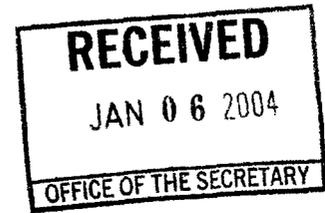




## MEMORANDUM



#2

**To:** Public File  
**From:** Bonnie Gauch *BG*  
**Date:** January 6, 2004  
**RE:** Meeting with SIA and broker-dealer representatives regarding the CSE (S7-21-03) and SIBHC (S7-22-03) proposing releases.

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On December 18, 2003 the staff met with various industry representatives to discuss certain issues relating to the rule changes proposed in the Consolidated Supervised Entity ("CSE") and Supervised Investment Bank Holding Company ("SIBHC") releases (Exchange Act Release Nos. 48690 and 48694, respectively). Present at this meeting on behalf of the industry were; Kyle Brandon, Frank Fernandez and Jerry Quinn of the Securities Industry Association, Cheryl Kallem, Michael Alix, and Judy Modica of Bear Stearns, Patricia Brigantic and Charles Milone of Citigroup, Michael Cahill, Tim Burns, and Joe Regan of Merrill Lynch, James Collins and Marjorie Gross of JP Morgan Chase Noel Donohue, Mark Holloway, and Steve Kessler of Goldman, Sachs & Co., Ray Disco of CSFB, Ed Grieb and Laura Vecchio of Lehman Brothers, Dan McIsaac of UBS, Charlie Vadala and Lisa Zonino of Morgan Stanley, and Ed Rosen of Cleary Gotlieb. Present on behalf of the SEC were; Michael Macchiaroli, Linda Sundberg, Bonnie Gauch, Rose Wells and David Lynch from the Division of Market Regulation and Mary Ann Gadziala of the Office of Compliance Inspections and Examinations. Those present generally discussed questions the industry representatives had regarding the proposed rules and rule amendments.