

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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FOR RELEASE June 27, 1962

TECHNICOLOR FILES STOCK PLAN. Technicolor, Inc. 30 Rockefeller Plaza, New York, filed a registration statement (File 2-20500) with the SEC on June 26th seeking registration of 362,450 shares of common stock, to be offered pursuant to options granted prior to and under its Employee Stock Option Plan.

FLORIDA POWER & LIGHT PROPOSES BOND OFFERING. Florida Power & Light Company, Ingraham Building, Miami, Florida, filed a registration statement (File 2-20501) with the SEC on June 26th seeking registration of \$25,000,000 of first mortgage bonds due 1992, to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be used to retire \$20,000,000 of outstanding 5½% first mortgage bonds due 1989 (plus premium and accrued interest) and for other corporate purposes, including payment of a portion of the company's 1962 construction program (estimated at \$62,800,000). In addition to certain indebtedness and preferred stock, the company has outstanding 13,600,000 shares of common stock. McGregor Smith is board chairman and Robert H. Fite is president.

INVESTORS SYNDICATE FILES RETIREMENT PLAN. Investors Syndicate of America, Inc., Investors Building, Minneapolis, Minn., filed a registration statement (File 2-20502) with the SEC on June 25th seeking registration of \$3,000,000 of series D fully paid face-amount certificates, to be offered pursuant to the Employees' Retirement Plan of Investors Diversified Services, Inc., parent of the company.

SEC ORDER SUSPENDS PROFESSIONAL INSURORS OFFERING. The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Professional Insurors and Investors, Ltd., 123 Cook Street, Denver, Colorado.

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 on November 4, 1960, the company proposed the public offering of 215,000 common shares at \$1 per share. The Commission asserts in its suspension order that it has reasonable cause to believe that certain terms and conditions of the Regulation were not complied with and that the company's offering circular was false and misleading in respect of certain material facts. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

According to the Commission's order, the company did not comply with provisions of Regulation A in that it failed to cooperate with the Commission's staff in furnishing pertinent information in connection with the offering and failed to file a report of stock sales as required by the Regulation. The alleged misrepresentations relate to the statement that 50% of the proceeds of the offering will be spent for the purpose of purchasing land and developing small apartment houses in Denver and vicinity and the company's failure to disclose (1) that it has not kept accurate and current financial records and (2) the remuneration of its three highest paid officers and the aggregate remuneration of its officers and directors as a group.

GLOBE PETROLEUM OFFERING SUSPENDED. The Commission also has issued an order temporarily suspending a Regulation A exemption from Securities Act registration with respect to an offering of securities by Globe Petroleum Company Unit A, 405 Third Street, Bismarck, North Dakota.

In a notification filed on May 11, 1960, Globe proposed the public offering of 300 investment contract units at \$1,000 per unit. The Commission asserts in its suspension order that it has reasonable cause to believe that certain terms and conditions of the Regulation were not complied with and that the Company's offering circular was false and misleading in respect of certain material facts. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

According to the Commission's order, Globe Petroleum did not comply with provisions of the Regulation in that it used sales literature (other than an offering circular) which was not filed with the Commission and failed to cooperate with the Commission's staff in furnishing pertinent information with respect to the offering, and in that securities offered for public sale exceeded the \$300,000 limitation provided in the Regulation. The alleged misrepresentations relate to (1) the company's failure to reflect offers and sales of securities other than the said investment contracts, (2) the statements that the company owns no properties nor property interests and that in about 21 months after the offering commenced, each unit owner would be assigned his pro rata share in such property as may be acquired, (3) the failure to disclose the plan of distribution of securities, and (4) the use of a copy of an investment unit in the offering circular which falsely represented the rights of purchasers and obligation of the company.

FALCON NATIONAL LIFE PROPOSES RIGHTS OFFERING. Falcon National Life Insurance Company, 1330 Leyden Street, Denver, Colorado, filed a registration statement (File 2-20503) with the SEC on June 25th seeking registration of 300,000 shares of common stock. It is proposed to offer such stock for subscription by stockholders at \$1.20 per share and at the rate of one new share for each three shares held. No underwriting is involved. According to the prospectus, no offer is to be made to company shareholders residing in California, New York and 17 other states (amounting to about 9% of the company's shareholders) because it is the opinion of the company that expense of qualifying the issue for sale in such states would be disproportionate to the proceeds which might be realized by the company from sale to such stockholders.

The company offers various types of life insurance, including the customary forms of ordinary life, endowment, term, and annuities, and certain so-called special policies, involving the right on the part of the policyholder to participation in the profits of the company through special dividends. The \$348,964 estimated net proceeds from the stock sale will be invested solely in securities or other assets. The company has outstanding 1,015,000 shares of common stock, of which management officials as a group own about 3.5%. W. A. Mobley is president and J. J. Marsh is board chairman.

CABLE CARRIERS PROPOSES RIGHTS OFFERING. Cable Carriers, Inc., Kirk Boulevard, Greenville, South Carolina, filed a registration statement (File 2-20504) with the SEC on June 26th seeking registration of 1,015,564 shares of capital stock. It is proposed to offer such stock for subscription by stockholders at 25¢ per share and at the rate of four new shares for each share held on February 14, 1962. No underwriting is involved.

The company manufactures and sells overhead trolley conveyors, vertical tray lift systems, in or on floor tow systems, overhead tow systems, bulk handling tube systems for flowable material and overhead transport systems. The \$238,891 estimated net proceeds from the stock sale will be added to working capital and used for general corporate purposes. The company has outstanding 1,094,356 shares of capital stock, of which Southern Growth Industries, Inc. and Granite Capital Corporation own 39.73% and 10.96%, respectively, and management officials as a group 19.66%. In March 1962, the company exchanged \$135,000 of convertible subordinated debentures for 540,000 shares with three small business investment companies for 25¢ per share; issued 100,000 shares to a fourth investment company at 25¢ per share; issued 140,000 shares to certain present and former management officials at 25¢ per share, and issued (at 25¢ per share) an aggregate of 60,465 shares for consulting fees, interest due on debentures, services rendered and in liquidation of certain debt. Stewart W. Maltby is president.

LECLUSE & CO. HEARING SCHEDULED. The Securities and Exchange Commission has scheduled a hearing for July 9, 1962, in its Washington office in the proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of John A. M. Lecluse, doing business as Lecluse and Company, 2904 M Street, N. W., Washington, D. C. The Commission's order of June 13th authorizing these proceedings recites charges of its staff that Lecluse violated the net capital, record keeping and annual reporting requirements of the Commission.

LEIBOWITZ-ALMIN SECURITY HEARING POSTPONED. On request of Arthur Leibowitz, doing business as Almin Security Co., 175 - 5th Avenue, New York, the Commission has postponed from June 27 to August 1, 1962, the hearing in its New York Regional Office in proceedings to determine whether an application for broker-dealer registration filed by Leibowitz should be denied. These proceedings are based upon staff charges that Leibowitz violated the Securities Act anti-fraud provisions in the sale of Young Development Corp. stock.

BLACK BEAR INDUSTRIES TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act of 1934 suspending trading in the common stock of Black Bear Industries, Inc., on the San Francisco Mining Exchange and over-the-counter market for a further ten-day period June 28 to July 7, 1962, inclusive.

SOUTH BAY INDUSTRIES HEARING POSTPONED. The SEC has authorized a further postponement from July 2 to August 15, 1962, of the hearing in stop order proceedings under the Securities Act involving South Bay Industries, Inc.

SEC COMPLAINT NAMES F. R. ERNST CO. The SEC Washington Regional Office announced March 26th (Litigation Release No. 2297) the filing of a complaint (USDC, Baltimore) seeking to enjoin further violations of the anti-fraud provisions of the Securities Exchange Act and the net capital and bookkeeping rules thereunder by F. R. Ernst and Co. Inc. and Frank R. Ernst of 710 Frederick Road, Baltimore. Temporary restraining order was issued by the court, which also enjoined any disbursement of funds by the corporate defendant.

FIDELITY ACCUMULATION PLANS SEEKS ORDER. Fidelity Accumulation Plans, Boston, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3490) giving interested persons until July 13th to request a hearing thereon.

SECURITIES ACT REGISTRATIONS. Effective June 27: Avnet Electronics Corp. (File 2-20350); Brooks Instrument Company, Inc. (File 2-20108); Dart Drug Corporation (File 2-20356); New Plan Realty Corporation (File 2-19671); Palmetto Pulp and Paper Corporation (File 2-18414); Primex Equities Corporation (File 2-19346); Puget Sound Power and Light Company (File 2-20444). Withdrawn June 25: A.G.E. Funds, Inc. (File 2-19138). Withdrawn June 27. Nigeria Chemical Corporation (File 2-19434); Venture Fund, Inc. (File 2-18882).

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