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ADD - TEXAS GULF SULPHUR

N Y -DJ- LONGSTREET HINTON HEAD OF MORGAN
GUARANTY TRUST CO-S TRUSTS AND INVESTMENT
DEPARTMENT TERMED -RIDICULOUS- THE IDEA THAT
THERE WAS -ANYTHING IMPROPER- IN THE BANK-S
PURCHASE OF TEXAS GULF SULPHUR CO STOCK FOR
CLIENTS APRIL 16 1964

THE PURCHASES FOLLOWED A TELEPHONE CALL TO
MR HINTON FROM THOMAS S LAMONT A DIRECTOR OF
BOTH MORGAN GUARANTY AND TEXAS GULF - MR HINTON
REITERATED THE BANK-S EARLIER STATEMENTS THAT
MR LAMONT MADE THE CALL ONLY AFTER THE NEWS OF
TEXAS GULF-S ORE STRIKE IN ONTARIO HAD BEEN
ANNOUNCED AT A PRESS CONFERENCE - HE SAID THE
CALL CAME -10 MINUTES OR MORE- AFTER THE PRESS
CONFERENCE ENDED WHEN BOTH HE AND MR LAMONT
-ASSUMED THAT THE WHOLE MATTER WAS BY THEN
PUBLIC INFORMATION-

-THE REAL ISSUE HERE IS WHEN DOES INFOR-
MATION BECOME PUBLIC- MR HINTON SAID - -IF
THE SEC INTENDS TO MAKE A NEW RULE ON THAT
POINT WELL AND GOOD - I AM SURE THE BUSINESS
AND FINANCIAL COMMUNITY WILL ABIDE BY IT - BUT
IT IS NOT FAIR TO WRITE A RULE RETROACTIVELY

-UNTIL A MORE EXPLICIT RULE IS MADE IT
SEEMS TO ME THAT WHEN AN ANNOUNCEMENT IS HANDED
TO AN ASSEMBLED GROUP OF REPORTERS IT VERY SOON
CAN BE REASONABLY ASSUMED TO BE PUBLIC PROPERTY-

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