

From The Office Of:
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NEWS RELEASE

RELEASE P.M. NEWSPAPERS
FRIDAY, FEBRUARY 28, 1958

Attorney General Louis J. Lefkowitz today paid tribute to three Canadian Provincial Securities Administrators whose "aid and assistance" helped his office to obtain a permanent injunction which bars the firm of J.C. Graye Co., and its principal officer, James Carlton Graye, of 15 Maiden Lane, New York City, from engaging in the securities business in New York State. Graye also was assessed \$1000 in court costs.

In a letter written to the heads of the Quebec Securities Commission, the Ontario Securities Commission and the Superintendent of Brokers in British Columbia, Attorney General Lefkowitz said "I am convinced that with our continued mutual cooperation my office will be able to deal more effectively with securities violations which have ramifications in the State of New York and Canada."

Attorney General Lefkowitz made a visit to Winnipeg, Canada in October, 1957, to enlist the support of Canadian Securities Administrators. He said that he felt that the cooperation which he received from the Canadian authorities was a direct result of his appeal for cooperation made during his visit to Winnipeg.

James Carlton Graye and his firm were enjoined following an investigation into the sale by that firm of securities of Atlas Gypsum Corporation Ltd. Representations made by Graye required Attorney General Lefkowitz' office to enlist the aid of Canadian authorities who assisted by securing technical data on Canadian firms and properties and by the examination of important witnesses in Canada.

The Attorney General said that Graye has a "long and notorious" criminal record and operated a boiler room in New York City at 15 Maiden Lane. The order of permanent injunction was signed by

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Justice Samuel M. Gold:

Graye was charged by the Attorney General's office with making fraudulent representations in connection with mining claims alleged to have been owned by Atlas Gypsum Corporation in Canada. The affidavit of the Attorney General's office also charged that Graye, alias James Webb, has a criminal record dating back to 1927.

The Canadian administrators to whom Attorney General addressed his letters of appreciation are Maurice Desy, chairman of the Quebec Securities Commission; O. E. Lennox, chairman of the Ontario Securities Commission, and Stewart Smith, Superintendent of Brokers of British Columbia.

-30-

From: Charles W. Stickle, Executive Assistant to the Attorney General
Cortlandt 7-9800, Extensions 7192, 7175 and 7187.