



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 16, 1994

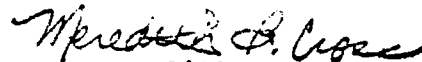
Mr. Peter J. Romeo  
Hogan & Hartson  
Columbia Square  
555 Thirteenth Street, NW  
Washington, D. C. 20004-1109

Re: Merrill Lynch, Pierce, Fenner & Smith, Inc.

Dear Mr. Romeo:

In regard to your letters of December 15, 1993 and February 18, 1994 our response thereto is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in your letter.

Sincerely

  
Meredith B. Cross  
Chief Counsel















HOGAN & HARTSON

Mark Green, Esq.  
Office of Chief Counsel  
February 18, 1994  
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with the staff's position in *Simpson Thacher & Bartlett* (June 19, 1991) (Q.1), in which it was held that automatic reinvestments of dividends under an employee benefit plan are eligible for the Rule 16b-2 exemption if the issuer has a DRIP meeting the requirements of the rule.

We are hopeful that the foregoing revision of Merrill Lynch's request will enable the staff to conclude that Rule 16b-2 is available in the limited circumstances described above. In the event you have any questions, please contact the undersigned at (202) 637-5805 or Alan L. Dye at (202) 637-5737.

Sincerely,



Peter J. Romeo