremely helpful for companies preparing their disclosures pursuant to Section 13(p). A listing of known processing facilities, undertaken with the resources available to the United States Government, may help reduce the costs imposed on individual companies regarding similar matters. Such benefits could only be achieved if the Commission were to adopt a phased implementation date relating to Section 13(p), that would defer the disclosure obligation until some reasonable period

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[10] For example, Section 36(a) of the Exchange Act provides that, subject to certain express limitations that are not applicable here, the Commission, by rule, regulation, or order, may conditionally or unconditionally exempt any person or any class or classes of persons from any provision or provisions of the Exchange Act, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors. Although nothing in the Dodd-Frank Act in general, or in Section 1502 in particular, provides that Congress intended to limit the Commission's authority under Section 36(a) with respect to new Section 13(p) of the Exchange Act, we understand that it would not be feasible for the Commission to exercise its authority in a manner that would be inconsistent with the public policy represented by Section 1502. We encourage the Commission, though, to consider phased implementation or other adaptations to the extent the Commission may deem such adaptations to be necessary or appropriate in the public interest and consistent with the protection of investors.

[11] Moreover, we note that to the extent a more expansive definition of covered manufacturers is adopted than what we have suggested above, there would be an even greater need to provide extra implementation time for those companies whose activities involving conflict minerals are more attenuated.

of time after the information in the Secretary of Commerce's report were to be made publicly available. We believe a phased implementation of the reporting requirements would also be consistent with the protection of investors, and are aware of no reason to believe that companies whose involvement with conflict minerals is only incidental, indirect or immaterial are currently exposed to meaningful risks as a result of their limited involvement with conflict minerals.

On the basis of the foregoing, we therefore encourage the Commission to seek public comment as to whether a phased implementation of the reporting requirements would be consistent with the public interest and the protection of investors.

3. Substantive Responsibilities of Covered Manufacturers

(a) Form of Annual Reporting Obligation

Section 13(p) requires that a person "disclose annually" certain conflict mineral information, and that the person shall "submit to the Commission a report that includes" specified information. Each person subject to the reporting requirement will also be required to make such information available to the public on its Internet web site. For a number of reasons, we believe that the Commission should propose that a company be permitted to satisfy its obligation to submit information to the Commission by means of a new Item to Form 8-K. The new Item would require a company to make the necessary disclosures for each applicable fiscal year, and to submit the report required by Section 13(p) within a specified period of time after the end of such fiscal year. We view this as appropriate for the following reasons:

(i) Section 13(p) does not specify that the disclosure required pursuant thereto needs to be "filed" with the Commission. We believe that the provisions of General Instruction B.2. to Form 8-K should apply to such disclosure, and that the information provided pursuant to Section 13(p) should be deemed to be "furnished" and not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section.

(ii) Consistent with General Instruction B.6. to Form 8-K, the disclosure and the report should not be deemed to be an admission of the materiality of the information. We do not read anything in Section 13(p) that indicates a statutory conclusion that the required disclosure is necessarily material to investors. In addition, we do not believe that failure to provide a report should result in the inability of an issuer to use Forms S-3 and F-3 for primary offerings, as the omission does not necessarily involve the failure to provide material information to investors.

We believe that requiring that all the new required disclosures be filed with the Commission as part of a company's annual report would raise a number of risks that are not necessary in order to achieve the stated legislative objective, including:

(i) The risk of Exchange Act liability should the information prove to be incorrect;

(ii) The risk of delay in filing an annual report if the required information is not available at the filing date of the report; especially in view of the shortened filing deadlines for accelerated filers, and the uncertain burdens associated with the implementation of Section 13(p), it is not clear to us that the annual report deadline will be feasible for companies subject to Section 13(p) disclosures;

(iii) Risks associated with the personal liability of a company's principal executive and principal financial officers resulting from the certifications required to accompany an annual report; and

(iv) Underwriter and other liabilities associated with the incorporation of such information into Securities Act registration statements, including the costs and burdens of diligence regarding such information.

As noted above (in footnote 4), Section 13(p)(1)(A) can be read as creating two separate disclosure requirements. To the extent the Commission is inclined to require disclosure regarding conflict minerals to be a part of a company's annual report, we strongly believe that any such requirement should be limited to the portion of the Act that requires companies "to disclose annually … whether conflict minerals that are necessary … did originate in the Democratic Republic of the Congo or an adjoining country" and that the more detailed information contemplated to be included in the "report" to be prepared and certified by the company be treated as a separate obligation that is not related to the annual report. In addition, we suggest that the Commission consider enabling a company to delay the filing of such disclosures until after the date the company is reasonably able to prepare the necessary disclosures.[12]

Finally, although the Commission could create a new form to reflect the Section 13(p) disclosure obligations, we believe that Form 8-K, if amended, would provide the least confusing means for companies to satisfy their obligations.

(b) Additional Implementation Considerations

We suggest that the proposed rules should clearly state that if an entity has not manufactured products using conflict minerals during the fiscal year to which the report pertains, it would not be obligated to provide conflict mineral disclosure, even though it may have provided such disclosure in prior years.

[12] We note that the Commission currently permits companies to defer the filing of information in Part III of Form 10-K, as well as certain financial statement pursuant to Form 8-K.

We suggest that the proposed rules should provide that if a reporting person has acquired a company that uses conflict minerals, it should not be obligated to report with respect to the acquired entity until the first fiscal year following the fiscal year in which the acquisition is consummated.

The standards for the required audit of a company's report on conflict minerals should reflect principles commonly applied to other audit requirements, including materially limitations and a recognition that the audit is only intended to provide reasonable assurances with respect to the audited information.

We believe that the Commission should consider especially the implications of any rulemaking pursuant to Section 13(p) on smaller reporting companies and foreign private issuers. In the case of smaller public companies, we believe the Commission should be required to ascertain the likely costs such companies will need to bear in order to engage the supply source consulting, report preparation and auditing provided for by Section 13(p). To the extent that such costs may constitute an appreciable portion of the companies' net income, the Commission should seek ways of moderating the costs, in the same manner that the Commission encouraged the adoption of standards relating to internal control over financial reporting applicable to smaller public companies. With respect to foreign private issuers, the Commission should consider the legal or other issues foreign private issuers may encounter in complying with the disclosure requirements, and the potential for the Section 13(p) disclosure obligations to lead foreign issuers to abandon the U.S. markets.

Conclusion

The Committee is sensitive to the humanitarian considerations underlying Section 1502 of the Dodd-Frank Act, and the need for the Commission to implement the provisions of that Section in accordance with the statutory mandate. We believe it is possible for the Commission to propose, and to adopt, rules that encompass the statutory requirements while also remaining responsive to the mission of the Commission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. The Committee appreciates the opportunity to submit these comments. Members of the Committee are available to meet and discuss these matters with the Commission and its staff and to respond to any questions.

Very truly yours,

/s/ Jeffrey W. Rubin
Jeffrey W. Rubin, Chair
Committee on Federal Regulation of Securities

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