

Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515	Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510
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SECRETARY OF THE SEN

# LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required to Complete This Page

1. Registrant name			
Organization	Securities Industry Association		
2. Address <input type="checkbox"/> Check if different than previously reported			
Address 1	1425 K Street NW, 7th Floor		
City	Washington	State	DC
		Zip Code	20005
		Country	USA
3. Principal place of business (if different than line 2)			
City	New York	State	NY
		Zip Code	10271-0080
		Country	USA
4a. Contact Name	b. Telephone number	c. E-mail	
Prefix Full Name			
Mr. George R. Kramer	202-216-2000	gkramer@sia.com	
7. Client Name <input checked="" type="checkbox"/> Self			5. Senate ID #
Securities Industry Association			34774-12
			6. House ID #
			30811000

**TYPE OF REPORT** 8. Year 2006 Midyear (January 1-June 30)  OR Year End (July 1-December 3)

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report  ⇨ Termination Date \_\_\_\_\_ 11. No Lobbying Activi

INCOME OR EXPENSES - Complete Either Line 12 OR Line 13	
<p align="center"><b>12. Lobbying Firms</b></p> <p>INCOME relating to lobbying activities for this reporting period was:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input type="checkbox"/> ⇨ \$ _____</p> <p>Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).</p>	<p align="center"><b>13. Organizations</b></p> <p>EXPENSES relating to lobbying activities for this reporting p were:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input checked="" type="checkbox"/> ⇨ \$ <u>4,268,102</u></p> <p><b>14. REPORTING METHOD.</b> Check box to indicate expens accounting method. See instructions for description of option:</p> <p><input checked="" type="checkbox"/> <b>Method A.</b> Reporting amounts using LDA definitions only</p> <p><input type="checkbox"/> <b>Method B.</b> Reporting amounts under section 6033(b)(8) of Internal Revenue Code</p> <p><input type="checkbox"/> <b>Method C.</b> Reporting amounts under section 162(e) of the Revenue Code</p>

Form Con

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

3000211715

George R. Kramer / MIT

8/11/06

Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each code** information as requested. Attach additional page(s) as needed.

15. General issue area code BAN - Banking (one per page)

16. Specific lobbying issues

H.R. 1224, Business Checking Freedom Act;  
 HR 2830, Pension Protection Act  
 S 1332, Personal Data Privacy Act  
 S. 751, Notification of Risk to Personal Data Act  
 S. 418, Military Personnel Financial Services Act  
 S. 2169, Financial Data Protection Act

17. House(s) of Congress and Federal agencies contacted  Check if None

17. Houses of Congress and Federal agencies contacted:  
 United States House of Representatives; United States Senate; Securities and Exchange Commission; Federal Reserve Board; United States Department of Treasury; Judicial Review Commission on Foreign Asset Control; Department of Labor; Municipal Securities Rulemaking Board; General Accountability Office.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name		Covered Official Position (if applicable)
	Last Name	Suffix	
Josie	Storrs		
Steven	Judge		
Elizabeth	Varley		Counsel, US Senate Special Committee on Aging
Alan	Sorcher		Counsel, Federal Reserve Board
Michael	Udoff		
Richard	Hunt		Chief of Staff, Representative McCrery
Marc	Lackritz		
Gerard	Quinn		
Brandon	Kyle		

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**ADDENDUM for General Lobbying Issue Area BAN**

**16. Specific lobbying issues (continued from previous page)**

**Congressional Issues:**

- Retirement plan expansion;
- Investment advice;
- Basel II;
- Privacy of customer financial information.
- ERISA modernization

**Executive Branch Issues:**

- Coordination of SEC and banking regulatory examinations;
- Financial privacy rules;
- Regulations promulgating provisions of Gramm-Leach-Bliley Act, particularly provisions on financial privacy;
- functional regulation issues;
- Straight-through processing;

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each code** information as requested. Attach additional page(s) as needed.

15. General issue area code CDT - Commodities (Big Ticket) (one per page)

16. Specific lobbying issues

Bills:  
 HR 6, The Energy Policy Act;  
 HR 4473, Commodities Futures Trading Commission Reauthorization Act;  
 S. 1566, Commodities Futures Trading Commission Reauthorization Act;  
 S.2642, The Oil and Gas Traders Oversight Act.  
 Executive Branch Issues: Implementation of Commodity Futures Modernization Act of 2000.

17. House(s) of Congress and Federal agencies contacted  Check if None

House of Representatives;  
 United States Senate;  
 United States Department of Treasury;  
 Securities and Exchange Commission;  
 CFTC.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Marc	Lackritz		
Steven	Judge		
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker
Jonathan	Traub		Legislative Director, Representative McCrery
Richard	Hunt		Chief of Staff, Representative McCrery
John	Anderson		Senior Policy Advisor, Senator Mike Crapo
Roger	Hollingsworth		Senior Legislative Asst., Sen. Jon S. Corzine
Gerard	Quinn		

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

0000211719



Registrant Name Securities Industry Association Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each code** information as requested. Attach additional page(s) as needed.

15. General issue area code CPI - Computer Industry (one per page)

16. Specific lobbying issues

Bills:  
 S. 1337, Personal Data Privacy Act; S. 751, Notification of Risk to Personal Data Act; S. 2169, Financial Data Protection Act.  
 Congressional Issues:  
 Privacy of customer financial information; Unsolicited electronic mail; Business continuity planning; Protecting information security.

17. House(s) of Congress and Federal agencies contacted  Check if None

House of Representatives; United States Senate; Securities and Exchange Commission; Federal Reserve Board; United States Department of Treasury; Office of Management and Budget; United States Department of Justice; Federal Trade Commission; Critical Infrastructure Protection Board.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Steven	Judge		
Richard	Hunt		Chief of Staff, Representative McCrery
Christine	Conlon		
Michael	Udoff		
Art	Trager		
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker
Josie	Storrs		
Alan	Sorcher		Counsel, Federal Reserve Board
John	Anderson		Senior Policy Advisor, Senator Mike Crapo

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**ADDENDUM for General Lobbying Issue Area CPI**

**16. Specific lobbying issues (continued from previous page)**

Executive Branch Issues:  
 Straight-through processing, privacy of customer financial information;  
 Unsolicited electronic mail;  
 Business continuity planning;  
 Protecting information security;  
 Internet securities trading, including day trading and suitability;  
 Electronic payments to broker-dealers;  
 Mutual fund late trading, market timing, revenue sharing, and differential compensation issues;  
 Business Continuity Planning.

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Registrant Name Securities Industry Association Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each code** information as requested. Attach additional page(s) as needed.

15. General issue area code FIN - Financial Institutions/Investments/Securities (one per page)

16. Specific lobbying issues

Bills: S. 3171, United States Direct Investment Act;  
 S. 1004, Enhanced Consumer Protection Against Spyware Act;  
 S. 115, Notification of Risk to Personal Data Act;  
 S. 116, Privacy Act;  
 S. 1216, Financial Privacy Breach Notification Act;  
 S. 1326, Notification of Risk to Personal Data Act;

17. House(s) of Congress and Federal agencies contacted  Check if None

House of Representatives; United States Senate; Securities and Exchange Commission; Federal Reserve Board; United States Department of Treasury; Commodity Futures Trading Commission; Government Accountability Office; Department of Justice; United States Patent and Trademark Office; Judicial Review Commission on Foreign Asset Control; Department of Commerce; White House; Department of State; United States Trade Representative; Municipal Securities Rulemaking Board; Federal Communications Commission; Public Company Accounting Oversight Board; Department of Homeland Security; Office of Comptroller of the Currency; U.S. Treasury

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Steven	Judge		
Marc	Lackritz		
Don	Kittel		
George	Kramer		
Gerard	Quinn		
Michael	Udoff		
Patricia	McClanahan		Tax Counsel, Senate Finance Committee
Alan	Sorcher		Counsel, Federal Reserve Board
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

0000211722



Registrant Name Securities Industry Association

 Client Name Securities Industry Association
**ADDENDUM for General Lobbying Issue Area** FIN

## 16. Specific lobbying issues (continued from previous page)

S. 1332, Personal Data Privacy and Security Act; S. 1336, Consumer Identity Protection and Security Act; S. 1408, Identity Theft Protection Act; S. 1461, Consumer Identity Protection and Security Act; S. 1566, Commodity Exchange Act Reauthorization; S. 1789, Personal Data Privacy and Security Act; S. 2169, Financial Data Protection Act; S. 2380, U.S. National Security Protection Act; S. 2856, Financial Services Regulatory Act; S. 29, Social Security Number Misuse Prevention Act; S. 3549, Foreign Investment and National Security Act; S. 467, Terrorism Risk Insurance Extension Act; S. 751, Notification of Risk to Personal Data Act; S. 768, Comprehensive Theft Identity Prevention Act; S. 810, SAFE-ID Act; HR 1069, Notification of Risk to Personal Data Act; HR 1078, Social Security Number Protection Act; HR 1080, Information and Security Protection Act; HR 1263, Consumer Privacy Protection Act; HR 1653, SAFE-ID Act; HR 2795, the Patent Act; HR 3140, Consumer Data Security and Notification Act; HR 3374, Consumer Privacy Protection Act; HR 3375, Financial Data Security Act; HR 3505, Financial Services Regulatory Relief Act; HR 3997, Financial Data Security Act; HR 4127, Data Accountability and Trust Act; HR 4127, Financial Data Accountability Act.

**Congressional Issues:**

Arbitration of employment disputes;  
 Reduction in and Calculation of Section 31 fees;  
 Basel II Capital Accords;  
 SEC disclosure rules for public offerings;  
 Protection of data and databases from misappropriation;  
 President's Working Group recommendations on OTC derivatives and financial reporting of risk exposure to hedge funds;  
 Hedge fund issues generally;  
 Expansion of SEC enforcement powers;  
 Mutual fund issues, including late trading, market timing, disclosure of fees and revenue streams, 4:00 PM cutoff on mutual fund redemption orders, soft dollars, and directed brokerage;  
 Treasury Attaché to European Union;  
 Reauthorization of Commodity Exchange Act;  
 Trade-through rule and related market structure issues;  
 Proposed merger of NYSE and Archipelago;  
 Consolidation of NYSE and NASD broker-dealer regulation;  
 Committee on Foreign Investments in the United States;  
 Alleged manipulation of markets by uncovered short-sellers.

**Executive Branch Actions:**

SEC Rule 10b-10;  
 Basel II Capital Accord;  
 Investment Banking Holding Companies;  
 SEC Framework for Consolidated Supervised Entities;  
 Clarification of distinctions between definitions of "broker-dealer" and "investment adviser";  
 Hedge funds, including investment adviser and investment company compliance programs;  
 Electronic Communication Network (ECN) access fees;  
 Potential candidates for senior SEC staff positions;  
 IPO allocation and pricing practices under Regulation M;  
 Supervision of branch offices;  
 Public Company Accounting Oversight Board regulation of audits of non-public broker-dealers and of foreign issuers;  
 Disclosure of after-tax yield on mutual funds;  
 Securities analyst independence and performance;  
 Auditor participation in securities offering due diligence;

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Securities Industry Association  
 Registrant Name \_\_\_\_\_

 Securities Industry Association  
 Client Name \_\_\_\_\_

**ADDENDUM for General Lobbying Issue Area** FIN
**16. Specific lobbying issues (continued from previous page)**

Proxy solicitation;  
 Revisions to SEC record storage rules;  
 Fixed income price transparency;  
 Use of electronic media to satisfy federal securities law delivery requirements (SEC interpretations);  
 Electronic record retention issues;  
 Independent firm compliance activities;  
 Insurance and annuity compliance activities;  
 SEC "principal trading" relief proposal (Rule 206(3) of the Investment Advisers Act);  
 Best execution and payment for order flow;  
 Privacy requirements of Gramm-Leach-Bliley Act;  
 Proposed interpretations of Rule 15c3-1, including reducing capital charges for certain securities held in broker dealer inventory;  
 Reform to rules under Section 17(a) of the Investment Company Act and Section 206(3) of the Investment Advisers Act;  
 World Trade Organization and access of U.S. broker-dealers to foreign markets;  
 Proposed revisions to the securities offering process under the Securities Act of 1933;  
 Interpretations of net capital rules;  
 Regulation of derivative products;  
 Broker-dealer retention of e-mail and interpretation of Exchange Act Rule 17a-3;  
 Soft dollar payments among broker-dealers and other market participants;  
 Possible consolidation or restructuring of self-regulatory organizations;  
 Information required to be maintained by fiduciaries such as investment advisers under Rule 17a-3;  
 Modification of restrictions on principal transactions under rule 206(3) of the Advisers Act;  
 Exemption from bonding requirements of Section 412 of ERISA;  
 Agency cross-trading restrictions under ERISA;  
 Broker-dealer advertising practices;  
 Disclosure of 401(k) fees to consumers;  
 Proposals to SEC regarding filing requirements for certain mutual fund advertising and sales literature;  
 Proposals to SEC regarding mutual fund fees;  
 Proposals by the NASD and private-sector bodies to improve trade reporting and transparency in the corporate debt markets;  
 Financial Stability forum of the G-7 nations;  
 Prohibited transaction class exemption application regarding sections 406(a)(1)(A)-(D) and 406(b) of ERISA;  
 Regulatory and compliance issues regarding trading restricted by the U.S. Treasury Department's Office of Foreign Assets Control;  
 Coordination of SEC and banking regulatory examinations;  
 Patents of financial products;  
 Certificate of deposit sales practices;  
 Point of sale and confirmation disclosure on mutual fund fees;  
 Global straight-through processing;  
 SEC Release 34-52635 (guidance on client commission practices under Exchange Act Sec. 28(e));  
 Regulatory treatment of Investment Bank Holding Companies under the Gramm-Leach-Bliley Act and the requests for no-action letters under the SEC's capital rules;  
 Possible promulgation of rules for capital treatment and registration of Investment Bank Holding Companies;  
 Regulation of variable annuities;  
 Financial analysis of securities industry profitability;  
 Best execution for options;  
 Options market linkages;  
 Dealer accounting issues and FASB;  
 Proposal for reduced capital early warning requirements for broker-dealers that have strong policies and procedures for managing customer debits;

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Securities Industry Association  
Registrant Name \_\_\_\_\_

Securities Industry Association  
Client Name \_\_\_\_\_

**ADDENDUM for General Lobbying Issue Area FIN**

**16. Specific lobbying issues (continued from previous page)**

Request for permitting broader range of securities to be used as collateral for Rule 15c3-3 deposits;  
 Proposal for SEC regulation of Investment Bank Holding Companies;  
 Implementation of Commodity Futures Modernization Act;  
 Investment adviser referral fees;  
 Nasdaq supermontage;  
 Allocation of IPOs by underwriters;  
 Reduction in and calculation of Section 31 fees;  
 Regulatory framework for 529 plans;  
 Broker-dealer rules under Form ADV Part 2;  
 Government Accountability Office study of investment banks;  
 SEC study of market structure issues;  
 Mutual fund advertising proposed regulations;  
 Mutual fund affiliate transactions;  
 Mutual fund proxy disclosures;  
 Implementation of new rules under the Sarbanes-Oxley Act;  
 Efforts to obtain a regulation that would permit "portfolio margining" for customers of a broker-dealer;  
 Mutual fund breakpoints;  
 Accounting for derivatives and fair-value accounting;  
 Possible reforms of Soft Dollars;  
 Directed brokerage;  
 Mutual fund issues, including late trading, market timing, disclosure of fees and revenue streams, 4:00 PM c  
 on mutual fund redemption orders, revenue flows between mutual funds and broker-dealers, point-of-sale  
 disclosures to mutual fund customers;  
 Pricing of new issue securities by underwriters;  
 Proposals to improve issuer disclosure of management discussion and analysis and critical accounting polici  
 SEC Short Sale Rule Proposal (Regulation SHO);  
 Locked and crossed markets;  
 Trading halts;  
 Stock index pricing and markets, certification proposal for chief compliance officers and chief executive offic  
 SEC's Proposed Regulation National Market System (NMS) Rule Proposal;  
 Coordination and duplication of SEC and SRO examinations;  
 Ability of broker-dealers to offer fee-based brokerage services outside Investment Advisers Act;  
 Financial analysis of securities industry profitability;  
 Proposed structural finance guidance by SEC and bank regulators;  
 New York Stock Exchange hybrid market proposal published by SEC;  
 SEC proposed Rule 15c-22;  
 Business continuity planning sound practices and rules;  
 Information security of government agencies;  
 SEC Rule 202(a)(11)-1 (broker-dealers deemed not to be investment advisers);  
 Mutual fund point-of-sale disclosure proposal;  
 NASD proposed fairness opinion letter;  
 Options market-quote migration;  
 Application of Fair Labor Standards Act and 29 CFR Part 541 to registered representatives of broker-dealers  
 Gender/ethnic diversity in the securities industry;  
 Regulation of securities analysts;  
 Hybrid SRO/ SRO regulatory consolidation;  
 Office of Foreign Asset Controls requirements for financial service firms;  
 NYSE outsourcing rule proposal;  
 NASDAQ exchange application;  
 NYSE governance reform rule proposal; 17 CFR Part 275 (broker-dealers deemed to be investment advisers

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Securities Industry Association  
Registrant Name \_\_\_\_\_

Securities Industry Association  
Client Name \_\_\_\_\_

**ADDENDUM for General Lobbying Issue Area FIN**

**16. Specific lobbying issues (continued from previous page)**

Waiver of filing requirements for brokers and investments advisers due to Katrina;  
 Implementation of Regulation NMS;  
 Anti-money laundering rules under the Patriot Act;  
 Implementation of new SEC rules on public securities offerings;  
 SEC participation in U.S.-European Union dialogue on financial services regulatory convergence;  
 NYSE trading rules;  
 Proposed amendments to mutual fund redemption fee rule 22c-2;  
 Exemptive relief from Investment Company Act Section 11(d)(1) for money market funds;  
 Compliance with broker-dealer books and records requirements;  
 SEC electronic proxy rule proposal;  
 State of Utah legislation on fails-to-deliver securities on Regulation SHO threshold list;  
 Application of SEC Rule 17a-3(A)(17) to subscription-way sales;  
 Broker-dealer registered investment advisers;  
 International convergence of rules regarding research regulation;  
 International convergence of rules regarding access to cross-border markets of institutional clients and counterparties.

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Add page to continue specific issues description for this i







Registrant Name Securities Industry Association Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each cod information as requested. Attach additional page(s) as needed.**

15. General issue area code HOM - Homeland Security (one per page)

16. Specific lobbying issues

Bills: S. 467, Terrorism Risk Insurance Extension Act  
 Congressional Issues: Business continuity planning; Anti-money laundering proposals.  
 Executive Branch Issues:  
 Money-laundering regulations for broker-dealers; Implementation of anti-money-laundering provisions of the Patriot Act, Pub. L. No. 107-56; Business Continuity Planning practices and rules.

17. House(s) of Congress and Federal agencies contacted  Check if None

SEC Office of Global Security Risk; Securities and Exchange Commission; State Department; Treasury Department; National Security Counsel; United States Treasury Office of Foreign Assets Control; Department of Homeland Security.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Alan	Sorcher		Counsel, Federal Reserve Board
Richard	Hunt		Chief of Staff, Representative McCrery
David	Strongin		
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker
Howard	Sprow		
Steven	Judge		
Roger	Hollingsworth		Senior Legislative Assistant, Senator John Corzine

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

0000211728



Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each cod information as requested. Attach additional page(s) as needed.**

15. General issue area code RET - Retirement (one per page)

16. Specific lobbying issues

Bills:  
 HR 4840, Retirement Securities Act;  
 HR 743, Social Security Protection Act;  
 HR 819, Retirement Security for Life Act;  
 HR 2830, Pension Protection Act;  
 H. Con. Res. 95 (social security);

17. House(s) of Congress and Federal agencies contacted  Check if None

House of Representatives; United States Senate; White House; United States Department of Treasury; Internal Revenue Service; Department of Labor; Securities and Exchange Commission; Municipal Securities Rulemaking Board; Office of Management and Budget.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Steven	Judge		
Marc	Lackritz		
Patricia	McClanahan		Tax Counsel, Senate Finance Committee
Michael	Udoff		
Elizabeth	Varley		Senate Special Committee on Aging
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker
Richard	Hunt		Chief of Staff, Representative McCrery
John	Anderson		Senior Policy Advisor, Sen. Mike Crapo
Frank	Fernandez		

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

1000211729



Securities Industry Association  
Registrant Name \_\_\_\_\_

Securities Industry Association  
Client Name \_\_\_\_\_

**ADDENDUM for General Lobbying Issue Area RET**

**16. Specific lobbying issues (continued from previous page)**

S. Con. Res. 18 (social security);  
 S. 1783, Pension Security and Transparency Act.

**Congressional Issues:**  
 Permanence of 529 plans;  
 Retirement Savings Initiatives;  
 ERISA Modernization.

**Executive Branch Actions:**  
 Exemption from bonding requirements of Section 412 of ERISA;  
 Agency cross-trading restrictions under ERISA;  
 Affiliated transactions under ERISA;  
 Interpretations of Section 404(c) of ERISA;  
 Administration's FY 2005 budget – LSA, Retirement Savings Account, ERSA;  
 Retirement plan expenses;  
 Regulations under EGTRRA – IRA, pension, and education savings accounts and 529 plans;  
 Application of IRS regulations 2001-14, -72 and -73 to stock options;  
 Education savings: IRS regulations 2001-73 and 2001-81;  
 Initiatives in response to the collapse of Enron and the impact of bankruptcy on 401(k) plans invested in common stock;  
 IRS Plan Determination Letter – Request for information on reforms to the process for obtaining a determination letter for employer-sponsored retirement plans;  
 Regulation of qualified tuition plans, disclosure issues and other sales practice guidance;  
 SEC task force on 529 plans;  
 Proposed rules for late-trading and market timing;  
 Treasury budget proposals clarifying designated beneficiary for 529 plans;  
 DOL reporting for Form LM-10 (payments to union officials);  
 Request for guidance on 409A deferred compensation rules;  
 Revenue ruling request on asset-based fees for retirement plan accounts.

*Add page to continue specific issues description for this item*

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code information as requested. Attach additional page(s) as needed.

15. General issue area code TAX - Taxation/Internal Revenue Code (one per page)

16. Specific lobbying issues

Bills:  
 HR 1500, Investment Tax Simplification Act;  
 HR 1417, Extension of Subpart F Exemption for Active Financing Income;  
 HR 819, Retirement Security for Life Act;  
 HR 3, Transportation Equity Act;  
 S. 732, Safe, Accountable, Flexible, and Efficient Transportation Equity Act;

17. House(s) of Congress and Federal agencies contacted  Check if None

House of Representatives; United States Senate; United States Department of Treasury; Internal Revenue Service; White House; Office of Management and Budget; Advisory Commission on Electronic Commerce; Advisory Panel on Federal Tax Reform; Government Accountability Office; Office of Ambassador to OECD.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Steven	Judge		
Marc	Lackritz		
Patricia	McClanahan		Tax Counsel, Senate Finance Committee
Elizabeth	Varley		Counsel, Senate Special Committee on Aging
Rachel	Robinson		Dir. of Speaker's Operations, Off. of the Speaker
Richard	Hunt		Chief of Staff, Representative McCrery
Jonathan	Traub		Legislative Director, Representative James McCrery
Kyle	Brandon		
Frank	Fernandez		

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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Securities Industry Association  
Registrant Name \_\_\_\_\_Securities Industry Association  
Client Name \_\_\_\_\_**ADDENDUM for General Lobbying Issue Area TAX****16. Specific lobbying issues (continued from previous page)**

S. 7, Jobs and Growth Tax Relief Act;  
 HR 809 (Permanence of individual income tax rates fro capital gains and dividends);  
 HR 4297, Tax Relief Extension Reconciliation Act of 2005;  
 S. 2020, Tax Relief Act of 2005;  
 H.Con.Res.95, Budget FY2006 Appropriations Resolution;  
 S.Con.Res.18, Budget FY2006 Appropriations Resolution;  
 S. 1159.IS, A bill to amend the Internal Revenue Code of 1986 to permanently extend subpart F exemption active financing;  
 HR 2471, Economic Development Act of 2005;  
 S 1524, To repeal the sunset on the reduction of capital gains rates for individuals and on the taxation of dividends of individuals at capital gain rates  
 HR 4297, Tax Reconciliation; HR 5367, S 2414, Simplification Through Additional Reporting Tax Act HR 809  
 1524, Dividend Permanence; S. 1159, HR 1417, permanently extend the subpart F exemption for active fina  
 S. 2766, Defense Authorization (revenue offset for contingent convertible debt); S. 2020, Tax Relief Act.

**Congressional Issues:**

Integration of the corporate and individual income taxes;  
 Reduced taxation of corporate earnings and dividend income;  
 Treatment of payments in lieu of dividends under reduced dividend rates;  
 Treatment of foreign distributions under reduced dividend rates;  
 Capital gains reductions;  
 Permanent reforms of Subpart F with respect to the active financial services income of financial services firm  
 Proposals to change IRC Section 163(j) (limiting interest deductions of subsidiaries of foreign companies);  
 International tax rules concerning foreign tax credits (interest allocation rules, financial services income basket  
 "base case" basket for credits relating to permanent tax base differences, 10/50 companies, overall domestic  
 loss);  
 Exclusion for individuals of an amount of capital gains distributions from mutual funds;  
 Withholding tax treatment of earnings of regulated investment companies paid to foreign persons;  
 Reform of Subpart F more generally, territorial tax systems generally;  
 Changes to IRC Section 956 (deemed repatriation);  
 Changes to IRC Section 904(g) (resourcing rules);  
 Relief of double taxation on global dealing operations;  
 Valuation of securities for purposes of mark-to-market tax rules (IRC Section 475);  
 Due date for providing information returns to payees;  
 Electronic provision of information returns to payees;  
 Changes to IRC Section 162(f) (deductibility of settlement payments);  
 Changes to IRC Section 163(l) (disallowance of certain interest payments);  
 Changes to IRC Section 1059 (extraordinary dividends);  
 Changes to the tax treatment of contingent payment convertible debt;  
 Corporate rate reductions;  
 Corporate and individual capital gains issues (e.g., rate reductions, exclusions from income);  
 Pending legislative proposals concerning tax shelters;  
 Internal Revenue Code ("IRC") Section 6111 (registration of confidential tax shelters);  
 IRC Section 6112 (investor lists and regulations thereunder, as well as associated penalties);  
 IRC Section 6011 (taxpayer disclosure of certain transactions);  
 Joint Committee on Taxation and Treasury studies on corporate tax shelters;  
 Proposals to codify economic substance doctrine;  
 Extension of the R&E tax credit (IRC Section 41) and treatment of expenses of internal use software;  
 Possible legislative proposals relating to hybrid arrangements;  
 Straddle rules and need for "qualified covered calls" exception;

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Registrant Name Securities Industry Association

 Client Name Securities Industry Association
**ADDENDUM for General Lobbying Issue Area TAX**

## 16. Specific lobbying issues (continued from previous page)

Changes to IRC Section 911 (exclusion for individuals of earnings abroad);  
 Tax treatment of income deposit securities;  
 IRC Section 355(e);  
 IRC Section 470 and investment funds;  
 Mutual fund investment in commodity swaps;  
 IRC Section 6701 (tax shelters); IRC Section 409A (deferred compensation); Tax-exempt interest reporting;  
 backup withholding; Basis reporting by brokers; Health savings accounts.

**Executive Branch Actions:**  
 Reduced taxation of dividends (securities lending transactions, treatment of payments in lieu of dividends;  
 qualifying foreign equities, reporting of payments on foreign securities, backup withholding, and treatment of  
 financial intermediaries);  
 Permanent reform of Subpart F, especially with respect to the active financial services income of financial se  
 firms;  
 Reform of Subpart F more generally;  
 Valuation of securities under IRC Section 475 (mark-to-market tax rules);  
 Proposed regulations under IRC Section 482 that would provide rules for allocating among affiliates and sou  
 the income from a global dealing operation;  
 OECD Model treaty provision on arbitration;  
 OECD proposals for attribution of profits to permanent establishments;  
 Treaty withholding tax relief for investments through collective investment vehicles;  
 Proposed Section 482 Services Regulations;  
 International reforms, including issues relating to territorial tax system and allocation of deductions to foreign  
 source income;  
 International tax changes concerning foreign tax credits (e.g., interest allocation rules);  
 Withholding tax treatment of earnings of regulated investment companies paid to foreign persons;  
 IRC Section 956 (concerning making a market in a U.S. affiliate's securities and other aspects to rationalize  
 IRC Section 904(g) (resourcing of foreign-source income);  
 Pending legislative proposals concerning corporate tax shelters, including codification of economic substanc  
 doctrine;  
 Regulations under IRC Sections 6011, 6111 and 6112 (addressing corporate tax shelters);  
 Possible means of prevention of overtaxation of earnings from a global dealing operation (possible change t  
 Section 245(b));  
 Regulations under Section 1441 of the IRC (and related sections) and subsequent IRS notices concerning  
 reporting and withholding obligations with respect to payments to foreign persons;  
 IRC Section 263(g) (capitalization with respect to straddles);  
 Issues relating to adjusted basis tracking by brokers;  
 Withholding the treatment of Section 302 distributions;  
 Katrina-related "B Notice" and backup withholding issues;  
 Due date for providing information returns to payees generally (including proposal to move date to February  
 nominees);  
 Penalty relief in case of late, small corrections to 1099s;  
 Electronic provision of information returns to customers;  
 Corporate rate reductions;  
 Corporate and individual capital gains issues generally (e.g., rate reductions, exclusions from income);  
 IRC Section 41 (regulations concerning internal use software and other issues);  
 Treasury Regulation Section 1.904-6 (concerning the allocation of foreign tax credits among various income  
 "baskets");  
 Changes to IRC Section 162(f);  
 Tax treatment of income deposit securities;  
 Tax treatment of contingent convertible debt;

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Securities Industry Association  
Registrant Name \_\_\_\_\_

Securities Industry Association  
Client Name \_\_\_\_\_

**ADDENDUM for General Lobbying Issue Area TAX**

**16. Specific lobbying issues (continued from previous page)**

Tax treatment of qualified covered calls;  
 Tax treatment of variable prepaid forwards;  
 Guidance under IRC Section 965 (one-time repatriation provision);  
 ZIRC Section 470 and investment funds;  
 U.S.-Japan income tax treaty (definition of "investment bank" for purposes of Article 11);  
 Information return clearinghouse;  
 IRS Schedule M-3 to Form 1120;  
 Reporting of taxable stock transactions (under IRC Sec. 6043©, 6043A);  
 Withholding with respect to Puerto Rico corporations;  
 United Kingdom anti-arbitrage rules;  
 Withholding on FIRPTA distributions of RICs and REITs;  
 Reporting and backup withholding on tax-exempt interest;  
 Tax consequences of JASDEC /Samurai bond market developments;  
 Implementation of U.S.-Japan tax treaty MOU (definition of "investment bank");  
 Tax treatment of variable prepaid forwards;  
 Revenue Ruling 2006-1 (commodities swaps and mutual funds);  
 Withholding tax treatment of credit default swaps;  
 Section 482 services regulations.

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Add page to continue specific issues description for this is







Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code information as requested. Attach additional page(s) as needed.

15. General issue area code TEC - Telecommunications (one per page)

16. Specific lobbying issues

Executive Branch Issues:  
SEC interpretations of record storage requirements;  
Requirements for record delivery and retention under Electronic Signatures legislation;  
SEC requirements on internal and external e-mail record retention;  
Business continuity planning;  
Information security

17. House(s) of Congress and Federal agencies contacted  Check if None

Securities and Exchange Commission;  
National Association of Securities Dealers;  
New York Stock Exchange;  
Office of Management and Budget.

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Marc	Lackritz		
Michael	Udoff		
Ira	Hammerman		
Melissa	MacGregor		
Art	Trager		

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code information as requested. Attach additional page(s) as needed.

15. General issue area code TRD - Trade (Domestic & Foreign) (one per page)

16. Specific lobbying issues

Bills:  
 S. 3549, Foreign Investment and National Security Act; S. 2380, U.S. National Security Protection Act; HR 4917, Protect America First Act of 2006; S. 3171, United States Direct Investment Act.  
 Congressional Issues:  
 European Union data protection directive;  
 European Union Financial Services Action Plan;

17. House(s) of Congress and Federal agencies contacted  Check if None

United States Department of the Treasury; Office of the United States Trade Representative; House of Representatives; United States Senate; White House; Commerce Department; Securities and Exchange Commission; Department of State; United States Patent and Trade Office; Commodities and Futures Trading Commission

18. Name of each individual who acted as a lobbyist in this issue area *Add a page to continue adding lobbyists for th*

First Name	Name Last Name	Suffix	Covered Official Position (if applicable)
Steven	Judge		
Marc	Lackritz		
Gerard	Quinn		
David	Strongin		
Patricia	McClanahan		Tax Counsel, Senate Finance Committee
Richard	Hunt		Chief of Staff, Representative McCrery
John	Anderson		Sen. Policy Advisor & Leg. Asst., Senator Crapo
Kyle	Brandon		
Roger	Hollingsworth		Senior Legislative Asst., Sen. Jon S. Corzine

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

*Add a page for a differen*

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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Registrant Name Securities Industry Association

Client Name Securities Industry Association

**ADDENDUM for General Lobbying Issue Area TRD**

**16. Specific lobbying issues (continued from previous page)**

Foreign Sales Corp./ Extraterritorial Income ruling of World Trade Organization and needed U.S. international changes/reforms;  
 Free Trade Agreements;  
 Status of Committee for Investment in the United States.

Executive Branch Actions:  
 Financial Stability forum of the G-7 nations;  
 Financial privacy;  
 Principles for greater transparency in foreign regulatory regimes;  
 Tax impediments to expanding trade;  
 World Trade Organization discussion regarding inclusion of "financial services";  
 World Trade Organization investment issues;  
 Indonesia Investment Climate;  
 China market access;  
 World Trade Organization financial service negotiations/capital market sanctions;  
 Establishment of U.S. Treasury attaché in Brussels;  
 Sarbanes-Oxley Act extraterritorial applications;  
 Russian accession to the World Trade Organization;  
 Australia Free Trade Access;  
 NJ Call Center Legislation;  
 SEC Framework on Consolidated Supervise Entities;  
 Qualification requirements of patent examiners and attorneys;  
 Bi-lateral Investment Treaty;  
 CFTC Capital Requirements for Broker-dealers that are part of Consolidated Supervisory Entity registrant;  
 Basel II capital and regulatory standards  
 U.S. - Thailand trade issues;  
 Russian tax administration;  
 U.S. - European Union dialogue on financial services regulatory convergence;  
 U.S. - Korea Free Trade Agreement;  
 U.S. - Malaysia Free Trade Agreement  
 Accounting convergence of U.S. Generally Accepted Accounting Principles and International Financial Reporting Standards.

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Add page to continue specific issues description for this is



Registrant Name Securities Industry Association

Client Name Securities Industry Association

**Information Update Page - Complete ONLY where registration information has changed.**

**20. Client new address**

Address

City

State

Zip Code

Country

**21. Client new principal place of business (if different than line 20)**

City

State

Zip Code

Country

**22. New general description of client's business or activities**

**LOBBYIST UPDATE**

**23. Name of each previously reported individual who is no longer expected to act as a lobbyist for the client**

First Name

Last Name

Suffix

First Name

Last Name

Su

1

Rachel

Robinson

3

2

4

**ISSUE UPDATE**

**24. General lobbying issues that no longer pertain**

Find the code to select below.

**AFFILIATED ORGANIZATIONS**

**25. Add the following affiliated organization(s)**

Name	Address	Principal place of Business: (city and state or country)
Foundation for Investor Education	Address 120 Broadway C/S/Z New York NY 10271 USA Address C/S/Z	City State Country City State

**26. Name of each previously reported organization that is no longer affiliated with the registrant or client**

1

2

3

**FOREIGN ENTITIES**

**27. Add the following foreign entities**

Name	Street Address City	Address State/Province Country	Principal place of business (city and state or country) City State Country	Amount of contribution for lobbying activities	Own perce client

**28. Name of each previously reported foreign entity that no longer owns, or controls, or is affiliated with the registrant, or affiliated organization**

1

3

5

2

4

6

Add a page for more up

Printed Name and Title George R. Kramer, Vice President and Deputy General Counsel

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