

DRAFT
OF LETTER FROM THE PRESIDENT

May 20, 1940

Chairman Jerome N. Frank
Securities and Exchange Commission
Washington, D. C.

My dear Chairman:

In view of the unsettled condition of international affairs resulting from the present hostilities in Europe, and the current action taken in temporarily closing securities exchanges, I urgently request that your Commission take appropriate steps to place effective restrictions upon transactions in our over-the-counter markets in securities registered on exchanges.

I suggest that the National Association of Securities Dealers, Inc., and other leading representatives of the industry be called upon to cooperate by prohibiting transactions over-the-counter in securities registered on our national securities exchanges and to take such other and further measures as may be deemed necessary and desirable.

Yours sincerely,