

TELL TALES
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investigators and accountants going over the books came across two unusual legal papers, neither of which were filed for the record in the county clerk's office. One was a half million dollars from Hughes to Greenspun for ADVANCE advertising in the Las Vegas Sun, AT THE PREVAILING rates to be paid off in space by THE YEAR 1980. This was most unusual and extremely strange for three reasons: 1) as stated the contract was never filed; 2) That large an advance for that length of time should have called for some kind a rate in the price of the advertising; 3) Although more than three years had passed from the time of the making of the advertising contract until it was discovered by the investigators shortly after Maheu was relieved of his duties, the five Hughes hotels and casinos in Las Vegas had been paying, in full, for the space bought in the Sun. No advantage was taken by Hughes for his payment in advance. It was as though the makers of the contract, hoped it would never be discovered and therefore the half million dollars in advertising space need never be paid off. What other interpretation could be put on these strange circumstances?

Subsequently, another paper turned up in the Hughes files being investigated by accountants. It was another one of those transactions that had never been filed. This one related a mere \$4,000,000 in cash as a loan from Hughes to Greenspun, with certain collateral pledged by the publisher. Here's how it was described in last week's story: "The verified complaint alleged that a promissory note dated Sept. 1967 and a collateral pledge agreement dated the same time...." What the story did not explain was that THIS promissory note called for repayment by 1975. The story also did not explain that the collateral pledged was certain acreage in Paradise Valley and ALL of Greenspun's stock in the Las Vegas Sun. Greenspun never made payment No. 1 on the loan and by this Sept. he will be more than \$1,000,000 in arrears.

Then Greenspun commenced negotiating with the City of Henderson, and included the collateralized land as part of the deal. Hughes' attorneys, who by this time were aware of the "never filed" transaction, immediately filed the papers, as they should have been when the deal was made. Then Greenspun must have "smelled a rat." He tendered a check for \$30,000 as payment of interest (AT THREE PERCENT) which Greenspun contends was due under a subsequent agreement. Here's how it is explained in last week's news story: "----the note Sept. 1967 and a collateral pledge agreement dated the same time were RENEWED, REARRANGED AND RENOGIATED, and that a NEW note, dated Sept. 27, 1968 was signed on May 20, 1969."

The story does not state that the new note, called for payment of \$100,000 COMMENCING IN 1980 and to extend to the YEAR 2004. The new note eliminated the Sun stock as collateral. The story does not state what new collateral was substituted, but states "Greenspun testified at the injunction hearing that the new collateral pledge was in effect at the time, and the consideration for the new note and pledge agreement was the release of the Tool Co. obligation to buy the land surrounding Paradise Country Club, an obligation in excess of \$6,000,000."

The Hughes attorneys returned the \$30,000 offer of payment to Greenspun, and notified Hank he had ten days in which to pay the half million dollars due at that time under the terms of the original note. If the money was not paid they would proceed with sale of Sun stock and impose a foreclosure on the property. This panicked Greenspun who commenced the suit for \$142,000,000, and asked for temporary imjunction to prevent the seizure of his paper. A change of venue was allowed and Elko's District Judge Joseph McDaniel upheld the restraining order against the Hughes Tool Co. That's how it stands to date, with depositions being taken prior to the full trial.

Let us analyze what has transpired, in chronological order, and let us determine, each for ourself, just who is screwing who.

1) In Sept. 1967, Greenspun borrows \$4,000,000 at three per cent interest, payments to commence in 1970 at \$250,000 per year, and the entire loan to be repaid by the mid-seventies. Paradise Valley Golf Club and all stock in Las Vegas Sun were collateral for \$4,000,000 loan. This transaction was not filed, when made, in the county clerk's office.

2) Hughes purchases Paradise Valley Golf

Club for \$2,250,000 in cash, from Greenspun. (Recently a suit was instituted by Hughes to rescind this contract on the grounds the true seller was fraudulently not disclosed at the time of the transaction.)

3) When Greenspun defaults on his payments of the \$4,000,000 loan, Hughes attorneys give notice of foreclosure on the Sun.

4) Greenspun alleges a second note was entered into in Sept. 1968 (one year after 1st note), but was signed eight months later in May 1969. This was six months prior to date Maheu was ousted as head of Hughes Nevada operations. This note, also, was not filed at the time of making or signing. We wonder why neither of the notes were filed by anyone in behalf of Hughes or Greenspun. Does this not appear strange?

(Let us pose a hypothetical set of circumstances. An agent for an unseen billionaire loans a "friend" \$4,000,000 in cash. To make it look legal, notes are signed and collateral arranged, but the papers are never filed because the agent and his friend believe the billionaire will never reveal his presence. The agent hopes his \$10,000 a week job will go on forever, and who is to ever know about the loan? But others employed by the billionaire explain what is happening and the agent is fired.

The agent sues on the grounds he had a lifetime employment contract. The friend fears the disclosure of the \$4,000,000 loan and other unusual transactions. Both embark on a campaign to prove the billionaire is 1) dead, 2) on ice, 3) incapacitated, 4) being held captive 5) a figment of everyone's imagination. Their only interest, at this time, is to save their former benefactor from persons who are attempting to steal his fortune. This goes on for months, with the public, the press and anyone interested, completely baffled. Then a most unusual incident takes place.

A fraudulent writer convinces a highly respectable book publishing firm he is writing an autobiography of the billionaire.

To prove the whole matter a hoax, the billionaire gets on a telephone hook-up with newspapermen who know his voice. It is established beyond doubt, the billionaire is alive and well.

Now the agent and his friend are in real trouble, over the \$4,000,000 note. They concoct a second note, with all new terms, and predate it to the time the agent was working for the billionaire. Lawyers for the billionaire discount it on the grounds the billionaire never before or since, had entered into the terms of agreement as outlined in the second note. For that matter he had never before known to loan a sum like for \$4,000,000. Is this another hoax attempt?

That's our hypothetical setting. In the real circumstances, all we know is that Greenspun got \$4,000,000 in cash as a loan, and now is bringing legal suit for additional \$142,000,000.

You figure it out?

**THE NEW
FIRESIDE INN
OPENS JULY 13
11:00 A.M.**

TRY IT . . . YOU'LL LIKE IT!

IT'S AN EXPERIENCE . . . IT'S A TRIP,
IT'S FAR OUT.

DINNER \$4.95 KIDS \$2.50

*Special
FUN TIME SHOW* • COCKTAILS
• BANQUET
• DANCING AND ?

**FIRESIDE INN
3535 TONOPAH
FOR RESERVATIONS: 648-0422**

Nevada Nuggets
BY JACK TELL

KENO SYSTEM: Next week we'll tell you about Harry, who had in ingenious method of attempting to beat the Keno game in Las Vegas. It is quite lengthy, and quite involved, and called for an investment of \$2,000 for one week's play. But it will have to wait.

Instead, we'll tell you about an elderly California couple, who told us they make four trips to Nevada each year, and never fail to go home a winner. The game they play is KENO. If you are not familiar with KENO, we best describe it as a glorified Bingo game. There are 80 numbers on a ticket, and 80 correspondingly numbered balls. Each game 20 are ejected at random, from a spinning cage, as the winning numbers. The elderly couple plays only eight-spot combinations, at 60 cents each combination. They play ten games on each ticket for a total of \$6.00. The combinations they play are simple, all verticals, the eight ones, the eight twos, etc.

If five numbers in any vertical row come in, the return is \$5.00. If six numbers show up, the return is \$50.00. For seven numbers, they get \$1,100.00. If all eight are lighted, the payoff is \$12,500.00.

The couple have patience. They sit quietly, chat, read a newspaper or book, and play for four of five hours at a stretch. We met them at the Sahara. They never invest more than \$100 in any single day. On most of their visits their profits were made from payoffs of \$50.00. At least once each year they were rewarded with a \$1,100.00 payoff, in addition to many \$50.00 winning tickets for a handsome profit. Once, during the past ten years they hit the big jackpot for \$12,500.00 in addition to many smaller wins. The big one came at Harrah's in Lake Tahoe. It is a pleasant vacation, and profitable for persons, not in a hurry. Patience is the name of their game.

BEST HAND LOSES: Poker is tricky in Las Vegas for the once-in-a-while player. Every game has its "Rocks," the professionals who stay in a pot, only if they have the best hand. They aren't necessarily cheaters, although there are some of them around. They know the tricks of the trade, sometimes with a little help from the dealer. On one occasion, it was a fairly large pot, over \$1000 in a \$30 limit game. A week-end player, obviously held the strongest hand. On the last card, he scooped up the "one" dealt to him, into the two hole cards he was holding, without bothering to look at "it." After the bets were made, he found he was holding "four" hole cards. The dealer had "made a mistake." Of course the novice couldn't claim the hand.

What's your story on gambling to fascinate the world? Jot it down and drop it in the mail to P.O. Box 14096, Las Vegas, Nev. 89114. For your trouble we'll send you a free subscription.

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ITS RENEWAL TIME RIGHT NOW