



**The
Customer Account
Transfer Division**

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Securities Industry Association
120 Broadway, New York, NY 10271

January 20, 2004

Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609

Re: File No. SR-NYSE- 2003-29; Notice of Filing of Proposed Rule Change to Amend Rule 412 and its Interpretation Relating to Partial Customer Account Transfers.

The Customer Account Transfer Division (CAT) welcomes the opportunity to comment on the above referenced rule change. CAT functions under the auspices of the Securities Industry Association (SIA) and our membership, over 200, is comprised mainly of operational managers and executives, who are charged with the responsibility to provide clients with efficient and timely account transfers within the financial community. This group, perhaps more than any other, will ultimately assume responsibility of managing the changes to implement the non-standard functionality of the ACAT system as outlined by New York Stock Exchange Rule 412.

We would like to take this opportunity to comment on the proposed rule filing by the New York Stock Exchange (NYSE) which will apply the same procedural standards regarding use of the Automated Customer Account Transfer System (ACATS) to both standard and non-standard customer account transfers as designed by the National Securities Clearing Corporation (NSCC). We would like to indicate, that the Federal Register only mentioned Partial Transfers as non-standard functionality, but the NYSE Rule will encompass all non-standard transfers including Fail Reversals, Reclaims and Mutual Fund Fail Clean ups.

The CAT Division has worked closely with The Depository Trust & Clearing Corporation (DTCC), NSCC, a subsidiary of DTCC, and the NYSE to create a system that will enhance the Rule and will streamline the ACAT process, which will ultimately benefit the end client.


We would also like to lend our support to the Interpretation of Rule 412(a) clarifying the client authorization to include electronic signature in a format recognized as valid under federal law to conduct interstate commerce. Our Division feels this change will bring a standard, acceptable to all firms and clients to coincide with the way each individual client and firm does business.

Our business has become extremely competitive and today's investors continue to become more demanding. It is incumbent upon us to continue finding ways to meet and, where possible, to exceed our customer's expectations. These changes to the Rule will do just that while building trust and confidence in our industry.

We urge the commission to adopt the changes to NYSE Rule 412 and its interpretation, and to enforce the use of the non-standard functionality in ACATS as we outlined in the second paragraph. We also endorse the interpretation of Rule 412(a) to include the electronic signature as a valid Client Authorization. The proposed rule is consistent with the objectives of the CAT Division and we support the proposal in it's entirety.

We appreciate the opportunity to share our views on this subject.

Respectfully,



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