

July 12, 1979

Mr. William M. Batten
Chairman
New York Stock Exchange, Inc.
11 Wall Street
New York, New York 10005

Dear Mil:

As you are aware, the Commission in its February 22, 1979 release (Securities Exchange Act Release No. 15575) set forth which particular Options Study recommendations each self-regulatory organization ("SRO") must address before further expansion of the standardized options markets would be permitted (Category I recommendations). With the submission, dated June 19, 1979, the Commission now has information concerning the status of the majority of these recommendations. There remains, however, a number of such recommendations for which the Commission has insufficient information regarding the progress the SROs have made in their implementation. Thus, I am requesting each SRO to submit a progress report, by July 27, 1979, on the efforts that have been made to implement those remaining Options Study recommendations applicable to it which must be addressed prior to lifting the options moratorium. With respect to each such recommendation, the progress report should set forth and discuss specifically any problems that may delay its implementation until after August 22, 1979, and should include an estimated timetable for implementation.

Should you have any questions, please contact Gene Carasick at (202) 755-7913.

Sincerely,

Andrew M. Klein
Director

MPM/MAC:kgb-7/11/79