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March 5, 2008

Ms. Nancy M. Morris, Secretary  
Securities and Exchange Commission  
100 F. Street, NE  
Washington, DC 20549-1090

**Re: Securities Exchange Act Release No. 34-57283;  
File Number SR-DTC-2007-11**

Dear Ms. Morris:

The above referenced proposed rule change by The Depository Trust Company ("DTC") proposed the amendment of DTC's Operational Arrangements as they apply to structured securities. This proposal received four comments, all of which supported the proposal. The comment from Securities Industry and Financial Markets Association ("SIFMA") reflected a few questions and comments with respect to which DTC seeks to address as set forth below. For ease of reference, the headings noted in this letter correspond to the headings in the comment letter dated December 19, 2007 from SIFMA.

**Guidance as to criteria.** We confirm that DTC would expect that the criteria for categorizing an issue as "non-conforming" would consist of a general good-faith expectation, based on information available at the time, as to whether it is anticipated that DTC's deadlines for submission of rate information will be met.

**Underwriter; Reliance on paying agent attestation.** The proposed rule change filing has been amended to clarify that both the underwriter and the paying agent must sign the attestation.

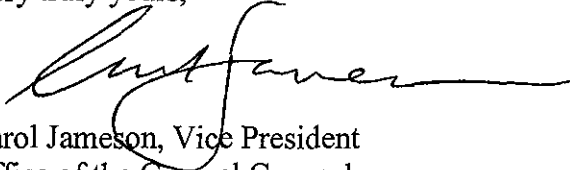
The involvement of both the paying agent and the underwriter in the determination of whether the issue is conforming or nonconforming is designed to achieve a balanced result. Tracking performance on issues classified as conforming is designed to provide an incentive against inaccurate classification in this direction. Imposition of a fee to compensate the industry for the costs attendant to processing a nonconforming issue discourages a misclassification in the other direction. We therefore anticipate that market forces will incent an accurate classification of structured securities such that reclassification over the life of the issue will not be necessary.

**Exception Processing Fee of \$4,200-per-CUSIP.** DTC believes that imposing the fee on the underwriter is equitable and consistent with DTC's general practice of imposing fees assessed on the underwriting stage on the underwriter for the issue.

**Allocation to Participants.** As stated in the proposed rule change filing, DTC will allocate excess exception processing fee revenue, pro rata, to the DTC participants for whom DTC processed Structured Securities P&I allocations. DTC confirms that it will review this aspect of its program towards the end of 2008 to determine whether future allocations should be directed to Participants that hold nonconforming issues.

If you have any questions or would like to discuss these comments further, please contact the undersigned at 212-855-3213 or [cjameson@dtcc.com](mailto:cjameson@dtcc.com), or Patrick Kirby, Managing Director, Asset Services at 212-855-8395 or [pkirby@dtcc.com](mailto:pkirby@dtcc.com).

Very truly yours,

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

Carol Jameson, Vice President  
Office of the General Counsel

cc: Patrick Kirby