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Richard R. Shinn  
Executive Vice Chairman

**NYSE**

New York  
Stock Exchange, Inc.

February 17, 1987

Ms. Roberta S. Karmel  
Partner  
Kelley Drye & Warren  
101 Park Avenue  
New York, NY 10178

Dear Roberta:

Thank you for accepting our invitation to serve on the special study of Self-Regulation. The New York Stock Exchange believes that this issue is an important one and needs to be addressed in a timely manner. We will try to be thoughtful of your time also as we move ahead.

The first meeting of the study committee will be on February 25. We will begin at 10 a.m. in meeting room 629 to be followed by a luncheon at noon. The purpose of the meeting will be to organize the committee and review the attached charter. The latter is in draft form and covers rather broad issues. We would hope to get your suggestions and input on this document at the meeting.

We have been discussing the compensation issue for committee members here at the Exchange. In looking at comparable studies that have been done both here and elsewhere it seems that a \$10,000 retainer for joining the committee plus \$1,000 for attendance at each committee meeting is both fair and appropriate to everyone involved. If any additional special projects are undertaken by any member of the committee additional compensation would be paid at the so called "going rate" for such services. The Exchange will of course pick up all travel expenses for those required to come to New York.

Patricia O'Reilly at the Exchange will be available to coordinate your travel and hotel arrangements if required. She will also be able to set up future committee meetings and serve as administrative liaison for the committee on self regulation. Pat can be reached at (212) 656-3335.

I look forward to seeing you on February 25.

Sincerely,

*DICK*

*{ Refer all calls to  
Sandra Joffe }*

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