

July 29, 1938.

Hon. Robert E. Healy,
743 Dorian Road,
Westfield, New Jersey.

Dear Judge:

I enclose herewith a memorandum covering the scope and substance of Part II of the Whitney report, as they have been discussed at the table to date. This memorandum is prepared by the staff on the basis of our discussions. It is tentative and preliminary only. It is drawn in the present form merely as a basis of discussion with Martin of the Stock Exchange. For example, if Martin advises me that the whole trust institution section of this memorandum would come out. The new management of the Stock Exchange undoubtedly is going to take steps very soon along many of the lines suggested here. Martin will advise me before long what those steps will be.

I am not sure that everything which should go into Part II of the Whitney report has been included here. I believe there may be one or two points which you had in mind which are not included. If so, the matter has merely been overlooked, not rejected. I am passing it on to you at this time so that you can begin to get up to date on what the staff and we have been discussing in your absence.

Part II of the Whitney report would not look like this memorandum. It would, of course, be much longer, involving considerable explanation and analysis, a statement of policies, etc.

Yours faithfully,

Williams O. Douglas,
Chairman.

Special Delivery