

Investment Bankers Code Committee

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ADVANCE INFORMATION

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To all Regional Committee Members:

The Securities and Exchange Commission has requested the former members of the Investment Bankers Code Committee to act as a Conference or Consultation Committee for the following purposes:

1 - To confer with the S.E.C. on current problems including pending Over-the-Counter regulations.

2 - To appoint working "Regional" or "Sub-Committees" to conduct preliminary hearings on such charges or complaints against investment bankers as may be submitted to the Conference Committee by the S.E.C. Assenting and supporting investment bankers will thus have the opportunity to have preliminary hearings of complaints against them primarily conducted in their own locality by a committee of other investment bankers familiar with local customs and business practices, rather than by the S.E.C. in Washington or some other designated place.

3 - To prepare suggestions for submission for creating a permanent self-regulating and self-disciplining body to co-operate (under new legislation if necessary) with the S.E.C. for the purposes of promoting fair practices and the prevention of fraud.

Announcement of this program will be released Monday morning by Mr. Landis, Chairman of the Commission.

Negotiations were carried on with the members of the Commission while Mr. Joseph Kennedy was Chairman and Mr. James Landis was one of the members of the Commission. Agreement was reached the day of Mr. Kennedy's resignation, since which time Mr. Landis has been made Chairman of the Commission. He has been most co-operative not only as Chairman but during the conference which led to the final program.

The members of the Code Committee are gratified at the outcome of these conferences. All members have agreed to serve as members of the new Conference Committee, and will hold a meeting in New York on Wednesday, October 2, to prepare a program.

This is just an advance notice to you to keep you posted as to what is going on. We will advise you of further developments and we invite your continued co-operation to complete a program which seems to be distinctly for the protection and advancement of the investment business as well as the public interest.

Very truly yours,



Frank L. Scheffey
Acting Director

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