

**Securities and Exchange Commission Historical Society**  
**Interview with Cecile Srodes**  
**Conducted on September 17, 2013 by William Thomas**

**WT:** This is an interview with Cecile Srodes for the SEC Historical Society's virtual museum and archive of the history of financial regulation. I am William Thomas, and the date is September 17, 2013. Well, thank you very much for agreeing to speak with us today. We usually start with a little bit of personal background, where you're from, what your parents did, and what led you down the path that you took, so why don't we begin at the beginning?

**CS:** I'm from the Washington, D.C. area. I grew up in Fairfax County, Virginia. I moved back here after college and got a job working on Capitol Hill. I worked there for a number of years, and then eleven years after I graduated from Duke University, I went to law school here locally at American University.

I came to working at the SEC kind of sideways. I worked on Capitol Hill on securities legislation. After law school I went back to the Hill and worked on the House Energy and Commerce Committee, which at that time had jurisdiction over the securities laws. I worked on several pieces of legislation, and through that I got to know the people at the SEC, in particular the Chairman at the time, John Shad. This was in the early '80s. When the position of Director of Legislative Affairs became vacant, he asked me to take that position and I did. This was in 1984, so that was the start of my career at the SEC,

but I did not get there through the traditional way of starting out as a young attorney at the SEC. As I said, I came at it kind of sideways.

I was the Director of Legislative Affairs from mid '84 until late '87. The last week I was there was the week of the 1987 market crash, October 19th, 1987. I remember it well. I was supposed to have left the week before, but I ended up staying another week at the request of the then-Chairman, David Ruder, and so I was there for the crash. A week later I started work at the New York Stock Exchange's Washington office. So that was a very busy time.

There was a greatly heightened interest in how markets worked and there was a lot of educating of members of Congress to do. All of the financial markets were very busy testifying on Capitol Hill, working on studies of what happened, working on remedies. There was legislation introduced and there was a lot of regulatory work going on, so it was a very busy time and very interesting.

**WT:** That's a very nice bird's eye overview. Could we take it in segments, I suppose, just starting with kind of your family background? What did your parents do, was it anything that was related to –

**CS:** No, it really wasn't related to this. My father died when I was eighteen. My mother worked in a school, not really relevant to this.

**WT:** Okay. So then what brought you to Duke University and what did you study there?

**CS:** I was a history major. (Laughter)

**WT:** Oh, very good.

**CS:** Right. I was a student at Duke University; I graduated in 1964. I would say I was not really career-focused, at the time. (Laughter) It never occurred to me that I would have a career and be working my whole life, so I came to Washington and did what a lot of people did, got a job on Capitol Hill.

**WT:** Being a woman, was that usual at the time? Were there a lot of people –

**CS:** Yes, actually, Capitol Hill was a good place for women to rise through the ranks. You might not rise to the top rank, but there were a lot of jobs for women on Capitol Hill. I started out doing what they call casework, which was basically dealing with constituent problems.

**WT:** I see that you were working for Representative James Broyhill?

**CS:** From North Carolina. Casework is basically solving people's problems with the Federal government. You get to know a lot of the different Federal agencies that way. I worked on Social Security issues, people who didn't get their benefit check or they applied for

disability benefits and they were turned down or something like that, and I worked on veterans administration issues. This was during the Vietnam War, so there were an increasing amount of military and veterans' problems that constituents had.

I started out doing that, and then I got promoted into doing legislative work for the committees the Congressman was on, preparing background information for him and doing analysis of bills and coming up with ideas for him to introduce a bill, that kind of thing, typical legislative assistant work, and then eventually I was promoted to the administrative assistant in the office.

**WT:** How big was Broyhill's staff?

**CS:** Well, at that time in the mid-'60s, when I went there, Congressional staffs were typically six or eight people in Washington and then a few more people in the district offices. He initially had one district office, and then he ended up having three, with one person in each. But then, by the time I became administrative assistant – they didn't call them chief of staff at that time, but that was really what it was – there were probably about twelve or so. Now, they're much larger. Everything's gotten bigger so they're much larger. But I was supervising a staff of probably about fifteen people with the Washington and district offices, and then I decided to leave and go to law school.

**WT:** I see you've written down that was nine years later. I have from '66 to '75 you worked there, because then you finished law school in '78.

**CS:** In '78. I went to law school in '75, right, yes, so I decided that a law degree would be useful to advancing in whatever I was going to do.

**WT:** So at a certain point, then, you became very career-oriented. You said you hadn't been back at Duke, but then –

**CS:** (Laughter), no.

**WT:** Did you intend to make a career in politics or in government at that point, or were you just continuing on with what you were doing?

**CS:** I'm not sure I really thought about it that much. I mean, nowadays young people seem to plan their careers years ahead. I never did that. I was just really trying to get to next week most of the time. I just felt that in the mid-'70s, for a woman, it would be better to have a law degree. I wasn't quite sure what I was going to do with it.

**WT:** It would definitely give you more opportunities for whatever it is you wanted to do.

**CS:** Correct, yes.

**WT:** So you went to Washington College of Law at American University. Now, I was looking that up and I noticed that its older history is actually very women-oriented; it was founded by women. Was that still evident at the time that you went there?

**CS:** Yes, it was. It was interesting. Washington College of Law was founded as a women's law school. I'm not sure when they started admitting men, but when I went there in the mid-'70s I think the class was a little over 50 percent women which was pretty unusual for any law school in the mid-'70s.

Also, there were several older women, i.e., my age, who had worked for a while in various professions and decided to go to law school. So yes, I had some colleagues who were my age. I wasn't the only older person there by any means, but it was very compatible for women, a lot of women there. I think that was a higher proportion than at other area law schools.

**WT:** Did you have any particular mentors, men or women, in Congress or at the law school, or role models, perhaps?

**CS:** It's so long ago and I really haven't kept in great touch with the law school, frankly. I would say in Congress, well, the Congressman who first hired me on the hill, Jim Broyhill, was a great mentor and the administrative assistant he had at the time, a gentleman named Vincent Monzel, was a huge mentor to me. And sadly he died quite

unexpectedly, and that was when I got promoted to be the head of the staff. So that's pretty early on, but that's about all I can think of.

**WT:** Did you have any interest in politics in general, or were you more interested in the policy side of things? Broyhill is a Republican and a Southern – then in the Southern states –

**CS:** Yes, but don't make the analogy to today, please.

**WT:** No, I won't.

**CS:** I was more interested in the government and the programs than the politics, although I did get somewhat involved in the politics. You have to. At that time, the Republicans were quite a distinct minority in the House and they were quite a distinct minority in the State of North Carolina, unlike today, but the focus was more on, what could you accomplish, how could you work with people to get something done that you wanted to get done.

**WT:** Okay, so did you specialize, then, in any kind of law? You intended to go back to Congress, I take it, or the Hill or Washington in general, or perhaps not?

**CS:** Well, I ended up there. I did work one summer when I was in law school at the Federal Communications Commission for one of the Commissioners, and when I went back it just kind of fell into place that I ended up working on the committee and working on

securities legislation. Given at that time the Republicans were in a minority and the staff was disproportionately small, in addition to securities legislation, I worked on a couple of other issues that were in the same subcommittee jurisdiction.

Subcommittee jurisdictions could be somewhat arbitrary. At that time it was the Subcommittee on Telecommunications, Consumer Protection and Finance, and a big, big focus was on telecommunications and I got involved in some cable issues. There were some issues of – now the technology's changed so much, we have DirecTV, we have cable channels all over the place, but back then there were some issues about copyright between cable and broadcast and I got involved in those a little bit. There was another issue assigned to that subcommittee –

**WT:** Can I stop you for a second and ask about cable? I happen to know that there was interest in cable as a public service. Did that ever come up at all?

**CS:** What do you mean a public service?

**WT:** In essence that it would be a way to connect, say, people in urban areas with government, for example.

**CS:** You mean kind of like telephone service.



**WT:** A little bit, yes. I think that it would be almost a two-way communications channel, or a way to educate people in what was going on in civic government that could be of use to them or something to that effect.

**CS:** That was more an area of public broadcasting, I think.

**WT:** Okay, well that's just an aside. I don't want to dwell on it.

**CS:** I'm really not familiar with that. So yes, I mentioned public broadcasting. There were some fights over funding for public broadcasting, the amount of Federal funding for public broadcasting. Some issues never change. But there was another issue assigned to the subcommittee for complex political reasons and that was automobile safety. The big issue then was airbags; I mean now every car has an airbag automatically. Back then, it was a huge issue as to whether the government should require airbags.

**WT:** This is in the '70s?

**CS:** '70s and early '80s.

**WT:** Right, so even seatbelts at the time were still fairly controversial, if I'm not mistaken.

**CS:** Requirement of the shoulder seatbelts. The airbag issue, yes, seatbelts were more common then but one issue was the requirement that people wear seatbelts. Seatbelts

were in the cars, but most states did not have requirements that people wear seatbelts.

We take these things for granted today, but back then it was a huge issue and it pitted the automobile manufacturers versus the insurance companies, and boy, you really didn't want to get in the middle of those. (Laughter) It was interesting, the requirement for airbags, which came in later and now is completely accepted, but that was a big issue at the time.

**WT:** Now, when you returned this was now on the staff of Matthew Rinaldo, of New Jersey?

**CS:** No, that was after I went to the committee. I worked for Matt Rinaldo for a couple of years, I worked on all the committee issues for him, and then I went to the committee staff and that's when I worked mostly on securities issues, but also on some of the cable and broadcasting and auto safety issues.

**WT:** Okay.

**CS:** I was spread thin.

**WT:** It sounds like it. Why don't we start getting into the securities area, then? You hadn't had a whole lot of experience when you landed in the committees.

**CS:** No, I did not have experience in a law firm. My experience came from legislation on Capitol Hill.

**WT:** Did you find the experience that you did have translated well into the requirements of what you had to do for the committee?

**CS:** Well, I learned a lot on the committee, but I knew the Congressional process. I knew what members of Congress were interested in. I knew what various members would support or not support. I knew how to achieve some consensus and get things done, and I worked quite well with my Democratic counterparts on the committee, both of whom were women, interestingly, and with whom I remain good friends today.

So the players, the Republicans on the committee, that's who I worked for, and the ranking member on the subcommittee, well, first it was a Representative named Jim Collins from Texas and then it was Matt Rinaldo, but Mr. Broyhill was the ranking Republican on the full committee. And then on the Democratic side, the chairman of the full committee was John Dingell, still in Congress today, and the chairman of the subcommittee was Tim Wirth, who later went to the Senate and now has retired from the Senate so he's no longer on Capitol Hill. Dingell's counsel, Consuela Washington, and Wirth's counsel, Marti Cochran, and I were kind of the threesome that worked on the securities legislation, three women.

**WT:** So what was going on at the time?

**CS:** One of the big issues was insider trading. The then-Chairman of the SEC, John Shad, was very interested in beefing up insider trading sanctions, so one of the first things we worked on was the Insider Trading Sanctions Act, which was the first legislation to increase penalties for insider trading. Prior to that, the only civil penalty for insider trading was that you had to give the money back. If it was found that you had been guilty of insider trading you had to give back your ill-gotten gains.

The Insider Trading Sanctions Act basically said the government could seek triple damages, so if you made \$100,000 illegally by insider trading you had to pay back up to \$300,000 instead of just \$100,000. This was considered quite a deterrent, needless to say, so that was a significant thing.

One of the issues that arose during that legislation which still remains out there I guess, is whether insider trading should be defined in statute or, as was then the case and is still the case, defined by case law. And interestingly the division was not a partisan one, the division was between the House, which favored no statutory definition, and the Senate, which favored a statutory definition.

Well, a statutory definition sounds just fine, the idea of it sounds just fine until you try to write it down and figure out what it is and then it's pretty hard, because you could have a definition and somebody could be just outside the boundaries of it and still do what people would consider wrong and illegal but it wasn't in the definition. So that was kind of an issue that held things up for much of a year actually.

**WT:** Do you have any sense of why it would be that the Senate was in favor, whereas the House was against?

**CS:** I think it was just more the people who were involved. I'm going to diverge a little bit here, but one thing that was a little more prevalent at the time, at least on the House side, was that a number of people who worked on securities legislation in Congress had been at the SEC and they had experience in the Enforcement division, Corporation Finance, whatever. I think that was maybe a little more true in the House and they were the ones who felt defining it wasn't such a good idea, that behavior changed and people were always coming up with new ways to skirt the law and if you had a statutory definition it would still allow that to happen.

**WT:** Of course, this is early in the Reagan administration, when you're in this position, and of course the House was still Democratic at the time and would be for some time. Were there new tensions that arose there, or was it mainly along the lines that we've just discussed?

**CS:** Well, there were tensions between the Democratic House and the Reagan administration, certainly, yes.

**WT:** Right, over securities?

**CS:** Not on insider trading. There was another issue that came up—this was a little later and it did not result in legislation— it was corporate takeovers. That was an era when there were a lot of mergers and hostile takeovers, and members of Congress tended not to like hostile takeovers of companies in their district so a lot of views on that depended on what was going on in their district. But there was concern about hostile takeovers and some of the tactics, and a side issue was golden parachutes and executive compensation.

The Reagan administration thought the free market should prevail and that takeovers were basically advancing the cause of the free markets so they shouldn't be restricted. There were some tensions, I think, between the SEC and the White House on that but basically some in Congress wanted to restrict hostile takeovers, some didn't. That kind of went back and forth. No legislation ever resulted, and then the issue was basically wiped off the table by the market crash of '87.

**WT:** Now, you must've been hearing from both businesses and Wall Street on this and other issues at the time.

**CS:** Oh, yes. Well, another issue that didn't result in legislation was the proposal to amend the Foreign Corrupt Practices Act. The Reagan administration—this emanated mostly from the Commerce Department—wanted to revise some of the requirements of the Foreign Corrupt Practices Act which had been passed in the '70s in the wake of the Watergate scandal and some of the campaign finance issues from the Nixon campaign. That goes way back.

But the Commerce Department and a lot of international trade organizations wanted to ease up on some of the requirements and more clearly define what payments American companies could make overseas that wouldn't be considered bribery, that under the FCPA they were considered bribery but in other countries they were standard business practice. I'm simplifying greatly here, but that was an issue on which we heard from a lot of businesses, business trade groups, accounting firms, because the FCPA had a lot of accounting requirements for companies in them. These have been greatly exceeded by subsequent legislation, like Sarbanes-Oxley and Dodd-Frank, which really tightened up a lot of those accounting requirements in the wake of Enron, but back then there was an early discussion of it. It never did result in legislation.

**WT:** Were there splits between business and Wall Street on things like corporate takeovers, or was it more of a heterogeneous mix of opinions that one would receive?

**CS:** Mostly opinions on that stemmed on what kind of company you were with. I don't think there was a consensus in the business community. Some businesses regarded themselves as takeover targets, almost like a victim mentality, and others were more on the other side of taking over a company.

I can remember Carl Icahn testifying before the subcommittee once, and he's still an active player in this. That was very early on. He was regarded as sort of a predator and he was certainly on one side of the corporate takeover issue. A number of members of

the committee had companies in their districts that were takeover targets and they didn't like this, so I would say that was not especially partisan. It was more what was going on in your particular Congressional district.

**WT:** Should we move on to the SEC, then?

**CS:** Okay.

**WT:** You mentioned earlier some of the circumstances leading to your move over there. Perhaps you'd like to elaborate. You said that John Shad had brought you in?

**CS:** Yes, yes. It was a political appointment. He knew me from my work on Capitol Hill, and I will say that John Shad was very amenable to putting women in top positions. I believe that he put Kathy McGrath in as head of the Division of Investment Management. I think she was the first woman division director. I'm not positive of that, but I think she was.

**WT:** Now, this is the period when women do start to occupy some of the higher positions?

**CS:** Yes, it is. But he was quite –

**WT:** Active in that?



**CS:** Yes, he was. He later appointed Linda Quinn to be head of Corporation Finance. He also put women in a lot of the deputy director positions, and mostly these were women who had been at the SEC, he just moved them up.

**WT:** As Director of Legislative Affairs, then, could you tell me a little bit about that work?

**CS:** Well, that was interesting. I had a great advantage in that I already knew most of the people involved in the House and Senate. I knew them very well. I'd worked with them in another capacity and so it was, you know, a lot of Congressional relations work is personal relationships and I had those personal relationships.

One of my goals was to make relations between SEC and Congress a little smoother. At that time the Senate was under Republican control so we really didn't have problems there, although you still have to keep up good relationships. You can't ignore your friends and pay attention to your adversaries, certainly.

But also, John Shad was not a person who had come from Washington. He had come from Wall Street and dealing with Congress was not his favorite thing. He never quite accepted that he had to listen to these people on Capitol Hill, and so I basically tried to foster better relations and help him understand why these people were important and it was good to have good relations, to try to work with them whenever possible.

**WT:** Did you at this time have anything to do at the SEC with the municipal securities reforms that were proposed in Congress and, I think to an extent, adopted in the Tax Reform Act in '86?

**CS:** Yes. That was interesting, because that legislation stemmed from a couple of fraud cases that kind of came out of the blue. You plan ahead for your year and you say, "Oh, we're going to be working on A, B, and C," and then something blows up. My memory on this is fading, frankly, but there was a situation in Ohio and one in Florida with some somewhat dramatic details, like they were putting people's money into racing greyhounds in Florida instead of government securities. But that led to greater SEC involvement in the government securities market, certainly.

The Treasury took more of a lead on that than the SEC. But yes, that was to me an example of something that came up unexpectedly based on circumstances in the real world and then did lead to reforms.

**WT:** There were also proposals to begin taxing the interest on municipal securities, I think.

**CS:** I don't think the SEC got that – that's a tax issue. I remember that coming up at one point and somebody opined that maybe the SEC should take a position and I said, "Well, maybe then the Treasury will start taking a position on some securities fraud issues and maybe that's not such a great idea."

**WT:** Right, that sounds sensible enough. So leading up to the crash, or the market breakdown in 1987, were there any other really substantive legislative issues?

**CS:** Well one, and this kind of goes back to starting on Capitol Hill, was what became known as the SEC-CFTC Accord that later was codified into legislation. That was an agreement between the Commodities Futures Trading Commission and the SEC on trading stock index futures, which at the time was fairly innovative. Now these instruments are so complex I couldn't begin to describe them to you, but at the time the idea of trading futures on stock indexes—not on individual stocks which was prohibited in the accord but on indexes—was novel and it had been stalled before Shad became chairman and Phil Johnson became chairman of CFTC. They decided they would work out something that would allow these to go forward with appropriate restraints, so that they didn't get out of hand.

The stock index futures issue was being pushed by the Chicago Mercantile Exchange, which wanted to trade these instruments and subsequently did. So that was something that basically two agencies worked out and asked Congress to codify so that it would be in the law rather than in an agency agreement that could later be overturned.

**WT:** For you personally, I guess this must have been a period when you began to conceive of yourself as being a specialist in securities and so forth. In fact, you were only at the SEC for three years, but of course later on you were executive director of the Association of SEC Alumni, so it must've made an impression upon you then.

**CS:** Yes, I would say by the time I went to the SEC I was firmly entrenched in the securities regulation world, and I continued that at the New York Stock Exchange, of course.

**WT:** Right. So should we discuss, then, what led you to the NYSE, because you were planning to move before the break in '87?

**CS:** Yes. I had accepted a job there; I think it was in September. Basically, the job of Director of Legislative Affairs at the SEC was pretty intensive. I'm talking six days a week, easily. Most Saturdays I was in there. In the summer of '87 John Shad left. At the time he was the longest serving Chairman of the SEC; he was there a bit over five years, and he was appointed ambassador to the Netherlands. A new Chairman, David Ruder, came in and one of the interesting things I worked on was his confirmation.

That's another thing we haven't talked about --- confirmation of SEC Commissioners. The Director of Legislative Affairs coordinates the process. There are kind of two prongs: one is courtesy calls on the Hill to meet with the Senators on the Banking Committee, which would vote to confirm; and then at the SEC—and this is headed up by the General Counsel's Office—they do intensive briefings so that when a new Commissioner is confirmed and takes office, they're up to speed on the current issues before they have to vote on them. So there are quite intensive briefings by each of the divisions, and it's like an intensive cram course for nominees. And then in between all of this, they're marching around Capitol Hill making nice with the senators and answering

their questions and it was my job to anticipate what each Senator would be interested in, what questions were likely to be asked at his confirmation hearing. I had done this with two Commissioners, Commissioner Grundfest and Commissioner Fleischman, prior to the nomination of a Chairman.

Well, when the Chairman was nominated the White House was much more involved. They hadn't really been involved in the Commissioners. They didn't see any problems, and there really weren't. I mean they weren't controversial nominations mostly. But with the Chairman, even though he wasn't really controversial, the level of interest rises, and should a Chairman run into trouble it's more of a reflection on the White House, so they were quite a bit more involved. So that was really interesting.

David Ruder got sworn in, in August, right before the Congress went into recess. One of the concerns was, we've got to get it voted on before they go out for a month so that he can start to work, and we did that. And then after that, I had been offered this job at the New York Stock Exchange and Dave Ruder asked me to wait a little bit because we had some hearings coming up so I had said I would start in mid-October, and then in early October he said, "Could you postpone it another week, because we've got more hearings coming up?" So I said, "Sure." I was supposed to start the week before. Then I ended up starting the end of October, after the crash, but that had nothing to do with the crash.

**WT:** I know that to a certain extent, and probably this was at low tide when you were there, but the SEC can do a certain amount of advocacy in terms of legislation, but certainly the

NYSE would be much more actively involved in that, so it must have been a fairly radical change.

**CS:** Yes, in a way. Let me just address what the SEC or any government agency can do in terms of advocacy. Federal agencies are prohibited from lobbying, but they can comment on legislation that's pending, they can answer questions from Capitol Hill about whether A would be a good idea or whether B would be a better idea, and they can suggest improvements in their own statutes. So those are the three things they can do. Basically within that you're advocating for something that you think would improve the statute and then you react to what Capitol Hill is proposing, so you're an advocate for the agency's position on Capitol Hill.

The New York Stock Exchange, yes, we were certainly advocating for the New York Stock Exchange position, but a lot of what we did was education about the markets, because believe me, they just really didn't have much of a clue. And after the market crash there was a lot of, I'd take people up to the trading floor, let them talk to the traders themselves, a lot of discussion about how markets work and sort of the capital formation process.

I wouldn't say it was a marked difference but it was, yes, you were just advocating for a different point of view. Often it was the same point of view as the SEC, but not always. Usually there were shades of things, like it was more of an effort to—if somebody's proposing something and the SEC wants X and the New York Stock Exchange thinks X

+ 1 would be a little better, we would often work with people at the SEC to try to get everybody on the same page. Congress likes it better if the people coming to them wanting something are in agreement rather than disagreement.

**WT:** Of course, the Stock Exchange is both a self-regulatory organization as well as a representative in some ways of the interests of its member firms, and so there must be a balance that's struck there.

**CS:** It was at the time a self-regulatory organization. That has changed a lot since I left actually, since it became a publicly traded company, but that's another story. At the time, most of the issues we were involved with in Washington were regulatory issues. And oftentimes, the Exchange would have a view different from that of the member firms. They were the regulatees, after all, and also member firms weren't always in agreement with each other because there were competitive differences. It wasn't a real clear-cut us-and-them situation, in other words.

**WT:** Right, right. Starting your job was put off a week, but it still must have been fairly chaotic.

**CS:** Oh, my gosh, it was really chaotic. The week before—this would've been the Thursday or Friday before that Monday, the crash was on a Monday—I had had my goodbye party, I kind of wrapped things up, and so the following week I was supposed to work Monday, Tuesday, and Wednesday, and take Thursday and Friday off and start the next Monday. I

didn't arrange for much time off, unwisely, but they had been wanting me to start since September so I was kind of stuck.

**WT:** Had there been a predecessor in your position?

**CS:** At the Exchange?

**WT:** Yes.

**CS:** No. I was a new hire, which was, I will say it was very good to be real, real busy when you're an additional job, a new job, because they never said, "Why did we get an extra person in here?" (Laughter) We were certainly busy enough.

And the way I got to the New York Stock Exchange was I had met the then-Chairman, John Phelan, and he was the public voice of the Exchange on television and the media during and after the market crash, a very calming person who had taken the time and effort to establish relationships with Washington officials at the highest level prior to the crash. I mean, one of the rules is, don't make friends when you need them, make them before. So he was very foresighted in that regard.

I had gotten to know him both when I was on the Hill and when I was at the SEC, because I knew the people in the Washington office, and I know that he is the one who wanted me to come to the Washington office. I was the first professional woman and the



first Republican—it had always had Democrats—but most importantly, I was the first person they ever hired who worked for the House of Representatives, which was somewhat of a mystery to them. Often these people from the Senate, it's like “What are they doing over there? Why are they doing this? How do you get from the Rayburn Building to the Cannon Building?” So I knew all that.

So anyway, he's the one who wanted me to work there. I was, as I said, kind of burned out at the SEC after three and a half years of pretty intensive work. Of course, then I was thrown into pretty intensive work again, but it was good. It was pretty interesting.

**WT:** It might be a good point to pause and ask about your position as a woman, going through, if there were ever any difficulties going through. You said that it was a fairly friendly environment all along in Congress and in the SEC, but it's worth bringing out if there were difficulties.

**CS:** I really don't think so. I think competence was the main thing you were judged on.

**WT:** Terrific, terrific. Okay, so then it's the aftermath of the market crash, then there's obviously a lot of pressure to do something legislatively on that.

**CS:** Well, the first thing were studies, there were all these studies, some of which were competing with each other. The first study was – Katzenbach – there was a Treasury study, and so there was a big effort to influence the recommendations from the studies

and find out what they were, make sure the people doing the studies understood how the markets really worked so that their suggestions didn't impede the markets.

**WT:** Were the studies mainly coming from Congressional staff?

**CS:** No, GAO was in there all over the place. There was a group formed—it was called the working group, which isn't extremely descriptive—but the working group was composed of the head of the Fed, the SEC, the CFTC and the Secretary of the Treasury or a designee of the Secretary, so that was sort of the overview cross market.

A lot of what people attributed the crash to this computerized trading, program trading and things kind of spiraled out of control. So once a computerized program would start to sell it would trigger other programs to start to sell and it spiraled downward. That's a fairly simplified description.

But one of the aftermaths was—and there really was no legislation on this, the markets took it upon themselves—were restrictions on program trading. These would be refined over the years, always by the markets. The markets acted before legislators could step in, and if it was done in legislation it would be really hard to alter, whereas if it was done through market rules, which are of course submitted to the SEC for approval, so there is government approval, it's easier to change. It's easier to change a rule than a statute.

So the first restriction on program trading—and this sounds hysterical by today's standards—was that there would be a pause of, I want to say five minutes, once the market dropped fifty points. Fifty points, isn't that funny? Of course, what was the Dow then, 2,000?

**WT:** That would have been 1,000, 2,000, yes, I think so. It was 3,000 in the mid-'90s, I believe.

**CS:** No, it was less than 2,000. Anyway, fifty points was a significantly higher percentage move then, so there would be a pause of five minutes. I could be wrong on these details. And then there were some trading halts built in if it dropped further. I think if it was 250 points it would halt for an hour, if it dropped 350 it would halt for – I forget the numbers. Now, at least when I left, and I think it's still the case, it's a percentage of the Dow rather than a fixed number.

When you say trading halts at a drop of 250 points, if the market goes up, if the Dow goes up—this is fifty points in the Dow Jones Industrial Average, by the way—if the market goes up from 5,000 to—what's it now, it's nearly 15,000—250 points is more meaningful at a lower Dow and much less meaningful now. So now they have it a percentage. The first halt would be a 10 percent drop as determined by the last trading day of the previous quarter, so right now it would probably be about 1,500 points, 1,400 points, but everybody knows that number. And the end of the next quarter, it would change.

**WT:** So also, ultimately, there is the Market Reform Act in 1990.

**CS:** Yes, yes.

**WT:** So were you involved with preparations for that, then?

**CS:** Yes, at the NYSE,.

**WT:** And that basically, if I'm not mistaken, empowers the SEC to intervene in an emergency as well, so is that closely related to what was going on internally at the stock exchanges?

**CS:** Yes. I mean, we worked pretty closely with the SEC on this, and, as I said, any rules that the stock exchanges come up with have to be approved by the SEC. So if you had to come up with a rule, you worked with the SEC to come up with a rule that they would okay. There was a lot of back and forth there. I wasn't so much involved in that, but more involved on the Congressional side.

**WT:** So moving along into the 1990s—unless we're missing something really crucial from the late-'80s?

**CS:** I don't think so.

**WT:** Okay. In that case then, when the political tide shifts, first with the election of Clinton in '92 and the Republican takeover in 1994, were there any really substantial changes on your end of things?

**CS:** Well, the people changed. When the Republicans took over the House there was quite a change in the committee staff. And there were some bills introduced, some kind of wild things, on the securities side, that didn't ever get anywhere. I'm trying to think what. One thing that came up that started in the late-'80s and continued in the '90s was funding for the SEC, which had always been receiving appropriated funds from Congress, even though they collected a ton of fees. So one of the issues was fees and efforts to change the fee structure.

One of the things that happened in the '90s was the imposition of transaction fees on the over-the-counter market, on the NASDAQ market, which had not previously been the case, so we worked on that.

**WT:** So what basically are you doing on a day-to-day basis, to try and get into your everyday working life at the NYSE?

**CS:** You mean at the –

**WT:** You were in the D.C. office, so there must have been quite a lot of shuttling between there and New York.

**CS:** Yes, and often we would take up members of Congress, and typically we'd take up somebody to speak at an event at the Exchange, maybe sometimes a really important person, we'd take them up and they'd speak at the board meeting. The board met monthly, most months then, and they would often have a lunch speaker and we would often try to get a government official, either a member of Congress or someone from Treasury to speak.

It was an educational effort for us and an opportunity for them to talk about any proposals or ideas. We also did a lot of staff trips up to educate the staff about how markets worked, how the trading floor works. Of course, it's all different now, but we would often work with the SIA, Securities Industry Association, or one of the member firms to sponsor such a trip. I don't think they can take those trips now. I mean, they weren't lavish, believe me, no golf courses on lower Manhattan.

**WT:** Right. So, I don't know if I'm correct to proceed on a milestone basis as to major pieces of legislation or not, but the next thing that I have on my list is the Private Securities Litigation Reform Act. But if you think that we're going about this the wrong way you can take the lead.

**CS:** No, that's fine. Yes, that was another – that was the early '90s, right?

**WT:** '95, I think.

**CS:** I think that made it easier for people to sue. I'm forgetting now; it made it easier for individuals to sue securities firms?

**WT:** I feel like it may have made it more difficult because the standards were more vague.

**CS:** That was something the Exchange wasn't so involved in, because under previous, long-ago court rulings people really can't sue the Exchange. It's kind of like suing the government; it's real hard to do, and so the Exchange's rules, being approved by the government, you couldn't sue the NYSE for failing to do something. So we weren't so involved in that. That was more an issue for member firms, as I recall.

**WT:** So what sorts of issues would the NYSE be most involved in?

**CS:** You had mentioned the Market Reform Act. I'm backing up a little here, but I just remembered one thing we were involved in there which ended up not in the bill but it was some idea proposed. The NYSE budget would have to be subject to hearings at the SEC. It wasn't just NYSE. Any Exchange budget would have to be subject to hearings at the SEC and approval by the SEC would have been very cumbersome and onerous, and we deep-sixed that. But the SEC didn't especially want it, not like they didn't have enough to do.

I'm trying to think, one thing I was really involved in during the '90s was the fee issue, transaction fees, which are paid on transactions. It's a tiny fraction of an amount, but when you get into the volume of the market it's a lot of money.

Gramm-Leach-Bliley Act was another big law in the '90s that went more toward the division of banking and securities. The Exchange was more involved in the periphery of that, as I recall. I'm really not recalling the specifics of some of that.

**WT:** I know that the '90s was not an especially active time for securities legislation, especially compared to the subsequent decade, but would it ever be the case that you would get fairly radical proposals that just clearly were not attuned to the realities of the Stock Exchange, where you would have to have that educational function, as it were?

**CS:** It wouldn't really matter if it was a radical proposal –

**WT:** Because it wouldn't get passed.

**CS:** Unless it was something that the subcommittee or committee chairman advocated. I mean, there's always proposals out there for people who just basically want to say something rather than do something.

**WT:** And that's something you just simply didn't concern yourself with?



**CS:** Well, you pay attention to it and you try to point out to somebody, you know, how real life works, but it had to be a relevant member that was advocating something to require a lot of attention, frankly.

**WT:** The next bits of legislation that I have on my list are the National Securities Market Improvement Act and then the repeal of Glass-Steagall. Were you involved in those things? I would assume market improvement would be –

**CS:** When was that?

**WT:** National Securities Market Improvement Act was '96, and the repeal of Glass-Steagall was in '99, I believe.

**CS:** Yes, the repeal of Glass-Steagall was Gramm-Leach-Bliley. I'm not remembering the Market Improvement Act. I'm sure we were involved. I'm sorry.

**WT:** All right, okay. Since you were legislative counsel, would you ever concern yourself with SEC rule making?

**CS:** Sometimes, but not too much. There were other people in the office who did that. If they were away, then I might be the backup.

**WT:** So then the next major—we mentioned earlier Enron and WorldCom, and of course there was the dot-com bust slightly before that as well. What was the atmosphere around the Stock Exchange at that time? Were there changes in what it was you were doing?

**CS:** Well, that affected the NASDAQ more than the Exchange. Oh, here's another thing that we spent a lot of time on, Y2K. We had a lot of briefings on Y2K and what everybody was doing. And then of course it turned out to be nothing for the securities markets. I mean, they were having people working all night long on that New Year's Eve just to make sure that computers didn't run haywire. Yes, there was a lot of hype and concern about Y2K.

Oh, another issue—when was this, this was in the '90s—decimal pricing. That ultimately was not achieved by legislation, but that was a big issue, pricing having been in eighths, and then in sixteenths in some stocks, and then there was a big interest in the House in requiring, by legislation, pricing in decimals rather than in fractions.

**WT:** Did this have to do with the odd-eighths affair?

**CS:** The what?

**WT:** The odd-eighths, where they would trade in quarters rather than eighths, I believe, in a not specifically organized way but it was considered a very subtle form of insider trading. I think it was – no? Doesn't ring a bell?

**CS:** Vaguely, but.

**WT:** It didn't have to do with –

**CS:** Yes, that would be in some firms, maybe, but on the Exchange the trading was quoted in eighths. I mean, if it was two-eighths, it would be a quarter, obviously, but the trading increment was an eighth. And then it went to be a sixteenth, which is not much more than a nickel, six cents, actually.

But there was some pressure in Congress to put it in decimals under the theory that people could understand decimals and they couldn't understand eighths. I never quite bought that, but I think people could understand eighths very well. In fact, at that very time mortgage rates were quoted in eighths, but never mind. Anyway, the Exchange decided to go to decimals. That required a big investment in technology, because you have a lot more quotes if you're in decimals, if you're in pennies, than if you're in eighths, a lot more quotes.

That leads me to another issue we were involved in which was market data availability, and basically the pricing of market data, market data being the stock prices that go out on what used to be the ticker, but now it's a computer. This was an issue that Congress was very interested in and a lot of people were saying that basically the Stock Exchange—all of the exchanges—that they have a consolidated tape that has the prices of a stock that's

trading, a New York Stock Exchange stock that's also traded elsewhere, there's one price for all markets. That's the whole idea of the consolidated tape.

But it costs money to put those prices together and put out the tape, so they've always charged for market data. And now market data goes out in computer form. It used to be a ticker tape, but that's long gone. But there's still a charge for market data if it's current, and so there was some fussing about how much this costs. So we did a lot of educating about how market data is compiled, what it costs to compile it and disseminate it and that we couldn't do it for free. It's free after fifteen minutes, so if you're looking at historical stuff, free. If you're a current trader, you want to know what it is that minute, not fifteen minutes later.

**WT:** It's fairly interesting, because there are very technically-oriented things that I wouldn't have thought of as having a large legislative component, and then some of the major legislative things seem to have less of an impact than I might have thought. Was that quite common, that there was a lot of legislative interest in the day-to-day affairs of—

**CS:** Oh, yes. Congress has an oversight role as well as a legislative role, and I would maybe put that under the oversight category. Another issue is trading capacity. I think we just saw a couple weeks ago that the NASDAQ halted trading in all NASDAQ stocks for three hours. That's unheard of. And so I can remember once at the Exchange that there was a trading halt in some stock—not a halt but an outage, some kind of a computer

glitch that resulted in trading stopping in some stocks for eight minutes, and everybody had a fit. It was because they were switching from one computer to another.

It turns out that they're always upgrading their computer systems and they're switching computers. Usually they run it on both and then switch over, but computer capacity was a big issue that Congress was interested in, and GAO. We had a lot of GAO studies, and of course GAO studies are often requested by Congress. Not always; sometimes GAO initiates them on their own. But GAO studies go to Congress, so in a GAO study you want to pay close attention that you're going to come out okay, because otherwise if you don't you'll get criticized. Those are issues that, even though they're not strictly legislative, they're congressional.

**WT:** Were there particular individuals in the GAO and Congress who came across as especially interested or very well-versed in these affairs?

**CS:** Well, the staff on the relevant committees. I mean, it had been the Energy and Commerce Committee, and then one of the interesting things that happened in – when did this happen, when the jurisdiction for securities in the House shifted to the Banking Committee? It wasn't when the Republicans took over. It was later, after somebody retired and there was question of who was going to be the chairman.

Anyway, it shifted in the late-'90s to the Banking Committee. That was interesting, because we had a whole new set of people to get to know. These committees have gotten

so big. The Commerce Committee, I can remember when I worked there, had about forty-eight members and then it got to have about fifty-some members. So you have to pay attention to all those members, because they get a vote on your issues.

So then we switched to the Banking Committee and we leave behind the fifty-eight members we knew and we get a whole new set of members, some of whom we knew because they were New Yorkers. You pay attention to the home-state delegation, but it was kind of like you had to get to know a whole new set of people. I digressed and I forget how – what were we talking about?

**WT:** I think we were just talking about the particular individuals.

**CS:** The staff of the relevant committees are the important individuals pretty much, so the staff of the Senate Banking Committee, and the staff of the House Banking Committee, and prior to that the Energy and Commerce Committee. And often, if those individuals have a background, have worked at the Commission, that's a real advantage for outsiders because they know something, but also it's a real advantage for the members of Congress to have a knowledgeable person who isn't just sort of guessing at things and thinking how things ought to work. It's like how do they really work, how do agencies really work, how do markets really work?

**WT:** Is there anyone in particular who sticks out in your memory?

**CS:** You want me to name names?

**WT:** Well it's in a positive sense, of somebody who's learned.

**CS:** Back in the Energy and Commerce Committee, Consuela Washington worked for John Dingell, she was his counsel for years and she came from the SEC, from the Division of Corporation Finance. I think she came in the late-'70s and worked there. She continued to work for the Committee after the jurisdiction shifted to the Banking Committee. She's now retired from the Hill, but she's very, very knowledgeable about securities issues, and was always the person you could go to and explain things and she would understand all sides of it.

Marti Cochran worked for Representative Tim Wirth, who was then Chairman of the Subcommittee with securities jurisdiction, and then she went to the Senate side and worked for Senator Chris Dodd when he was on the Banking Committee. She's now in private practice, but she was kind of a long-term person on first the House, then the Senate side. A person who's there now at Senate Banking Committee is a guy named Dean Shahinian, who worked at the SEC and later went to work for one of the banking agencies, I forget which. But he's very knowledgeable, still at the Senate Banking Committee staff.

Steve Harris worked on the Banking Committee. He worked first for Senator Riegle, who was Securities Subcommittee chairman and then Banking Committee chairman, and

then he continued to stay there when Senator Sarbanes was the chairman. He was very instrumental in Sarbanes-Oxley. He's now a member of the PCAOB, Public Company Accounting Oversight Board, which was an organization created in Sarbanes-Oxley to basically oversee the accountants. Those are people I would name.

**WT:** Proportionally then, you spent most of your time dealing with staff rather than Senators.

**CS:** That's the first step; you have to persuade the staff. If you persuade the member of Congress that your idea is the best thing in the world and you haven't laid the groundwork with the staff, you're going to run into trouble.

**WT:** Yes. In the early 2000s, then, there's of course the run-up to Sarbanes-Oxley, which you just mentioned, and also the Stock Exchange itself comes under quite a bit of scrutiny, I know certainly in New York.

**CS:** Oh, yes, scrutiny, change of management, lots going on.

**WT:** Indeed. You can choose either of those issues to deal with first.

**CS:** Well, first the aftermath of Enron, which led to the Sarbanes-Oxley Act, some of those requirements dealt with corporate governance, and the Exchange had always been an advocate of good corporate governance. In fact, the Exchange was actually the first place to have any corporate governance requirements, such as a proportion of the board of



directors to be independent, an independent audit committee, listing standards for companies to list on the Exchange.

One of the issues the Exchange had with Sarbanes-Oxley was the imposition of some of these listing standards to international companies. At that time, the Exchange was increasing listings of international companies. Now everything's listed everywhere, it's all a different world, but there was always an issue of what standards do you apply to an international company if they meet their home country's requirements, and then how different are U.S. requirements? You know, you don't want to make it too onerous for a company that's listed in Germany to also list on the Exchange. So that was an issue.

I think that was hard to differentiate in Sarbanes-Oxley. They wanted to apply everything to everybody. But, yes, we were involved in Sarbanes-Oxley. And then the Exchange itself came under some scrutiny. It was difficult when the Exchange became the subject rather than a participant.

**WT:** Are you able to discuss that?

**CS:** Well, I'm thinking back here.

**WT:** I mean, on one level there is kind of policy issues such as the relationships between analysts and brokers, and then of course, it gets very personal, Dick Grasso as well.

**CS:** Yes. Well, the analysts and brokers, the Exchange, and Dick Grasso personally was pretty instrumental in working out some division. The Exchange was more on the regulatory side there than the member firm side. Following Dick Grasso's departure, the Exchange adopted a new structure of having a separate Chairman and CEO. Prior to that, there had been one Chairman of the Board and Chief Executive Officer.

**WT:** They also adopted public members.

**CS:** Yes. The structure of the Exchange board has been interesting. There had been, I want to say twenty-five members, something like that, half of whom were public members, meaning non-member firms, and half of whom were from firms, and there was a mix of large firms, small firms, regional firms but they were all securities firms, and the other half were public members which was defined basically as non-securities firms. It would be often the public members were corporate CEOs, chairmen of some big company, and then there were always a few who were former public officials, a retired SEC Commissioner, something like that, but those were not so many. After some of these criticisms they restructured it for a much smaller board, all public members, and then they created a separate advisory board from the member firm community.

**WT:** In general, what's the relationship between your office and the leadership of the Stock Exchange?

**CS:** You mean the Washington office and the leadership of the Exchange?

**WT:** Well, I guess we could say that, but also your position as legislative counsel.

**CS:** Well, let's just say the Washington office, that would be the relationship. It depended on the Chairman. Some Chairmen liked Washington better than others. As I said previously, John Phelan was assiduous about cultivating relationships in Washington, so when the crash of '87 happened, he knew Alan Greenspan, the chairman of the Fed; he knew Nick Brady, Secretary of the Treasury. He knew the chairman of the Banking Committee. He knew John Dingell. He knew all the right people and they knew him. And they knew if he said X is happening and here's a good thing to do, they trusted him. They knew him, they trusted him. He had very good relationships, which, as I said, he cultivated before he needed them.

The second chairman of the Exchange during my time there was Bill Donaldson, who subsequently became an SEC Chairman. He was a bit less interested in Washington, and, to be honest, at that time, that was post-market crash, it wasn't quite so important. I would say the Chairman I worked for who was the most interested in Washington and had the most time for the Washington office was John Phelan. He came down once a month, and we worked out a schedule for him, you know, this month you're going to see all these people, and whoever was around, if Congress was in recess, he would see administration people, he would come once a month. Subsequent Chairmen were less interested and didn't come down as often.

**WT:** I'm sorry, who were we just talking about? The most –

**CS:** John Phelan was the most interested during my tenure. Subsequently, they would come down when there was something going on, but they didn't take the time to cultivate the relationships as he had done. That's my take.

**WT:** Clearly you're in the Washington office, but I'm wondering if there were legislative issues at the state level that you or people that you knew had to deal with.

**CS:** In the Washington office we really didn't deal with the state level. There was another office in New York that dealt with the state level.

**WT:** Did you have to liaise with them at all?

**CS:** Oh, sure. Yes, it wasn't that big of an organization, we were all within the government relations umbrella, so we knew what was going on. But we were not really directly involved with the state issues.

**WT:** Did you have to do anything in the aftermath of Congressional action in general, rather than just in the process leading up to the adoption of legislation?

**CS:** I'm not quite sure –

**WT:** I don't know, having to do with, say for example, the interpretation of a piece of legislation.

**CS:** Well, that would be at the SEC, so yes, we'd be involved.

**WT:** Right, it's not where the action is, so to speak.

**CS:** Right.

**WT:** So then you're there at the Stock Exchange until you retire in 2005 from that position?

**CS:** Right, July 2005.

**WT:** So is there anything of interest for our purposes in the period leading up to your retirement? We talked about Sarbanes-Oxley and the issues at the Stock Exchange itself, but if there's something we're missing or some interesting stories around the time, starting at the time of your retirement, we can talk about that.

**CS:** I don't think so.

**WT:** No? All right, well in that case I think we've kind of covered the gamut, so to speak.

**CS:** Well, I do want to add one thing if I have time to do that.

**WT:** We have all the time in the world.

**CS:** After I retired, and this does relate to the SEC, after I retired, a little less than a year later, early 2006, I was asked if I would be interested in being the first actually hired staff person for the Association of SEC Alumni, known as ASECA. So in mid-2006 I took on this job, which was quite interesting. The SEC Alumni is a group that has had—and I think this speaks a lot about the SEC, so it is relevant to the Historical Society—SEC Alumni, the Association of SEC Alumni, was formed in 1990 by basically a group of people who wanted to get together in a social context on a periodic basis and keep up the friendships they had made at the SEC. It was a social idea, and they would have a cocktail party at a Bar Association meeting or something like that.

And then they started to have an annual dinner at which they would give out an award, the William O. Douglas Award, to a notable SEC alumnus, and the first person to receive this award was the legendary Irv Pollack. There have been a number of people through the years that have received this award.

So a few years later they decided to endow a scholarship at Georgetown Law School for a student of securities law, and they also started combining the annual dinner with a PLI program called SEC Speaks. Practicing Law Institute has a program every year called SEC Speaks at which SEC senior staff and Commissioners talk about the work of the SEC for securities law practitioners. So there's a large group that gathers every year for

this program, and the annual dinner for the alumni group is the Friday night of that program, which lasts two days.

They started getting a really large crowd for the dinner and selling tables to law firms and accounting firms and raising a fair amount of money. And leaping forward, they established additional scholarships at, I want to say, six law schools, and a scholarship for SEC support staff to continue to get an undergraduate degree, and a writing competition for securities law students to write on a topic of securities law, and these people are all recognized at the annual dinner.

It's grown into quite a large organization and I was privileged, really, to be the first non-volunteer person to coordinate all these activities. When I started, we had two law school scholarships and now it's grown tremendously to six and it raises more money, and is trying hard to give it away.

**WT:** Did you join this group at the time, or had you been a member?

**CS:** I had been a member previously. Yes, I had been a member from the time it started.

**WT:** Oh, okay, back in 1990.

**CS:** Yes. I can remember going to the first dinner. It was held at Duke Zeibert's, downtown. Now it's held at the Ronald Reagan Building and gets about 800 people.

**WT:** How many people are members of ASECA?

**CS:** Oh, probably in the vicinity of 500 or so, but the tables are sold to organizations, like big law firms will always buy one to two tables, accounting firms, they buy tables. They don't have to be members to buy a table, but usually somebody in the organization is a member and then they get a table.

**WT:** Now, it is very extraordinary the number of people who have been at the SEC who remain interested in it after they leave. I mean, that's certainly the case with these interviews, that everyone's always very eager to talk about it and how professional and wonderful it is.

**CS:** I think the SEC is unusual in that regard. It's interesting, this concept of an alumni group for a government agency. I have been kind of an informal consultant to some people from the CFTC who are in the process of forming an alumni group. I'm not sure at this point how far along they've gotten, but I've talked to them about by-laws and programs and websites and stuff like that. There might be a few others, but there are not very many. I think the culture of the SEC through the years, that there's has been a continuing thread, has facilitated that feeling and that allowed this network to continue.

Part of the work of the Association of SEC Alumni is to, through scholarships and writing competition, highlight the work of the SEC and increase the number of qualified



people and encourage them to work at the SEC. One of the criteria for the scholarships is that people have either worked at the SEC as an intern, a legal intern, or are interested in working at the SEC.

**WT:** If I can return one last time to the theme of women in regulation and finance, you mentioned that when you came to the NYSE it was a pretty male-heavy environment. But I know of course, I've done a lot of interviews with people on the regulatory arm of the Stock Exchange, and people have been part of FINRA as well. And of course, that changed significantly, certainly in the early 2000s when you had a number of women in very senior positions, probably the bulk of them, actually. I'm wondering about your perceptions of that organization, as it's changed over the last couple of decades or so.

**CS:** You mean of the NYSE, or FINRA?

**WT:** Well, I mean if you have an opinion on FINRA. I know you weren't part of the organization.

**CS:** No, but some of the people from the NYSE regulatory part went to FINRA.

**WT:** Right, those are the people whom I've spoken with.

**CS:** Right, okay.

**WT:** But I've not spoken with anyone who was part of the other part of the Stock Exchange that wasn't part of that regulatory arm of it.

**CS:** Oh, okay, yes. Well, Cathy Kinney was certainly a senior person. When I went there she was a vice president or a senior vice president who rose to become co-president. She's certainly a notable person, but she wasn't in the regulatory part. She was in listings, I think, initially.

There were a lot of senior women at the Exchange. I want to say that John Phelan was very tuned in to bringing in women. And of course, the trading floor is another interesting part. That's the members of the Exchange, but there were a significant number of women on the trading floor. They were certainly visible.

**WT:** When you arrived.

**CS:** When I arrived there were a few.

**WT:** Yes. And then that just increased with time and it became more –

**CS:** Somewhat, not a lot. It's kind of a stressful environment to work in.

**WT:** Right. Well, I mean, women can take the stress, I have no doubt. But it does tend to be, the culture is aggressively male, if you will.

**CS:** Yes. There were some very good women down there.

**WT:** Yes. All right, well again, as I say, I've exhausted my questions and we've spoken for quite a while so unless you have anything else to add, I think it's a very nice interview.

**CS:** I don't think I have anything else to add.

**WT:** Well then, thank you very much for your time. I appreciate it.

**CS:** Thank you.

[End of Interview]