

Draft

→ Joint letter from the SEC and the Conference to be addressed to members of the Conference —

As you probably know, during the last ____ months officials of the SEC have been in continuous conferences with a Drafting Committee appointed by the Chairman of the Investment Bankers Conference for the purpose of drafting an amended Charter, By-Laws, Over-the-Counter Rules, etc., in order to qualify the Investment Bankers Conference with its membership of nearly 1700 for registration as a national association under the Maloney Act providing for self-regulation under government supervision.

The work is pioneer work and has required time and very full discussions. There were naturally many differences of opinion which developed and were settled during the course of the conferences. What is sent you herewith is, therefore, the product of no one man's mind, but the result of study, argument and, necessary in many instances, compromise.

Nor does anyone who was engaged in the conferences believe that the present documents sent you are perfect. On the contrary, one of the reasons for sending them out to the profession is to have the benefit of objections and constructive suggestions from those engaged in the investment and securities business.

Such suggestions and criticisms will be welcomed and taken into consideration, but we do desire to impress upon the profession the fact that a general understanding has been reached by all those engaged in the work to the effect that the fundamental principles set forth in the various documents are sound and constructive, and that such differences as may still exist are of a minor rather than of a fundamental nature.

We urge your studied and your friendly, even though critical, comments on the papers sent you.

Memorandum is enclosed showing what the Securities and Exchange Commission and the Drafting Committee of the Conference regard as important. There are two items representing important differences of viewpoint together with reasons assigned by each. If you care to express an opinion on either or both of these points, your suggestions will be useful.