

Warren W. York & Company, Inc.
Allentown, Pennsylvania

April 8, 1968

Securities and Exchange Commission
Washington, D. C. 20549

Att: The Honorable Emanuel Cohen

Dear Commissioner Cohen:

This is my first letter to the Securities & Exchange Commission and I am addressing it to you personally as since meeting you at Scottsdale last January I believe you are genuinely interested in the future of the regional firms in the brokerage business.

I do not think it necessary that I belabor the regional firm's importance in our own industry, as well as our very possible importance in the overall economy so far as distribution of securities and maintenance of markets are concerned. I am writing specifically to express my concern over the New York Stock Exchange Proposal No. 3, and the SEC's proposed 10b-10 rule. I have discussed both of these proposals with principals of regional firms, some New York members, some Philadelphia-Baltimore-Washington members, and some non-member firms, and frankly, I do not think many of them are aware of what we consider confiscatory involvements,].

Our firm is a member of the Philadelphia-Baltimore-Washington Stock Exchange. We have been in business for 41 years and our capital presently is in excess of \$1,700,000. Should the New York Stock Exchange proposal No. 3 become effective we feel we would have no choice other than join the New York Stock Exchange or merge with a member firm. We are strongly opposed to either of these choices. We are equally concerned with the proposed 10B-10 rule which if it becomes effective would very seriously effect our income. We realize both of these proposals are involved. However, it seems to us the firms that may profit most by these proposals are a limited number of New York based member firms and the smaller regional firm will not only suffer but their continuation in the business may be seriously jeopardized.

I sincerely hope you realize that only my very genuine concern for the future of our own business as well as my concern for other regional firms in a comparable position prompts my writing.

Very truly yours,

R. V. H. Harned
President