

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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



Washington 25, D.C.

FOR RELEASE July 31, 1958

SEC ORDERS DELISTING OF NEVADA MONARCH CONSOLIDATED MINES STOCK

In a decision announced today, the Securities and Exchange Commission ordered withdrawal from listing and registration on the Salt Lake Stock Exchange of the \$1 par Common Stock of Nevada Monarch Consolidated Mines Corporation, of Elko, Nevada, for failure to file annual reports and for filing a false and misleading report.

The company was organized in 1947 for the purpose of engaging in the mining business. Its stock was listed and registered on the Exchange in 1948 and was suspended from trading by action of the Exchange in October, 1949. It has been substantially inactive since 1950 and all of its properties have been leased since 1951.

According to the Commission's decision, Nevada Monarch failed to file the required annual reports for the years 1951 through 1955; failed to file its 1956 annual report, due April 30, 1957, until September 1957; and failed to file, until March, 1958, (after the Commission's proceedings were instituted), a current report disclosing that in June, 1957 the company had executed a three-year lease of all of its properties which gave the lessee an option to purchase the properties.

Furthermore, the decision states, the balance sheet of Nevada Monarch included in its annual report for 1956 listed as an asset the sum of \$50,000 which was stated to be the proceeds of a government loan expended for the development of a tungsten ore body by the lessee. The balance sheet further states that this item was based on information furnished by the lessee. This item was overstated. Although the lessee applied for a government loan of \$50,000, he actually received a loan of only \$4,875 and in addition expended "in connection with" such loan a maximum of \$18,000. "Nevada Monarch's asserted belief that the loan had been granted in the full amount cannot absolve registrant of responsibility for the overstatement," the Commission observed, "and we find that its annual report for 1956 was false and misleading in this respect."

In concluding that withdrawal of the Nevada Monarch stock from listing and registration on the Exchange is necessary and appropriate, the Commission stated: "The purpose of the reporting provisions is to inform existing and potential investors of material corporate activities and the corporation's financial condition. The evidence shows that registrant ignored its obligations under these provisions by its persistent failure to file annual reports, the late filing of an annual and current report, and a substantial overstatement of an asset in a financial statement contained in its annual report."

BLIEDUNG BROKER-DEALER REGISTRATION REVOKED

The SEC today announced the issuance of a decision revoking the broker-dealer registration of Carl J. Bliedung, Washington, D. C., for fraud in the sale of securities and other violations of the Federal Securities Laws. Bliedung also was expelled from membership in the National Association of Securities Dealers, Inc.

According to the decision, Bliedung received a total of \$4,680 from about 27 customers during the period June 1957 to September 1957, in full payment of various securities sold to them.

OVER

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

He placed these funds in his general bank account from which he made withdrawals to carry on the operation of his business. He admitted that as of October 2, 1957, he had not executed any of the orders for the securities for which the customers had paid and was in a short position with respect to all such securities. His bank account at that time showed a balance of \$79. He further admitted that as of November 25, 1957, he was still in a short position with respect to some of these securities and that as to others on which he had executed orders he had not yet effected delivery to the customers.

Furthermore, on three days during such period Bliedung sold a total of 7,000 shares of stock of Uranium Industries, Inc., at a price of 6¢ per share. The high asked prices quoted for those days in the daily sheets were 4½ and 3½ cents per share, Bliedung's sales being from 33-1/3% to 71% above such quotations. In addition, Bliedung made two additional sales of 100 shares each of Texo Oil stock at prices of 45 and 40 cents, respectively, which prices were 45% and 33% above the high asked quotations of 31 and 30 cents for those days.

The Commission ruled that these transactions by Bliedung "constituted fraud and deceit upon customers." Furthermore, Bliedung violated other provisions of the Securities Laws, including SEC rules governing the maintenance of proper books and records. By Federal Court order dated March 16, 1955, Bliedung was enjoined from effecting any financial transactions unless they were promptly recorded in his books and records, as required, and was ordered to account for and record all financial transactions not theretofore recorded. However, further SEC inspections in 1957 disclosed that Bliedung had failed to keep his books and records current.

FUTURE PLANNING FILES FOR PLAN OFFERING

Future Planning Corporation, New York investment company, filed a registration statement (File 2-14275) with the SEC on July 30, 1958, seeking registration of \$15,000,000 of Plans for the accumulation of shares of Pioneer Fund, Inc.

CENTRAL OILS PROPOSES STOCK OFFERING

Central Oils Incorporated, Seattle, Wash., filed a registration statement (File 2-14276) with the SEC on July 30, 1958, seeking registration of 1,000,000 shares of its 10¢ par Common Stock. The stock is to be offered for public sale at 10¢ per share. The offering is to be made on a "best efforts" basis by A. R. Morris and H. C. Evans, who are president and vice-president, respectively, and promoters of the company, for which they will receive a selling commission of 1¢ per share.

Central Oils was organized in 1956 as an oil exploration company and is said to have acquired oil and gas leases covering 18,620 acres in Jefferson and Crook Counties, Oregon. Net proceeds of this financing are to be used to drill one test well on its lands, or to deepen the present depth another well.

The company now has outstanding 1,001,380 shares. Of these, the founders, promoters, officers and directors (including Earl Gene Godfrey, secretary-treasurer, in addition to Morris and Evans, all of Seattle), own 800,000 shares, for which they will have paid the company nothing in cash but assigned to the company oil and gas leases which cost them \$1,500 in cash, plus time and effort to acquire them. The remaining 201,380 shares were heretofore sold to the public for which they paid \$11,075.90 in cash.

WASHINGTON INVESTMENT PLANS FILES FOR OFFERING

Washington Investment Plans, Inc., Washington investment company, filed a registration statement (File 2-14277) with the SEC on July 30, 1958, seeking registration of \$20,000,000 of plans for the accumulation of shares of Washington Mutual Investors Fund, Inc.

* * * * *

Continued

MANSFIELD TIRE FILES FOR EMPLOYEE STOCK PLAN

The Mansfield Tire & Rubber Company, Mansfield, Ohio, today filed a registration statement (File 2-14278) with the SEC seeking registration of \$1,200,000, of Participations in its Employees Stock Purchase Plan, together with 52,747 shares of Mansfield Tire common stock which may be purchased pursuant to the plan.

NEW ENGLAND TELEPHONE FILES FOR DEBENTURE OFFERING

New England Telephone and Telegraph Company, Boston, today filed a registration statement (File 2-14279) with the SEC seeking registration of \$40,000,000 of Thirty-four Year Debentures, due September 1, 1992, to be offered for public sale at competitive bidding. All or substantially all of the proceeds are to be used for the purpose of refunding the company's First Mortgage 4½% Bonds, Series B, due May 1, 1961, which are presently outstanding in the principal amount of \$40,000,000 and which the company intends to call for redemption on November 1, 1958, at their principal amount.

---000000---