

MEMORANDUM

TO: File S7-09-05

FROM: Marlon Quintanilla Paz
Division of Market Regulation

DATE: March 6, 2006

RE: Client Commission Practices Under Section 28(e); File No. S7-09-05
Meeting with JP Morgan Securities Inc.

On March 2, 2006, members from the Division of Market Regulation met with Scott J. Harrington, Emily Portney, and David W. Miller of JP Morgan Securities Inc. and Brandon Becker and Soo J. Yim of Wilmer Cutler Pickering Hale and Dorr LLP to discuss JP Morgan's comments on the proposed Commission guidance regarding client commission practices under Section 28(e) of the Securities Exchange Act of 1934. Topics discussed included commission-sharing arrangements under Section 28(e).