

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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HOMESTEAD GOLD EXPLORATION 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 stock offering by Homestead Gold Exploration Corporation, 3460 Wilshire Blvd., Los Angeles. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

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 in May 1963, Homestead proposed the public offering of 300,000 common shares at \$1 per share through V. K. Osborne & Sons, Inc., Los Angeles underwriter. The Commission asserts in its suspension order that it "has reason to believe" that certain terms and conditions of Regulation A were not complied with and that Homestead's offering circular was false and misleading in respect of certain material facts. More particularly, it is asserted that the offering exceeded the \$300,000 limitation by reason of the fact that certain shares were acquired by persons associated with the management of the issuer and the underwriter and resold within ten days to the public for an amount more than \$16,000 in excess of the public offering price; that the offering circular failed to disclose the facts with respect to such distribution of a portion of the shares; that there was a failure to properly disclose all officers of the issuer and the active part to be taken by Julian Porter in its business affairs (as well as an advance to be paid to him from the proceeds of the offering); and that a March 31, 1963, balance sheet failed to disclose \$15,971.86 then payable to the underwriter in addition to a \$5,000 loan payable to the underwriter listed in the balance sheet.

CORPORATE WORKING CAPITAL UP. The SEC reports (for December 20th Newspapers) that the net working capital of U. S. corporations, excluding banks and insurance companies, increased \$2.6 billion in the third quarter of 1963 and at the end of September totaled \$149.7 billion. The third quarter rise compares with an increase of \$2.1 billion in the previous quarter and \$900 million in the third quarter of 1962. For additional details, see Stat. Release No. 1946.

LAWRENCE PARK HEAT & POWER SEEKS EXEMPTION. The Lawrence Park Heat, Light and Power Company, 125 Parkway Road, Bronxville, N. Y., has made application to the SEC under the Holding Company Act for an order declaring that it is not an electric utility company within the meaning of that Act; and the Commission has issued an order (Release 35-14983) giving interested persons until January 21, 1964, to request a hearing thereon. The applicant company generates and sells steam to laundries and cleaning establishments and for heating and air conditioning, and renders electric service to the occupants of certain buildings, in the central portion of the Village of Bronxville. The generation of electric energy is said to be a by-product of the steam operation. All its outstanding stock and notes are owned by General Waterworks Corporation, which does not own or operate any gas or any other electric utility company.

NEW ORLEANS PUBLIC SERVICE SEEKS ORDER. New Orleans Public Service Inc., 317 Baronne St., New Orleans, has applied to the SEC for an order under the Holding Company Act with respect to its proposed transfer from earned surplus to capital surplus of \$710,264.89, which is the equivalent of 50¢ per share on its outstanding common stock, all held by Middle South Utilities, Inc.; and the Commission has issued an order (Release 35-14984) giving interested persons until January 17, 1964, to request a hearing thereon.

LOUISIANA POWER SEEKS ORDER. Louisiana Power & Light Company, 200 Westbank Expressway, Gretna, La., has applied to the SEC for an order under the Holding Company Act with respect to its proposal to transfer from earned surplus to capital surplus \$5,250,000, which is equivalent to 50¢ per share on its outstanding common stock, all held by Middle South Utilities, Inc.; and the Commission has issued an order (Release 35-14985) giving interested persons until January 16, 1964, to request a hearing thereon.

AIR CONTROL PRODUCTS FILES STOCK PLAN. Air Control Products, Inc., 18000 State Road 9, Miami, Fla., filed a registration statement (File 2-21953) with the SEC on December 13 seeking registration of 50,000 shares of common stock, to be offered under and pursuant to its 1961 Stock Option Plan.

U. S. PLYWOOD FILES STOCK PLAN. United States Plywood Corporation, 55 West 44th St., New York, filed a registration statement (File 2-21959) with the SEC seeking registration of 263,042 shares of common stock, to be offered under and pursuant to its Stock Option Plan for Officers and Key Employees.

SECURITIES ACT REGISTRATIONS. Effective December 18: Brown Engineering Company, Inc. (File 2-21793); Castle & Cooks, Inc. (File 2-21882); Country Set, Inc. (File 2-21874).
Withdrawn December 18: Power Cam Corporation (File 2-21043).
Effective December 19: The Greater Nebraska Corp. (File 2-21086); Opticks, Inc. (File 2-21876); Salesmen's Self-Employed Retirement & Thrift Plans, Inc. (File 2-21880).