



OFFICE OF THE
GENERAL COUNSEL
Mail Stop 6-6

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20540

August 3, 1983

Richard Breeden
Deputy Counsel to the Vice President
The White House
Washington, D.C. 20501

Dear Richard:

At your request we have reviewed our proposal to the Task Group relating to the amendment of Section 313 of the Trust Indenture Act of 1939. We originally suggested amending this section to require the trustee to send annual reports to security holders only when information other than a recital that the trustee is qualified is called for. Under this suggestion, the trustee would still be required to make an annual filing with the SEC even though the filing conveys no information other than that the trustee continues to be qualified.

Upon further reflection, the staff of the Commission would like to propose a further change that would eliminate the necessity that the trustee file with the Commission, unless it is necessary to report information other than the trustee's continued qualification. Under the revised proposal, the trustee would be required neither to file with the Commission nor to disseminate a report to security holders so long as it remained qualified and it is not necessary to report any other information.

Sincerely,

A handwritten signature in dark ink, appearing to read "Russ", written over a large, stylized initial "R".

Russell B. Stevenson, Jr.
Deputy General Counsel

AUG 4 REC'D