

MEMORANDUM

Telephone conversation between Mr. Kramer
of Cook, Nathan and Lehman and Mr. Greene
on Thursday, November 13, 1941.

Mr. Kramer called to ask what a dealer could do if he had been making a market in a security and wished to distribute a substantial block of stock which he had acquired from "inside" sources.

I explained to Mr. Kramer that that was a large question which called for considerable discussion and answer thereto. I did tell Mr. Kramer that the dealer could not raise prices or create activity for the purpose of facilitating the distribution, present or contemplated I also told Mr. Kramer that any raising of prices by a dealer under such circumstances would probably appear, depending upon the surrounding circumstances, to be effected for the prohibited manipulative purposes. I suggested to Mr. Kramer that he discuss this whole problem with Mr. Parlin in New York or with us here in Washington.

FTGreene/bfp