

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE July 14, 1959

## TWO INDICTED IN SALE OF NEVADA SISKIYOU SHARES

The SEC San Francisco Regional Administrator announced July 9, 1959, that a Federal Grand Jury in San Francisco has returned an indictment charging Wilbur C. Anderson of Burlingame, California, and Thomas A. Lloyd of Reno, Nevada, with fraud in the offer and sale of stock of Nevada Siskiyou Metals Reduction Corp., and of New Nevada Siskiyou Metals Reduction Corp. (Lit. Release No. 1468).

## NORTH AMERICAN PLANNING CORP. PROPOSES OFFERING

North American Planning Corporation, 200 East 42nd St., New York, filed a registration statement (File 2-15352) with the SEC on July 13, 1959, seeking registration of \$15,000,000 of three types of Plans for the accumulation of shares of Fidelity Fund, Inc.

## COURT ORDERS GUILD FILMS AND INTERWORLD TV FILMS TO FILE REPORTS

The U. S. District Court in New York (Southern District) on June 8, 1959, ordered Guild Films Company, Inc., to correct deficiencies in its annual report for the fiscal year ended November 30, 1957, and to make timely filings of future reports required by Section 13 of the Securities Exchange Act of 1934 (Lit. Release No. 1466).

The court also ordered Interworld T. V. Films, Inc., to file its annual reports for the fiscal years ended July 31, 1957, and July 31, 1958, semi-annual reports for the periods ended January 31, 1957, and January 31, 1958, and current reports relating to certain specified occurrences (Lit. Release No. 1467).

The defendant companies and certain individuals named as defendants consented to the court orders. Through inadvertence, earlier announcement was not made.

## SILVERMAN EMPLOYMENT AUTHORIZED

In a decision announced today (Release 34-6011), the SEC authorized continuance of T. J. Feibleman & Company of New Orleans, La., in membership in the National Association of Securities Dealers, Inc., with Daniel M. Silverman, Jr., employed as a registered representative. The District Committee and the Board of Governors of the NASD recommended such continuance.

Silverman previously was president and controlling stockholder of D. N. Silverman Co., Inc., who was expelled from membership in the NASD in January 1958 on the ground that during a brief period in 1956 it engaged in the securities business while insolvent and in violation of the SEC net capital rule and that it failed to keep required books and records. The violations were attributed to inexperience and poor management.

In support of the present application, the NASD asserts that Silverman's activities as a registered representative will be of a different character than those which caused the prior violations, that he will be under the strict supervision of an officer of the member firm, that it appears Silverman Co. owes no money or securities to any customer or dealer, and that Silverman has stated that he is making a continued effort to reimburse that company's stockholders.

Under the circumstances, the Commission concluded that the present application may be approved.

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For further details, call ST. 3-7600, ext. 5526

## MEMBER FIRM EMPLOYMENT OF LEONARD WHITAKER APPROVED

In a similar decision issued June 16, 1959 (Release 34-5989), the Commission approved an NASD application for continuance in membership of Capital Reserve Corporation, Washington, D. C., while employing Leonard H. Whitaker as a registered representative. Whitaker's registration as a broker-dealer was revoked by the Commission in 1952 because of certain securities violations. He previously was permitted employment by another firm, with certain conditions; and the president of Capital Reserve has agreed that Whitaker, if employed, would be adequately supervised. (Due to an oversight, this action by the Commission was not previously noted on the News Digest.)

## TIME FOR COMMENTS ON FORM 8-K AMENDMENT PROPOSAL EXTENDED

The Securities and Exchange Commission today announced an extension from July 15 to August 17, 1959, of the due date for comments upon its proposal for revision of Form 8-K, the form prescribed for current reports filed pursuant to Sections 13 and 15(d) of the Securities Exchange Act of 1934.

The extension was granted on request of certain industry representatives who wished additional time to study the proposal and to prepare and file their comments thereon.

The form calls for the reporting on a monthly basis of certain specified events which are deemed of such importance to security holders and investors that they should be reported as promptly as practicable. The proposed amendments (Release 34-5979) deal with items of the form relating to changes in the management or control of the issuer, the acquisition or disposition of substantial amounts of assets, important legal proceedings and increases in the amount of securities or indebtedness outstanding. A new item calling for information regarding material transactions with insiders also is proposed and the filing of certain additional exhibits would also be required.

## ALLIED COLORADO ENTERPRISES PROPOSES STOCK OFFERING

Allied Colorado Enterprises Company, Boulder, Colo., filed a registration statement (File 2-15353) with the SEC on July 13, 1959, seeking registration of 3,000,000 shares of 25¢ par Class A Common Stock, to be offered for public sale at 90¢ per share. The offering is to be made on a best efforts basis by Allen Investment Company, for which it will receive a selling commission of 15¢ per share. Allen J. Lefferdink, board chairman, is an officer and director and sole stockholder of the underwriter.

The company also seeks registration of 5,899,618 shares of Class A common stock and 551,140 shares of Class A-1 common stock for issuance under outstanding subscription agreements at 75¢ per share and 6,576,200 shares of Class A common stock for issuance under outstanding option agreements at 25¢ per share. In the event that these options and agreements are not exercised, the underlying stock will not be issued. If all the stock subject to the aforementioned subscription and option agreements is purchased the Company will receive \$3,496,537 as the unpaid balance of the purchase price of \$6,468,831, less underwriting and salesman's discounts or commissions of approximately \$46,200 payable to Mountain States Securities Company and Allen Investment Co.

Allied was organized in 1956 as a holding company to operate subsidiaries engaged primarily in the lending, insurance, and real estate development businesses. Its principal subsidiaries are Mountain Savings and Loan Association ("Mountain Savings") in Boulder, Colo.; Equity General Insurance Company ("Equity General") of Miami, Fla.; and Mid-Continent Development Company ("Mid-Continent") of Denver, Colo.

Net proceeds of the sale of securities by Allied are to be used for various purposes, including a \$500,000 contribution to surplus of Mountain Savings and Loan Association, \$500,000 for the purchase of unissued stock of Equity General Insurance Co., \$500,000 as contribution to working capital of Mid-Continent Development Co., and similar purposes.

The company now has outstanding 12,911,752 shares of Class A common and 601,889 shares of Class A-1 common.

## CONTROLS CO. OF AMERICA FILES EMPLOYEE STOCK PLAN

Controls Company of America, 9555 West Soreng Ave., Schiller Park, Ill., filed a registration statement (File 2-15354) with the SEC on July 13, 1959, seeking registration of 160,000 shares of common stock. These shares have been or will be issued upon the exercise of options granted or to be granted employees and officers of the company or its subsidiaries under its 1959 Employees Stock Plan.