

*Miss O'Connor
sec file*

THE FLOOR DEPARTMENT

MEMORANDUM

February 5, 1968

I received a telephone call from the SEC today with further reference to Specialist Responsibility for Quotations. Representing the SEC on the telephone were N. Wolfson, D. O'Connor, F. Siesel and Greta Powers. Later F. Siesel and G. Powers spoke to me for about an hour concerning the technical phases of this Rule.

It is apparent that the SEC's feelings are that the adoption of the amendment might result in many cases where the specialist would only participate to the extent of 100 shares per order.

I was told that they would send a letter of comment. Further, that this amendment was subject to Rule 11(b)1 rather than 17a-8.

They were also concerned with the fact that this was under Supplementary Material instead of a rule number. I mentioned it was under Rule 115A but they did not seem particularly impressed.

J. O'Reilly 

*I am surprised at their reflection
this view - not only is it unrealistic
it's contrary to SEC commentary of the
past wherein they felt opening proposals
were delayed. Further, as in the Security instance
they were not happy about the amount of public
information*

[Handwritten initials]