

October 9, 1934

Dear Senator Bulkley:

I have your letter of October 6th enclosing correspondence between the Republic Stamping and Enameling Company and yourself, and correspondence between the Cleveland Stock Exchange and the Company.

I am familiar with the circumstances of this situation and I regret exceedingly the inclusion of the name of the Republic Stamping and Enameling Company stock in the list of companies whose application to register securities had been denied by the Commission.

The facts in the case are as follows: The Cleveland Stock Exchange applied to the Commission for registration of this stock. Under Rule JE2 of the Commission's Rules and Regulations, an application to register securities may be received from some one other than the issuer when special circumstances justify such action, as, for instance, when securities are in the hands of the public and it might be imposing a hardship on the holders to deny registration even though the issuer did not apply for it.

However, in this case, desiring to meet the Company's wishes and notwithstanding the application of the Cleveland Stock Exchange, the Commission voted to deny the application for registration feeling there were no special circumstances which warranted registration.

Section 12 of the Act forbids transactions in securities unless a registration is effected, or unless the security is an exempted security. Rule AN3 of the Commission, however, in order to allow a period of adjustment to all securities which had not been refused registration, suspended until October 15th the operations of Sections 7 and 8, and Section 12 of the Securities Exchange Act against all other securities.

Upon the promulgation of Rule An3 on September 28th, it therefore became necessary to publish a list of those securities which had been denied registration for any reason and as the securities of the Republic Company had been denied registration upon the application of the Cleveland Stock Exchange because the Company did not wish to have them registered, they were included in the public list.

Of course, this publication was not in any way a reflection on the Company, its past history, or its condition. When this matter was called to my attention on October 2nd by Congressman Will R. Thom, I authorized a statement of facts, as stated herein, by a telegram, a copy of which is enclosed. On the following day I released this to the press.

I trust that this will explain to you the situation.

Sincerely yours,

Joseph P. Kennedy,
Chairman.

Honorable Robert J. Bulkley
U.S. Senate
Washington, D.C.

Enclosures