

U. S. SECURITIES AND EXCHANGE COMMISSION

July 14, 1977

In response to questions arising from the New York City blackout, the Commission today advised the exchanges and the NASD that if they believe they are capable of operating an orderly market in any securities other than options, they are free to do so.

The Commission further pointed out that it is the responsibility of the exchanges and the NASD to bring to the Commission's attention any unusual problems which are encountered.

In addition, they should communicate to their broker members, that the brokers have a responsibility to bring to the attention of their customers the unusual nature of the markets.

The Commission has requested that option trading not take place today in the absence of further advice from the Commission.

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