

CSDs: DTC (USA)

Date: 27 Jul 2010

SMI Markets: USA

CMIRR Markets: USA

SEC Seeks Comments on Proxy Voting Process

The U.S. Securities and Exchange Commission (SEC) has published the concepts of the U.S. proxy voting system for public comments until 20 October 2010.

The publication includes many aspects of the current U.S. system and asks a number of questions regarding the shareholder communication and voting issues including over-voting and under-voting, vote confirmation, securities lending and proxy distribution fees.

Comments may be submitted by any of the following methods:

- Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/concept.shtml>);
- Send an e-mail to rule-comments@sec.gov. Please include File Number S7-1410 on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>). Follow the instructions for submitting comments.

- Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. All submissions should refer to File Number S7-14-10.

For full text of the SEC publication please click here: [CONCEPT RELEASE ON THE U.S. PROXY SYSTEM](#)

CSD Risk Impact

DTC (USA)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Asset Servicing Risk

Current Rating = A

Flash Impact = On Watch

The consultation paper is seeking comments to the current proxy voting service. Therefore, it is expected that following the consultation period, a number of changes will be introduced to the existing service. However, the exact impact is not possible to assess until further details are disclosed.

Market Information Impact

USA

This information affects the data contained in the Proxy Voting/Corporate Governance sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

USA

Market Rating: AA-
Market Flash Impact: On Watch

Impacted Risk Type: Asset Servicing Risk
Current Rating = A+
Flash Impact = On Watch

The consultation paper is seeking comments to the current proxy voting service. Therefore, it is expected that following the consultation period, a number of changes will be introduced to the existing service. However, the exact impact is not possible to assess until further details are disclosed.

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