

To: File No. S7-20-06

From: Division of Market Regulation

Date: April 25, 2007

Re: Short Selling in Connection with a Public Offering/ICI Comment letter dated
February 12, 2007

On April 25, 2007, members of the Divisions of Market Regulation and Investment Management had a conference call with Ari Burstein and certain ICI members to discuss the issues raised in the February 12, 2007 comment letter submitted by ICI regarding proposed amendments to Rule 105 of Regulation M.