

Alexander Hamilton Faces SEC Hearing

Plymouth Co. Denies Stock Manipulation Charges

The Securities and Exchange Commission has announced it will hold hearings on charges of stock manipulation and other violations of securities regulations in connection with the sale of stock of the Plymouth-based Alexander Hamilton Life Insurance Company and the Windsor Raceway Holdings Ltd. next Wednesday.

Area residents are particularly interested in the charges involving Alexander Hamilton since many invested in the stock when it was first placed on public sale. Since then the company has had a tremendous rise, advancing to top rank as the most rapid growth insurance company in history.

Named in the charges are the Detroit stock broker, firm of Armstrong, Jones & Co. and its top officers as well as certain individual officers of Alexander Hamilton.

Neither the insurance company nor the race track company is involved in the proceedings.

Top officials of the brokerage

firm and Alexander Hamilton stated they consider the SEC charges to be unfounded and expressed confidence that the hearings will vindicate them.

The SEC investigation which led to the charges took more than a year. No date has been set for the hearings.

Six persons were named. They include Thomas H. Owens, president, vice president and former executive vice president respectively of Armstrong, Jones & Co. and R. Keith Owens, Charles Bruce and Robert Safford, who are Board Chairman, president and vice president respectively of Alexander Hamilton Life Insurance Company are in no way involved in the proceedings.

ings against the brokerage firm. "We feel it unfair that the shareholder interest should suffer in any way inasmuch as the soundness of the company is in no way involved."

The SEC staff charges alleged that from April to August, 1964, Armstrong-Jones sold shares of Alexander Hamilton Life stock at "purported market prices without disclosing to investors that the market for Alexander Hamilton Life stock was dominated, controlled and manipulated by the brokerage company and certain of its principals."

Moreover, it was charged, sales of the insurance company stock were made between November, 1963, and August, 1964, "without disclosing that the registrant (Armstrong-Jones) and Alexander Hamilton Life were under common control."

Another charge by the SEC staff was that whereas Michigan authorities authorized sale of 1.5 million shares of Alexander Hamilton, the actual number sold was 682,000 shares more than that.

Still another charge was that the public was misinformed about the present and prospective "price" of Hamilton Life stock, the amount of the company insurance in force, and other matters.

Commenting on the charges, H. H. said:

"We believe that no willful violations of the security acts, as alleged, have ever taken place, nor do we ourselves nor with others feel we have ever acted in such a way as to misrepresent any material facts or to willfully violate or aid and abet others in willfully violating the security acts, or to engage in any transactions which constitute fraud or deceit."

"We intend to defend these charges with vigor and are confident that given an opportunity in a public hearing,

no violations as charged will be found."

H. H. explained the sale of the extra 682,000 shares of Hamilton Life by saying these shares "were authorized by the state as an over-subscription," because of the great number of investors wishing to buy the stock. He said all persons who bought the original 1.5 million shares were given a chance to get a 100 percent refund of their money if they objected to the issuance of the additional 682,000 shares.

As for the allegation that the brokerage firm and insurance firm were under "common control," H. H. said Hamilton

Life had two directors on the Armstrong-Jones board of directors, but that Armstrong-Jones had no directors on the Hamilton Life board. H. H. said he would not consider that to be "common control" and that, anyway, all brokerage house customers were advised of the relationship on their notices confirming purchases of the stock.

Judgeships on Ballot Tuesday

Voters in Wayne County will go to the polls Tuesday to elect four new judges on the Wayne County Circuit Court bench.

Seeking election are Robert E. DeMasio, of Detroit; Harry J. Dingeman, Jr., of Detroit; Charles S. Farmer, Detroit; Thomas J. Foley, Plymouth; Orville L. Hubbard, Dearborn; Blair Moody, Jr., Grosse Pointe Shores; Joseph B. Sullivan, Grosse Pointe Farms; and Anthony J. Szymanski, Detroit.

Polls will be open at 7 a.m. Tuesday and close at 8 p.m. In most of the communities within the Observer's circulation area, a light turnout is expected, with no major local issues on the ballot except in Redford and Nankin Townships. Three millage requests will face Redford voters, and one will face Nankin electors.

Livonia Clerk Addison Bacon predicted a turnout of no more than 6,000 of the city's 35,000 registered voters.

Honor Student

Airman S-C Denis M. Bede, son of Mr. and Mrs. Thomas Bede, of 2225 E. Greenmeadow, Farmington Township, is an honor student in electronics, with the 3407th Student Squadron, at Keesler Field, Miss.

Urge Kids to Celebrate Halloween on Saturday

Youngsters in the six-county area covered by the Observer Newspaper are urged to celebrate Halloween on Saturday night and allow Sunday to be a day and night of the Sabbath.

City and county officials of City of Plymouth, Plymouth Township, Nankin, Garden City, Farmington and Farmington Township, joined in asking youngsters to observe the Sabbath and hold their "trick or treat" activities Saturday evening.

"We realize that Halloween comes on Sunday," said City Manager Richard Blodgett, of Plymouth, and Plymouth Township Supervisor John McEwen. "But we feel there will be ample time for all of the fun and celebration on Saturday evening. We urge parents to do everything possible to have their children join in this request."

The statement was echoed by Mayor Harvey Moeke of Livonia, Redford Township Supervisor Jack McDonald and top officials from Garden City, Nankin, Farmington and Farmington Township.

At the same time the National Fire Protection Association issued a plea for a fire-safe Halloween indicating the trick is to treat the youngsters to a hazard inspection before they go out for their evening of fun.

The Association reminds parents that there are painful burns and even more tragic accidents waiting to pounce on children if they carry candle-light costumes or wear filmy costumes that can ignite easily.

Parents are urged by the international fire safety organization to keep this Halloween fire-safe for their children by heeding these important precautions:

1. Use a flashlight — never a candle — to light the pumpkin in which the children carry a candle-light costume; it can easily set fire to curtains or table linens.
2. In buying or making costumes, stay away from filmy materials, bery sleeves and billowing skirts. The smallest spark or touch of flame can start them burning. Wigs and masks with flammable parts are also possible fire hazards and should be avoided. Dark-colored fabrics increase the danger of children not being seen by motorists; a much safer choice is a light-colored costume.
3. Costumes, if store bought, should be flameproof. This process, which may also be done at home, will add a measure of protection if it is re-

Silberman to Head Livonia Mall Group

Jerry Silberman, manager of the Hughes, Hatcher Sufin store, is the new president of the Livonia Mall Merchants Association, serving through 1969. He was elected at the annual meeting Monday afternoon and succeeds Marion Young, manager of the S. S. Kresge store.

Other officers are: Seymour Goldberg of Crowley's, first vice president; Sidney Frelsand, of the Homecraft Shop, second vice president; Marion Young, treasurer; Robert Poris, general manager of the Livonia Mall, secretary.

All were named to the Board of Directors along with Stanley Kirsh of Fashion Shoes, Don Hooten of General Cinema, Jerry Wasserman of Meyer Jewelry, Roy Perlove of Shifman's and Oscar Kahn of Livonia Card Shop.

The 10-member board will have charge of the advertising and promotional activities of the association for 1968.

Today's crying need is an invention that will take the financial aches out of a vacation.

Schoolcraft to Sponsor Bowling for Credit Course

One can't accuse the Schoolcraft College of not meeting the demands of students for varied courses.

Last spring, the college sponsored a course in the handling, training and conditioning of thoroughbred and standard bred racing horses and the operation of a racing stable. A class of more than 35 started the course and all but five or six completed it.

The same course may be offered again next spring if the demand is great enough.

Now Director of Athletics Marvin Gans, who has to take his varsity teams all over the district to practice, has come up with a brand new offering — a course in bowling for credit.

Gans, assisted by Robert Leggat, his assistant in the Physical Education Department, and Helen Shablis, prominent woman bowler and well-known instructor at the Merri-Bowl Lanes, started classes Tuesday morning at 8 a.m. A second session was held at 10 a.m. with 40 enrolled in each section.

The students will receive instruction in bowling, will enter into competition at the classroom level and will be graded at the end of the course for improvement and the manner in which they have advanced as bowlers.

"We had a demand for a course in bowling," said Gans, who now has 27 sections of physical education students. "We made the arrangements through owner-manager Mac Goldman for the lanes and then asked for registrations. He had the required total of 80 within hours of the announcement."

PLANS AREA TOUR WITH VIVIAN IN '66

Will Humphrey Visit Again?

There's an excellent chance that Vice President Hubert Humphrey will pay a visit to Plymouth during



TOGETHER FOR FIRST time in more than three years are the Cuban refugees currently residing in Plymouth. The group includes: (rear from left) Miguel Del Rio, Sr. and his wife, Maria; Senora Blanca Del Rio, mother of Miguel; Ramon Del Rio and his mother, Senora Ludgarda Arcos; (front from left) Miguel Jr., 3½, and Marlon, 6, children of Miguel, Sr.

a tour of the Second Congressional District shortly after the first of the year.

At least that was the indication from a telegram sent out from Mr. Humphrey's office over his signature to the Observer Newspapers along with other publications in the Congressional District.

The Vice President originally was scheduled to make a tour of the district along with Congressman Wes Vivian with a stopover at Adrian College and a press conference there for high school editors of the District.

But the rain caused cancellations of the plan, inasmuch as the Vice President was detained in Buffalo, N.Y., for two hours and was two hours late for the dedication of the new Adlai Stevenson High School in Livonia last Friday.

The telegram reads:

"Deeply regret last minute change of schedule forces cancellation of reception Congressman Wes Vivian thoughtfully arranged for Friday, Oct. 22 at Adrian College. I have promised Wes that I will be with him and my good friends in the Second Congressional District early next year." Signed Hubert H. Humphrey.

Cuban Refugees Have Reunion in Plymouth

Imagines 30 people in a 30-foot boat making a journey over 90 miles of open water and you have some idea of how much it means for Cubans to flee their native land to take residence in the United States under the new policy announced recently by Premier Fidel Castro.

Castro opened the doors for Cubans to come to the United States provided they could arrange transportation and President Lyndon Johnson immediately took action to allow as many as came to this country to be accepted.

For two cousins, who have resided in Plymouth for more than two years, it was a God-send for it enabled them to be united with loved ones they hadn't seen since they fled Cuba four years ago.

It was a happy reunion for Ramon and Miguel Del Rio, both products as welders at Evans Electric Co., since it enabled Miguel's wife and two children and his mother to come to the United States along with Ramon's mother.

But it wasn't a happy trip for the overloaded boat, owned by Miguel's brother Luis, began to take water while still miles away from the Florida Keys and only the appearance of a U. S. Coast Guard boat saved the day.

It was a happy family that was interviewed in a Plymouth Township home Saturday morning but there are still numerous problems to be solved. The most pressing is to find a home for the two families.

For Miguel, it gave him an opportunity to see for the first time his three and a half-year-old son Miguel, Jr., who was born after his father had escaped to the United States. Miguel also was united with

his wife, Maria, and daughter, Marian, 6 and mother, Senora Blanca Del Rio.

For Ramon, it was an opportunity to take care of his mother, Senora Ludgarda Arcos, with the prospects that his father and other members of the family will try to come to this country at a later date.

Life under Castro in the Communist-ruled country isn't a bed of roses according to the three women.

For instance, the two children were busy eating candy bars as fast as their mother would allow. It had been a long time since they had tasted chocolate.

Workers in Cuba are employed by government organizations five days a week for which they receive \$85 per month and take some \$75. But on Sundays and Saturdays, they are required to work in the sugar cane fields and on the farms — in appreciation of all the government is doing for them. They receive no pay for the two days but must appear for work.

Families are allowed one and a half ounces of coffee per week per adult and Mrs. Miguel Del Rio indicated that she was allowed four ounces each week for herself and two children.

Of course there is the matter of purchasing coffee on the black market, if one has the cash — the going price is \$5 per pound with few takers among the average families.

"We are happy to be in the United States," said the two grandmothers. "We didn't want to leave our homes but conditions were so bad that we couldn't stay any longer and welcomed the chance to make homes with our sons. Life under Castro is very hard, so hard that one just barely lives."

Sears to Present James Bond Car At Livonia Mall

The Aston-Martin car used by James Bond, in the picture "Goldfinger," will be on display at Sears Livonia Mall, Middlebelt at Seven Mile Rd., next Tuesday (Nov. 2) from 10 a.m. to 5 p.m.

The display, which is making a tour of all Sears stores, will be set up in the Garden Center Area.

It is part of a promotion for the new "James Bond 007 Road Racing Set" which is expected to be one of the most popular toys this coming Christmas.

Men should be equal before the law, but some are born with the ability to find loopholes.

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