



December 30, 2010

Mr. Donald F. Donahue, Chairman  
Ms. Ellen Fine Levine, Chief Financial Officer  
Robin Vance, Member of the Board, DTCC (Goldman Sachs)  
Neeraj Sahai, Member of the Board, DTCC (Citi)  
Mark Alexander, Member of the Board, DTCC (Merrill / BofA)  
Stephen C. Daffron, Member of the Board, DTCC (Morgan Stanley)  
The Depository Trust and Clearing Corporation  
55 Water Street  
New York, New York 10041 [Rule-comment@SEC.gov]



**Re: SR-DTC-2010-17**

Dear Messrs. Donahue, Vance, Sahai, Alexander, Daffron and Ms. Levine:

**We request that DTC reduce its fees charged to issuers of corporate debt securities.**

In 2010, DTC charged our company fees of over \$115,000 for on-line data inquiries via DTC's web browser. The data was necessary, to provide our agents with daily position reports on our outstanding notes – so that the program would be conducted in compliance with Belgian law.

In our opinion, DTC's on-line data inquiry fees:

- **Are unreasonably high. We are charged \$120 for all inquiries** – including queries set-up in advance and running daily.
- **Exceed, by a significant margin,** the comparable fees charged by DTC to others for web-based data inquiries. For example:
  - Until 2007, DTC charged its participants **only \$0.10** per data inquiry via DTC's web browser.
  - In 2008, on-line data inquiry fees were **eliminated** for DTC participants.
  - However, since 2008, DTC has **retained** its \$120/on-line inquiry fees for us and other issuers, despite eliminating comparable fees for other market sectors.

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Because of DTC's high data inquiry fees, we are investigating issuing our CP notes **outside of DTC, in physical certificate form**. If our securities are issued outside of DTC's systems, we will be free of DTC's excessive fees.

The firms of Messrs. **Vance, Sahai, Alexander and Daffron** are both arrangers of our commercial debt issue program, and shareholders and members of the board of DTCC.

**DTC "New Issue" fees are rising sharply.**



On December 21, 2010 DTC filed with the SEC a request to increase by 150% (to \$500) the fee charged to issuers (via their dealers) for making each new issue of securities eligible for deposit [i.e. adding them to DTC's master file]. This fee is out-of-line with fees charged to your broker/custodian participants for similar activities. For example:

- DTC charges its participants only \$0.30 per electronic "deliver" transaction.
- DTC charges its participants only \$0.065 per electronic "receive" transaction.

The order of magnitude of the fee differences between the fees charged to issuers and DTC participants (cents vs. hundreds of dollars) should be examined. Before DTC obtains any more fee increases payable directly or indirectly by issuers, we would like to see adequate notice by DTC to issuers, with an effective forum for review.

Finally, we ask that DTC return to us the excessive amounts which DTC has been paid for on-line data access in relation to our securities since our team first brought this situation to DTC's attention over one year ago (December 17, 2009).

Sincerely,

Domenico Rapone  
Managing Director

CC:

Robert Cook, Director of the Division of Trading and Markets [cookr@sec.gov](mailto:cookr@sec.gov)  
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