

September 28, 1934

Dear George:

I have your letter of the 21st with reference to the status of bank stock under the new law.

I agree it would be preferable if bank stocks were generally listed on some exchange, but as you know, the regulation of collateral is in the hands of the Federal Reserve Board and you have, no doubt, seen their regulations on this matter issued last night. At the same time the Securities Exchange Commission extended the time of the effective date of the margin requirements to October 15, which will afford a breathing spell for the Street to acclimate itself to the new rules.

Thank you very much for your thoughts on this matter. I am

Sincerely yours,

Mr. George F. Breen
20 Pine Street
New York, New York

GS:G