sold entirely outside the United States by an underwriting group headed by Carl M. Loeb, Rhoades & Co., two London firms and one Tokyo firm.

(*k*) In July 1964 an issue of US$13,745,000, and 45,020,000, DM 5¾ percent bonds of Instituto Per La Ricostruzione Industriale with warrants to purchase Finsider shares was sold entirely outside the United States by an underwriting group headed by Carl M. Loeb, Rhoades & Co. and three European firms. The underwriting group was made up almost entirely by foreign firms.

(*l*) In December 1964 an offering of rights of 953,154 shares of Philippine Long Distance Telephone Co., with standby by an underwriting group headed by Carl M. Loeb, Rhoades & Co. was made public. Foreign firms underwrote 14 percent of the issue. The subscription price was payable either in U.S. dollars or Philippine pesos.

(*m*) Bache & Co. participates in numerous offerings of dollar-denominated foreign securities and employs its foreign facilities to a maximum extent in this regard.

Recommendation No. 8

U.S. commercial banks should intensify efforts to attract foreign trust accounts for investment in U.S. corporate securities.

(*a*) FNCB has set up a full-time continental representative office and has greatly increased trips abroad by senior trust officers.

Recommendation No. 10

Major U.S. corporations should arrange for U.S. banks and trust companies to issue, through their foreign branches and correspondents, depositary receipts for U.S. corporate shares.

(*a*) In connection with the March 17, 1956, GM secondary, bearer depositary receipts, each representing one-twentieth of a GM share, were issued by Barclay's bank and listed on the London Stock Exchange.

(*b*) FNCB was instrumental in setting up and making workable through its Brussels branch, Intertrust S.A., which sells depositary receipts for two U.S. mutual funds (Fundamental Investors, Inc., and Diversified Growth Stock Fund, Inc.) which are attracting considerable investment interest in Europe. Other similar efforts are currently under consideration.

Recommendation No. 11

U.S. investment companies should plan and carry out a program to acquaint foreign investors with the advantages of owning U.S. closed end investment company shares.

Recommendation No. 12

Distributors of U.S. open end investment company shares should devise methods for achieving additional foreign distribution of such shares, where locally permitted.

Recommendation No. 13

U.S. investment company distributors should seek the modification of foreign regulations and practices which restrict the availability of their shares to foreign investors.