

May 7, 1936

Mr. John Abt,
Security Exchange Commission,
120 Broadway,
New York, New York.

Dear John:

Went over several matters with Ben and Tom this morning.

The Fowler memorandum was the first. We all felt that it would be highly desirable to get the proof indicated, but in many cases it is not available. In other cases it would be having someone swear to the obvious, with the risk that on cross examination he would do us damage, and we feel that on the whole we would be unwise to offer proof in support of the legislative findings unless they are attacked.

On the brief discussing the limitation of issues, the point on page 72 relating to unclean hands we discussed at some length. The point is not helpful to us even if well established factually so far as establishing Federal power is concerned. The usefulness which Ben urges is in convincing the Court that they are not entitled to extraordinary remedies at this time. For this purpose it may have some usefulness. About all that is desired by way of stipulation would be these facts:

That Bond and Share was represented on the Committee (it is our understanding that Judge MacLean spoke for the Committee) and helped finance the Committee and that the Committee did propose the bill attached to our reply.

I will come to New York Tuesday night and see you Wednesday morning. Will plan to be there Wednesday and Thursday.

Sincerely yours,