



SECURITIES AND EXCHANGE COMMISSION
WASHINGTON 25, D.C.

SPECIAL STUDY OF
SECURITIES MARKETS

February 16, 1962

c/o The Floor Department
New York Stock Exchange
11 Wall Street
New York 5, New York

Dear Sir:

Under the provisions of Public Law 87-196, approved by the President on September 5, 1961, the Commission is authorized and directed to make a study and investigation of the securities markets and rules and practices relating thereto. The Commission has adopted an order of investigation authorizing members of the staff of the Special Study of Securities Markets to conduct the study and investigation pursuant to Public Law 87-196.

Your cooperation is requested in completing the attached questionnaire which is being sent to all New York Stock Exchange specialists. Certain questions which are designated in the "Instructions" to the questionnaire need only be answered by each specialist-dealer unit. The remaining questions in the questionnaire must be answered by you as a registered specialist on the Exchange.

Your attention is directed to the fact that certain questions in the questionnaire can be answered only on the basis of certain activities of your specialist-dealer unit for a specified day or days:

Question 28 and the accompanying Form C are being separately distributed to each specialist-dealer unit. Certain designated portions of Form C must be completed at the close of business on February 16, 1962 (the day on which Form C will be distributed) and the remainder at the opening of the stock indicated on February 19, 1962.

Question 9 must be answered on the basis of certain activities of your specialist-dealer unit on February 21, 1962.

Question 15 must be answered on the basis of certain activities of your specialist-dealer unit on February 27, 1962.

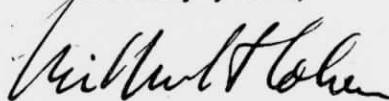
Question 16 must be answered on the basis of certain activities of your specialist-dealer unit during the period March 19, 1962 through March 30, 1962.

The purpose of the questionnaire is to obtain relevant data as to the various functions and practices of specialists. The fact that you have received this questionnaire is not to be construed as a reflection upon you or your firm or anyone connected with it. Nor should any questions about a particular action or course of conduct on your part be construed to mean that such action or conduct either is or is not deemed by the Commission to have been lawful, proper or otherwise desirable. Likewise questions about particular stocks should not be taken as any indication that your performance as specialist in these stocks has been improper or that particular stocks are under investigation.

Certain questions are factual in nature; others ask for your comments and opinions. If the conclusions reached by this Study are to be sound ones, it is essential that all questions be answered fully and carefully. We must also ask you to cooperate by submitting your reply to all questions, except question 16, not later than March 26, 1962. The report called for by question 16 on Form B should be submitted to your Floor Department in accordance with the special instructions contained on the reverse side of that form. All other completed forms should be returned with the questionnaire.

You will note that question 27 calls for certain information with respect to your income from your specialist business. This income information is being requested in connection with our study of the specialist system and for no other purpose. Your specific income information will be treated in a confidential manner and without identification of yourself or your firm.

Sincerely yours,



Milton H. Cohen
Director

Attachment