

The Honorable John Marshall Butler  
United States Senate  
Committee on Interstate and Foreign Commerce  
Washington 25, D. C.

Dear Senator Butler:

This will acknowledge receipt of your letter of June 24, 1957 enclosing a copy of a letter received by you from Mr. L. P. Hubbard of Baltimore, Maryland. Mr. Hubbard suggests that corporations be required to make available to a central committee of its stockholders a list of all stockholders in order that they may arrange regional meetings to discuss matters of common interest and to send delegates to a national committee with instructions to attend annual meetings and vote their proxies for them.

As you know some of the States have laws which require corporations to make a list of stockholders available for inspection by stockholders. Rule X-14A-7 of the Commission's proxy rules under the Securities Exchange Act of 1934 requires listed companies which intend to solicit proxies either to furnish stockholders, upon request, a reasonably current list of stockholders or to mail for such stockholders any proxy material which they may wish to transmit to other stockholders. In some cases, corporations will elect to mail the material in lieu of furnishing a list of stockholders and in other cases they will elect to turn over to the stockholders a list of stockholders. In addition to the above requirement, Rule X-14A-8 of the proxy rules requires an issuer to include in its proxy material proposals which are proper matters for stockholder action and which a stockholder wishes to submit to a vote of his fellow stockholders.

Because a list of stockholders can be used for purposes not conducive to the best interests of the company and its stockholders as a whole and because the rules referred to above provide means whereby a stockholder can communicate with other stockholders of his company, the Commission has not required listed companies, as a condition to the solicitation of proxies, to furnish such a list upon demand.

If I can be of further assistance, I trust you will not hesitate to call upon me.

Sincerely yours,

Andrew Downey Orrick  
Acting Chairman

CJSheppa/swm  
7/3/57