

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 August 13, 1958

HEARINGS SCHEDULED ON GOLD CROWN MINING AND MISSILE OIL

Pursuant to a request for hearing filed by each of the following companies, the Securities and Exchange Commission has ordered a hearing in its San Francisco Regional Office, on the dates indicated, for the purpose of determining whether to vacate, or make permanent, earlier orders of the Commission temporarily suspending Regulation A exemptions from registration under the Securities Act of 1933 for public stock offerings by the respective companies:

	<u>Hearing Date</u>
Gold Crown Mining Corporation, Alleghany, Calif. (The offering by Gold Crown involved 40,000 common shares at \$5 per share)	9/3/58
Missile Oil Corporation, Los Angeles, Calif. (Missile's offering involved 300,000 common shares at \$1 per share)	9/4/58

In its earlier suspension orders, the Commission asserted, among other things, that the offering circulars of the respective companies contained false and misleading representations of material facts (see Release Nos. 3940 and 3947, respectively). At the hearings, inquiry will be conducted into these and related matters with a view to determining whether the suspension orders should be vacated or made permanent.

SOUTH CAROLINA ELECTRIC PROPOSES BOND OFFERING

South Carolina Electric & Gas Company, Columbia, filed a registration statement (File 2-14294) with the SEC on August 12, 1958, seeking registration of \$10,000,000 of First and Refunding Mortgage Bonds, Series due 1988, to be offered for public sale at competitive bidding. Net proceeds thereof will be used to finance in part the company's 1958 construction program and to repay short-term bank loans, which it is estimated will aggregate \$4,000,000 or \$5,000,000 at the time of the sale of the new bonds, the proceeds of which were used to provide funds for such program. Construction expenditures of the company and its subsidiaries for the years 1958 to 1960, inclusive, are estimated at \$73,700,000, of which \$16,600,000 were expended during the first six months of 1958.

SEC ORDERS FURTHER SUSPENSION OF TRADING IN CORNUCOPIA STOCK

The Securities and Exchange Commission announced today the issuance of an order pursuant to Section 19(a) (4) of the Securities Exchange Act of 1934 suspending trading on the American Stock Exchange in the \$.05 par value Common Stock of Cornucopia Gold Mines, with offices formerly in Pittsburgh, Pennsylvania, for a further ten day period, August 14, 1958 to August 23, 1958, inclusive.

The action was based on the company's failure to comply with the reporting requirements of Section 13 of the Act and the disclosure requirements of the Commission's proxy rules under Section 14.

OVER

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

Upon the basis of a finding by the Commission that such suspension is necessary to prevent fraudulent, deceptive, or manipulative acts or practices in connection with trading in stock of Cornucopia Gold Mines, trading by brokers and dealers in such stock in the over-the-counter markets also is prohibited during the period of the suspension.

The Commission previously ordered a hearing pursuant to Section 19(a)(2) of the Act on the question whether the stock of Cornucopia Gold Mines should be suspended for a period not exceeding 12 months, or withdrawn, from listing and registration on the Exchange. These proceedings are still pending.

(The Commission has been informed that creditors' petitions have been filed in the United States District Court for the Western District of Pennsylvania to have Cornucopia Gold Mines and its parent company, Eastern Investment & Development Corporation, declared as "bankrupt organizations.")

SEC PERMITS AMERICAN-SOUTH AFRICAN INVESTMENT COMPANY TO REGISTER

In a decision announced today, the SEC granted an application of American-South African Investment Company, Ltd., of the Union of South Africa, to register with the Commission as an investment company pursuant to provisions of the Investment Company Act, and to make a public offering of its securities in the United States.

The Company was caused to be organized on June 12, 1958, by Charles W. Englehard, a United States citizen and resident of New Jersey. It proposes to engage in business as a closed-end diversified management investment company, investing principally in the securities of South African companies engaged in gold mining and related activities. It may also invest, to a limited extent, in gold bullion.

Public offering of its stock would be made in the United States through an underwriting group managed by Dillon, Read & Co., Inc., to obtain at least \$30 million for its investment purposes. The shares may be sold abroad although it is not contemplated that shares will be sold or transferred to residents of South Africa.

In granting the application, the Commission concluded:

"In the light of the arrangements and agreements which the applicant has entered into, and the special circumstances which prevail in this case, particularly the various provisions of the South African laws and their essential similarity with those governing domestic investment companies, we find that it is both legally and practically feasible effectively to enforce the provisions of the Act against the applicant and that the issuance of the requested order will be consistent with the public interest and the protection of investors."

The Commission further stated:

"Our findings are not to be construed as either expressly or impliedly approving the investment merits of the proposed securities of the applicant. Similarly, our findings are not to be construed as indicating that, from an economic or political point of view, investment in South Africa will be attended by a greater degree of safety than investment in any other given foreign country."