

Mr. Abe Fortas,
Yale Law School,
New Haven Connecticut.

Dear Abe:

I have your proposals on your remedial legislation. I have not had a chance as yet to go over it thoughtfully. I will do so shortly, and also circulate them among Clark Riger and Levy.

I also have the stuff on corporate trustees which you sent, including Faragher's memo which I have turned over to Riger. In this connection, I forgot to mention to you last Sunday that a graduate student at Yale Law, by the name of Underhay, is writing his thesis on the subject of a comparative study of English and American reorganization practices. He was in to see me last Saturday afternoon and had with him at the time a copy of a Canadian mortgage which contained certain interesting and unique provisions (so far as American trust indentures go) relative to bondholders' meetings, et cetera. I told him to show the mortgage to you. He was anxious to get some additional English or Canadian mortgages. I urged on him the desirability of making a comparative study of certain salient provision of American and English indentures. This he promised to do. I suggest that if he has not come in to date, that you get in touch with him. He seems to have a pretty good head and to know his way around. I think he might be able to dig up some stuff for us on these unique provisions in the Canadian and English indentures.

When you see Ed Levi you might ask him when I might expect his memos on the corporate trustee topics which I outlined to him last Saturday. Riger will be in need of those shortly.

Miss Waters has had considerable difficulty in getting a copy of the Sabath Bill. I did not send you my copy as I promised to do because of the fact that some of the Commissioners wanted to see it. It was the only copy I had. I should be able to get you a copy by the first of the week, at the latest.

As I told you over the telephone, Congressman Wilcox was in. We had a long and interesting talk. He wanted us to draft a municipal bill for him which I am not going to do. Percival Jackson, Special Counsel to McAdoo's Committee Investigating Receiverships and Bankruptcies, has been over several times. He was interested in getting our cooperation in drafting and sponsoring amendments to 77B. His ideas run somewhat along the lines of Sabath's Bill, although they are not exactly parallel nor co-terminue. There is also some talk around about to the effect that this Commission should take over the I.C.C. supervision of railroad committees. In other words, every reformer has the happy thought, "let the SEC

do it." I am trying to speed up the whole organization here to complete our report at the earliest possible date as the Commission is getting into an extremely awkward position.

Yours faithfully,

Douglas