



Founded 1946 (Formerly CTA)  
PO Box 889 New York NY 10268-0889

June 22, 2007

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

Securities and Exchange Commission Release No. 34-55816,  
File No. SR-DTC-2006-16, Notice of Filing of Proposed Rule Change  
Amending FAST and DRS Limited Participant Requirements for Transfer  
Agents

Ladies and Gentlemen:

The SSA – A National Shareholder Services Organization founded in 1946 – has over 285 members representing 250 corporate issuers, agents, and industry service providers that reflect the diversity found in every facet of the securities industry. The issuers in our organization are responsible for shareholder services, performed either directly by issuer corporations acting as their own recordkeeper and Transfer Agent, or through a Commercial Agent.

We appreciate the opportunity to comment on the proposed rule change amending FAST and DRS Limited Participant Requirements for Transfer Agents. Many of our issuer members are already FAST and DRS Participants with the Depository, either through their Commercial Agent, or as Limited Participants as an Issuer Agent.

We would first like to comment on the spirit of the proposed rule. Since FAST was initially implemented in 1975, FAST agreements have been changed several times. We would like to applaud the Depository for standardizing the FAST agreement for all companies. This will enable us to work within the same guidelines.

In reviewing our members and their current participation in FAST/DRS we found the following:

The majority of Issuer Members participate in FAST  
Over 56 Issuer Members participate in DRS

Proposed Amendments to the FAST requirements – below are our comments:

With respect to Item 1 and Item 14, Transfer Agents can have different regulators, and depending on the regulatory authority, their ability to receive a copy of the regulators report can depend on the regulator and/or issuer. Issuers would deem these reports as highly confidential and since DTC is requesting (in Item 11), a report from an external certified accountant certifying that the TA is complying with: a) all of DTC's requirements relating to FAST; b) certifying that the agent meets any SEC requirements, and c) a SSAE 10 report or a SAS-70 audit report, we feel that would satisfy DTC's risk exposure.

Stock Exchanges like the NYSE have certain rules regarding agents acting in the dual capacity of Transfer Agent and Registrar. Agents are required to assure the Exchange that such functions are maintained separately and distinctly with appropriate internal controls, subject to an annual review by the agent's independent auditors. The independent auditor's review shall include tests of all Transfer Agent activities, systems, and controls. The independent auditor's annual review shall be provided to the Agent's Board of Directors with a copy to the Exchange. Agents, other than issuers, acting in the dual capacity as Transfer Agent/Registrar are also required to submit their latest financial statements and, on an annual basis, a certification from their insurer or insurance broker indicating the Exchange insurance requirements are met. According to SEC reg. 17ad-13(d)(1)(i) certain registered Transfer Agents are exempt from the Annual Accountant's Report. We feel that the SEC requirement should supersede DTC's requirement for an external certified accountant's report for those certain Transfer Agents.

With respect to Item 6, we agree that all Transfer Agents should carry insurance for not only their protection, but for the protection of every shareholder record on their books. In reviewing the insurance coverage proposed, the deductible amounts are lower than most members currently carry. Members would experience increased premium fees as well as having to execute a separate indemnity agreement with their insurer to cover the difference from the lower deductible to the agreed upon deductible in their insurance policy. It should be noted in the final paragraph of Item 6, where the Transfer Agent is able to demonstrate its existing coverage and/or capitalization would provide similar protections to DTC that the Transfer Agent may apply to DTC for a waiver of the deductibles. We would like to make that a formal item (c) within Item 6. We would prefer that the last sentence be omitted – DTC shall have sole discretion as to whether or not to grant any such waiver.

With respect to Item 12, Transfer Agents follow SEC Rule 17Ad-12. Safeguarding of Funds and Securities. This rule state that the Transfer Agent has custody or possession of funds and securities related to its Transfer Agent activities and shall assure that such securities are held in safekeeping and are handled, in light of all facts and circumstances, in a manner reasonably free from risk of theft, loss or destruction (other than following the certificate destruction procedures pursuant to 17Ad-19). We feel that the SEC regulation should supersede this request.

Thank you for reviewing our comments. We have encouraged each of our members to share their comments on behalf of the companies they represent.

Sincerely,

A handwritten signature in black ink, appearing to read "James", with a long horizontal flourish extending to the right.

SSA President