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

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TRADING IN PAKCO SECURITIES SUSPENDED. The SEC announced on December 20, 1966 the temporary suspension of over-the-counter trading in the common stock and other securities of Pakco Companies, Inc. ("Pakco"), of Hamonton, New Jersey, (not to be confused with Pako Corporation, an unrelated company), for the ten-day period December 20-29, 1966, inclusive.

The Commission's action was based upon information released December 20th by Crescent Corporation that a December 1965 agreement by which Pakco received 600,000 shares of Crescent's common stock in exchange for all of the common stock of two Pakco subsidiaries, Hamonton Investment & Mortgage Company and Elliott and Evans, Inc., "will lapse by its terms on December 31, 1966." The Commission is of the view that public investors do not have available sufficient information upon which to make an informed judgment in evaluating Pakco securities in light of the possible effect of the foregoing on the financial condition of Pakco.

Under these circumstances, the Commission deems it necessary and appropriate in the public interest and for the protection of investors to suspend trading in Pakco securities pending disclosure by the company of all pertinent facts.

INSTITUTIONAL TRANSACTIONS REPORTED. The SEC reports (For December 22 newspapers) that total transactions in common stocks by financial institutions during the third quarter fell by more than 10 percent from peak trading in the preceding period. However, during the most recent period stock prices were declining sharply, and that as compared with the volume of trading in prior years the amount of transactions was substantial. Statistics collected for four principal institutions (private pension plans, mutual funds, life insurance companies, and property and casualty insurance firms) showed that gross purchases for the combined group totaled \$4.2 billion in the third quarter, 18 percent less than in the second quarter of this year, but 30 percent above the third quarter of 1965. Portfolio sales of \$3.4 billion decreased five percent from the second quarter, but were 75 percent greater than in the third quarter of 1965.

The combined effect of sharply reduced purchases and a moderate decrease in portfolio sales resulted in a decline in net acquisitions of common stocks by these four stockholding institutions to \$775 million during the period, an amount about half the net purchases in the second quarter of this year, and the lowest quarterly figure in over three years. (For further details, see Statistical Release 2172.)

AMERICAN FOUNDERS PROPOSES OFFERING. American Founders Corporation, 1455 Union Ave., Memphis, Tenn., filed a registration statement (File 2-25811) with the SEC on December 16 seeking registration of 500,000 shares of capital stock. The stock is to be offered for public sale at \$2.25 per share through company officers, who will receive a \$0.20-per-share selling commission.

Organized under Tennessee law in August 1966, the company proposes to acquire, organize and control companies engaged in the business of writing life insurance. Net proceeds of its stock sale will be used to acquire and conduct an insurance company business. The company has outstanding 50,000 common shares, all of which were acquired for \$2 per share. Management officials own 69.69% of the outstanding stock. W. E. Parker is board chairman and Earl M. Brake is president.

UNLISTED TRADING GRANTED. The SEC has issued orders under the Securities Exchange Act (Release 34-8010) granting applications of (1) the Pittsburgh Stock Exchange for unlisted trading privileges in the common stock of Pittsburgh Des Moines Steel Corporation and (2) the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stock of Chemetron Corporation.

COLUMBIA GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15629) authorizing The Columbia Gas System, Inc., New York, to continue to make open-account advances during 1967 to 15 of its subsidiaries. According to the application, the subsidiaries will prepay with excess cash, from time to time prior to the end of 1967, a portion of their outstanding installment promissory notes (aggregating a maximum of \$149,200,000) held by Columbia. As any of such subsidiaries require funds for construction and other corporate purposes after prepayment, it is proposed that advances will be made to them on open account by Columbia, provided that at no time will the amount of such advances to any subsidiary exceed the amount of notes theretofore prepaid by it, less any current maturities applicable to such notes which would have matured subsequent to the date of prepayment.

COMPLAINT CITES SAUNIER, INC., OTHERS. The SEC Denver Regional Office announced December 16 (LR-3623) the filing of a complaint (USDC, Denver) seeking to enjoin the following defendants from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of securities of Saunier, Inc., United Bankers Investment, Inc., DeVille Joint Venture, and the 23rd and Stout Street Joint Venture: Saunier, Inc., United Bankers Investment, Inc., Jerry F. Hecht, individually and doing business as J. F. Hecht & Associates, DeVille's Joint Venture, the 23rd and Stout Street Joint Venture, Gordon Marquette, William L. Winters (all of Denver), and Stephen C. Williams (formerly of Denver).

BONANZA LEASE CO., OTHER INDICTED. The SEC Fort Worth Regional Office announced December 15 (LR-3624) the return of an indictment by a federal grand jury at Dallas, Texas, charging Bonanza Lease Co., Bonanza Purchasing Agency, C. C. Stevens Drilling Co., Mrs. Carrie C. Stevens (Richland Hills, Tex.), Vivian W. Buie

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(Fort Worth) and James H. Everitt (Mansfield, Tex.) with violations of and conspiracy to violate the registration and anti-fraud provisions of the Federal securities laws in the sale of interests in oil and gas leases in Nebraska, New Mexico, Kansas, Iowa and Colorado.

ROBERT B. EDENS, OTHERS INDICTED. The SEC New York Regional Office announced December 16 (LR-3625) the return of an indictment (USDC, EDNY) charging Robert B. Edens (president of Armstrong & Co., Inc., a defunct New York broker-dealer), Martin Lasher (vice president), Robert Schwartz (counsel), and six salesmen with violating the anti-fraud provisions of the Federal securities laws in the sale of common stock of Precision Metal Products, Inc. The following salesmen, formerly employed by Armstrong & Co., were also named as defendants: Benjamin Saporta, Howard Cohen, Eugene Freiman, Herbert Patlis, Albert Wasserman, and Stanley Weiss.

BELL INTERCONTINENTAL, INTERNATIONAL BANK RECEIVE ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4796) authorizing International Bank, Washington, D. C., to purchase 333,249 shares of common stock (63.5% of Central National Bank and Trust Company of Des Moines, Iowa, from Bell International Corporation, New York, at \$33 per share, or an aggregate of \$11,000,000. According to the application, the companies are affiliated by virtue of the fact that Bell is 50.27%-owned by The Equity Corporation and the Bank owns 31.5% of the outstanding common stock of Financial General Corporation which is 15%-owned by Equity.

BSF CO. SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4795) giving interested persons until December 27 to request a hearing on an amended application filed by BSF Company, Wilmington, Del., for an exemption order permitting it to sell to Victor Carter 293,845 shares of common stock of Republic Corporation for \$2,644,605 (for details see SEC News Digest of December 5). The amended application contains further information in support of the requested exemption order.

UNITED CANSO OIL FILES FOR RIGHTS OFFERING. United Canso Oil & Gas Ltd., 940 Eighty Avenue West, Calgary, Alberta, Canada, filed a registration statement (File 2-25823) with the SEC on December 20 seeking registration of 1,398,462 shares of capital stock. It is proposed to offer holders of the outstanding 4,492,311 shares, subscription rights for the purchase of two units for each ten shares held on the record date, each unit to consist of one share plus a stock purchase warrant to purchase one-half of an additional share. The record date and subscription price (\$3.25 per share maximum*) are to be supplied by amendment. Unsubscribed shares are to be offered for public sale.

The company is engaged in the exploration and development of properties "containing or believed to contain recoverable gas and oil reserves," a majority of which "are principally undeveloped." Net proceeds of the stock sale will be added to the funds of the company and will be used primarily for participation with other companies in a long-term program to acquire, explore and develop properties in areas of western Canada which are considered potentially attractive, particularly with reference to possible Devonian production. A portion of such proceeds may also be used for other exploration and development programs in Canada. The company now has outstanding 4,492,311 shares of stock, of which management officials own about 1.5%. J. T. Sinclair, Jr., is president.

SWIFT & CO. FILES EXCHANGE PROPOSAL. Swift & Company, 115 W. Jackson Blvd., Chicago, Ill. 60604, filed a registration statement (File 2-25822) with the SEC on December 19 seeking registration of 20,933 shares of common stock. The stock is to be offered in exchange for capital stock of Raymond Hage & Company, Inc., at the exchange rate of one company share for each 19.31 Hage shares held on September 7. The company is also offering to Hage shareholders who participated in an exchange offer on the above basis, pursuant to a contract entered into between the company, Raymond Hage, Hage and American Union Life Insurance Co., dated September 15, 1966, an opportunity to rescind their participation by January 23, 1967. The prospectus states that such offer was made in "reliance on an exemption from the registration requirements of the Securities Act of 1933, which exemption it appears may not have been available." The 20,933 shares being registered include 20,548 shares delivered in such exchange.

The company is engaged primarily in the processing and distribution of food. Located in Huntington, W. Va., Hage provides actuarial, consulting and administrative service through the establishment and administration of employe benefit plans. In addition to indebtedness, the company has outstanding 6,064,925 common shares, of which management officials own 23,094 shares. Porter M. Jarvis is board chairman and R. W. Reneker is president.

CAROLINA P&L PROPOSES OFFERING. Carolina Power & Light Company, 336 Fayetteville St., Raleigh, N. C. 27602, filed a registration statement (File 2-25825) with the SEC on December 20 seeking registration of 250,000 shares of serial preferred stock, without par value. The stock is to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The dividend rate, public offering price (\$101 per share maximum*), and underwriting terms are to be supplied by amendment.

An electric utility, the company will use the net proceeds of its stock sale in connection with its construction program, estimated at \$80,000,000 for 1967. In addition to indebtedness and preferred stock, the company has outstanding 11,567,256 common shares. L. V. Sutton is board chairman and Shearon Harris is president.

SECURITIES ACT REGISTRATIONS. Effective December 20: Wallace-Murray Corp., 2-25690.

*As estimated for purposes of computing the registration fee.