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)

Washington 25, D.C.

FOR RELEASE April 21, 1960

ARKANSAS POWER STOCK SALE APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14219) authorizing Arkansas Power & Light Company to sell to its parent, Middle South Utilities, Inc., an additional 600,000 shares of common stock for $7,500,000. The funds will be used by the subsidiary to reimburse its treasury for construction expenditures, for the furtherance of its construction program, and for general corporate purposes.

TRADING SUSPENDED IN CONSOLIDATED (CUBA) DEVELOPMENT STOCK. The SEC has ordered the suspension of trading in the common stock of Consolidated Development Corporation (formerly Consolidated Cuban Petroleum Corporation), of Havana, Cuba, for a further ten-day period April 22 to May 1, 1960, inclusive, the suspension applying to trading on the American Stock Exchange and the over-the-counter market.

MICHIGAN WISCONSIN PIPE LINE PROPOSES BOND OFFERING. Michigan Wisconsin Pipe Line Company, 500 Griswold Street, Detroit, Michigan, filed a registration statement (File 2-16489) with the SEC on April 20, 1960, seeking registration of $30,000,000 of first mortgage pipe line bonds, series due 1980, to be offered for public sale at competitive bidding.

Proceeds from the sale of the bonds will be used, together with other funds, to finance the company's $74,000,000 construction program scheduled for the current year. Other financing for the construction program includes $6,000,000 from the sale of common stock to the parent company, American Natural Gas Company; and a line of credit from banks which permits the company to borrow up to $35,000,000. According to the prospectus, the company's continuing construction program will require additional funds from time to time, which will be obtained from internal sources and from the issuance of additional securities.

LABORATORY FOR ELECTRONICS, INC. FILES FOR OFFERING. Laboratory for Electronics, Inc., 1079 Commonwealth Avenue, Boston, filed a registration statement (File 2-16490) with the SEC on April 20, 1960, seeking registration of a maximum of 100,000 shares of common stock, to be offered initially to its stockholders. The offering price, subscription rate, record date and underwriting terms will be supplied by amendment. Paine, Webber, Jackson & Curtis will head the underwriting.

The company is principally engaged in the business of research, development and production of electronic equipment for aviation and other military uses. The company estimates that it needs $2,000,000 of new working capital to finance the conduct of its business at the present rate, and to finance expansion. Any proceeds of the issue not needed for these purposes will be used to reduce bank loans.

In addition to certain indebtedness the company has outstanding 542,112 shares of common stock, of which 137,321 shares (25.5%) are owned by David Rockefeller. Henry W. Harding is listed as president and J. Vance Holdam, Jr. as vice president. Included in the indebtedness are $1,286,000 of 5½% Convertible Subordinated Debentures due 1973 which have been called for redemption; and 64,300 common shares are reserved for issuance on conversion of said debentures. An additional 53,880 shares are reserved for restricted stock options.

HARVEY ALUMINUM PROPOSES STOCK OFFERING. Harvey Aluminum (Incorporated), 19200 South Western Avenue, Torrance, California, filed a registration statement (File 2-16491) with the SEC on April 20, 1960, seeking registration of 750,000 shares of A common stock, to be offered for public sale through a group of underwriters headed by Kuhn, Loeb & Co. and Tucker, Anthony & R. L. Day. The offering price and underwriting terms will be supplied by amendment. The company has sold to the underwriters for 50¢ per share, 5-year options to purchase 50,000 shares of A common stock at prices to be reported later. These shares are also in registration.

The company is principally engaged in the business of producing primary aluminum and fabricated aluminum products. Proceeds from the sale of the stock will become part of general funds and will be applied to the program of construction and acquisition of new facilities. The program, to be completed by the end of 1960, is estimated to cost an aggregate of $12,600,000.

In addition to certain indebtedness, the company has outstanding 4,000,000 shares of B common stock, (convertible into a like number of Class A shares), all of which is owned by four members of the Harvey family. Leo M. Harvey is president, Lawrence A. Harvey is executive vice president, and Homer M. Harvey is vice president.

OVER

COURT ORDER ENJOINS AMERICAN PROGRAMMING. The SEC San Francisco Regional Office announced April 7th (Lit. Release 1653) entry of a Federal court order (USDC, Los Angeles) permanently enjoining American Programming Corporation and Karl C. Vesper, its president, of Beverly Hills, Calif., from further violations of the SEC Net Capital Rule.

FRAUD CHARGED TO ALAN ASSOCIATES. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Alan Associates Securities Corporation, 99 Wall Street, New York, defrauded investors in the offer and sale of common stock of North American Petroleum Corporation ("NAP") and, if so, whether its broker-dealer registration should be revoked.

The said company ("Respondent") has been registered with the Commission as a broker-dealer since September 1958. Alan I. Segal, also known as Irving Alan Segal, is president, treasurer, and 99% stock owner. Respondent and Segal were permanently enjoined by Federal court order of October 8, 1959, from violating provisions of Sections 15(c)(1) and 15(c)(3) of the Securities Exchange Act and certain rules thereunder; and they also were permanently enjoined by an October 8, 1959, order of the Supreme Court of New York, County of New York, from engaging in securities transactions in that state.

The Commission's order asserts that during the period June 1 to October 8, 1959, Respondent and Segal offered and sold NAP stock in violation of the Securities Act registration requirement. The order also asserts that, in the offer and sale of said stock, Respondent and Segal "engaged in transactions, practices and a course of business which would and did operate as a fraud and deceit upon the purchasers," in that they made false and misleading representations with respect to the futurevalue of NAP stock and the price at which it would sell within a short period of time; the merger of NAP with Standard Oil Company, NAP's acquisition of leases and its aggressiveness and progressiveness; the tangible assets of NAP and of Lucky Star Petroleum Corporation with which it was merged; the dates of incorporation of the two said companies; the background of Milton Mende and his participation in the offer and sale of NAP stock; and the issuance and transfer of NAP stock.

The Commission's order also alleges that Respondent engaged in the conduct of a securities business in violation of the Commission's net capital rule and that, in this connection, it engaged in deceptive practices by inducing certain persons to purchase securities and accepting money and securities from such persons under representations that Respondent was solvent and ready and able to discharge its liabilities to such persons when, in fact, Respondent's liabilities exceeded its assets and it was unable to meet its current liabilities in the ordinary course of business, which it failed to disclose.

A hearing for the purpose of taking evidence with respect to the foregoing will be held at a time and place later to be announced.

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