

December 15, 1936

Sir:

The Securities and Exchange Commission is charged with the administration of the Securities Act of 1933, as amended. This Act makes it unlawful in the sale of a security by the use of the mails or of means or instruments of interstate commerce to obtain money or property by means of any untrue statement of material fact. In the Rocky Mountain section of the country those securities which come to our attention are largely issued by mining companies. One of the more common representations which we find used in promoting the sale of these securities has to do with the quantity of precious metals shipped by the respective issuers to the Denver Mint and the payment received therefor. Your Department has always cooperated with us to the fullest in making this information available for official use by the Commission. In order to obtain the information under the existing regulations and practice a letter is addressed by me to you. This procedure involves considerable delay in that it is necessary first for the Denver Regional Administrator to present the case to me, after which the proper direction must be conveyed from your Department to the Denver Mint.

In the investigations conducted by the Commission the element of time is often an important consideration. Particularly is this true where the investigation contemplates the filing of a bill for an injunction.


In view of these circumstances, I request that your Department issue directions to the proper officials of the Denver Mint authorizing them to make available to the Regional Administrator of the Commission at Denver, Colorado, information regarding the quantities of shipments to the Denver Mint by specified vendors and the amount of payment by the Denver Mint for such shipments.

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In the event this request can be granted, our Regional Administrator will be instructed to address a letter direct to the Mint in each case. Each letter will contain the name and address of the alleged shipper and the period within which these shipments were alleged to have been made. The letter will also state that the information requested is desired for the official use of the Securities and Exchange Commission.

Thanking you for your cooperation, I am

Yours very truly,


James M. Lendis,
Chairman

The Honorable
The Secretary of the Treasury
Washington, D. C.

RECEIVED BY CHAIRMAN DEC 15 1936

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