

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

(In ordering full text of Releases from Publications Unit, cite number)



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**OKAW LAND DEVELOPMENT OFFERING SUSPENDED.** The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Okaw Land Development Co., of Vandalia, Ill.

Regulation A provides a conditional exemption from registration for public offerings of securities not exceeding \$300,000 in amount. In a notification filed January 29, 1957, the Development Co. proposed the public offering of 3,000 shares of common stock at \$100 per share pursuant to such an exemption. The Commission's suspension order asserts that the company failed to comply with requirements of Regulation A for filing of semi-annual reports of stock sales as well as a revised offering circular. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

**ORDER EXEMPTS EMERALD COAL.** The SEC has granted a request of Emerald Coal and Coke Company, Pittsburgh, filed pursuant to Rule 15d-20 under the Securities Exchange Act of 1934, for exemption from the requirement for filing annual and other periodic reports.

In connection with a public offering of stock in 1941 pursuant to a registration statement under the Securities Act, Emerald Coal undertook to file periodic reports to keep current the information contained in said statement. According to its exemption application, the company now has outstanding \$3,935,000 of bonds and 178,454 shares of capital stock; all such securities are held of record by not to exceed fifty persons; and the company will continue to send annual financial reports to its public stockholders.

**ELI LEVINE REGISTRATION WITHDRAWN.** The SEC today announced the issuance of an order granting a request of Eli Levine, 225 West 34th St., New York, to withdraw his broker-dealer registration under the Securities Exchange Act of 1934 and dismissing proceedings on the question whether his registration should be revoked.

Levine's registration became effective on May 23, 1958. By reason of his failure to file the required financial statement within five months of that date, the Commission in May 1959 instituted private proceedings to determine whether his registration should be revoked. Thereafter, on September 2, 1959, Levine filed a request for withdrawal of his registration in which he represented that he was not actively engaged in business as a broker-dealer. The Commission concluded that withdrawal, rather than revocation, was appropriate in the public interest.

**TRADING IN CONSOLIDATED (OF CUBA) STOCK SUSPENDED.** The SEC today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934, temporarily suspending trading in the common stock of Consolidated Development Corporation (formerly Consolidated Cuban Petroleum Corporation), of Havana, Cuba, for a further ten-day period February 22 to March 2, 1960, inclusive. The suspension order applies to trading on the American Stock Exchange and in the over-the-counter market.

Trading in Consolidated's stock on the American Stock Exchange was suspended by action of that Exchange on December 14, 1959, coincident with the Commission's authorization of "stop order" proceedings under the Securities Act of 1933 which challenges the accuracy and adequacy of various informational disclosures contained in a registration statement filed by said company proposing the public offering of an additional 448,000 common shares, which proceedings are still in progress. In view of the serious nature of the alleged deficiencies in the registration statement, the Commission is of the view that an informed analysis and evaluation of the worth of Consolidated's stock is not possible upon the basis of published information concerning the company.

**FEE PAYMENTS UNDER NEES PLAN APPROVED.** The SEC has issued an order under the Holding Company Act (Release 35-14169) approving payment of an aggregate of \$71,275 for fees and other expenses incident to the plan approved by the Commission in May 1958 for the issuance of New England Electric System (Boston) stock in exchange for publicly-held minority common stocks of five of its electric utility subsidiaries.

**FEE PAYMENTS APPROVED ON YANKEE ATOMIC FINANCING.** The SEC has issued an order under the Holding Company Act (Release 35-14170) approving the payment of slightly in excess of \$400,000 for fees and other expenses incident to the issuance and sale of bonds, notes and common stock by Yankee Atomic Electric Company pursuant to the Commission's decision and order of June 12, 1959.

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

**ACQUISITION PROPOSED BY OHIO POWER.** Ohio Power Company, Canton, has applied to the SEC for authorization to purchase the Minerva, Ohio, electric utility system; and the Commission has issued an order (Release 35-14171) giving interested persons until March 2, 1960, to request a hearing thereon. According to the application, the people of the Village of Minerva approved an ordinance authorizing the sale of the system for cash to the highest bidder, and Ohio Power proposes to submit a bid of \$901,250 therefor. The properties consist of one steam generating plant, a distribution system, and a street lighting system. Minerva is situated in the company's service area and in close proximity to communities now served by it.

**ADDITIONAL INVESTMENT FUND SHARES IN REGISTRATION.** Bullock Fund, Ltd., New York investment company, (File 2-10738) and Fidelity Capital Fund, Inc., Boston investment company (File 2-14676) have filed amendments to their respective registration statements seeking registration of the following additional securities: 800,000 shares of Bullock Fund capital stock; and 500,000 shares of Fidelity stock.

**EDGCOMB STEEL FILES FOR SECONDARY.** Edgcomb Steel Company, D Street below Erie Ave., Philadelphia, filed a registration statement (File 2-16144) with the SEC on February 18, 1960, seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through an underwriting group headed by Kidder, Peabody & Co. and Schmidt, Roberts & Parke. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the purchase, processing and distribution of steel, aluminum, brass and copper. It has outstanding 862,916 common shares. The prospectus lists 58 selling stockholders, whose holdings aggregate 659,242 shares. Holders of the largest blocks are Edythe M. A. Edgcomb (68,354 shares), Leslie Edgcomb, president (66,800), Leslie Edgcomb, Jr., a director (53,130), William H. Franklin, executive vice president (49,106), Helen E. Hale (49,454), and Elizabeth B. Lutz, et al., Trustees (57,396). They have proposed the sales, respectively, of shares as follows: 12,396, 12,114, 15,566, 12,617, 13,244, and 10,405, being the largest blocks being offered. The list of selling stockholders also includes other officers and directors and members of their families.

**PUBLIC MORTGAGE OF FLA. FILES FOR OFFERING.** Public Mortgage Co., Inc., of Florida, 36 N.E. 1 Street, Miami, filed a registration statement (File 2-16145) with the SEC on February 18, 1960, seeking registration of Investment Contracts relating to the sale of \$4,500,000 of whole first and second mortgage loans secured by mortgages on real estate. The contracts have no stated offering price apart from the principal amount of the mortgage loans to which they relate. Sales of mortgage loans and related investment contracts in Florida will be made by the company directly, with no underwriting commissions thereon; and sales in New York will be made through Public Investing, Inc., which will receive commissions averaging about 3.9%; and it is anticipated that about one-third of the mortgage loans will be placed through Public Investing.

The fees which the company may charge as a mortgage broker will constitute the proceeds to the company, such fee being paid by the borrower. It is estimated that the company's mortgage brokerage fees will average about 13% of the principal amount of the mortgage loans placed, or about \$585,000 if the entire \$4,500,000 of mortgage loans and related investment contracts are placed with investors. From such fees, the company is required to pay all underwriting commissions to Public Investing and other and related expenses.

Organized under Florida law in December 1959, the company proposes to engage in the mortgage brokerage business. Acting as a broker, it will offer to investors mortgage loans secured by first and second mortgages on real estate located in Florida. The entire proceeds paid by the investors, after deducting the company's mortgage brokerage fee, will be paid over to the borrower. The company's prospectus lists H. Barry Ressler as president and owner of 30 of its 100 outstanding common shares. Other officers own the balance of the shares.

**CLARK EQUIPMENT FILES STOCK PLAN.** Clark Equipment Company, Buchanan, Mich., today filed a registration statement (File 2-16146) with the SEC seeking registration of 120,500 shares of its common stock, to be issued pursuant to its Incentive Stock Option Plan.

**CAROLINA TELEPHONE FILES FOR RIGHTS OFFERING.** Carolina Telephone and Telegraph Company, 122 East St. James St., Tarboro, N. Car., today filed a registration statement (File 2-16147) with the SEC seeking registration of 176,319 shares of common capital stock, to be offered for subscription at \$20 per share by stockholders of record March 15, 1960, in the ratio of one new share for each ten shares held. No underwriting is involved. The company also seeks registration of 20,000 shares of common capital stock to be offered under an Employee Stock Plan.

Proceeds from the sale of the 176,319 shares of stock will be used to reduce short term bank notes. The company now has outstanding, in addition to certain indebtedness, 5 shares of 8% Cumulative preferred capital stock and 1,763,185 shares of common capital stock. The Southern Bell Telephone and Telegraph Co., a subsidiary of A. T. & T., owns 329,760 common shares (18.7%).

**C & P TELEPHONE PROPOSES DEBENTURE OFFERING.** The Chesapeake and Potomac Telephone Company of West Virginia 816 Lee St., Charleston, W. Va., today filed a registration statement (File 2-16148) with the SEC seeking registration of \$25,000,000 of Forty Year Debentures, due March 1, 2000, to be offered for public sale at competitive bidding. Net proceeds of the sale of the debentures will be applied toward repayment of advances of A.T.&T. (parent), which are expected to amount to about \$27,600,000 at the time the proceeds are received. Advances are made by the parent for general corporate purposes, including property additions and improvements.