

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

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December 19, 1957

U. S. SECURITIES & EXCHANGE COMMISSION  
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DEC 23 1957

Mr. Philip A. Loomis, Jr., Director  
Division of Trading and Exchanges  
Securities and Exchange Commission  
Washington 25, D. C.

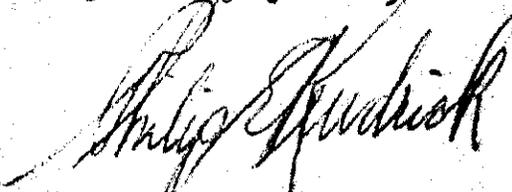
1ST MAIL

DOCKET MAIL & FILE

Dear Mr. Loomis:

In your quarterly interpretative bulletin for the period July 1, 1957 to October 1, 1957, there is included on page 11 an answer to an inquiry by White & Case that the applicability of Rule 10b-6 does not depend on control but whether or not a distribution is in fact involved. We have recently tried a suspension case in the matter of Gob Shops of America, Inc. in which a similar situation may have taken place. As we expect to file briefs in this matter, I should appreciate it if you would give me any citations supporting the answer given to White & Case. At the hearing before the Hearing Examiner, we took the position set forth in your White & Case ruling but the Hearing Examiner requested that he be furnished citations to the effect that there could be a distribution even though control stock was not involved.

Very truly yours,

  
Philip E. Kendrick  
Regional Administrator