Mr. HAACK. The commission rate schedules are the same.

Mr. KEITH. Is there some kind of, I won't say collusion, but is there some kind of an understanding that it shall be the same in all regions or is it just by chance?

Mr. HAACK. I would say that it is by chance. We address ourselves to the to the New York commission rate structure, which has been willingly adopted by other exchanges, with no duress or coercion on our part.

Mr. KEITH. We heard Mr. Day, I believe it was yesterday, say that a company that wanted to do business in other States, more or less, had to conform to the laws of New York State, that they had in effect preempted the field. If you want to do business in New York State, you had to have a certain commission on sales.

Mr. LEVY. On insurance.

Mr. KEITH. I understand that. Is there anything comparable here?

Mr. LEVY. No.

Mr. HAACK. It is a free and open marketplace.

Mr. LEVY. Mr. Keith, may I correct one figure? The block transactions comprise about 6.7 percent of the volume in the third quarter, not 35 percent. It was 6.7 percent I believe was the exact figure.

Mr. KEITH. Where did I get the impression that it was 35 percent?

Mr. HAACK. Our total volume from institutions is about 33 percent. The block volume, transactions involving 10,000 shares or more——

Mr. LEVY. In the third quarter.

Mr. KEITH. I see.

Mr. HAACK. Are only 7 percent.

Mr. KEITH. The majority of theirs would be in blocks, but not blocks in excess of 10,000.

Mr. LEVY. Lots of them buy and sell on the dollar averaging basis up and down, and some do it on a daily basis. They buy so many shares a day or sell so many shares a day. Institutions operate all different ways.

Mr. KEITH. Do you mean to say that there are some institutions that by reason of their management philosophy turn a certain portion of the portfolio over?

Mr. LEVY. No, sir.

Mr. KEITH. Periodically?

Mr. LEVY. If they are on a buying program on a given stock they may buy on a scale down or a certain dollar amount every day or sell on the same basis. That is what I meant to imply.

Mr. KEITH. Thank you. On page 6 of your statement, with reference to the contractual plans, you state that possibly a rebate policy should be instituted for certain early terminations involving hardship. Now what do you have in mind there?

Mr. HAACK. Well, I inserted that to eliminate the cancellation which would be frivolous, which would be motivated by, let's say, a market which has declined, for which there is no real sound reason except, say, a weakness on the part of the purchaser.

On the other hand, I can think of some cases where people observing all of the bona fides might through a prolonged illness, the loss of