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Registrar and Transfer Company

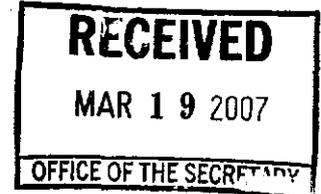
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March 8, 2007

Ms. Nancy M. Morris, Secretary
Securities Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090



Subject: File Number S7-03-07, Internet Availability of Proxy Materials

Dear Ms. Morris:

Registrar and Transfer Company ("R&T") appreciates the opportunity to comment on the proposed regulations referenced above. R&T is a member of the Securities Transfer Association ("STA") and has been a transfer agent since 1899. R&T acts as agent for more than 900,000 open registered shareholder accounts in more than 1,600 CUSIPs. In the capacity as transfer agent, R&T distributes proxy materials, conducts householded mailings of shareholder meeting materials, provides electronic access to proxy materials and electronic voting platforms, tabulates proxies and conducts other duties associated with the shareholder meeting process for many of our clients. Most of our clients are not "large" as defined under the proposed regulation.

R&T supports the SEC initiatives to cut needless expenses and improve the competitiveness of corporate America. We fully support the Notice and Access model provided in the earlier rulemaking, S7-10-05. However, we believe that the Proposed Rule, which makes the Notice and Access model mandatory, is premature and may increase the expenses associated with the distribution of proxy materials in some instances. We suggest that making the Notice and Access model mandatory for all issuers could result in a considerable increase in costs for some smaller issuers that may ill-afford such expense. Rather than making the Notice and Access model mandatory for all corporations, a more reasoned approach would be to let market forces drive the process. As experience with the Notice and Access model grows and the process becomes more inculcated into the proxy landscape, economic forces and acceptance will efficiently drive expanded utilization of the model. The Commission will also have access to actual operating costs and the percentage of acceptance, the volume of fulfillment requests, the costs associated with those requests and differentiation in processing advantages between smaller and larger corporations. The Rulemaking should

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be held in abeyance at least until such data can assure the Commission that making the Notice and Access process mandatory will not adversely affect the competitive abilities of smaller U.S. corporations.

Insufficient Actual Operating Experience and Cost Data

The recent Notice and Access Rules, File Number S7-10-05, permits issuers to send the Notice of Internet Availability of Proxy Materials on and after July 1, 2007. While some companies already offer consensual Internet access to material, the consensual process does not provide operating experience that can be applied to the Notice and Access model. Specifically, the expected percentage of shareholders not receiving Material and subsequently requesting fulfillment of material cannot be ascertained under the current operational process. The implied consent process outlined in the new Rule, the Notice and Access model, will not have significant actual operating experience until the full proxy season of 2008 has been completed and analyzed. Even then, the first year's experience may not be representative as the lack of investor familiarity and start-up issues may skew the results. Issuers and industry participants cannot know at this time if the Notice and Access model will result in significant numbers of shareholders opting out of the program. Until the Notice and Access model has been in operation for several proxy cycles, we are not likely to have an accurate assessment of the "normal" fulfillment volume percentages. The cost of fulfilling a shareholder's direct request for Proxy Material is contingent upon a number of factors and cannot be precisely quantified. The preparation, handling and mailing costs for direct fulfillment is likely to be considerably higher per item than the mailing costs of an item when performed as part of a mass mailing. For example, when fulfillment occurs, issuers may be unable to take advantage of Standard Mail discounts and will have to have each request handled individually or in small volumes, increasing the per-piece handling expense. Thus, the full economic implication for fulfillment under the Notice and Access model cannot be able to be quantified at this time.

Increased Issuer Set-Up Costs

The proposed Rule requires issuers to provide shareholders with a method to execute proxies at the time the initial Notice of Internet Delivery is sent to shareholders. Since a proxy cannot be sent with the Notice, the only viable alternative is for the issuer to establish an Internet voting platform. Only a modest percentage of registered shareholders utilize these voting facilities today when these voting alternatives are provided.

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In a review of all clients offering electronic voting through R&T in 2006, 72.3% of the proxies voted were by paper, 15.0% by telephone and 12.6% by Internet. Further, only 31.2% of the registered shareholders voted! The cost of establishing electronic voting varies from vendor to vendor. Currently, it costs in excess of \$3,000 per company to establish electronic voting. This cost admittedly may decrease as the number of companies using electronic voting increases.

The posting and hosting of Proxy Materials on a publicly accessible Internet Web site is neither difficult nor expensive. However, quickly creating a linked index for the Proxy Materials is a skill set, while not daunting, that may not be available within many smaller companies. Having an external service agent provide this service may cost from several hundred to several thousand dollars or more.

Given these set-up expenses, many smaller firms would probably not find it economically advantageous to utilize electronic voting and would probably not realize a savings by the Notice and Access model. Instead, the Notice and Access model may result in added expense.

Added Shareholder Maintenance Expense

The proposed Rule also requires issuers to provide shareholders with the ability to make a permanent election regarding their desire to receive paper copies of Annual Meeting Materials. This election constitutes an additional shareholder maintenance expense that would have to be borne by the issuer. This expense would probably not be significant for most companies. Again, smaller companies that may be struggling competitively watch every expenditure and may find any added expense that does not produce a net savings to present a competitive disadvantage.

Conclusion

We believe that the Notice and Access model is a farsighted and timely innovation by the Commission that will save larger corporations significant sums and cut paper and energy waste. The Proposed Rule seeks to make this process mandatory for all companies. If Notice and Access makes sense economically, market forces will probably drive most companies to use the model to cut printing and mailing costs. We respectfully suggest that making the process mandatory may be premature and that further consideration be given to the process as additional operational data is derived and studied.

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We would like to thank the Commission for the opportunity to present these concepts and again applaud the development of the Notice and Access initiative.

Respectfully,

A handwritten signature in cursive script, appearing to read "Thomas L. Montrone".

Thomas L. Montrone