

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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FOR RELEASE April 19, 1963

CLEVITE FILES STOCK PLAN. Clevite Corporation, 17000 St. Clair Avenue, Cleveland, filed a registration statement (File 2-21338) with the SEC on April 18 seeking registration of 136,428 shares of common stock, to be offered pursuant to its Stock Option Plan.

SUN OIL - OLIN MATHIESON CHEMICAL FILE STOCK PLAN. Sun Oil Company, 1608 Walnut St., Philadelphia, and Olin Mathieson Chemical Corporation, 460 Park Ave., New York, filed a registration statement (File 2-21339) with the SEC on April 18 seeking registration of \$500,000 of interests in the Thrift Plan of Sunolin Chemical Company (owned in equal amounts by Sun Oil and Olin Mathieson), and 5,115 common shares of Sun Oil and 6,689 common shares of Olin Mathieson which may be acquired pursuant thereto.

EASTERN INVESTMENT ENJOINED. The SEC Boston Regional Office announced April 15 (LR-2587) the entry of a Federal court order (USDC, Mass.) permanently enjoining Eastern Investment Corporation, of Boston, from further violations of the Exchange Act anti-fraud provisions in the purchase and sale of securities while unable to meet its current liabilities. Daniel F. Featherston, of Boston, was appointed receiver for the firm. The defendant consented to entry of the order and appointment of the receiver.

LANGFORD, INC. ENJOINED. The SEC San Francisco Regional Office announced April 16 (LR-2588) the entry of a Federal court order (USDC, Las Vegas) permanently enjoining Langford, Inc., doing business as Langford & Washburn, a Las Vegas, Nevada broker-dealer, and George Thomas Langford and Gary Richard Washburn, from further violations of the anti-fraud provisions of the Federal securities laws in the offer and sale of stock of Marshal Manufacturing Co., Inc.

TWO FOUND GUILTY IN COLUMBUS REXALL OIL CASE. The SEC announced today (LR-2589) that Alfred D. Laurence and John W. H. Price were found guilty by a jury (USDC, SD, Fla.) of violating the Securities Act anti-fraud provisions in the sale of stock of Columbus Rexall Oil Company through the former Miami broker-dealer firm of A. D. Laurence & Co. The defendant Warren Nesse was tried without a jury and the verdict has not yet been filed by the Court. Other defendants Steven Van Gilder, Daniel J. Scholtz and Norman A. Trevour have not been apprehended and are fugitives.

HEARING SET IN ALLEGHANY-I.D.S.-PHILLIPS CASE. The SEC has issued orders under the Investment Company Act (Release Nos. IC-3672 and IC-3673) scheduling an oral argument before it at 2:30 P.M. on May 1, 1963, with respect to exemption applications filed (1) by Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., and Charles T. Ireland, Jr., on their own behalf and also on behalf of Murray D. Lincoln and/or companies controlled by or associated with him and (2) by John D. Murchison and Clint W. Murchison, Jr., doing business as Murchison Brothers, a partnership, and individually. Such applications seek an exemption under Section 6(c) of the Act so that the determination sought in a prior application by Investors Diversified Services, Inc. with respect to the question of a control relationship between the named persons on the one hand and Alleghany Corporation and Investors Diversified Services, Inc. on the other hand, shall not be deemed to have been automatically granted and unless and until the Commission grants the application of IDS. The said applications have been consolidated with prior proceedings upon an application filed by Randolph Phillips seeking an order that Gamble-Skogmo, Inc. and companies affiliated with it control Alleghany and I.D.S.

SECURITIES OFFERINGS REPORTED. The SEC reports (for April 22d Newspapers) that new corporate securities offered for cash sale during the first quarter of 1963 totaled \$2.5 billion. This was \$400 million less than the volume in the fourth quarter of 1962, but higher than the first quarter 1962 total, reflecting a large amount of privately-placed debt issues. For further details, see Stat. Release 1896.

COSMETICS INVESTMENTS ENJOINED. The SEC New York Regional Office announced April 9 (LR-2582) the entry of a Federal court order (USDC, NJ) permanently enjoining Cosmetics Investments (Newark, N.J.) Peter J. Dowd (Livingston, N.J.), Kenneth Archibald McKay (East Orange, N.J.), Henry Baird Ruiz (Livingston, N.J.), and Herbert S. Winson (Newark, N.J.), from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of Class A shares of Lord Adam/Lady Eve Products, Inc. Said defendants (except Winson) were also enjoined from further violations of the Exchange Act broker-dealer registration provisions. The defendants consented to entry of the injunction.

ELIOT, ROBERTS & CO. ENJOINED. The SEC New York Regional Office announced April 15 (LR-2583) the entry of a Federal court order (USDC, N.J.) permanently enjoining Eliot, Roberts & Co., Inc., a Newark broker-dealer and its president, Robert E. Shafarman (West Orange, N.J.), from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of Class A shares of Lord Adam/Lady Eve Products, Inc.

OVER

COMPLAINT CITES FIRST AMERICAN SECURITY, ET AL. The SEC Denver Regional Office announced April 15 (LR-2590) the filing of court action (USDC, Utah) seeking to enjoin First American Security Corporation and Continental Securities Corporation, both Utah companies, and Pacific Fidelity Corporation, a Nevada company, from further violations of the Federal securities laws in the offer and sale of stock of the Bank of Salt Lake. The defendants have consented to an injunction and to an order requiring them to provide to past and future purchasers of such stock information concerning the issuer and the terms and conditions of the offering.

AMERICAN INDEPENDENT LIFE FILES FOR STOCK OFFERING. American Independent Life Insurance Company, 723 South Snelling Ave., St. Paul, Minn., filed a registration statement (File 2-21337) with the SEC on April 15 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$3 per share. The shares are to be offered primarily to persons who are insurance agents or otherwise related to the insurance business in Minnesota. No underwriting is involved. The statement also includes an aggregate of 95,000 common shares underlying options to be issued to insurance agents and options for future use for employees, officers and directors.

The company was organized under Minnesota law in March 1963 and proposes to engage in writing life insurance including credit life insurance and related credit health and accident insurance and, where applicable, provide for disability-waiver of premium. The purpose of this offering is to enable the company to meet the requirements of paid-in-capital and paid-in-surplus which are precedent to its receiving authorization by the Minnesota Insurance Commissioner to commence business. Of the \$565,000 estimated net proceeds from the stock sale, \$100,000 will be invested in securities which qualify as legal investments for a Minnesota life insurance company, and the balance will be used as working capital and for similar investments. A portion of the proceeds will be used to cover organization expenses and as operating funds. Cyril Sheehan is president.

CANADIAN RESTRICTED LIST. The SEC has added Kenilworth Mines, Ltd. to its Canadian Restricted List which is comprised of the names of 253 Canadian companies whose securities the Commission has reason to believe recently have been or currently are being distributed in the United States in violation of the registration requirements of the Securities Act of 1933, thus depriving investors of the financial and other information essential to an informed and realistic evaluation of the worth of the securities which registration would provide.

SECURITIES ACT REGISTRATIONS. Effective April 18: Burch Exploration, Ltd. (File 2-20999); Continental Baking Co. (File 2-21129); The Crowell-Collier Publishing Co. (File 2-21142); El Paso Natural Gas Products Co. (File 2-21254); Great Eastern Insurance Co. (File 2-20241); H. J. Heinz Co. (File 2-21101). Effective April 19: John's Bargain Stores Corp. (File 2-21103); National Lead Co. (File 2-21158).

ORAL ARGUMENTS, COMING WEEK. April 25, 2:30 P.M., Mutual Real Estate Investors, Inc.

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