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SIFMA

Securities Industry and
Financial Markets Association

CHAIRMAN'S
CONFERENCE UNIT

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December 12, 2006

The Honorable Christopher Cox
Chairman, U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549-0609

Dear Chairman Cox:

I am writing on behalf of SIFMA and at the request of a large number of its member firm broker-dealers in reference to the SEC's meeting this Wednesday, December 13, 2006 with respect to proposed amendments to the SEC's proxy rules. SIFMA has previously commented on the SEC's proposed Rule Concerning Internet Availability of Proxy Materials (Letter dated February 13, 2006 from Donald D. Kittell to Ms. Nancy Morris). The concerns raised in our comment letter continue to exist and there have been no discussions with SIFMA or its broker-dealer members as to how these concerns are to be addressed. We do not believe that the Rule as proposed last December is implementable.

We respectfully request that before the Commission takes action on the proposed rule that SIFMA, representing broker-dealers that process the proxy communications for streetname shareholders (approximately 80% of all shareholders) have the opportunity to consider and discuss how any new rule might impact the accuracy of the vote, relationships between broker-dealers and their clients, costs and benefits of the new rule, who will pay those costs, and the rule's impact on shareholder participation in the proxy voting process.

Sincerely,

Donald D. Kittell