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

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DECORATIVE INTERIORS SUSPENSION PERMANENT. The SEC today announced a decision under the Securities Act (Release 33-4661) making permanent a prior order temporarily suspending a Regulation A exemption from registration with respect to a public offering of stock by Decorative Interiors, Inc. (the "issuer"), of 1191 N. W. 22d St., Miami, Fla. The decision was based upon the refusal of the underwriter, Lance Zeaman, dba Lancer Securities Company, to furnish information requested by the Commission's investigating staff and otherwise cooperate as required as a condition to the availability of an exemption under Regulation A.

The Commission ruled that Zeaman's refusal to answer questions put to him (he invoked the privilege against self-incrimination) clearly constituted a failure to cooperate under the Regulation. The issuer urged that it was the victim of its own misplaced reliance upon others and did not participate in Zeaman's refusal to cooperate; and it requested permission to substitute a new underwriter or to withdraw its filing. The Commission observed that the experience and responsibility of the underwriter were particularly important, since the offering was on a best efforts basis and the issuer did not intend to return any proceeds to investors if the offering were not fully consummated. The Commission stated that on the facts presented that it is clear that the issuer "did not use reasonable care in weighing Zeaman's experience, character, and financial responsibility before entrusting the offering to him," and that the issuer in fact failed "to heed clear warnings of the underwriter's lack of responsibility and reliability."

Accordingly, the Commission concluded that the issuer assumed whatever risks resulted from its action in employing this underwriter as its agent for the public sale of its securities, and that a sufficient showing had not been made to warrant lifting the suspension order. (This action would not preclude the filing of a registration statement for a public offering of stock by Decorative Interiors; and the Commission in its opinion noted that the issuer could petition the Commission in the future for relief from the five-year prohibition against an exempt offering under Regulation A resulting from this suspension order.)

LIFE SHARES TRADING REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7211) revoking the broker-dealer registration of Life Shares Trading Corporation, 1141 - 13th St., Columbus, Ga., for violations of the Securities Act registration and anti-fraud provisions in the sale of stock of American Family Life Insurance Company during the 12 months ended May 1963. The said corporation's president, John B. Amos, was found to be a cause of the revocation order.

The Commission ruled that various false and misleading statements had been made by the corporation and Amos in the sale of the Insurance Company stock, including misrepresentations with respect to the safety, growth and profit potential of an investment in such stock, the current and future price of the stock, and the source, availability and supply of the stock. Moreover, the respondents purchased Insurance Company stock while engaged in its distribution and sold stock at excessive prices in relation to its contemporaneous cost.

The respondents filed a stipulation and consent admitting the violations but declaring that they were unintentional.

SAMSON CONVERTIBLE SECURITIES SEEKS ORDER. Samson Convertible Securities and Capital Fund, 680 Fifth Ave., New York City, has filed an application under the Investment Company Act seeking an order declaring that it has ceased to be an investment company; and the SEC has issued an order (Release IC-3891) giving interested persons until January 24 to request a hearing on the matter. According to the application, the company, pursuant to a plan of reorganization approved by shareholders on June 27, 1963, has sold all its assets in exchange for shares of Samson Fund, Inc.; filed a certificate of dissolution with the State of Delaware; and has outstanding only 395 shares (6%) held by seven shareholders for which 1,367 shares of Samson Fund are being held in trust.

ZAPATA OFF-SHORE FILES STOCK PLAN. Zapata Off-Shore Company, 1701 Houston Club Bldg., Houston, filed a registration statement (File 2-22010) with the SEC on January 8 seeking registration of \$1,000,000 of interests in the Stock Purchase Plan for the employees of the company and 100,000 outstanding shares of common stock which may be purchased under the Plan.

SWISS CHALET FILES FOR OFFERING. Swiss Chalet, Inc., 105 De Diego Ave., San Juan, Puerto Rico, filed a registration statement (File 2-22011) with the SEC on January 8 seeking registration of 50,000 shares of 6% cumulative convertible preferred stock, \$20 par. The stock will be offered for public sale at \$20 per share on an "all or none basis" through a group of underwriters headed by P. W. Brooks & Co. Inc., 120 Broadway, New York City and Compania Financiera de Inversiones, Inc., 1505 Ponce de Leon Ave., Santurce, Puerto Rico. Underwriting terms are to be supplied by amendment.

A Puerto Rican corporation, Swiss Chalet owns and operates the Hotel Pierre and adjacent Swiss Chalet Restaurant in San Juan and has recently commenced operating a new hotel known as the Hotel da Vinci. Through subsidiaries it operates the Top of the First Restaurant and Luncheon Club and three cafeterias, also in San Juan. The net proceeds from the stock sale will be applied, as follows: \$390,000 to retire a second mortgage on the Hotel Pierre and Swiss Chalet Restaurant; \$100,000 for investment in Frascati, Inc., a subsidiary, to be used for furnishing and equipping new cafeterias; \$150,000 for furnishings and equipment

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for the north unit of the Hotel Da Vinci; \$90,000 for construction and furnishing of an 18-room addition to the Hotel Pierre; and the remainder for payment of pre-opening and other expenses incident to the commencement of operations of the Hotel Da Vinci and for working capital. In addition to other indebtedness, the company as of October 31, 1963 had outstanding 103,070 shares of \$9 par preferred and 450,672 shares of common stock of which latter officers and directors own 59.4% (268,180 shares). The prospectus lists Pierre U. Greber as president. Three officers, John and Pierre F. Lohner and Klaus Gyax, are the principal stockholders.

PETROFLOODS, LTD. FILES FOR OFFERING. Petrofloods, Ltd., 710 Union National Bldg., Wichita, Kansas, filed a registration statement (File 2-22012) with the SEC on January 8 seeking registration of \$3,655,727 of Limited Partnership Interests, to be offered for public sale (at \$300 per unit), on a best efforts basis, through the company's general partners, employees and dealers. A selling commission not exceeding 12½% will be paid from the capital contributions to the partnership. Petrofloods is a limited partnership formed under the Uniform Limited Partnership Act of Arkansas and will be qualified to do business in the state of Kansas and in other states if necessary. The purpose of the partnership is to acquire, produce, develop and operate oil and gas leasehold interests. The capital and income of the partnership will be used to purchase interests in so-called "waterflood units" comprising a group of oil and gas leases in Southwest Arkansas. Don E. Satterthwaite and Ralph R. Hamilton are the general partners.

SECURITIES ACT REGISTRATIONS. Effective January 8: General American Transportation Corp. (File 2-21948); Marquette Corp. (File 2-21946); Northwest Natural Gas Co. (File 2-21906); Pan American World Airways, Inc. (File 2-21935); Potomac Electric Power Co. (File 2-21961). Effective January 9: Central Mutual Telephone Co., Inc. (File 2-21797); First Western Real Estate Investment Trust (File 2-21843). Withdrawn January 8: Goran Incorporated (File 2-21861).

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