



October 18, 2013

Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549

Subject: NYSE Rule Filing on Proxy Fees (SR-NYSE-2013-07)

Dear Ms. Murphy:

The Society of Corporate Secretaries & Governance Professionals appreciates the opportunity to provide additional comment on the New York Stock Exchange's proposed rule filing on proxy fees (SR-NYSE-2013-07). For background, we refer to our letter dated March 7, 2013.

We write now to support the letter of the NYSE dated October 1, 2013 in response to claims made by FOLIOfn Investments, Inc. ("Folio") regarding the elimination of the preference management fee for managed accounts generally and for those with fewer than 5 shares, as well as claims that the Enhanced Broker Internet Platform ("EBIP") success fee are "unjustified".

The Society notes that Folio already requires its account holders to accept electronic delivery and agrees with the NYSE's statement that Folio has no basis to claim that proxy fees paid by issuers should be "altered to accommodate it," a single broker dealer:

[T]he fact that Folio has chosen to operate in an idiosyncratic way is its choice, and presumably is attractive to those investors who maintain accounts with the firm. However, this does not provide Folio with a basis to claim that fees and practices across an entire industry should be altered to accommodate it, or to permit it to subsidize its operating costs with anomalous proxy fees collected from issuers unfairly impacted by the fees generated by minimal share positions in its low minimum investment managed accounts.

With respect to the EBIP success fee, the Society supports the points made in the NYSE October 1 letter particularly with respect to Folio's standing to complain given that it has already implemented such a platform. As the NYSE stated:

We note further that the proposed fee is premised on the expectation that investors who are provided an EBIP will be more likely to elect to switch to e-delivery, with the attendant significant savings to issuers in paper and postage. Interestingly, the presence or absence of an EBIP at Folio would have no impact on this, since all customers at Folio are required to take electronic delivery.

The Society, like the Exchange, “applauds the Folio approach,” but we do not believe that it should be able to stifle the hoped-for innovation of the other broker dealers who have not yet built such a platform, but who may be incentivized do so with the EBIP success fee. Folio’s argument misses the point that the EBIP success fee will only be paid when account holders opt for electronic delivery which is a significant savings for issuers.

Sincerely yours,



Darla C. Stuckey  
Senior Vice President, Policy & Advocacy