

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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FOR RELEASE December 5, 1963

PLEDGER & CO. REGISTRATION REVOKED, ROBERT GREEN SUSPENDED. The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-7188) revoking the broker-dealer registration of Pledger & Company, Inc., of 210 West Seventh St., Los Angeles, effective at the close of business January 3, 1963. The action was taken upon the basis of a stipulation and offer of settlement submitted by Pledger & Co. and Robert Green, who was suspended by the Commission from membership in the Pacific Coast Stock Exchange for a 30-day period ending at the close of business January 3, 1964. An additional respondent when the proceeding was authorized in December 1962, Sam Green, president and sole stockholder of the firm, is now deceased.

According to the order, the Pledger firm ("registrant") has not conducted the usual operations as a broker-dealer since the institution of these proceedings inasmuch as it has been suspended from membership as a member firm in the Pacific Coast Stock Exchange for a period of two years commencing February 2, 1962 and its membership in the NASD has been cancelled. Registrant and Robert Green undertake that the Estate of Sam Green will immediately, upon acceptance of this offer, inform the Commission that registrant, 30 days after the date of the Commission's order, will cease to engage in any aspect of the securities business either over the counter or on securities exchanges, will liquidate the company and terminate its membership in the NASD, and will dispose of any interest it may have in membership in the Pacific Coast Stock Exchange, that Robert Green will not engage in any aspect of the securities business during a 30-day period from the entry of the Commission's order, and that the Commission may retain jurisdiction to take such further action, if any, as it deems appropriate in the event that such undertakings are not complied with. The Commission reserves the right to issue its definitive findings and opinion in support of the order at a later date.

Upon the basis of the stipulated facts and certain documentary evidence specified in the offer of settlement, the Commission concluded that registrant and Robert Green violated the registration, anti-fraud and anti-manipulative provisions of the Federal securities laws in the offer and sale during the period October 1960 to March 1961 of stock of Nordon Corporation and Security Trust Company (of Arizona).

SEC ORDER CITES WALTER ROSENBUSH. The SEC, upon the basis of certain allegations by its staff, has ordered a hearing for December 11, 1963, in its New York Regional Office pursuant to the Securities Exchange Act of 1934, to determine whether an application for broker-dealer registration filed by Walter Rosenbush, doing business as Busch Company, 50 Broadway, New York City, should be denied. According to the order, Rosenbush (together with Financial Forecaster, Inc., of which he was president) was enjoined in June 1960 by Federal court order from operating as an investment adviser without being registered as such under the Investment Advisers Act of 1940; and in July 1962 his registration as an investment adviser (along with that of Financial Forecaster, Inc.) was revoked by the Commission for false statements and omissions in his registration application. The staff charges in the present proceedings relate to allegedly false statements or omissions in his broker-dealer registration application.

METROPOLITAN EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-14973) authorizing Metropolitan Edison Company, Reading, Pa., and Pennsylvania Electric Company, Johnstown, Pa., to purchase from time to time shares of capital stock of Pennsylvania Development Credit Corporation amounting in the aggregate to \$100,000 and \$150,000 respectively, the aggregate number of shares so purchased not to exceed 9% of the outstanding voting securities of Pennsylvania Development.

AMERICAN NATURAL GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-14974) making permanent (with certain reservations) its order dated May 29, 1962, as modified, which authorized modifications of the organization and conduct of the business of American Natural Gas Service Company, a wholly-owned subsidiary service company of American Natural Gas Company, Detroit, Mich.

NORTHEAST INVESTORS RECEIVES ORDER. The SEC issued an exemption order under the Investment Company Act (Release IC-3840) permitting Northeast Investors Trust, 50 Congress St., Boston, to issue its shares at a price other than the public offering price thereof for substantially all the cash and securities of H. P. Nichols, Inc.

STATE STREET INVESTMENT SEEKS ORDER. State Street Investment Corporation, 140 Federal St., Boston, has applied to the SEC for an exemption order under the Investment Company Act with respect to certain proposed transactions; and the Commission has issued an order (Release IC-3841) giving interested persons until December 19, 1963 to request a hearing thereon. Under the proposal, State Street Investment will issue its shares for substantially all the cash and securities of Ibco Corporation. Ibco is a private investment company having 46 shareholders and with assets approximating \$4,245,864 as of September 30, 1963. State Street Investment shares acquired by Ibco will be distributed to its shareholders on the liquidation of Ibco.

OVER

SOCONY MOBIL OIL FILES STOCK PLAN. Socony Mobil Oil Company, Inc., 150 East 42nd St., New York, filed a registration statement (File 2-21921) with the SEC on December 2 seeking registration of \$1,800,000 of interests in the Stock Purchase Plan of Virginia-Carolina Chemical Company, now a division of Socony Mobil Oil, together with 628,268 shares of the latter's capital stock, which are to be offered to Virginia Carolina Chemical employees.

LIFE INSURANCE CO. FILES FOR OFFERING AND SECONDARY. Life Insurance Company of Kentucky, 231 West Main St., Louisville, Ky., filed a registration statement (File 2-21922) with the SEC on December 4 seeking registration of 72,940 shares of common stock, of which 57,540 shares are to be offered for public sale by the company and the remaining 15,400 shares, being outstanding stock by the present holders thereof. The offering price (maximum \$36.00 per share*) and underwriting terms are to be supplied by amendment. Stein Bros. & Boyce, Inc., 1 Charles Center, Baltimore, and Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis, head the list of underwriters.

The company is engaged in the business of writing ordinary life insurance in eight states (but principally in Kentucky), 81% of its business consisting of participating policies. According to the prospectus, operations have been conducted at a loss since the company was organized in 1957. Net proceeds of the company's sale of additional stock will be available for general corporate purposes. The company now has outstanding 702,460 common shares, of which management officials own 25.8%. The 15,400 shares are to be sold by nine stockholders owning an aggregate of 29,900 shares, the largest individual block by Edward J. Keresey (9,500 of 20,650 shares held). The prospectus lists J. Howard Marshall as board chairman and Robert B. Hensley as president.

CHRYSLER FILES STOCK PLAN. Chrysler Corporation, 341 Massachusetts Ave., Detroit, filed a registration statement (File 2-21924) with the SEC on December 4 seeking registration of 892,684 shares of common stock, representing the aggregate number of common shares that may be issued under its Stock Option Plan for Salaried Officers and Key Employees of Chrysler and its subsidiaries.

SECURITIES ACT REGISTRATIONS. Effective December 5: Florida Jai Alai (File 2-20516).
Withdrawn December 4: Polytronic Research, Inc. (File 2-18262).

*As estimated for purposes of computing the registration fee.

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