

Re: Multiple Trading Hearing

Judge Healy's suggestions after oral argument were as follows:

- (1) The construction of the rule proposed by the exchange is incorrect.
- (2) Even accepting their construction, the rule must be modified. Consider the following points:
 - (a) Unfair competition
 - (b) Restraint on interstate commerce
 - (c) Discrimination

On the question of power, since Congress has given us general powers concerning the exchange, it certainly was intended to give us power in this situation.

The unfair competition referred to is not unfair competition in the usual sense but in the sense of unfair administration of the stock exchange. Also it may be helpful to look at cases under the Clayton and Sherman Acts in which it was held to be unfair competition to restrict competition in a material degree.

The Judge is interested in a history of the development of the stock exchange constitution and this rule, if that can be worked up.