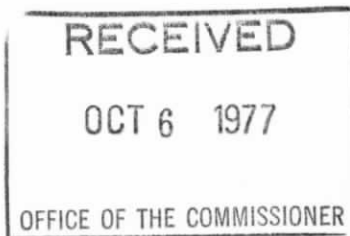


File - (SIPC)

SECURITIES INVESTOR PROTECTION CORPORATION  
FARRAGUT BUILDING  
900 SEVENTEENTH STREET, N.W.  
WASHINGTON, D.C. 20006

HUGH F. OWENS  
CHAIRMAN

October 4, 1977



The Honorable Roberta S. Karmel  
Securities and Exchange Commission  
Washington, D.C. 20549

Dear Mrs. Karmel:

Enclosed is a copy of the "Report to the Board of Directors of the Securities Investor Protection Corporation by the SIPC Assessments Task Force on the Fund Level and Future Assessment Structure". This, together with a collation of suggestions and comments received from the industry, will be on the Board's agenda on November 2, 1977.

Cordially,

*Hugh F. Owens*



SECURITIES INVESTOR PROTECTION CORPORATION  
900 SEVENTEENTH STREET, N.W. • SUITE 800  
WASHINGTON, D.C. 20006 • (202) 223-8400

*Generally  
I agree  
RS/c*

October 4, 1977

TO: Chief Executive Officer  
Members of the Securities Investor Protection Corporation

FROM: Hugh F. Owens, Chairman

SIPC Assessments

We are pleased to send you the attached "Report to the Board of Directors of the Securities Investor Protection Corporation by the SIPC Assessments Task Force on the SIPC Fund Level and Future Assessment Structure." The report and the recommendations therein represent the unanimous agreement of a broadly based seventeen-member Task Force which included substantial representation from the SIPC membership.

The SIPC Board of Directors has not met to consider this report. I am sending you a copy at this time so that our Board may have the benefit of your comments or suggestions before formally reviewing it and taking action with respect to it.

As of August 31, 1977, the SIPC Fund balance was \$142 million. Based on the growth of the Fund this year, we project that it will reach \$150 million by December 31, 1977. If that occurs, it may be possible to affect a substantial reduction in assessments effective January, 1978. This will depend, of course, on what action the SIPC Board takes on the Task Force recommendations. In addition SIPC bylaws are subject to review by the Securities and Exchange Commission as provided in Section 3(e)(2) of the 1970 Act.

In order to have this matter considered by the SIPC Board as promptly as possible, I would appreciate receiving any comments you may have by October 19, 1977. All such communications should be addressed to:

Securities Investor Protection Corporation  
900 17th Street, N.W., Suite 800  
Washington, D.C. 20006

Attention: Lloyd W. McChesney  
Vice President - Finance

Thank you for your attention to this matter. As always, we at SIPC are grateful for your advice and assistance.

Sincerely,

*Hugh F. Owens*