

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 January 27, 1965

SEC ORDER CITES BROADWALL SECURITIES, INC. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Broadwall Securities, Inc., of 26 Broadway, New York City, N. Y. Also named as respondents are Arnold Mahler, president and sole stockholder of the Broadwall firm, Jack Einiger, its secretary and a sales representative, and two additional sales representatives, Alexander Lapidus and Stanley Miller (the latter was employed from September to November 1964).

The proceedings are based upon staff charges that the Broadwall firm and the four individuals, during the last nine months of 1964, offered and sold stock of The Coast to Coast Company, Inc., in violation of the anti-fraud provisions of the Federal securities laws. The issuer is a Nevada corporation engaged in business as a distributor of frozen lobsters, with its principal office in New York City.

The Commission has scheduled a hearing for February 10, 1965, in its New York Regional Office to take evidence on the staff charges and afford the respondents an opportunity to establish any defenses thereto, all for the purpose of determining whether the alleged violations occurred and, if so, whether any action of a remedial nature is appropriate in the public interest.

JOHN B. BAILEY REGISTRATION CANCELLED. The Commission has cancelled the broker-dealer registration of John B. Bailey, doing business as Bailey & Co., 1230 H Street, Fresno, Calif. According to the order, Bailey is no longer engaged in the securities business. In October 1963 he was permanently enjoined by Federal court order from violating Section 15(c)(3) of the Securities Exchange Act of 1934.

QUAKER CITY MUTUAL FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4150) declaring that the Quaker City Mutual Fund, Inc., Philadelphia, has ceased to be an investment company.

PRUDENTIAL INVESTMENT OF S. C. DE-REGISTERED. The SEC has issued an order under the Investment Company Act (Release IC-4153) declaring that the registration of Prudential Investment Corporation of South Carolina, Columbia, S. C., has ceased to be in effect.

PLYMOUTH FUND DE-REGISTERED. The SEC has issued an order under the Investment Company Act (Release IC-4149) declaring that the registration of Plymouth Fund, Inc., Miami, Fla., has ceased to be in effect.

FILMWAYS FILES STOCK PLANS. Filmways, Inc., 51 W. 51st St., New York, filed a registration statement (File 2-23112) with the SEC on January 26 seeking registration of 20,817 shares of common stock to be offered pursuant to the company's 1964 Qualified Stock Option Plan, 13,806 common shares to be offered under its Original Key Employees Restricted Stock Option Plan, and 45,685 common shares to be offered pursuant to its Key Employees Restricted Stock Option Plan No. B. The registration statement also includes 10,821 common shares to be issued upon exercise of options granted to an individual employee other than under one of the said stock plans.

WHITWORTH GUILTY OF CONTEMPT. The SEC Denver Regional Office announced January 25 (LR-3134) that Eugene Whitworth of Pocatello, Idaho, was found guilty of criminal contempt (USDC Denver) for violating a restraining order against the sale of stock of Paramount Holding Company and disbursement of the proceeds thereof.

UNCLE JOHN'S RESTAURANTS FILES FOR SECONDARY. Uncle John's Restaurants, Inc., 165 Aero Camino, Goleta, Calif., filed a registration statement (File 2-23113) with the SEC on January 26 seeking registration of \$750,000 of outstanding 6% convertible subordinate notes due 1968, and 300,000 outstanding shares of common stock. The notes are convertible into 187,000 common shares. According to the prospectus, the present holders of the securities may offer the notes and/or the common stock issuable upon conversion thereof, as well as the presently outstanding stock, for public sale from time to time in the over-the-counter market at prices prevailing therein (\$7 per share maximum*). Of the outstanding stock, 100,000 shares were issued upon the conversion in January 1965 of \$250,000 of the company's 6% convertible subordinate notes due 1968. The remaining 200,000 shares were purchased by certain investors in connection with the organization of the company. The company sold 40,000 shares at \$4.50 per share and John P. Dahl (president) sold 160,000 shares owned by him at \$2 per share to said investors. The registration statement also includes 20,000 common shares to be offered pursuant to the company's Qualified Stock Option Plan. In addition, Dahl has pledged 150,000 common shares as collateral for a personal loan in the principal amount of \$150,000.

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Organized under Delaware law in 1962, the company is engaged in the organization, management and operation of specialty restaurants and related food operations. Its primary business is the operation and management of (1) Uncle John's Pancake Houses, a chain of restaurants featuring pancakes, and (2) Blum's, which operates a chain of restaurant-confectionery stores in addition to manufacturing and distributing a line of candies and baked goods. In addition to indebtedness, the company has outstanding 1,500,000 common shares, of which management officials own 42.3%. The prospectus lists 24 selling noteholders, including Lewis W. Dymond, offering \$50,000 principal amount of notes; James Gilligan, \$90,000; Fred MacDonald, \$100,000; J. Elroy McCaw, \$50,000; Charles Steadman, \$50,000; and Lowell Thomas, Sr., \$50,000. Twenty-two selling stockholders are listed, including James Gilligan, offering 20,000 shares; Richard C. Pistell (board chairman), 30,000; estate of Louis W. Alter, 20,000; J. Elroy McCaw, 33,000; Farrell-Cheek Steel Co., 30,000; and Count Amaury de Reincourt, 20,000. The remaining selling stockholders are offering shares ranging in amounts from 2,000 to 16,000 shares.

CANADIAN RESTRICTED LIST. The SEC has removed the names of 29 Canadian companies from its Canadian Restricted List, as follows:

Alouette Mines, Ltd.	Federal Chibougamau Mines, Ltd.	Megantic Mining Corp.
Anthony Gas and Oil Exploration Co., Ltd.	Franksin Mines, Ltd.	Monarch Asbestos Co., Ltd.
Barite Gold Mines, Ltd.	Golden Algoma Mines, Ltd.	Montclair Mining Corp., Ltd.
Black Crow Mines, Ltd.	Hallmark Explorations, Ltd.	New Campbell Island Mines, Ltd.
Cable Mines and Oils, Ltd.	Irando Oil and Exploration, Ltd.	Roberval Mining Corp.
Cameron Copper Mines, Ltd.	Key West Exploration Co., Ltd.	Rockroft Explorations, Ltd.
Cartier Quebec Explorations, Ltd.	Kimberly Copper Mines, Ltd.	Rothsay Mines, Ltd.
Centurion Mines, Ltd.	Kipwater Mines, Ltd.	Tabor Lake Gold Mines, Ltd.
Dolmac Mines, Ltd.	Korich Mining Co., Ltd.	Windy Hill Mining Corp.
	Marian Lake Mines, Ltd.	Yukon Prospectors' Syndicate

The said list is comprised of the names of Canadian companies whose securities the Commission has reason to believe recently have been or currently are being distributed in the United States in violation of the registration requirements of the Securities Act of 1933, thus depriving investors of the financial and other information essential to an informed and realistic evaluation of the worth of the securities which registration would provide. The delation of a security from this list does not mean that the Commission has in any way considered the investment merits of the security since the Commission has no jurisdiction to pass upon the merits of securities. (Release 33-4760)

SECURITIES ACT REGISTRATIONS. Effective January 26: American Fidelity Life Insurance Co. (File 2-23050); Blue Bell, Inc. (File 2-23030); Canadian Superior Oil Ltd. (File 2-23059); Municipal Investment Trust Fund, Series D (File 2-22946). Effective January 27: George A. Philbrick Researches, Inc. (File 2-23064).

*As estimated for purposes of computing the registration fee.

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