

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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(1 ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE June 19, 1962

UTAH GAS FILES FOR EXCHANGE PLAN AND SECONDARY. Utah Gas Service Company, 511-512 Deseret Bldg., Salt Lake City, Utah, filed a registration statement (File 2-20472) with the SEC on June 18th seeking registration of \$1,100,000 of 6% first mortgage sinking fund bonds (series A) due 1982. It is proposed to offer a portion of such bonds in exchange for a like principal amount of presently outstanding 6% first mortgage sinking fund bonds due 1975 (\$800,000 authorized). The exchange offer will be made through First Nebraska Securities Corporation for a period of ten days and First Nebraska will receive a 2% commission. After the exchange offer, old bonds not exchanged will be called for redemption by the company at 100% of principal amount and accrued interest to date of redemption, plus a premium of 2% of principal amount. New bonds not so exchanged will be offered for public sale by the underwriter at 100% of principal amount plus accrued interest. The statement also includes 30,000 outstanding Class A common shares to be offered for public sale by the holders thereof through First Nebraska. The public offering price (maximum \$10 per share*) and underwriting terms are to be supplied by amendment.

The company is a public utility engaged in the purchase, distribution and sale of natural gas to residential, commercial and industrial users in certain communities in Eastern Utah. In addition to certain indebtedness, the company has outstanding 30,000 Class A and 462,400 Class B shares, all of which are owned by Loran L. Laughlin, president, and E. M. Hunt, a director of the company and president of the underwriter. They propose to sell 16,883 and 13,117 Class A shares, respectively. After such sale, the public will own 100% of the Class A stock representing 20.6% of the total common equity and 6.1% of the voting power, and Laughlin and Hunt will own 100% of the Class B stock representing 79.4% of the total common equity and 93.9% of the voting power. The sale of the shares is subject to the exchange and sale of the \$1,100,000 of bonds.

ELECTRONIC WHOLESALERS FILES FOR STOCK OFFERING. Electronic Wholesalers, Inc., 2345 Sherman Ave., N.W., Washington, D. C., filed a registration statement (File 2-20473) with the SEC on June 18th seeking registration of 75,000 shares of common stock, to be offered for public sale through underwriters headed by Auchincloss, Parker & Redpath, 1705 H Street, N. W., Washington, D. C. The public offering price (maximum \$15.50 per share*) and underwriting terms are to be supplied by amendment.

The company is a distributor of electronic parts and components, television replacement parts and accessories, and hi-fidelity and stereophonic sound reproduction equipment and components, all of which are manufactured by others. Of the net proceeds from the stock sale, \$250,000 will be used to reduce short-term bank loans incurred for working capital, \$250,000 for additional inventory at the Huntsville, Ala., and Atlanta, Ga. sales offices and warehouses, \$250,000 to establish a new wire and connector division in Atlanta, and the balance for working capital (including opening of new sales offices and warehouses). In addition to certain indebtedness, the company has outstanding 500,000 shares of common stock (after giving effect to a recent 5-for-1 stock split), of which Stanley H. Rosensweig, board chairman, Joseph S. Forti, president, and Anne R. Leventhal own 19%, 15% and 11.5%, respectively, and management officials as a group 53.6%.

PRUDENTIAL OIL FILES FOR OFFERING. The Prudential Oil Corporation, 21 West Putnam Ave., Greenwich, Conn., filed a registration statement (File 2-20474) with the SEC on June 18th seeking registration of \$300,000 of units in the company's 1962 Year End Drilling Fund, to be offered for public sale (without underwriting) in 60 units at \$5,000 per unit. Each unit is subject to an assessment up to a maximum of \$1,000 in the event there are completion costs at the end of the program for which there are not adequate funds. Unless units totalling \$100,000 have been subscribed for prior to December 1962, the program will not commence and funds received will be returned to participants.

The company, as agent for the participants, will apply the proceeds of the Fund to the acquisition, testing, development and operation of oil and gas leaseholds, or interests therein. It is presently anticipated that the major part of such proceeds will be applied to drilling ventures in Alberta and Saskatchewan, Canada. As compensation for services to the program, the company will receive an amount equal to 5% of each participant's subscription and all other moneys, including assessments, payable by him, expended on behalf of each participant. In addition, the company will receive, at the pipeline out of participant's undivided interest in every oil and gas leasehold, an overriding royalty interest. The company has outstanding 10,000 common shares, of which Edward J. Willey, president, Nathan M. Shippee, board chairman, and John W. Little, II, vice president, own 32.5%, 32.5% and 15%, respectively.

CAL-OAK OIL & GAS SHARES IN REGISTRATION. Cal-Oak Oil & Gas Co., 2805 Liberty National Bank Bldg., Oklahoma City, Okla., filed a registration statement (File 2-20475) with the SEC on June 18th seeking registration of 679,758 shares of common stock. Such stock includes (1) 196,527 shares to be issued to Cal-Oak Oil Co., a California company (and the company's parent), in payment and in exchange for all of the good will, business, property and assets of said California company (to be dissolved), subject to all of its liabilities, (2) 320,100 shares to be offered in exchange for fractional working interests in 31 producing

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oil wells situated in the Cement Field, Caddo County, Okla. at \$1 per share, and 80,025 shares to be sold to the holders of such interests at \$1 per share cash, (3) 71,106 shares to be offered in exchange for presently outstanding promissory notes at an exchange price of \$1 per share for each \$1.368 of such notes, and (4) 12,000 shares to be issued to attorneys for the company in consideration of legal services. No underwriting is involved.

Organized in March 1961, the company to date has not engaged in any business or activities. It intends to take over and continue the business of the California company (under the same management) which consists of acquiring, developing and dealing in prospective and proven oil and gas lands and leases and interests therein and in drilling for, producing and selling crude oil and natural gas. All of the lands of the California company are situated in Oklahoma and are held under lease or sublease. The net proceeds from the cash sale of stock will be used for general corporate purposes. The company has outstanding 1,000 shares, all of which are owned by the California company. Assuming all shares included in this statement are issued, G. E. McKinney, president, and Henry W. Mangold and Cecil E. Coe, vice presidents, will own 8.6%, 8% and 11.2%, respectively, of the outstanding stock of the company, and management officials as a group 44.5%.

MISSOURI POWER & LIGHT PROPOSES BOND OFFERING. Missouri Power & Light Company, 106 West High Street, Jefferson City, Mo., filed a registration statement (File 2-20476) with the SEC on June 18th seeking registration of \$6,000,000 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 redeem \$4,000,000 of outstanding 5-5/8% first mortgage bonds due 1989 (including interest and premium), to retire \$600,000 of short-term bank loans incurred to meet in part construction costs, to finance the cost of continuing additions to property and plant, and for other corporate purposes. Construction expenditures for 1962-63 are estimated at \$7,500,000.

COLUMBIA REALTY TRUST FILES FOR OFFERING. Columbia Realty Trust, 1415 K Street, N. W., Washington, D. C., filed a registration statement (File 2-20477) with the SEC on June 18th seeking registration of 420,000 Class A shares of beneficial interest in the Trust, to be offered for public sale at \$10 per share (100 shares minimum purchase). The offering will be made on a best efforts basis by Norman Bernstein Securities, Inc., of the K Street address, which will receive a 50¢ per share selling commission.

The Trust is an unincorporated business trust organized under District of Columbia law in April 1962. Its purpose is to provide investors with an opportunity to participate in the ownership of a diversified portfolio of real estate interests. The prospectus states that at this time the Trust does not, but later may elect to qualify as a "real estate investment trust" under the Internal Revenue Code. In April 1962, the Trust acquired for 51,750 Class A shares the New Colonial Office Building, in Washington, D. C., and for 52,848 shares, The Dodge House, also in Washington. The former was acquired subject to first and second deeds of trust in the aggregate amount of \$682,551, and the latter subject to a first trust of \$871,572. In addition, the Trust purchased the Center Cathedral Mansions, in Washington, for \$704,136 (\$1,000 paid in cash) over a first deed of trust of \$796,864. Of the net proceeds from the sale of Class A shares, \$709,000 will be used to retire the short term purchase money trust given for the balance of the purchase price of the Center Cathedral Mansions; and the balance will be used to acquire realty investments, mortgages and other investments. Norman Bernstein Management, Inc. will manage the properties owned by the Trust.

In addition to certain indebtedness, the Trust has outstanding 104,598 Class A and 12,000 Class B shares of beneficial interest, of which Norman Bernstein, president (also president and sole stockholder of the underwriter and management company), owns 44.6% and 80%, respectively. In addition, J. Louis Zeldon and Seymour Kaufman, vice presidents, own 12.4% and 11.5%, respectively, of the Class A shares. Norman Bernstein owned a 36%, 53% and 50% interest, respectively, in the joint ventures which previously owned the New Colonial Office Building, Dodge House and Center Cathedral Mansions. Bernstein purchased his Class B holdings at \$1 per share and received his Class A shares in exchange for his interests in the New Colonial Office Building and the Dodge House.

CORPORATE WORKING CAPITAL UP. The net working capital of U. S. corporations, excluding banks and insurance companies, rose by \$1.6 billion in the first quarter of 1962 and at the end of March totalled \$139 billion, according to the latest SEC estimates (for Release in June 20th Newspapers). The first quarter rise can be compared with an increase of \$1.4 billion in the fourth quarter of 1961 and \$2.1 billion in the first quarter of last year.

UTAH POWER INTRASYSTEM FINANCING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14656) authorizing Telluride Power Company, subsidiary of Utah Power & Light Company (Salt Lake City), authorizing the subsidiary to issue and sell notes to the parent during the period ending March 1 1963, in amounts not to exceed \$1,000,000 in the aggregate. The notes are to be forgiven by the parent in connection with the consolidation of the assets of the subsidiary with those of the parent under a proposal now pending before the Commission. The subsidiary will use the funds together with treasury cash to prepay \$200,000 of its notes now held by the parent and to carry forward its construction program.

SECURITIES ACT REGISTRATIONS. Effective June 19: Commonwealth of Australia (File 2-20445); Concors Supply Co., Inc. (File 2-19161); Kinney Service Corp. (File 2-20062); The Marine Corp. (File 2-19890); Public Service Co. of New Hampshire (File 2-20451); Skelly Oil Co. (File 2-20442). Withdrawn June 19: Atlantic Capital Corp. (File 2-18796); Pearce-Simpson, Inc. (File 2-19556); United Camera Exchange, Inc. (File 2-19725).

*As estimated for purposes of computing the registration fee.