

THE WHITE HOUSE
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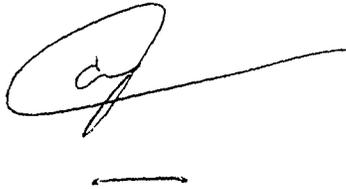
DATE: May 18, 1992

TO: Boyden Gray

FROM: **CLAYTON YEUTTER**
Counsellor to the President for
Domestic Policy

Boyden, in Sec. Brady's session with the President today, Nick mentioned what Breeden is proposing on stock options and pointed out that this hardly fits our regulatory reform agenda. (I've had contacts on this subject too, particularly from people who believe this will hamper the creation of venture capital in this country.) The President asked whether I had discussed the matter with you, and I told him I had not, but that I had discussed it with some of the other SEC commissioners who hope to discourage Breeden from taking this step.

Have you ever had a conversation with Breeden on this? If not, you might wish to do so. His proposal is certainly not scoring any points with the business community.



A handwritten signature in black ink, appearing to be 'CY', with a long horizontal stroke extending to the right. Below the signature is a short horizontal line.

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