

OFFICE OF THE DEPUTY ATTORNEY GENERAL  
WASHINGTON, D.C. 20530

October 26, 1972

Honorable Harley O. Stagers  
Chairman, Special Subcommittee  
on Investigations  
House Committee on Interstate  
and Foreign Commerce  
House of Representatives  
Washington, D. C. 20515

Dear Mr. Chairman:

I have your letter of October 17, 1972, requesting access to materials collected by the Securities and Exchange Commission during its investigation into the affairs of International Telephone and Telegraph Corporation which were forwarded to the Department of Justice earlier this month.

As Chairman Casey advised you in his letter of October 6, 1972, the prior Securities and Exchange Commission investigation into International Telephone and Telegraph Corporation insider trading was continued by the Commission to determine whether there were involved any obstruction of justice violations. The Department of Justice was advised of this continuing phase of the investigation.

When it later appeared that possible violations of federal criminal laws might be involved, the files were forwarded to the Department of Justice to avoid jeopardizing any enforcement action. It was in this context of possible obstruction of justice violations that we asked that the files be referred so that a full investigation could be undertaken by our Criminal Division to determine if there were any criminal violations warranting prosecution.

Under these circumstances, it would be inappropriate for us to make the materials available to your Committee. Indeed, any such action would jeopardize possible criminal prosecution, as well as the rights of any potential defendant, if we were to make the materials available to anyone outside the Department.

Sincerely,

Ralph E. Erickson  
Deputy Attorney General

cc: William J. Casey  
Chairman, SEC