

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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CENTRAL AND S.W. SYSTEM FINANCING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-15017) authorizing Central and Southwest Corporation, Wilmington, Del., holding company, to make loans from time to time during 1964 to subsidiaries, as follows: \$5,000,000 to Central Power and Light Company and \$4,000,000 each to Public Service Company, of Oklahoma and Southwestern Electric Power Company. However, total loans to these subsidiaries will not exceed \$8,000,000 at any one time outstanding. The subsidiaries will use the funds for 1964 construction expenditures.

SEC COMPLAINT NAMES INVESTMENT COMPANY OFFICIALS. The SEC today announced the filing of a Federal court complaint (USDC, Dallas, Tex.) seeking to enjoin James J. Ling, Joseph F. McKinney and Royce B. McKinley, former officers or directors of Electro-Science Investors, Inc., of Richardson, Texas, and Paul E. Brodrick, present ESI treasurer, from violating Section 36 of the Investment Company Act (LR-2846). ESI is named as a nominal defendant but is not charged with any violations. The complaint also charges violations of Section 17(d) of the Act by Ling and Troy V. Post, ESI director.

F. L. BATTEN CONVICTED. The SEC Washington Regional Office announced February 20th (LR-2848) that a Federal court jury (USDC DC) had found Franklin L. Batten guilty of obstruction of justice and subornation of perjury in connection with an SEC investigation of the broker-dealer firm of Batten & Co., Inc.

CLINTON OIL PROPOSES OFFERING. Clinton Oil Company, 6810 W. Highway U. S. 54, Wichita, Kansas, filed a registration statement (File 2-22098) with the SEC on February 24th seeking registration of \$2,400,000 of Participating Interests in its 1964 Oil and Gas Program. These interests are to be offered for public sale in \$10,000 units, of which \$7,000 is payable to the exploration fund for acquisition and exploration of properties and \$2,400 to the operating fund for equipping, developing and operating expenses covering properties upon which exploration has been successfully completed. The remaining \$600 will cover costs incident to the offering. Clinton is to be employed as prime contractor to perform the drilling and completion of wells for the program. According to the prospectus, investors will receive a 60% interest for paying 100% of costs while Clinton will receive a 40% interest for administering the program and providing the services of its officers and employees. R. P. Clinton is president and he and Eleanor Clinton are the largest shareholders of Clinton.

IOWA POWER PROPOSES FINANCING. Iowa Power and Light Company, 823 Walnut St., Des Moines, today filed a registration statement (File 2-22099) with the SEC seeking registration of \$10,000,000 of Sinking Fund Debentures, to be offered for public sale at competitive bidding. Net proceeds of the debenture sale will be applied toward payment of short-term bank loans incurred as temporary financing of the company's construction program, the balance to be used for additional construction expenditures. The 1964 construction program is estimated at \$12,300,000. N. Bernard Gussett is board chairman and A. Paul Thompson president.

NORTHWEST AIRLINES FILES FOR RIGHTS OFFERING. Northwest Airlines, Inc., Minneapolis-St. Paul International Airport, St. Paul, Minn., today filed a registration statement (File 2-22100) seeking registration of 456,261 shares of common stock. It is proposed to offer this stock for subscription by common stockholders of record at the close of business on March 18th, at the rate of one new share for each 4 shares then held. The subscription price (\$70 per share maximum*) and underwriting terms are to be supplied by amendment. The First Boston Corporation, 20 Exchange Place, New York, heads the list of underwriters.

The company is principally engaged in commercial transportation of passengers, mail and property as a scheduled air carrier. Net proceeds of its sale of additional stock will broaden the company's base and, together with funds provided under a Bank Credit Agreement as well as cash generated internally and from aircraft sales, are expected to be applied toward acquisition of Boeing jet aircraft. In addition to three 707-320C's scheduled for delivery in the second quarter of 1964, this program includes two Boeing 720B and eleven 727 jet aircraft for which the company has recently entered contracts with The Boeing Company. Delivery of the 720B and 727 aircraft is scheduled to start in the last half of 1964 and to continue to early 1966. The estimated contract price for the 720B and 727 aircraft and related parts is \$68,776,000. Some \$14,600,000 remains to be paid on delivery of the three 707-320C aircraft. In addition to indebtedness, the company has outstanding 1,824,462 (a 2-for-1 split of the common stock is to be recommended to stockholders at the company's annual meeting in May 1964). Management officials own 78,775 common shares. Donald W. Myrop is president and Croil Hunter board chairman.

SECURITIES ACT REGISTRATIONS. Effective February 19: Belden & Blake & Co. Ltd. Partnership (File 2-22058; Supreme Life Insurance Co. (File 2-21758). Effective February 24: Chris-Craft Industries, Inc. (File 2-21941). Effective February 25: Hewlett-Packard Co. (File 2-22053); Hobam, Inc. (File 2-21856); Philip A. Hunt Chemical Corp. (File 2-21993).

*As estimated for purposes of computing the registration fee.

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