

MEMORANDUM

To: File No. S7-25-99

From: Martha Peterson

Date: April 5, 2005

Re: Meeting with representatives of the SIA

On March 30, Chairman Donaldson, Joseph Hall, Managing Executive for Policy and Martha Peterson, Counselor to Chairman Donaldson, Paul Roye, Director, Division of Investment Management, Robert Colby, Deputy Director, Division of Market Regulation, and Robert Plaze, Associate Director, Division of Investment Management met with representatives of the Securities Industry Association to discuss the views expressed in the SIA's comment letters on the above-referenced rule proposal (filed September 13, 2000, August 5, 2004, and February 7, 2005). Attending the meeting were Ira Hammerman, SIA, Marc Lackritz, SIA, John Schaefer, Morgan Stanley, Charlie Johnston, Citigroup, Tim Scheve, Legg Mason, James Price, UBS, Robert Mooney, Merrill Lynch, Barry Barbash, Shearman & Sterling.