THE POST, FRIDAY, JANUARY 5, 1951

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## **Babson Cautions Small Investor**

Babson Park, Mass .--- Various organizations have been formed to protect the small stocksolders. The wo most active are the B. C. Forbes Group and Independent Investors, Inc., of New York City. The basic difficulty with them all is that the members are so widely scattered geographically that it is very difficult to get them together for action.

All Against You

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Your best help should come from your local bank. It has your money and exists upon the deposits of local merchants, nearby farmers and small stockholders. Most banks will do what they can for you and make no charge. Naturally, you don't dare go to a lawyer for fear he will charge for saying, "Howdy"; while your poor minister never saw a stock or bond. As a result of this condition, there are many companies, whose stock was bought by readers like you, which have gone completely bust

You can cuss Franklin Roosevelt for many things, but he certainly tried to protect small stockholders. His difficulty was that he left the solution to theoretical bureaucrats who made the "Prospectuses" so long and complicated that very few investors can make bead or tail" out of them. Yet, f you have been "stuck" by a stock salesman, you should write the Securities and Exchange Commission, Washington, D. C. It will cost you nothing; you will get a reply; and they may help you get your money back

## Importance of Records

Another suggestion is that you write the New York Stock Exchange, Broad Street, New York This is an honest organi City. zation which is now very anxious to have friends. If you can prove that one of its member firms or any employee thereof has definitey wronged you, a committee of the Exchange will call the member firm before it and force the firm to make up your loss. You will not need to employ any lawyer or go to New York if you have followed these three rules:

(1) Insist that all your dealings in stocks be in writing. Before giving a salesman an order, make him write you all he has said. Never listen to a stock salesman on the telephone.

(2) When buying any stock, have the salesman give you a receipt stating of whom he bought the stock, and what he paid for it, and what his commission is for naking the sale.

Save all these papers and (3) out them in the envelope with the tock certificate, which envelope you-of course-will keep in your safe deposit box. The very fact that you take such precautions, after telling the salesman that you are to do so, will surely cause him to be honest with you and perhaps withdraw the offering. above is no criticism of The stock salesmen as a class. Most of them represent good firms and are honest. But with your small afford to los you inything. Everyone Should Own Stock The fact that I urge the above three rules, should not keep you from buying stocks. Your bank checking accounts now pay no interest; while savings accounts pay very little. Yet, you can buy safe stooks paying over 6%. Your local banker should be able to supply you a list of stocks which have paid some dividend for over 50 years. Rich people buy such stocks; they don't leave money in savings banks. Yet, the small investor needs 6% much more than do rich people. Diversify very widely by distributing your money over a very large number of stocks- or else employ honest and long-established Investment Advisers. Another thing, all investorslarge and small-should sit down tonight and write their Congressman how excessive corporate taxes are hurting everybody. Certainly, the present double taxation on dividends is absolutely unfair. The idea of "paying as we go" for war does not seem logical, because if World War III comes it will be fought for our grandchildren and their children, as well as for us. As for inflation, we, of course, should avoid it in times of peace; but the nation has always had it as the result of war and we still survive. A great need of the U.S. today is the encouragment of thrift and small investors.

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**Frozen** Foods **Fairmont's Garden Peas Dulany Cut Green Beans Dulany Cut Broccoli Dulany Cauliflower Dulany Whole Kernel Corn** 

> **Fairmont's Strawberries** Hb. pkg. 53 2 6-02. cans **Fairmont's Orange Juice VENICE MAID**



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## **Committee Meeting**

Executive Committee of Dallas District Girl Scout Board will meet Tuesday night at 8 P.M. at the home of Mrs. Harris Haycox, Main road, Dallas.

Burke's Bar-B-Cue SUNSET HARVEY'S LAKE at the sign of the flashing pig DELECIOUS BARBECUES FISH and CHIPS The home of the Ranchburger Telephone H. L. 3756 Open All Year 'Round

