

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



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FOR RELEASE July 28, 1959

HEARING SCHEDULED IN STRATFORD SECURITIES CASE

The SEC has scheduled a hearing for August 19, 1959, in its New York Regional Office in the proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of Stratford Securities Co., Inc., 135 Broadway, New York City, should be revoked.

In its order of April 21, 1959 (Release 34-5942), the Commission charged that, in the offer and sale of stock of General Oil & Industries Co., Inc., Stratford Securities and three of its officers "engaged in transactions, practices, and a course of business which would and did operate as a fraud and deceit upon the purchasers" of the stock in violation of the anti-fraud provisions of the Federal Securities Laws, in that they made false and misleading representations of material facts concerning General and its stock, and that the stock also was sold in violation of the Securities Act registration requirement.

At the August 19th hearing, inquiry will be conducted into the foregoing matters for the purpose of determining whether the Laws were violated in the respects indicated and, if so, whether it is in the public interest to revoke the broker-dealer registration of Stratford Securities.

BROAD ST. INVESTING PURCHASE OF GEYER CO. WINS EXEMPTION

The SEC has issued an exemption order (Release 40-2901) under the Investment Company Act with respect to the proposed issuance of shares of Broad Street Investing Corporation, at their net asset value, for substantially all of the cash and securities of B. B. Geyer Company, Inc. Substantially all of the cash and securities owned by Geyer with an adjusted total value of about \$2,409,876 as of May 22, 1959, but giving effect to certain transactions completed after that date, are to be transferred to Broad Street Investing in exchange for shares of the latter's capital stock. The number of shares will be determined by dividing the aggregate market value of the assets of Geyer to be transferred, by the net asset value per share of Broad Street Investing. Geyer will then be liquidated; and the Broad Street Investing shares will be distributed to shareholders of Geyer.

INVESTORS DIVERSIFIED SERVICES SEEKS ORDER

Investors Diversified Services, Inc., and its affiliated open-end investment companies have applied to the SEC for an extension of an order of temporary exemption from the provisions of SEC Rule 22d-1 under the Investment Company Act so that shares of the open-end companies may continue to be sold to three retirement associations at less than the prescribed public offering price thereof, until 31 days after the Commission decides a pending application for permanent exemption. The Commission has issued an order (Release 40-2900) giving interested persons until August 14, 1959, to request a hearing. The associations are Los Angeles Physicians Retirement Association, Los Angeles Dentists Retirement Association and University Retirement-Investment Association.

CALIFORNIA METALS PROPOSES STOCK OFFERING

California Metals Corporation, 3955 South State St., Salt Lake City, Utah, filed a registration statement (File 2-15396) with the SEC on July 27, 1959, seeking registration of 2,500,000 shares of common stock, to be offered for public sale at 20¢ per share. The offering is to be made by Cromer Brokerage Co., Inc., on a best efforts basis, for which it will receive a selling commission of 4¢ per share.

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For further details, call ST. 3-7600, ext. 5526

The company was organized in 1957 under Nevada law to explore certain properties in Del Norte County, Calif. The company is said to be the owner of a new hydrometallurgical process, upon which a patent has been applied for, for extracting iron, nickel, cobalt, chrome and magnesium from these properties. Net proceeds of the stock sale will be used to block out and measure the tonnage and approximate value of ore on the properties, and also to build and operate a pilot plant to demonstrate and improve the patented processes of the company for extracting metals from the ore. Cost of the pilot plant is estimated at \$150,000; an additional \$175,000 is listed for measuring ore; \$25,000 for assaying; and \$50,000 for certain expenses.

The prospectus lists J. H. White, Jr., as president. The company has outstanding 2,500,000 shares of stock. Officers, directors and promoters obtained their stock for cash (\$25,450) and for properties and the patent pending on chemical processes, and have approximately 40% of the 5,000,000 authorized shares.

ADRs FOR GESTETNER LTD. FILED

Guaranty Trust Company of New York filed a registration statement (File 2-15395) with the SEC on July 27, 1959, seeking registration of American Depositary Receipts for 80,000 shares of Ordinary Registered Stock of Gestetner Limited, of England.

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