

MEMORANDUM

TO: File No. S7-10-04

FROM: Heather Seidel
Division of Market Regulation

DATE: June 30, 2004

RE: Meeting with Representatives of NYSE Specialists

On March 12, 2004, Division of Market Regulation staff met with David Humphreville, President of The Specialist Association; Michael LaBranche, Chairman, CEO and President of LaBranche & Co., Inc.; John Lauto, CEO of Spear, Leeds & Kellogg LLC; Bob McCooley, President and CEO of The Griswold Company; and Peter Murphy, CEO of Bear Wagner Specialists LLC. The specialist representatives presented their views regarding the concept of an automated market and the opt-out provision of the proposed trade-through rule of Regulation NMS.