

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON

December 11, 1934.

Mr. J. M. B. Hoxsey,  
Executive Assistant,  
Committee on Stock List,  
New York Stock Exchange,  
New York, N.Y.

Dear Sir:

I greatly appreciate your suggestions in regard to the subject of solicitation of proxies.

In connection with the proposed circular to be sent to the members of the Exchange, copy of which you enclosed with your letter, I have only one or two suggestions to make.

In general, it seems that members, upon request of any group interested in soliciting proxies, whether or not such group represents the corporate management, should cooperate by mailing information and proxy forms in order that their clients may be in a position to consider the merits of any proxy controversy. To this end the members should be ready to advise interested groups as to the number of copies of proxy forms and of informative material required. On the other hand, it would seem that members should not be required to transmit such forms and material without being furnished with sufficient stamped envelopes to permit distribution by the members without out-of-pocket expense.

In line with the foregoing, I suggest that in the next to the last paragraph on page 3 of your proposed circular, it be suggested that members, in communicating with their clients in any case where to their knowledge a proxy controversy exists, send to their clients all information received by the members from the groups who are soliciting the proxies. I further suggest that where, prior to receiving notice of any controversy, a member has forwarded the signed proxy to a client, he should send to the client all information subsequently received from any soliciting group, (provided that the interested group furnishes the member with an adequate supply of proxy forms, literature and stamped envelopes), in order that the client may decide whether he wishes to have the member revoke his original proxy and sign a new one.

Cordially yours,

John J. Burns,  
General Counsel.