



committee on finance & IT

April 5, 2004

Mr. Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549

Re: File Number S7-14-04

Dear Mr. Katz:

The Committee on Finance and Information Technology (CFIT) of Financial Executives International (FEI) appreciates the opportunity to provide comment on the Commission's proposal to mandate the electronic filing of Form ID. FEI is a leading international organization of 15,000 members including Chief Financial Officers, Controllers, Treasurers, Tax Executives, and other senior financial executives. CFIT is a technical committee of FEI, which responds to the needs and interests of financial executives in the area of business technology and information management. This document represents the views of CFIT and not necessarily the views of FEI as a whole.

CFIT applauds the greater use of technology in EDGAR filings to streamline the submission of required information and we believe that requiring Form ID filers to submit the form electronically accomplishes that goal. While we support the Commission's goals to facilitate the more efficient transmission and processing of Form ID, we question the need to submit an additional notarized document after submitting Form ID electronically. If it were the Commission's goal to properly identify applicants, we would recommend the implementation of an electronic verification system at the outset of the requirement to file electronically instead of transitioning to a certificate from a certification authority as is envisioned by footnote 24 in the proposed rule.

We believe that submitting a separate notarized document would negate the positive, time saving steps that are accomplished with electronic filing – the administrative burden to prepare the notarized fax would outweigh the benefits of electronic filing in this case. Furthermore, it is CFIT's position that this requirement will be onerous, especially for small businesses that may not have a notary readily available on staff. However, should the Commission keep the notary requirement, we suggest that two non-holiday business days should be sufficient time to allow for a notarized fax.

In addition, CFIT believes that the Commission should allow for hardship exemptions to the electronic filing requirement for filers who may not have immediate access to technologies required to file electronically. In any case, hardship exemptions should be

allowed due to acts of God, terrorism, or temporary outages of Commission systems used to collect Form ID.

Should the Commission wish to discuss these comments, please contact Bob Shepler of FEI staff at 202 626-7806 or [bshepler@fei.org](mailto:bshepler@fei.org). Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Garry n. Lowenthal".

Garry Lowenthal  
Chair, Committee on Finance and Information Technology  
Financial Executives International

A handwritten signature in cursive script that reads "Taylor Hawes".

Taylor Hawes  
Vice Chair, Committee on Finance and Information Technology  
Financial Executives International