

Municipal Securities Rulemaking Board

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May 9, 1977

BY HAND

Commissioner John R. Evans
Securities and Exchange Commission
500 North Capitol Street
Washington, D.C. 20549

Dear John:

While you probably have read the article in The Daily Bond Buyer on April 28, 1977, announcing the Board's selection of five persons to take office this coming September, I thought you would be interested in knowing something more about the background of the gentlemen selected. Staats M. Pellett, Jr., who was selected in the public category as an investor representative, is Vice President of Bessemer Trust Company of New York, in charge of their municipal portfolio. For several years prior to joining Bessemer Trust Company, Mr. Pellett was a Vice President of Fireman's Fund Insurance Companies, in charge of the municipal bond portfolio. He is currently President of the Society of Municipal Analysts.

John M. Urie, who was also chosen in the public category, is Director of Finance of the City of Kansas City, Missouri, and has been engaged in municipal finance and city management for many years. He is a past President of the Municipal Finance Officers Association.

Peter C. Trent, Executive Vice President and Manager of the Municipal Department of Shearson Hayden Stone, Inc. in New York, was named as a securities firm representative. In addition to his extensive experience on the underwriting and trading side of the business, he is well-versed in operations matters.

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In the bank representative category, the Board named Robert C. Brown, President and Chief Executive Officer of BancNorthwest in Chicago, and Richard L. Johannesman, Senior Vice President of the Bond Investment Department at Mercantile Trust Company in St. Louis. The banks with which Mr. Brown is associated have more than \$7 billion in deposits, while the Mercantile Trust Company in St. Louis may be categorized as a medium-size bank with somewhat more than \$1 billion in deposits.

As you know, the public representatives must be approved by the Commission to assure that at least one member of the Board is representative of issuers of municipal securities and at least one member is representative of investors in municipal securities, and that no public member is associated with a broker, dealer, or municipal securities dealer. We are planning to submit shortly to the Commission a request for approval of the public members selected by the Board. In addition, under procedures prescribed by the Board's rule on nomination and elections, a petition may be submitted by the industry to nominate an additional candidate or candidates for each industry representative position to be filled in September. If there are no additional candidates nominated by May 27, the industry representatives named by the Board will be considered duly elected.

I appreciate your note on the Board's first annual report and have forwarded a copy of it to the members of the Board.

With best regards,

Sincerely yours,



Frieda K. Wallison
Executive Director and
General Counsel

FKW/pah