

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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ILLINOIS CENTRAL INDUSTRIES FILES EXCHANGE PLAN. Illinois Central Industries, Inc., 135 East Eleventh Place, Chicago, filed a registration statement (File 2-20892) with the SEC on November 19th seeking registration of 3,135,415 shares of common stock. It is proposed to offer such stock in exchange for all of the outstanding common shares of Illinois Central Railroad Company, on a share for share basis. No underwriting is presently involved. The offer is conditioned upon deposit for exchange of at least 80% of the shares of the Railroad.

The company was organized under Delaware law in August 1962 to provide for the financing of the proposed diversification of the Railroad's business and to acquire and develop non-carrier business of all types. The Railroad operates an integrated rail-carrier system, known as the Illinois Central Railroad, in 14 states; and it has six subsidiaries, four of which are non-operating carriers, the properties of which have been leased to the Railroad and to others. According to the prospectus, the purpose of the exchange offer is to implement a major step in a plan of diversification to provide a broader earnings base and to develop additional sources of income. Union Pacific Railroad Company owns 22.85% of the outstanding shares of the Railroad. Wayne A. Johnston is president of the company and of the Railroad.

SCOTT PAPER FILES STOCK PLANS. Scott Paper Company, Philadelphia, filed a registration statement (File 2-20893) with the SEC on November 16th seeking registration of (1) \$3,000,000 of memberships in its Employees' Stock Purchase Plan for 1963 and 148,851 shares of common stock which may be acquired pursuant thereto, and (2) \$2,000,000 of memberships in its Employees' Stock Investment Program - 1963 Class, and 118,812 common shares which may be acquired pursuant thereto.

DEREGISTRATION OF CANADIAN NATIONAL COMMODITIES PROPOSED. The SEC has issued an order under the Investment Company Act (Release IC-3576) giving interested persons until December 7, 1962 to request a hearing upon its proposal to issue an order under that Act declaring that Canadian National Commodities Corporation, a closed-end diversified management company, has ceased to be an investment company. According to the Commission's proposal, a first and final liquidating dividend of \$6.43 per share was paid by the company in December 1949, representing a complete liquidation and distribution of all of its assets.

GENERAL INVESTMENT OF CONNECTICUT SEEKS ORDER. General Investment Company of Connecticut, Inc., New Haven closed-end non-diversified investment company, 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-3577) giving interested persons until December 6, 1962 to request a hearing thereon. According to the application, the company's outstanding securities are beneficially owned by less than 50 persons; and it does not intend to make a public offering of its securities.

SOUTHERN ELECTRIC FINANCING APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14746) authorizing Southern Electric Generating Company, Birmingham subsidiary of The Southern Company, a registered holding company, to sell at competitive bidding \$7,500,000 of first mortgage bonds due 1992. The net proceeds from the bond sale, together with treasury funds, will be used to pay the remaining balance of \$13,000,000 of bank loans incurred by the company for acquisition and construction purposes.

COMMUNITY HEALTH ASSOCIATION FILES FOR SECONDARY. Community Health Association, Inc., 4000 Aurora Ave., Seattle, Wash., filed a registration statement (File 2-20894) with the SEC on November 19th seeking registration of 72,000 outstanding shares of common stock, to be offered for public sale by the holders thereof at \$15 per share. No underwriting is presently involved.

The company is engaged in the health care service contract business in Washington and Oregon, providing benefits for medical, surgical and hospital expense incurred by contract holders on account of sickness or accidental injury and, in some cases, obstetrical care. The company has outstanding 100,000 shares of common stock (after giving effect to a recent 3-for-1 stock dividend), of which Harry E. Wilson, president, together with Norma K. Wilson, his wife, own 87,900 shares (87.9%) and propose to sell 66,000 shares. In addition, Jerry D. Wilson, secretary, proposes to sell 6,000 of 10,000 shares owned. Harry E. Wilson acquired the original 25,000 outstanding shares of the company for \$25,000, and subsequently transferred a portion thereof to the other present stockholders.

BLACK & CO. REGISTRATION CANCELLED. The SEC has issued an order under the Securities Exchange Act cancelling the broker-dealer registration of E. D. Black & Co., Hotel Havre, First Street, P. O. Box 271, Havre, Montana. According to the order, the firm is not engaged in business as a broker-dealer; Ellio Dorothy Black, doing business as E. D. Black & Co., a sole proprietorship (formerly E. D. Black & Co., a partnership), was permanently enjoined by Federal court order (USDC, Montana) in June 1962 from further violations of the Exchange Act anti-fraud provisions; a receiver has been appointed by said court to conserve the assets of the firm; and on September 25, 1962, Black was sentenced to a three-year prison term.

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CLOUD NINE AND OTHERS ENJOINED. The SEC Denver Regional Office announced November 13th (LR-2432) the entry of a Federal court order (USDC, Salt Lake City) preliminarily enjoining Cloud Nine, Inc., American Resources, Ltd., Beryllium Corporation of America, Kiabab Uranium Corporation, Steven W. Netolicky, LaVern D. Netolicky, P. G. Christopoulos and E. E. Miller from further violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of the common stocks of Cloud Nine, Inc. and American Resources, Ltd. Stanley Perkins was permanently enjoined by said court (at his consent) from similar violations in the offer and sale of said securities.

COMPLAINT FILED AGAINST ETE-N-RUN, OTHERS. The SEC Denver Regional Office announced November 16th (LR-2433) the filing of a court action (USDC, Cheyenne) seeking to enjoin Ete-n-Run, Inc., Otto F. Kintzel and Herman L. Schuh, both of Casper, Wyoming, Albert J. Hahn, of Boise, Idaho, and Noel E. Woodhull, of Cheyenne, from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of common and preferred stock of Ete-n-Run, Inc.

BENEFICIAL FINANCE PROPOSES DEBENTURE OFFERING. Beneficial Finance Co., Beneficial Bldg., Wilmington, Del., today filed a registration statement (File 2-20895) with the SEC seeking registration of \$30,000,000 of debentures due 1988, to be offered for public sale through underwriters headed by Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is a holding company, subsidiaries of which are engaged principally in the small loan, merchandising and sales finance businesses. The net proceeds from the debenture sale will be added to general funds and used substantially to reduce outstanding short-term bank loans and commercial paper, the proceeds of which were used primarily to provide subsidiaries with funds to carry on their respective businesses. In addition to various indebtedness and preferred stock, the company has outstanding 11,896,646 shares of common stock, of which Beneficial Corporation, of Wilmington, owns 27.48%. O. W. Caspersen is board chairman and Thomas A. McGrath is president.

SECURITIES ACT REGISTRATIONS. Effective November 20: Alcolac Chemical Corp. (File 2-20017); General Motors Corp. (File 2-20871); National General Corp. (File 2-20729); Nevada Northern Gas Co. (File 2-20823); Ramada Inns, Inc. (File 2-20390); Southern Electric Generating Co. (File 2-20860); T-A Development Co. (File 2-20717); Western Power & Gas Co. (File 2-20847); Howard B. Wolf, Inc. (File 2-20810). Withdrawn November 15: Good-Era Realty & Construction Corp. (File 2-20175); Hoffman House Sauce Company, Inc. (File 2-19858). Withdrawn November 16: Mercury Books, Inc. (File 2-19782); Royal Stores, Inc. (File 2-20436); United National Insurance Co. (File 2-20433). Withdrawn November 19: Pan-Video Productions, Inc. (File 2-19465); Roadcraft Manufacturing and Leasing Corp. (File 2-19519); Urban Redevelopment Corp. (File 2-20087). Withdrawn November 20: National Semiconductor Corp. (File 2-18098).

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