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THOMAS C. SOURAN SUSPENDED. The SEC has issued an order under the Securities Exchange Act (Release 34-7815) suspending Thomas C. Souran from being associated with a broker or dealer for a 4-month period beginning at the opening of business on February 7. The order was based upon an initial decision by Hearing Examiner Irving Schiller in which he found, among other things, that prior to Souran's registration as president of Christopher & Co., Inc. (a registered broker-dealer of New York), he had aided and abetted violations by the firm of the Securities Exchange Act in failing to file certain amendments to its application for registration. Souran did not seek review of the decision. By order of July 27, 1965, the Commission revoked the broker-dealer registration of Christopher & Co. based on the findings that it had violated certain provisions of the Federal securities laws in the sale of common stock of Alaska International Corp. (Souran was not found to have participated in such violations by the firm).

SEC ENTERS CHAPTER X CASE. The SEC has filed notice of appearance in the Chapter X proceedings for the reorganization of The New Western Underwriting Corporation, of Billings, Montana, and its subsidiaries: The New Western Credit Corporation, Pepco Chemical, Inc., and New Western Manor, Inc. Judge W. D. Murray (USDC, Helena) has appointed Joseph J. McCaffery, Jr., as trustee.

According to the October 31, 1965, balance sheet of the parent, it has outstanding 390,362 shares of no par value, noncumulative, participating preferred stock, stated on its balance sheet at \$731,664, and 200,281 shares of no par value common stock stated at \$378,575, both publicly held. It also has outstanding \$279,700 principal amount of 6% subordinated, convertible debentures, which are held by 151 persons, and secured liabilities totaling about \$165,000. Stated assets total approximately \$1,800,000, including about \$1 million invested in the common stock of its subsidiaries and advances to subsidiaries totaling \$462,000. The balance sheet for Credit Corp. showed total assets of slightly more than \$1 million, principally retail installment notes receivable. Liabilities included loans due the parent in the amount of about \$234,000, and notes payable to financial institutions totaling \$444,000. It showed an earned surplus deficit of \$251,000. Pepco Chemical reported total assets of about \$225,000 and liabilities exceeding this amount by about \$5,000. Manor reported assets of \$1,673,000, consisting principally of land, building and equipment stated at about \$1,500,000; its liabilities of about \$1,674,000 include secured notes payable totaling \$1,285,000 and advances of \$240,000 from the parent.

UNITED GAS SEEKS ORDER. United Gas Corporation ("United"), Shreveport, La., gas-utility subsidiary of Pennzoil Co., and four of its subsidiaries, United Gas Pipe Line Co. ("Pipe Line"), United Overseas Production Corp. ("Overseas"), UGC Instruments, Inc. ("Instruments"), and Duval Corp. ("Duval"), as well as a subsidiary of Instruments, Benson-Lehner, Ltd. ("Limited"), have applied to the SEC for an order under the Holding Company Act authorizing certain financing transactions. The Commission has issued an order (Release 35-15396) giving interested persons until February 25 to request a hearing thereon. According to the application, United proposes to sell up to \$50,000,000 of unsecured notes pursuant to banks. Of the proceeds therefrom, \$10,100,000 will be used to carry out United's construction program, \$17,150,000 will be available for future investments, and \$22,750,000 will be used to purchase notes and stock from subsidiaries, as follows: (1) Pipe Line proposes to sell an aggregate of notes not to exceed \$6,000,000 and will apply the proceeds to its current construction and development program. (2) Overseas intends to sell during 1966 up to 1,000 shares of its common stock at \$1,000 per share or an aggregate of up to \$1,000,000. It will use the proceeds in the continuation of its gas and oil exploration and development programs in Tunisia, Canada, and the North Sea, and for other general corporate purposes. (3) Duval proposes to sell unsecured promissory notes in an aggregate principal amount not to exceed \$14,000,000. The proceeds will be used to finance in part the development of certain of its properties in Nevada and Canada, the total cost of which is estimated at \$87,000,000. (4) Instruments proposes to sell during 1966 up to 2,030 shares of its common stock at \$862.07 per share or an aggregate of up to \$1,750,000. It will use the proceeds for working capital and to finance the operations of its wholly-owned subsidiaries, Benson-Lehner Corp. ("Benson") and Limited, by making open-account advances to Benson in an aggregate amount which, together with presently outstanding open-account advances, will not exceed \$1,100,000 at any one time. Instruments will acquire from Limited during 1966 approximately 103,214 Limited Ordinary Shares of one (British) pound each for a total of up to \$289,000 and will make open-account advances to Limited of up to \$186,000.

PEPSICO OVERSEAS SEEKS ORDER. Pepsico Overseas Corp., New York (a subsidiary of PepsiCo., Inc.), has applied to the SEC for an order under the Investment Company Act exempting it from all provisions of the Act and the Commission has issued an order (Release IC-7815) giving interested persons until February 16 to request a hearing thereon. According to the application, Overseas was organized to raise funds for use in financing requirements of the parent company's expanding foreign operations in a manner which will assist in improving the United States' balance of payments, in compliance with the voluntary cooperation program instituted by President Johnson in February 1965. Overseas intends to issue and sell \$30,000,000 of its guaranteed debentures (due 1981) to a group of underwriters for sale outside of the United States. The parent company will guarantee the principal and interest payment on the debentures, which will be convertible into shares of common stock of the parent on and after September 1, 1967. Any additional debt securities of

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Overseas which may be issued to or held by the public will be guaranteed by the parent in substantially the same manner as the debentures. The parent company, which has acquired all of the authorized stock of Overseas, proposes to make a capital contribution thereto of not less than \$6,000,000 by June 1, 1966. It will also purchase any additional equity securities which Overseas may issue in the future and will not dispose of any such securities except to Overseas or to another wholly-owned subsidiary. The parent is engaged principally in the manufacture and sale of soft drinks and snack or convenience foods. It is intended that assets of Overseas will be invested in or loaned to foreign subsidiaries and affiliates in which the parent company has or shall acquire an interest. All of the companies in which Overseas' funds will be invested will be primarily engaged in a business other than investing, reinvesting, owning, holding or trading in securities.

BUFFUM PRESIDENT ORDERED TO TESTIFY. The SEC New York Regional Office announced February 1 (LR-3417) the entry of a Federal court order (USDC, SDNY) requiring Frank G. Buffum, president of Buffum & Co., Inc., New York, to testify before an SEC officer and to produce certain books and records in compliance with a subpoena duces tecum of the Commission.

SEC ORDER CITES I.O.S. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firms of I.O.S., Ltd. (S.A.), d/b/a Investors Overseas Services, of Geneva, Switzerland, and Investors Continental Services, Ltd., of 7 West 57th Street, New York City. The former ("IOS") became registered as a broker-dealer in June 1960 and the latter ("ICS") in November 1958. IOS is the sole stockholder of ICS, which is a member of the National Association of Securities Dealers, Inc. IOS is the exclusive distributor of participation in the IOS Investment Program for the accumulation of interests in The Fund of Funds, Ltd. ("FOF"), by means of which interests in FOF (which includes interests in numerous other securities in the portfolio of FOF) are offered for sale and sold. FOF, a non-resident Canadian corporation with offices in Geneva, is engaged in investing principally in shares of registered investment companies.

Neither the securities comprising interests in FOF nor the participations in the IOS Investment Program are registered under the Securities Act of 1933, nor has either issuer of such securities filed an application pursuant to Section 7(d) of the Investment Company Act of 1940 or registered pursuant to Section 8 thereof. The administrative proceedings against IOS are based upon staff charges that in the offer and sale of such securities IOS violated the registration provisions of the Securities Act and Section 7(d) of the Investment Company Act. Five individual respondents are alleged to have participated in these actions: Bernard Cornfeld, IOS president; Edward M. Cowett, vice-president; Allen R. Cantor, senior vice-president; W. Thad Lovett, executive vice-president; and Robert Nagler, a director.

The staff also alleges (a) that IOS, Cornfeld and Cowett violated Section 17(d) of the Investment Company Act by their participation in certain transactions by and between "affiliated" persons, involving the purchase of stock of Ramer Industries, Inc., which were prohibited by Section 17(d); (b) that ICS, aided and abetted by IOS, Cornfeld, Cowett and Hyman Feld (president of ICS), violated Section 17(a) of the Exchange Act by its failure to keep and preserve a certain communication; and (c) that IOS, aided and abetted by Cornfeld, Cowett and Cantor, violated Section 17(a) of the Exchange Act by its failure to furnish copies of certain books and records specified in a demand dated November 29, 1965, from the Commission relating to transactions effected by IOS with or for customers who are citizens or nationals of the United States.

A hearing will be ordered later to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations in fact occurred and, if so, whether in view of certain additional matters referred to in the order for proceedings any remedial action may be appropriate in the public interest.

PHILIPPINE LONG DISTANCE TEL. PROPOSES OFFERING. Philippine Long Distance Telephone Company, 875 Magallanes Dr., Manila, Philippines, filed a registration statement (File 2-24466) with the SEC on February 4 seeking registration of 1,000,000 shares of 8% cumulative convertible preferred stock. The stock is to be offered for public sale through underwriters headed by Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 10005, the public offering price (\$6 per share maximum*) and underwriting terms to be supplied by amendment. General Telephone & Electronics Corp., which owns 28% of the company's outstanding common stock, has agreed to purchase up to 200,000 shares of the preferred stock (at the public offering price) if so requested by the underwriters.

The company supplies local and long distance telephone service in the Philippines. Net proceeds of its stock sale will be used to cover the cash requirements (net of internally generated cash) to complete the first phase of the company's program to expand and improve its domestic operations and (b) to cover expenditures for the initial requirements of the second phase of the expansion program. The company estimates that expenditures will aggregate \$28,718,000 for the first phase of the program (scheduled for completion in 1967) and \$93,077,000 for the second phase (to be completed in 1971). In addition to indebtedness, the company has outstanding 3,247,773 common shares, of which management officials own 4,309 shares. Harper W. Reed is president.

EVANS PRODUCTS FILES FOR OFFERING. Evans Products Company, 1121 S. W. Salmon St., Portland, Ore., filed a registration statement (File 2-24467) with the SEC on February 4 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005. The public offering price and underwriting terms are to be supplied by amendment.

The company is a manufacturer and distributor of railcars and equipment for the transportation industry and of building materials and related products. Net proceeds of its stock sale will be used to retire short-term bank borrowings incurred in late 1965 in connection with recent acquisitions, and for additions to working capital. The prospectus states that in the fall of 1965 the company acquired the United States Railway Equipment Co. for \$14,000,000 in cash, and the M. Capp Manufacturing Co., International Housing Corp., and the Capp-Homes Division of M. Capp Manufacturing Co. for an aggregate purchase price of \$8,300,000 in cash and common stock then valued at \$1,200,000. In addition to indebtedness and preferred stock, the company has outstanding 2,475,176 common shares, of which management officials own 8%. C. Calbert Knudsen is president and Monford A. Orloff is board chairman.

LIN BROADCASTING PROPOSES OFFERING. LIN Broadcasting Corporation, 311 Church St., Nashville, Tenn. 37201, filed a registration statement (File 2-24468) with the SEC on February 4 seeking registration of 200,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by C. E. Unterberg, Towbin Co., 61 Broadway, New York. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Delaware law in 1961, the company is engaged in the business of radio and television broadcasting, and constructing and operating community antenna television ("CATV") systems. Of the net proceeds from its stock sale, approximately \$631,000 will be applied to pay in full a \$625,000 note, the proceeds of which were used principally to finance the purchase of television station WAND in Decatur, Ill. The balance will be used in connection with the company's acquisition of the Hobbs, N. M., CATV system, to finance construction of CATV systems, and for general corporate purposes. In addition to indebtedness, the company has outstanding 323,093 common shares, of which management officials own 42.7% (including 16.8% owned by Frederic Gregg, Jr., president). John R. Ozier is board chairman.

GENERAL INSTRUMENT FILES STOCK PLAN. General Instrument Corporation, 65 Gouverneur St., Newark, N. J. 07104, filed a registration statement (File 2-24469) with the SEC on February 4 seeking registration of 311,832 shares of common stock, to be offered pursuant to its Executives and Employees Stock Participation Plan.

ASSOCIATED OIL SUSPENSION CONTINUED. The SEC has issued an order suspending exchange and over-the-counter trading in securities of Associated Oil and Gas Company for a further ten-day period, February 8-17, 1966, inclusive. It is understood that the company proposes to release today a statement clarifying its press release of January 18th, and that copies thereof will be mailed to Associated Oil shareholders. When adequate dissemination of the information in this clarifying statement has been made, the Commission will consider lifting the trading ban.

PINAL COUNTY DEVELOPMENT TRADING BAN CONTINUED. The SEC has issued an order suspending over-the-counter trading in bonds of Pinal County Development Association, for a further ten-day period, February 8-17, 1966, inclusive.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended February 3, 1966, 17 registration statements were filed, 16 became effective, 1 was withdrawn, and 284 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective February 4: A-H Funds, Inc., 2-24294 (90 days); Filmways, Inc., 2-24281; Kelsey-Hayes Co., 2-24251.
Effective February 7: Hawkeye National Investment Co., 2-24305 (90 days).
Withdrawn February 4: Canaveral Hills Enterprises, Inc., 2-20355.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.

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