

January 7, 1976

Kenneth Bialkin, Esq.
Willkie, Farr & Gallagher
One Chase Manhattan Plaza
New York, New York 10005

Re: Securities Investor Protection Act
Amendments of 1975

Dear Ken:

Enclosed is a copy of the letter concerning S. 1231 and H. R. 8064 which was transmitted by the Committee of Securities Regulation of the Association of the Bar of the City of New York. I have reviewed the letter on this same subject which I prepared for the American Bar Association, Federal Regulation of Securities Committee (my draft of which is dated December 3, 1975). At this reading the only similarities between the two letters are the ideas expressed with respect to Sections 8(c)5(b)(6)(D) and 9(a)(6) of the Securities Investor Protection Act Amendments of 1975.

I do feel that the Securities Investor Protection Corporation should not be given powers of a governmental agency unless it is subject to restrictions on such power applicable to a governmental agency. In that connection, the efforts of the New York Stock Exchange to request disclosure under the Freedom of Information Act is instructive. (See BNA SRLR No. 332, at A-3.)

I appreciate your interest in my trip to Israel and I will certainly try to call all of the people whose names you gave me. I am sure it will be an interesting experience for Paul and me. I expect to be attending our Committee meeting in Washington on January 23 and 24 and I will see you then.

Sincerely,

Roberta S. Karmel

Enc.