

# 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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## SEC SUSPENDS THREE PUBLIC OFFERINGS

The Securities and Exchange Commission has issued orders temporarily suspending Regulation A exemptions from registration under the Securities Act of 1933 with respect to stock offerings by the following:

- 1) Russell Gulch Uranium Co., Inc., Denver, Colo.  
(Regulation A notification, filed March 22, 1956, proposed the public offering of 150,000 common shares at \$1 per share)
- 2) Southcoast, Incorporated, Charleston, S. Car.  
(Regulation A notification, filed January 15, 1958, proposed the public offering of 100 shares of 7% cumulative preferred stock at \$100 per share)
- 3) Stillman Uranium, Inc., Hayward, Calif.  
(Regulation A notification, filed September 16, 1955, proposed the public offering of 600,000 common shares at 25¢ per share)

The Commission's order with respect to Russell Gulch Uranium asserts that the company failed to file reports of stock sales as required by Regulation A; that its offering circular is false and misleading with respect to the recent financial status of the company and the status of its mining claims; and that the use of such offering circular in the sale of stock "would operate as a fraud and deceit upon purchasers."

The orders with respect to Southcoast and Stillman Uranium assert (1) that Southcoast failed to file reports of stock sales and failed to file a revised offering circular; and (2) that certain officers and directors of Stillman Uranium were convicted of crimes or offenses involving the purchase and sale of securities, thus making the Regulation A exemption unavailable to that company (two persons listed in Stillman Uranium's notification as second vice-president and secretary-treasurer-director, respectively, in 1957 pleaded guilty to a violation of the California Corporate Securities Act, received a nine-months' imprisonment sentence and a \$1,000 fine, respectively, and were placed on probation.)

Each of the orders provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

## SLICK OIL PROPOSES OFFERING

Slick Oil Corporation, 1030 Bank of the Southwest Building, Houston, Texas, filed a registration statement (File 2-14591) with the SEC on December 8, 1958, seeking registration of \$1,500,000 of Participating Interests in the Slick Oil Corporation 1959 Joint Venture Program. Offering of the interests is to be made in minimum amounts of \$15,000, through Rowles, Winston & Co. of Houston and Dewar, Robertson & Pancoast of San Antonio, who will receive a 5% commission.

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Slick Oil will commit to the Program an amount equal to 1/3 of the aggregate commitments of all purchases of participating interests. Initial payments by each participant shall be 20% of his total subscription; and during 1959 Slick may demand payment of additional amounts under the subscription. Participants will receive under the Joint Venture Program (a) an undivided  $\frac{1}{3}$  interest in all Prospects acquired under this Program; and (b) an additional  $\frac{1}{3}$  of the production from each exploratory well, on a well by well basis, until "Payout" of each such well. Slick will receive for its services and cash contribution: (a) an undivided  $\frac{1}{3}$  interest in all Prospects acquired; (b) an additional undivided  $\frac{1}{3}$  interest in all Prospects acquired, which  $\frac{1}{3}$  interest is carried by Participants, without cost to Slick, as to certain "exploratory costs" and operating costs; (c) a management fee equal to 8 $\frac{1}{2}$ % of the total commitments (including that of Slick) and of any additional exploratory costs paid by Participants and Slick, for general administrative expenses and overhead; and (d) reimbursement for expenses incurred by Slick in the conduct of the exploratory program.

Proceeds of the sale of interests will be used during 1959 by Slick, together with amounts contributed by it pursuant to its commitment to assemble and acquire interests in properties within Canada and/or the continental United States, but not including Alaska or any offshore or tidelands locations or operations.

#### BIG BROMLEY FILES FINANCING PROPOSAL

Big Bromley, Inc., Manchester, Vt., filed a registration statement (File 2-14592) with the SEC on December 9, 1958, seeking registration of 6,000 shares of Common Stock, \$300,000 of 5% Debentures due April 1, 1979, and \$100,000 of 6% Notes due April 1, 1980. The common stock and debentures are to be offered for public sale in units, each consisting of \$250 of debentures and 5 common shares, for \$500 per unit. The notes are to be offered at 100% of principal amount.

The company operates a ski area on Bromley Mountain in Peru, Vt. It is presently engaged in an expansion and improvement program calling for estimated expenditures of approximately \$600,000 over a two-year period. Of this amount, some \$270,000 has been expended or committed for as at November 30, 1958. The program includes the purchase and installation of a double chair lift, construction of a restaurant on top of the Mountain, and opening up the north side of the mountain for a new ski area. The financing also includes \$150,000 of bank borrowings.

The prospectus lists Frederick A. Pabst of Manchester as president and treasurer. He is listed as the owner of all the 11,500 outstanding shares of common stock of the company (except directors' qualifying shares).

#### INDUSTRIAL BANK OF COMMERCE GRANTED EXEMPTION

The SEC has issued an exemption order under the Investment Company Act (Release 40-2802) permitting Industrial Bank of Commerce, of New York, to make loans to certain of its directors. Because it is an indirect subsidiary of The Equity Corporation, a registered investment company, loan transactions between the Bank and its directors are prohibited by Section 17(a)(3) of that Act unless the Commission grants an exemption from such prohibition.

#### du PONT de NEMOURS FILES STOCK PLAN

E. I. du Pont de Nemours and Company, 1007 Market St., Wilmington, Del., filed a registration statement (File 2-14593) with the SEC on December 9, 1958, seeking registration of 150,000 shares of its Common Stock, to be issued upon the exercise of options granted certain employees of the company and its subsidiaries in important managerial or other responsible positions under the company's Bonus Plan "C" which was approved by stockholders on November 12, 1957.

#### NEW JERSEY INVESTING FUND FILES FOR OFFERING

New Jersey Investing Fund, Inc., 111 Broadway, New York, filed a registration statement (File 2-14594) with the SEC on December 9, 1958 seeking registration of 200,000 shares of Capital Stock.

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The Fund was organized under New York law on October 17, 1958, and will operate as a diversified management investment company. Its investment adviser and distributor is Spear, Leeds & Kellogg. Andrew S. Lockie is listed as president. All officers and employees of the Fund are either partners or employees of Spear, Leeds & Kellogg.

#### SAN DIEGO IMPERIAL FILES FOR EXCHANGE OFFER

San Diego Imperial Corporation, 1011 Garnet Ave., San Diego, Calif., filed a registration statement (File 2-14595) with the SEC on December 9, 1958, seeking registration of 845,000 shares of its Common Stock. It is proposed to offer these shares in exchange for all of the outstanding capital stock of Silver State Savings and Loan Association and Silver State Insurance Agency, Inc., both of Denver, Colo. The Loan Association is said to have 45,000 outstanding shares of capital stock representing a book value of \$1,805,096, while the Insurance Agency has outstanding 3,000 shares of capital stock representing a book value of \$106,152. The Loan Association has eleven shareholders and the Insurance Agency nine. The shareholders of both companies have agreed to the exchange.

#### WORLD WIDE INVESTORS HEARING SCHEDULED

The SEC has scheduled a hearing for December 17, 1958, in its New York Regional Office on the proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of World Wide Investors Corporation, 231 Washington St., Hoboken, N. J., should be revoked and whether it should be suspended or expelled from the National Association of Securities Dealers, Inc. (For details, see Release 34-5816).

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