

Criteria for SEC Chairman

- Knowledge of critical issues facing the SEC---no learning curve
- Industry experience --- hands-on dealing with SEC regulations
- Loyal to the POTUS and his agenda
- Respected among enforcement and industry constituencies
- Fair-minded, honest reputation
- Balanced approach to reviewing, overturning and implementing old and new regulations

Harvey Pitt

Experience:

- Youngest general counsel of the SEC (1975-1978)
- Partner, Fried Frank – Top Securities Firm
- Member of the NASD Legal Advisory Board
- Member of the Advisory Subcommittee, Federal Regulations of SEC, ABA

Qualities:

- Considered one of the top securities attorneys in the country
- **Loyal to the President and his agenda (early supporter)**
- Familiar with and agrees with the President's policies and vision for the SEC
- **Highly respected by top wall street firms, top accounting firms, former SEC officials, legal and enforcement constituencies**
- **Knows SEC very well—will not be captive of the staff**
- **Strong reputation: seen as fair-minded, balanced and honest**

Questions:

- **Known as tough negotiator; alienated some who were on the other side of him in legal battles**
- Has represented many clients from industry before the SEC, including a controversial individual: Ivan Boesky
- Could be seen as too close to big industry (Charles Schwabb issue)

References: (bolded names contacted)

Donald Marron, Director & Chairman of UBS PaineWebber, Inc.

David Komansky, Chairman & CEO of Merrill Lynch

Frank Zarb, Chairman & CEO of the NASD

Philip Laskawy, CEO of Ernst & Young LLP

Dick Grasso, Chairman & CEO of the New York Stock Exchange, Inc.

Ede Holiday, Cabinet Sec'y, '89-90, GC Treas. Dept. '90-'92

Barry Melancon, President & CEO of the AICPA

Professor Jon Macey, Cornell Law School

Jim Schiro, CEO of Pricewaterhouse Coopers

Matt Fink, President of the Investment Company Institute

John C. Whitehead, AEA Investors 212-755-3131

Judith Soltz, Executive V.P. & General Counsel of CIGNA,

Tom Green, General Counsel of Dell Computer 512-728-0355

Others who weighed in:

Chris DeMuth (President, AEI)

Senator Gramm

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Chuck Schwabb issue: He was not his first choice, although he does not have one. He did speak with Linnet Deily and understands where we are in the process and that the President needs to make an appointment. He would like to meet with him when we make the announcement. In addition, it was brought to his attention that Pitt has represented Schwabb several times in the past. If we proceed, we will make sure he meets with him ASAP.

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