



October 26, 2009

Meredith Cross, Esq.
Director
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Effective Processing of Corporate Actions

Dear Ms. Cross:

The Asset Managers Forum (“AMF”) Corporate Actions Committee is writing this letter to support the “Issuer to Investor: Corporate Actions” initiative which promotes the use of XBRL for corporate actions announcements. The Asset Managers Forum is the operations affiliate of the Securities Industry and Financial Markets Association’s* Asset Management Group (“AMG”), the voice for the buy side within the securities industry and the broader financial markets. The clients of AMF member firms include state and local pension funds, universities, and individuals saving for retirement.

The Asset Managers Forum formed the Corporate Actions Committee in response to the on-going risk exposure confronting market participants in the current corporate actions processing environment. The goal of the Committee is to identify solutions to reduce financial, operational and reputation risk for AMF members (asset managers, custodians and vendors). The Committee encourages the industry to implement best practices and standards to effectively manage the processing of corporate actions.

Certainly the AMF Corporate Actions Committee appreciates the lead the SEC has taken in the use of XBRL as a means to improve the accuracy, transparency and electronic delivery of financial information reported under GAAP. We look forward to exploring the potential of this medium for other types of corporate reporting, such as issuer announced corporate actions.

The “Issuer to Investor: Corporate Actions” initiative is lead by The Depository Trust & Clearing Corporation (“DTCC”), SWIFT and XBRL US in conjunction with representatives from across the financial services industry, including the AMF Corporate Actions Committee. The Committee supports this industry initiative because it addresses a common issue that all market participants face, the effective processing of corporate actions as announced by publicly listed companies.

Issuer announced corporate actions (e.g., tender and merger) have long been a concern to the financial services industry because the processing risks associated with these events have largely been absorbed by asset managers and other financial services firms. In the current financial climate, however, we believe the underlying issues and associated risks need to be addressed in a rigorous manner. Therefore,

* SIFMA brings together the shared interests of more than 650 securities firms, banks and asset managers. SIFMA's mission is to promote policies and practices that work to expand and perfect markets, foster the development of new products and services and create efficiencies for member firms, while preserving and enhancing the public's trust and confidence in the markets and the industry.

we support the “Issuer to Investor: Corporate Actions” initiative and are looking forward to the results of a business case that the three principal organizations of this initiative are developing.

As further background, asset managers have a relationship with custodial banks to hold and service the securities in which we and/or our clients invest. By the very nature of the asset management business, holdings of a single security may be held by many custodians who independently receive and pass on corporate action information to us. However, there are pervasive risks and costs that are introduced by this information flow. These risks and costs are discussed below.

Interpretation

Uncertainty is prevalent in the investing community concerning how intermediaries (such as custodians and data vendors) have interpreted the issuer’s intentions. The range of questions include: (i) have all intermediaries understood the type of event the issuer announced, (ii) are all of the options and payouts as described by the issuer included in the intermediaries’ notice and, (iii) which intermediary has transmitted to us the correct information? This situation then leaves asset managers to further interpret and reconcile several feeds to determine the best and most accurate version, in absence of definitive source data.

Accuracy

Corporate action information passes through many entities as it makes its way from the issuer to our investor accounts. With each entity checking and changing data there are points where that data could be incorrectly re-keyed, therefore adding to the possibility of errant and adverse investment decisions being made.

Timeliness

A consequence of the interpretation and accuracy risks is the need for added data consistency checks, thereby slowing the processing of issuer announcement information as it passes through custodial and asset servicing institutions. Inevitably, the investing community is negatively affected as the checked information can be delivered to us, the investor, considerably later than intended by the issuer. Further, for events that require a response from the investor, custodian deadlines are significantly compressed to accommodate the manual work undertaken to resolve discrepancies when aggregating elections / instructions. Ultimately, these delays have a detrimental impact when it comes to ensuring investors have access to the same information at the same time.

Standards

Over the years there have been attempts to standardize the information that issuers provide in corporate action documents. In spite of some progress, we still face a situation where the standards used within the financial services industry have not been embraced by issuers. Certainly part of the responsibility lies with the financial services industry but we must now all move forward in a cohesive effort. Therefore, we advocate the use of a common set of standards that can be used by the issuers, intermediaries and investors, thereby increasing the efficiency of the capital markets and improving protection of all investors.

Human and Technology Cost

To overcome the communication shortcomings for corporate actions the AMF member firms are forced to allocate considerable resources to enter, validate and manage information that could be reduced or even avoided if there was an increased certainty of the accuracy of the data we received from our custodians and data vendors. Preferably the key data elements of corporate action announcement information should be provided electronically and in a standard format from the source, (i.e., the issuer), to allow asset management firms to maximize any benefits associated with straight-through-processing, without wasteful and risky manual interpretation, rekeying, and reconciliation.

The AMF Corporate Actions Committee urges the SEC to carefully consider the upcoming business case that DTCC, SWIFT and XBRL US are conducting for the ‘Issuer to Investor: Corporate Actions’ initiative to demonstrate the benefits of utilizing XBRL for corporate actions announcements. We believe that the current climate of reform affords an opportunity to move forward in reducing the risk exposure to market participants that arises from the corporate action processing system of today.

Sincerely,

s/Tina Davis

Tina Davis
Vice President, Client Liaison/Inquiry Support Business Manager
BNY Mellon
Chair of the AMF Corporate Actions Committee

s/Joseph Sack

Joseph Sack
Managing Director
SIFMA’s Asset Management Group

cc: The Honorable Elisse B. Walter, Commissioner, U.S. Securities and Exchange Commission
Mr. Andrew J. Donohue, Director, Division of Investment Management
Mr. James Brigagliano, Co-Acting Director, Division of Trading and Markets
Mr. Daniel Gallagher, Co-Acting Director, Division of Trading and Markets
Ms. Kayla Gillan, Senior Advisor to the Chairman, U.S. Securities and Exchange Commission