

October 15, 1934.

Dear Mr. Whitney:

This will acknowledge your letter dated October 8, 1934, relating to the plan of the Governing Committee of the Exchange to adopt a rule permitting specialists to disclose information as to orders placed with them to all members of the Exchange during certain periods. Section 11 (b) of the Act makes it unlawful for a specialist to disclose information with regard to orders placed with him which information is not available to all members of the exchange. Your letter states that during the time when the persons whom you are trying to educate are present, "the specialists may disclose information in regard to orders placed with them to all members of the Exchange." I assume that in order to comply with Section 11 (b), the rule of your Governing Committee will make it mandatory upon the specialists to disclose such information to all members of the Exchange who desire the same. If so, I see no objection to your proposed plan.

Your letter dated October 8, 1934, requesting consideration of the position of the odd lot dealer in our study of short selling, is also acknowledged. The problem you present is receiving attention by the representatives of the Commission engaged in the study of short selling.

Very truly yours,

Joseph P. Kennedy,  
Chairman.

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