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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

August 11, 1987

The Honorable Charles C. Cox
Commissioner
Securities and Exchange Commission
450 Fifth Street, NW
Washington, D.C. 20549

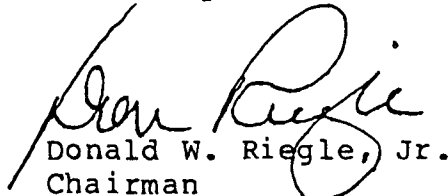
Dear Commissioner Cox:

Thank you for your fine testimony at our Securities Subcommittee hearing on insider trading legislation August 7, 1987. I am particularly gratified by your willingness to continue to work with us and the other witnesses to achieve a final workable, legislative product and by your acknowledgement that our legislation, S. 1380, is an improvement over existing law.

As you know, a group of outstanding securities lawyers, chaired by Harvey Pitt, helped us craft S. 1380. I have asked them -- through the attached letter -- to work with the Commission and the New York Stock Exchange Legal Advisory Committee to give us their view of a final product by September 8, 1987. I hope the Commission will cooperate fully with them and with us in this effort.

Again, many thanks for your testimony on this most important subject. I have little doubt that history will show that, as Acting-Chairman of the SEC, you contributed effectively to a statutory clarification of insider trading.

Sincerely,


Donald W. Riegle, Jr.
Chairman