

File
1150 - 135

NEW YORK CURB EXCHANGE
NEW YORK

OFFICE OF
GENERAL COUNSEL

August 3, 1943

Paul W. Frum, Esq.
Union Commerce Building
Cleveland, Ohio

Dear Paul:-

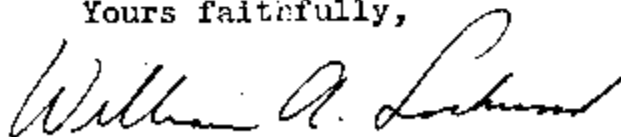
It seems extraordinary that "the staff" should make such an elaborate attempt to prevent the N.A.S.D. from disciplining members who break the rules, - rules which are based upon practical experience (not upon New Deal ideology), and which surely were contemplated in the discussions preceding the adoption of the Maloney Act, being implied, if not expressly authorized, in its terms.

The brief filed by your firm seems to me conclusive, although I would venture the comment that the simple statement as to the instrumentality for the enforcement of the Anti-Trust Act would be sufficient without a detailed analysis of what constitutes an offense under the Act. The pretense that the concessions granted dealers are in effect commissions is completely obfuscated by your discussion of what commissions imply.

I understand from Wally Fulton that you are polishing your rapier to give even the Commission itself is to be called to account! I am sorry that the Executive Committee is out for the kill, for I feel that the industry is injured in the eyes of the public when various branches attack the good faith and efficiency of other instrumentalities in the same field. The one ameliorating feature which gives me personal satisfaction is that I shall be crossing swords with a master who is himself a delightful companion!

With best wishes, believe me

Yours faithfully,



44 Wall Street

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