

LAFAYETTE COLLEGE

Arthur J. Rothkopf

President

October 2, 2001

I look back with great pride and joy at the time I spent as part of the Special Study staff. I had joined the Commission staff a few months earlier to work in Enforcement under the direction of Ralph Saul. When the scandal at the American Stock Exchange broke in early 1961 and Congress authorized the Special Study, I came over with Ralph to work on the Study.

The years I spent working with the dedicated lawyers, economists, and accountants of the Special Study were among the most satisfying and meaningful of my professional life. We worked extraordinarily long hours and we worked collegially. Most of us were young -- very young. We were brash and we thought we knew more than we did. But we were dedicated to serving the public interest and I believe we did so in an important way. Subsequent events proved that.

I have always felt a special measure of gratitude to our two leaders, Milton Cohen and Ralph Saul. They had very different personalities and yet each was an impressive and effective leader. Milton taught me how to write clearly and precisely and to think far

more analytically than I ever had. Ralph taught me how to manage people and get the best out of each of them. I am eternally grateful to each.

My own work focused on the effectiveness (or lack thereof) of the self-regulatory activities of the stock exchanges and the NASD, although each of us took on responsibilities in other areas as needed. I had a separate responsibility throughout this period (apart from the Special Study) of monitoring the reorganization of the American Stock Exchange and its newly installed management. This aspect of my work was carried on under the supervision of Chairman Cary.

While our lives were consumed with work during the pendency of the Special Study, many of us socialized together with our families and close friendships were formed. One incident still stands out in my memory. Late on the evening on December 31, 1962, as the snow was falling on a New Year's Eve in Washington, a group of us decided to buy a toboggan and use it the following day in Battery Kimble Park. We had a large turnout and the tobogganing produced few permanent scars. Barbara and I have home movies of that wonderful day with so many good friends. The person who enjoyed it most and who stars in the movie was Fred Moss, who sadly, passed away recently. I know that we all miss him.

I left the world of securities regulation following the conclusion of the Special Study, never to return. My time at the SEC was a special one in my life and inspired me to spend many more years in public service.

Sincerely,

[handwritten] Arthur

Arthur J. Rothkopf