TO: WILLIAM D. MORAN  
Associate Regional Administrator

FROM: Ezra Weiss, Chief  
Branch of Interpretation  
and Small Issues

SUBJECT: Manipulation In Over-The-Counter Markets

Attached is a letter dated May 16, 1961 from a Mr. R. J. Reynolds who does not furnish a return address. As a consequence the letter cannot be acknowledged. The tenor of the letter is quite plain from the opening statement, which reads:

“When are you gentlemen going to investigate the rigged markets in new issues of over-the-counter stocks? xx”.

as well as from the post script which states.

“Stocks come out at 6, next day $12. Who is crazy? Do you mean to think this is done by supply and demand? This is rigged and rigged. Are you so naive that you don’t know what is going on?”

The matter is referred to you for consideration and such steps as you may be advised to take in the premises.

EWEISS:MM

Ezra Weiss, Chief  
Branch of Interpretation  
and Small Issues

Attachment  
Letter  

cc: Philip A. Loomis, Director, T&E