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Executive Director

National Association of Securities Dealers, Inc.

UNIFORM PRACTICE COMMITTEE

25 Broad Street, New York 4, N. Y.

November 20, 1958

Mr. Wallace H. Fulton, Executive Director
National Association of Securities Dealers, Inc.
1707 H Street, N. W.
Washington 6, D. C.

Dear Wallace:

As you know, a meeting was held at the office of the Association of Stock Exchange Firms on Tuesday, November 18, 1958 to further discuss proposed rule 17a-8.

John Haire reported on his recent visit to the S.E.C., in Washington, concerning 17a-8. It was his opinion that the S.E.C. intends adopting this type of rule, despite all the strenuous objections from the industry. The S.E.C. staff made a flat statement to John Haire that the requirements of this rule would not be burdensome, since frequency of transactions is not so great and information is already in hands of dealers and readily available. This statement should be refuted and indicates how little the S.E.C. understands their proposal and the work involved to comply with this rule.

It was the unanimous opinion of those present at this meeting that prior to December 1, 1958 the industry should oppose 17a-8 completely on obvious grounds. If the S.E.C. insists on adopting this rule then we should bargain for a reasonable compromise. The opposition should continue in the form of letters from individual brokers as well as the NASD, N.Y.S.E. and the Association of Stock Exchange Firms. If the S.E.C. desires to hold a meeting with the industry a committee will be made available.

To briefly sum this up, I think my memo of October 30, 1958, is still effective. I hope you will find it possible

Uniform Practice Committee

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Secretary
LEE MONETT
25 Broad Street
New York 4, N. Y.

N.A.S.D.

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RECEIVED

to send a letter of protest to the S.E.C. based on the
memo and this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lee".

Lee C. Monett

LCM/mc