## SECURITIES AND EXCHANGE COMMISSION

## NEWS DIGEST





Washington 25, D.C.

	March	6,	1957
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FOR RELEASE \_\_\_\_\_

## Securities Exchange Act Release No. 3758

The SEC today announced the issuance of a decision permanently suspending and denying, respectively, Regulation D exemptions from registration under the Securities Act of 1933 with respect to public offerings of securities by North Country Uranium and Minerals Ltd. and by Hawker Uranium Mines Ltd., both of Edmonton, Alberta, Canada. A request of the latter for permission to withdraw its Regulation D notification was denied.

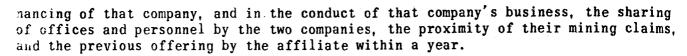
In its notification, filed March 9, 1954, North Country proposed the public offering of 1,500,000 shares of common stock at 20¢ per share. Hawker filed its Regulation D notification on February 9, 1955, which notification proposed the public offering on behalf of other persons of 305,000 shares of common stock at prices not to exceed \$205,000 in the aggregate. By orders dated April 21, 1955, the Commission temporarily suspended and denied, respectively, the Regulation D exemptions with respect to said offering.

According to the Commission's decision, the public offering of North Country stock was commenced in April and completed in August, 1954. In December 1953, less than a year prior to commencement of such offering, Hawker had commenced a public offering of \$300,000 of its stock under Regulation D, which was completed in March 1954. In February 1955, within a year after commencement and sale of the North Country offering, Hawker filed a notification with respect to a proposed offering of 305,000 shares on behalf of certain of its principal stockholders, at a maximum aggregate offering price of \$205,000.

The Commission found that Hawker and North Country were under the common control of S. Donald Moore, president of Hawker. Accordingly, a Regulation D exemption was not available with respect to North Country's offering which, together with the previous offering and sale of Hawker stock within a year, exceeded the \$300,000 limitation prescribed by Regulation D. The exemption also was not available with respect to the second Hawker offering within a year after the North Country offering and sale of \$300,000 of its stock. The amount of the offering by the principal stockholders of Hawker also exceeded the \$100,000 limitation upon such offerings.

Furthermore, the Commission found that the North Country and Hawker notifications and offering circulars were "materially misleading" in failing to disclose the common control of the two companies, Moore's status and activities as a promoter of North Country, as president and controlling stockholder of Hawker, and in the acquisition and transfer of the North Country claims, in the formation and fi-

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In addition, the Commission found that North Country's offering circular was materially misleading in representing that Reuben Bond, a Canadian securities dealer who was identified as president and managing director, had been active in the financing, exploration, and development of mining properties and that he and W. George Matthews, to whom a large block of stock was issued, were the original stakers and/or prospectors of the North Country claims. The Commission also held that the offering circular was misleading in stating that the proceeds of the offering would be used principally for exploring and developing the company's claims without disclosing that for a year or more only a small amount of the proceeds would be used for such purposes and that a large proportion of the company's funds would be deposited in savings institutions.

## Securities Act Release No. 3759

The Securities and Exchange Commission today announced that the registration statement filed by Freedom Insurance Company, Berkeley, California, has been amended in accordance with the Commission's stop order of October 18, 1956, suspending its effectiveness, and that the stop order has been lifted.

The registration statement relates to a proposed public offering of 500,000 shares of \$10 par Common Stock at \$22 per share. The company proposes to engage in all forms of insurance except life, title and mortgage. It is a new enterprise with no operating experience. Ray B. Wiser is listed as one of its founders and president.

Public offering of the Freedom Insurance stock was to have been underwritten on a "best efforts" basis by Uni-Insurance Service Corporation. In its stop order decision, the Commission found that the registration statement as it became effective on December 22, 1955, contained materially misleading statements with respect to the adequacy of the financing of Uni-Insurance, advances which were to be made to Uni-Insurance for its future operations, and fees to be paid to Uni-Insurance under a "Sales and Service Agreement." Since issuance of the stop order, Uni-Insurance has withdrawn from the securities business and its broker-dealer registration has been cancelled by the Commission; and the agreement between Freedom Insurance and Uni-Service under which the latter was to receive \$1.32 per share of Freedom Insurance stock sold also has been cancelled. The stock offering now is to be made by officers and employees of the issuer.

The amended registration statement discloses that commissions payable by Freedom Insurance to Uni-Insurance on insurance sold (30% first year, 25% thereafter) may be modified to assure that Uni-Insurance, after payment of basic commissions at prevailing rates, would retain approximately 10% of gross premiums out of which it would pay other expenses. Furthermore, the amended registration statement discloses that the \$300,000 which certain officers, directors and stockholders of Uni-Insurance have represented they are prepared to invest in or lend to Uni-Insurance will be available.

able only when Freedom Insurance is first authorized to commence business under its permit issued by the Insurance Commissioner of California.

Financial statements of Freedom Insurance included in the amended registration statement also reflect a \$512,959 deficit incurred by Uni-Insurance in activities prior to January 1, 1957.

Pittsburgh Consolidation Coal Company, Pittsburgh, Pa., filed a registration statement (File 2-13138) with the SEC on March 5, 1957, seeking registration of \$1,600,000 of Participations in the Investment Plan for Salaried Employees of the Coal Company and its subsidiary companies, as well as 50,000 shares of its \$1 par Common Stock of the company which may be purchased pursuant to said Plan.

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