



# BANK DEPOSITORY USER GROUP

21

## 2007 STEERING COMMITTEE

**Dennis J. Callahan**  
Chairman  
Investors Bank & Trust  
200 Clarendon Street  
Boston, MA 02116  
(617) 937-6256  
email [dennis.callahan@ibtco.com](mailto:dennis.callahan@ibtco.com)

**Veneta Kokenes**  
Vice Chairperson  
ABN AMRO  
135 South LaSalle Street, Suite 1860  
Chicago, IL 60603  
(312) 904-2277 • fax (312) 904-9574  
email [veneta.kokenes@abnamro.com](mailto:veneta.kokenes@abnamro.com)

**Todd F. Rhodes**  
Treasurer  
JP Morgan  
14201 Dallas Parkway, 12<sup>th</sup> Floor  
Dallas, TX 75254  
(469) 477-1083 • fax (469) 477-2189  
email [todd.f.rhodes@jpmchase.com](mailto:todd.f.rhodes@jpmchase.com)

**Karen J. Lightfoot**  
Secretary  
UMB Bank, NA  
928 Grand Blvd., 4<sup>th</sup> Floor  
Kansas City, MO 64106  
(816) 860-4668  
email [karen.lightfoot@umb.com](mailto:karen.lightfoot@umb.com)

**Damon Wisner**  
Constitution/Audit/By-Laws  
First National Bank of Omaha  
1620 Dodge Street  
Omaha, NE 68197  
(402) 633-3321  
email [dwisner@fnni.com](mailto:dwisner@fnni.com)

**R. Scott Nielsen**  
Exhibitor Relations  
Deseret Trust Company  
30 East 100 South, Suite 900  
Salt Lake City, UT 84111  
(801) 433-1517 • fax (801) 363-2995  
email [nielsense@deserettrust.com](mailto:nielsense@deserettrust.com)

**Daniel McHale**  
Membership  
Compass Bank  
15 South 20<sup>th</sup> Street, Suite 703  
Birmingham, Alabama 35233  
(205) 297-6620 • fax (205) 297-6929  
email [danny.mchale@compassbank.com](mailto:danny.mchale@compassbank.com)

**Jennifer Schindler**  
Communications  
National City Bank  
4100 West 150<sup>th</sup> Street, Loc.01-5312  
Cleveland, OH 44135  
(216) 257-4591 • fax (216) 257-4692  
email [jennifer.schindler@nationalcity.com](mailto:jennifer.schindler@nationalcity.com)

**Mark Cashion**  
Meetings and Arrangements  
Marshall & Ilsley Trust Company N.A.  
11270 West Park Place  
Milwaukee, WI 53224  
(414) 815-3539 • fax (414) 815-3590  
email [mark.cashion@micorp.com](mailto:mark.cashion@micorp.com)

Nancy M. Morris  
Secretary  
Securities Exchange Commission  
100 F Street NE  
Washington DC 20549 – 1090

Re: SR – DTC – 2006-16

Dear Ms. Morris,

The Bank Depository User Group (“BDUG”), an association of The Depository Trust Company (“DTC”) bank participants organized in 1982, would like to go on record in support of DTC’s proposed amendments to its rules to update, standardize, and restate the requirements for the Fast Automated Securities Transfer Program (“FAST”) and the Direct Registration System (DRS).

With the anticipated exponential growth of DRS usage due to the recent changes to stock exchange listing requirements mandating DRS eligibility, BDUG agrees that “modernization” of DTC’s original FAST requirements from 1975 is warranted, including:

- Standardization of insurance requirements, with insurance coverage established to account for expected increases in transactional volumes and the corresponding increased dollar values processed through the DRS system and the value of securities held in FAST positions at the transfer agents
- Enhanced safekeeping requirements for physical plant security and fire protection standards
- Maintenance of adequate technology to improve processing, sufficiently protect data to ensure investor privacy and provide an appropriate disaster recovery plan
- Regulatory and bookkeeping requirements to ensure compliance with applicable laws and regulations, such as OFAC, AML, Privacy etc.
- Audit reporting to certify a transfer agent’s processes and controls

BDUG, representing its member banks, believes firmly that DTC's proposed amendments to the FAST and DRS rules ensure the safety and soundness of the system. The reduction of risk and promotion of efficiency are underlying goals of our members and all members of the financial services community.

BDUG appreciates the opportunity to comment on this rule filing.

Sincerely,

Dennis Callahan  
Chairman

