

JUL 2 1968

Mr. Richard B. Walbert, President
National Association of Securities
Dealers, Inc.
888 Seventeenth Street, N. W.
Washington, D. C. 20006

Dear Mr. Walbert:

As you know the New York Stock Exchange set up a Special Trust Fund in July of 1964 which was designed to assist customers in the event of insolvency of member organizations. The current size of this fund is \$10.6 million supplemented by a \$15 million standby credit arrangement with New York banks.

In view of the NASD's regulatory responsibilities and the continuing need to protect the investing public, we feel that this is an appropriate time for the NASD to consider making a similar arrangement. If you have not already done so, we suggest that you give this matter your immediate consideration and advise us as to the feasibility of setting up a trust fund.

Sincerely yours,

Irving M. Pollack
Director

BSophios/JFullerton/rm