

10-181
Miss Esser
see file

NEW YORK STOCK EXCHANGE
MEMORANDUM

October 9, 1968

TO: Mr. J. William O'Reilly
FROM: Elliott F. Higgins *EFH*
SUBJECT: SEC Inspection

I just received a telephone call from Nicholas Wolfson at the SEC regarding the inspection of Specialists operations next week. He plans that the inspection will extend over the entire week, starting on Monday the 14th through Friday the 18th. The inspection team will include; Fred Siesel, Mike Mitchell, and a third attorney who has not yet been designated. In addition, either Nicholas Wolfson or Charles Curtis plan to be present for at least the first day.

Mr. Wolfson asks that the following files covering the time period back to approximately July of 1967 be made available for inspection.

1. Individual files by specialist unit
2. Investigations opened on specialists including those not completed and those remaining open.
3. All records pertaining to specialists surprise audits and inspections.
4. Records of staff interpretations of rules made at the request of specialists.
5. Records of disciplinary action against specialists including actions taken by letter or in any other form.
6. Records on allocation of stocks to specialists, including financial condition and capital requirements.
7. All complaint letters relating to specialists.
8. Any special studies pertaining to specialists covering such areas as capital, long term investment, and rules pertaining to specialists.

EFH:mj