

Henry R. Stern,  
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## The Highlander

*Dallas, Texas*

Sept. 2nd., 1942.

Securities & Exchange Commission,  
18th. and Locust Streets,  
Philadelphia, Pennsylvania

Att:John F. Davis.

Gentlemen:

In receipt of yours of Aug. 28th., enclosing a copy of "SUMMARY OF PROPOSED REVISION OF PROXY RULES."

Am greatly pleased to learn that this tremendously important subject is now receiving your Commission's serious attention.

As to suggestions, I should like to offer the following:

Under "remuneration", why not add expenses allowed for travelling, entertainment, etc.?

In connection with loans to officers and directors, I believe the collateral security should be stated.

The information contained in your PROPOSAL should be made available to the general investing public and not to the corporation's stockholders alone. As an investor about to purchase shares in a particular corporation, I deem it highly important to have access to the facts and figures disclosed in your revised RULES.

Over and above all, I should like to have the S.E.C. empowered to regulate and limit the remuneration of officers and directors, in some manner commensurate with earnings, dividends paid to preferred and common stockholders, reserves, surplus, etc.

The letter appears to be the crux of the whole pernicious system as now existent, under which unscrupulous fellows grab salaries and other emoluments totalling several hundred thousand dollars per year, while the suck stockholder, both preferred and common, isn't receiving a dime!!!

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*Dallas, Texas*

I am deeply interested in your splendid endeavors and trust you will continue to keep me informed.

Cordially yours,

Henry R. Stern.

% "The Highlander", Dallas, Texas.

P.S.

I recently received notice from a corporation listed on the N.Y. Curb, reading as follows:

"The War Dep't. has requested that those companies who are wholly, or mostly, engaged as contractors to the armed forces refrain from making public interim financial reports. Since our company falls in this category, pursuant with the policy of our Government, you will not receive the usual Semi-Annual Report this year."

Is this representation correct?