

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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Washington 25, D.C.

FOR RELEASE August 6, 1959

TANYA KAYE BROKER-DEALER REGISTRATION REVOKED

The SEC today announced the issuance of a decision (Release 34-6033) revoking the broker-dealer registration of Tanya Kaye, doing business as Kaye Investing Co., 132 Harbor Lane, Massapequa Park, L. I., New York.

The decision and revocation were based upon the failure of Tanya Kaye to comply with rules of the Commission governing the maintenance of adequate net capital and the making and maintenance of proper books and records, as well as a February 1958 court decree permanently enjoining her from further violation of said rules. The respondent consented to issuance of the court decree and the Commission's revocation order.

According to the decision, the respondent admitted for purposes of these proceedings that she had a net capital deficiency of \$64,136 as of January 29, 1958. The net capital rule requires that a broker-dealer's aggregate indebtedness may not exceed 2,000 per cent of net capital.

There was also a failure to maintain current records of original entry beyond December 2, 1957, a ledger reflecting assets and liabilities, income and expenses, and capital accounts beyond May 15, 1957, a properly detailed customers' ledger beyond May 24, 1957, and other required records, including a record of the receipt and delivery of securities.

GENERAL MOTORS FILES STOCK OPTION PLAN

General Motors Corporation, 1775 Broadway, New York, filed a registration statement (File 2-15429) with the SEC on August 5, 1959, seeking registration of 361,056 shares of its common stock, to be issued pursuant to the exercise of options granted company executives pursuant to the company's Stock Option Plan.

ADRs FOR FARBERWERKE HOECHST FILED

Morgan Guaranty Trust Company of New York filed a registration statement (File 2-15430) with the SEC on August 5, 1959, seeking registration of American Depositary Receipts for 50,000 Bearer Shares of Farberwerke Hoechst Aktiengesellschaft, of Frankfurt.

SEC COMPLAINT CHARGES FRAUD IN SALE OF BELMONT OIL STOCK

The SEC New York Regional Office announced August 4, 1959; the filing of a complaint (USDC, SDNY) seeking an injunction against sales of Belmont Oil Corporation stock in violation of anti-fraud provisions of the Securities Act by Belmont, James B. Boren and three other individuals, as well as Fearless-New York, Inc., M. J. Reiter Co., H. G. Stolle and Co., and Carlton Securities, Inc. A Motion for preliminary injunction is scheduled for court hearing August 11, 1959.

DYNEX PROPOSES STOCK OFFERING

Dynex, Inc., 123 Eileen Way, Syosset, N. Y., filed a registration statement (File 2-15431) with the SEC seeking registration of 120,000 shares of common stock. The stock is to be offered for public sale at \$5 per share. The offering is to be made by Myron A. Lomasney & Co., which is to receive a commission of 75¢ per share; and the company also will issue to the underwriter 12,000 common stock purchase warrants for \$120, each warrant entitling the holder to purchase one common share for \$5 per share within a four-year period.

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

OVER

The company is engaged in the development and/or manufacture of (a) quality precision electro-mechanical instrumentation designed to customer specification and (b) various photographic products designed both for customer and military use. To date it has emphasized the development of proprietary items for others on a fee basis, but proposes also to engage in the manufacture and sale of products designed and developed by it. The company was organized in November 1958 under the name Foto Development Corp., to succeed to a business founded by Robert Nicolosi and Max Kotler as a partnership in January 1957. The partnership's net assets amounted to \$36,268; and the two partners each received 50 shares of Dynex stock. An additional \$30,000 was received in May 1959 through the sale of 50 shares to Max Fabrikant. Thereafter, the 150 shares were recapitalized into 180,000 shares. Nicolosi, Kotler, and Fabrikant are directors and serve as president, executive vice-president, and vice president, respectively.

Net proceeds of the sale of additional stock are to be used (a) to finance the research and development of new products intended for consumer, industrial and military use; (2) to purchase additional equipment necessary for the manufacture and production of proprietary products and the fulfillment of subcontracting production contracts; and (c) to expand the scope of the business and permit expenditures for additional personnel, the carrying of inventories, and sales production and advertising.

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