SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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

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Washington 25, D.C.

FOR RELEASE August 30, 1960

ALASKA NATIONAL GOLD MINES OFFERING SUSPENDED. The SEC has issued an order temporarily suspending Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering of stock by Alaska National Gold Mines Co., of Anchorage, Alaska.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding $300,000 in amount. In a notification filed August 2, 1960, Alaska National proposed the public offering of 250,000 common shares at 20¢ per share. The Commission's suspension order asserts that certain terms and conditions of Regulation A were not complied with; that the company's notification and offering circular are false and misleading in respect of certain material facts; and that the stock offering would violate Section 17 (the anti-fraud provision) of the Securities Act. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

The alleged misrepresentations in the Alaska National offering circular relate, among other things, to statements therein with respect to a definite indication of probable ore on the company's property based upon certain assays listed in the circular and the failure to disclose the method of selection of samples and the significance of such samples; the failure to disclose the results of prior operations and available reports on the property or to disclose adequately the exploration and development work performed on the property and the results thereof and the type and nature of operations to be conducted, as well as the failure to disclose the forfeiture provisions of the mining lease and option agreement; the failure to disclose extensive prior promotional activities on the part of management officials, the consideration received from the promoters for stock issued to them, and the extent of dilution of the value of stock to be offered for public sale by reason of the large amount of stock issued or to be issued to promoters; and the failure to disclose that there is no market for the stock and that the proposed offering price was arrived at in an arbitrary manner and bears no relationship to the underlying assets.

The Commission's order further asserts that a Regulation A exemption is not available to Alaska National by reason of the fact that the company's president, underwriter and promoter, Gus Rogers, is under indictment (1955) for conspiracy to violate California Securities Law; that the company's notification fails to disclose adequately information with respect to its affiliates and persons owning of record or beneficially more than 10% of the outstanding stock; that there was a failure to furnish certain required exhibits; and that the offering circular fails to include certain required information, including a description of all interests of management officials and affiliates in material transactions with the company and a statement of assets and of cash receipts and disbursements.

HORIZON LAND FILES FINANCING PROPOSAL. Horizon Land Corporation, Tucson, Ariz., filed a registration statement (File 2-16980) with the SEC on August 29, 1960, seeking registration of 1,500 units, consisting of $1,500,000 of 7% Subordinated Convertible Debentures due October 1970 and 150,000 Series III common stock purchase warrants; each unit, consisting of a $1,000 debenture and 100 warrants, to be offered for sale at $1,000 per unit. The offering is to be made by Ross, Lyon & Co., Inc., on an all or none basis, for which it will receive a commission of $66.6666 per unit. Upon completion of such offering, the underwriter will receive from the company 100,000 Series III common stock purchase warrants. The terms of the warrants are to be supplied by amendment.

Also included in the registration statement are $575,000 of additional debentures and 120,000 additional common shares. The said debentures are to be offered in exchange for the $575,000 issued and outstanding Ten Year 7% Subordinated Registered Installment Debentures due 1969, on condition that holders of the Installment Debentures exercise the common stock purchase warrants attached thereto (at $2 per share) and pay the company the sum of $50 per $1,000 of Installment Debentures exchanged. The additional 120,000 common shares represent 47,500 outstanding shares constituting part of a block of 200,000 shares sold upon organization of the company to a limited group; 15,000 outstanding shares issued upon exercise of warrants issued for services rendered in connection with the placement of the Installment Debentures; 52,500 shares reserved for issuance upon exercise of the 52,500 unexercised warrants attached to the Installment Debentures; and 5,000 outstanding shares representing shares issued upon certain exercised warrants which were attached to such debentures.

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The company was organized in May 1959. Its primary business consists of purchasing and selling in bulk of large and small tracts of unimproved land and the purchasing of large tracts of unimproved land for the purpose of development and subsequent re-sale either in bulk or sub-divided lots at retail or commercial or industrial sites. It has acquired interests in Pima County (near Tucson), near Albuquerque, in El Paso and Hudspeth Counties, Texas, and in Belen, New Mexico. Development activities have been conducted with respect to certain of the properties. Of the net proceeds of the sale of the units, $900,000 will be used to acquire title to the 335,000 acres of land now under option in Belen, New Mexico; $235,000 for advertising and initial development expenses to be incurred in connection with such property; and the balance for working capital and general corporate purposes. If the company accepts title and exercises the option on the Belen property, $1,000,000 will be the required down payment (less a $100,000 credit for the amount paid for the option); and amortization of the balance of the purchase price ($4,025,000) shall be payable in ten equal annual installments.

The prospectus lists Irving Geist as board chairman and Joseph Timan as president. Management officials own 211,734 shares (29%) of the outstanding stock, including 69,667 shares each held by Geist and Simon Gluckman, vice president.

SUMMERS GYROSCOPE PROPOSES RIGHTS OFFERING. Summers Gyroscope Company, 2500 Broadway Avenue, Santa Monica, Calif., filed a registration statement (File 2-16979) with the SEC on August 29, 1960, seeking registration of 6,403,215 shares of common stock, of which 5,702,878 shares are held by Atlas Corporation and are to be offered by it for subscription by its stockholders at the rate of one share of Summers stock for each two shares of Atlas common; and 700,337 shares are held by Mertronics Corporation and are to be offered by it for subscription by its stockholders at the rate of one share for each share held. The subscription price is to be 75¢ per share, and the record dates are to be supplied by amendment.

Summers Gyroscope designs, develops, manufactures and sells various gyroscopic and indicating instruments, related equipment and systems for the navigation and control of aircraft and short-range missiles. According to the prospectus, the purpose of the offering is to effect a divestiture by Atlas and Mertronics of all their interest in the company in order to dispose of proceedings pending before the Civil Aeronautics Board arising out of the interlocking relationships existing between Atlas, which controls an air carrier, and the company, which is deemed by the Board to be engaged in a phase of aeronautics. Since Atlas is the holder of approximately 41% of the outstanding voting stock of Mertronics, divestiture on the part of Mertronics is also required to effect complete termination of such interlocking relationship.

In addition to certain indebtedness, Summers Gyroscope has outstanding 9,015,959 shares of common stock, of which Atlas and Mertronics own an aggregate of 71.1% and management officials of Summers own 6.8%. The prospectus lists Ray O. Ryan as president and Edward H. Heinemann as executive vice president.

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