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REGISTRATION OF SCIENTIFIC INVESTORS REVOKED. In a decision announced today (Release 34-7126), the SEC revoked the broker-dealer registration of Scientific Investors Corporation, 11 South LaSalle St., Chicago, for failure to file reports of its financial condition subsequent to its registration in February 1960. The Commission noted that the firm admitted that it did not file reports notwithstanding the fact that on four occasions the Commission's staff advised the company of its obligations in an attempt to bring about voluntary compliance without formal proceedings. The company requested withdrawal of its registration contending that it has been inactive for more than two years and effected only 12 securities transactions while in operation between February and December 1960. The Commission rejected the withdrawal request ruling that revocation was warranted because of the company's "careless disregard of, and cavalier attitude toward, its obligation to report."

REGISTRATION OF SECURITY SERVICE REVOKED. In a decision announced today (Release 34-7127) the SEC revoked the broker-dealer registration of Security Service, Inc., 3212 South State St., Salt Lake City, Utah, for violations of the Securities Exchange Act. Ralph E. Ellingson, president, and Reed R. Maxfield, said to be a controlling person of the firm, were each found a cause of the revocation order.

In its decision, the Commission sustained findings of its Hearing Examiner that an amendment to the company's registration application filed in May 1960 falsely named Ellingson and Leland Peterson (listed in the original application as an officer) as beneficial owners of 10% or more of the company's stock whereas, in fact, all of the stock was beneficially owned by Uinta National Insurance Company (of which Maxfield was president and controlling stockholder). The latter company had organized the company to sell mutual fund shares to the holders of insurance policies issued by Uinta pursuant to options in such policies permitting the holders thereof to apply cash benefits accumulated under the policies to the purchase of mutual fund shares. The Commission found that the registration application failed to disclose Uinta's ownership of the company's stock and the control of the company by Uinta, which was then the subject of an investigation with respect to the sale to the public of unregistered shares of its stock. The Commission also found that the application was not promptly amended to disclose the resignations of Peterson as vice president and of W. Gerald Andrus as secretary-treasurer, as well as a change of business address. Violations of the Commission's record-keeping requirements were also found.

SEC ORDER CITES TWO NEW YORK BROKERS; SUSPENDS REGAL FACTORS OFFERING. The SEC has issued orders (1) instituting proceedings under the Securities Exchange Act of 1934 to determine whether Edward H. Stern & Co., Inc., 32 Broadway, New York (not to be confused with E. H. Stern & Co., 20 Broad St., New York), engaged in practices which operated as a "fraud and deceit" upon investors or otherwise violated the Federal securities laws and, if so, whether its registration as a broker-dealer, as well as the registration of Chermil Capital Corporation, of the same address (which is under common control with Stern & Co.), should be revoked, and (2) temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Regal Factors, Inc., also of the 32 Broadway address.

Stern & Co. has been registered with the Commission as a broker-dealer since July 18, 1959, and Chermil since December 7, 1961. Richard Litt is president and a principal stockholder of both firms. In its order with respect to said firms, the Commission recites charges of its staff that information developed in an investigation tends to show that in the underwriting of the Regal Factors offering during March-April 1963, Stern & Co. and Litt "engaged in acts, practices and a course of business which would and did operate as a fraud and deceit" upon investors in violation of the Exchange Act anti-fraud provisions in that they (1) accepted payment of the sale price of the securities without promptly transmitting the money and other consideration received to the persons entitled thereto, (2) placed the proceeds in the individual name and personal bank account of Litt, and (3) made use of an offering circular which failed to disclose the foregoing deviations from the underwriting agreement as well as the value of assets, liabilities and capital shares of Regal as of October 1, 1962. It is also alleged that Litt made withdrawals from the funds of Stern & Co. for his own personal benefit and failed to reflect such withdrawals on the firm's books. Violations of the Securities Act registration requirements and the net capital and record keeping rules are also charged.

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 October 2, 1962, Regal Factors proposed the public offering of 90,000 shares of common stock at \$2 per share. The Commission asserts in its suspension order that it has reasonable cause to believe that Regal's offering circular was false and misleading in respect of certain material facts, that certain terms and conditions of the Regulation were not complied with and that the offering is in violation of the Securities Act anti-fraud provisions. The alleged misrepresentations relate to the failure to disclose (a) that the funds received were placed in the individual name and personal account of Litt, (b) material transactions within the past two years to which the issuer, predecessors or affiliates were a party, (c) material transactions between issuer and the underwriter whereby the latter would retain part of the proceeds, (d) the failure to comply with the terms of the underwriting agreement as set out in the offering circular, and (e) the value of assets, liabilities and capital shares as of October 1, 1962. It is also alleged that the notification fails to disclose certain affiliates as required.

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A hearing will be held, at a time and place to be announced, for the purpose of taking evidence to determine whether the staff charges with respect to Stern & Co. and Litt are true and, if so, whether the broker-dealer registrations of Stern & Co. and Chermil should be revoked. They are members of the National Association of Securities Dealers, Inc.; and one of the issues in the proceedings is whether they also should be suspended or expelled from NASD membership. The order with respect to Regal Factors provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

REGISTRATION OF ELECTRONICS SECURITY WITHDRAWN. The Commission also has issued an order under the Securities Exchange Act permitting Electronics Security Corporation, 2015 & 1701 First National Bank Bldg., Minneapolis, to withdraw its registration as a broker-dealer and dismissing proceedings instituted by the Commission in November 1961 to determine whether the firm's registration should be revoked for alleged violations of the anti-fraud and anti-manipulative provisions of the Federal securities laws in the offer and sale of its own stock. According to the order, the firm and Simeon Miller, president and controlling stockholder, were permanently enjoined by a Federal court in Minneapolis from violating the Securities Act anti-fraud and Exchange Act anti-manipulative provisions in the purchase and sale of securities; and the Commission has found that the firm has ceased doing business as a broker-dealer.

PEERS, INC. HEARING SCHEDULED. The SEC has scheduled a hearing for September 13, 1963 in its New York Regional Office in proceedings under the Investment Advisers Act of 1940 to determine whether Paul K. Peers, Inc., 75 Ocean Ave., Brooklyn, N. Y. violated the anti-fraud and anti-manipulative provisions of that Act and, if so, whether its registration as an investment adviser should be revoked. In its May 6, 1963 order instituting these proceedings, the Commission recited charges of its staff that the firm and Paul Kay Peers, vice president, distributed advertisements and a newsletter which contained false and misleading statements of material facts.

GREATER WASHINGTON INDUSTRIAL INVESTMENTS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3759) authorizing a proposed amendment to a loan agreement between Greater Washington Industrial Investments, Inc., Washington, D. C. closed-end investment company, and S. J. Tesauro & Co., Inc. whereby an aggregate of \$200,000 of debentures of Tesauro & Co. (convertible into a 28% equity interest) now held by the company will be subordinated to up to \$100,000 to be advanced to Tesauro & Co. by James Talcott, Inc., a commercial financing institution.

THRIFTY DRUG STORES FILES STOCK PLAN. Thrifty Drug Stores Co. Inc., 5051 Rodeo Road, Los Angeles, filed a registration statement (File 2-21662) with the SEC on August 26 seeking registration of 210,000 shares of common stock, to be offered pursuant to its Stock Option Plan.

AMERICAN-ISRAEL WORLD'S FAIR CORP. PROPOSES DEBENTURE OFFERING. American-Israel World's Fair Corporation, 3 East 54 St., New York, filed a registration statement (File 2-21663) with the SEC on August 26 seeking registration of \$500,000 of 6% subordinated participating debentures due December 31, 1965, to be offered for public sale at 100% of principal amount through underwriters headed by H. S. Caplin & Company, 80 Pine St., New York. The underwriting terms are to be supplied by amendment. According to the prospectus, the debentures are entitled to receive, as additional interest, 25% of the net profits of the company (if any) after taxes, from the date of incorporation (June 1963) to October 31, 1965.

The company was organized for the purpose of leasing and operating a pavilion at the New York World's Fair, which is scheduled to open on April 22, 1964. The principal purpose of the pavilion will be to depict the history and culture of the Jewish people in relation to the Holy Land, the era of the Old Testament, and the Old Testament itself; to display, promote and sell arts, products and services of Israel; and to stress American interest and participation therein. The company has a contract obligation to make payments in the aggregate amount of \$510,000 (\$80,000 has been paid) for the use and landscaping of the plot leased at the Fair and for the construction, maintenance, repair, and ultimate demolition of a building thereon. Of the \$430,000 balance, \$195,000 is due prior to the opening of the Fair and will be paid from the net proceeds from the debenture sale. The balance of the proceeds, together with other funds, will be used for other expenditures required in order for the pavilion to be ready at that time, and to provide working capital and a reserve for contingencies thereafter. The company estimates that it will spend \$100,000 for the designing and installation of exhibits, and \$100,000 for executive and other salaries and other expenses such as insurance, promotion and equipment. The company has outstanding 21,750 shares of common stock, of which Harold S. Caplin, board chairman, owns 13.6% and management officials as a group 42.5%. Zechariah Sitchin is president.

PRUDENTIAL OIL FILES FOR OFFERING. The Prudential Oil Corporation, 21 West Putnam Avenue, Greenwich, Conn., filed a registration statement (File 2-21664) with the SEC on August 27 seeking registration of \$1,000,000 of units in its 1963 Year End Drilling Fund, to be offered for public sale at \$5,000 per unit (each unit is subject to a maximum \$1,000 assessment in the event there are completion costs at the end of the program for which there are not adequate funds). No underwriting is presently involved although the prospectus states that Green, Ellis & Anderson, 61 Broadway, New York, as well as two other firms, may participate in the sale of the units; and if any units are sold by those firms they will receive a 5% commission which will be absorbed by the company and not charged against the proceeds of the offering.

The company intends to use program funds for the purpose of financing the acquisition, testing, development and operation of oil and gas leaseholds, or interests therein, within the United States and/or Canada. As compensation for its services to the program, the company will receive an amount equal to 6% of each participant's subscription and all other funds, including assessments payable by participants, expended on behalf of each participant, and the company will also receive a certain overriding royalty interest at the pipeline out of each participant's undivided interest in every oil and gas leasehold. The prospectus states that the company does not now have an operating staff, and thus the participants will probably pay an additional profit to an operating company. Edward J. Willey is president and Nathan M. Shippee is board chairman.

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OXY-CATALYST FILES STOCK OPTION. Oxy-Catalyst, Inc., 511 Old Lancaster Road, Berwyn, Pa., filed a registration statement (File 2-21665) with the SEC on August 27 seeking registration of 131,820 shares of common stock, which have been or may be issued pursuant to options granted or to be granted to officers and employees of the company.

RASSCO PLANTATIONS FILES FOR SECONDARY. Rassco Plantations Limited, Tel-Aviv, Israel, filed a registration statement (File 2-21666) with the SEC on August 27 seeking registration of 400,000 outstanding ordinary shares (par value IL.5 per share), to be offered for public sale by the holder thereof, Rassco Financial Corporation, of New York. The offering will be made on a best efforts basis by Rassco of Delaware, Inc., a wholly-owned subsidiary of the selling stockholder. The public offering price (maximum \$3.166 per share*) and underwriting terms are to be supplied by amendment. The company was organized in 1953 to plant and cultivate citrus groves, to sell citrus groves to persons who are non-residents of Israel, to pick, pack and market citrus fruit, construct and manage packing houses for citrus fruit, maintain water works and other activities connected with citraculture and other agricultural activities. It has outstanding 1,000,000 ordinary shares (par value IL.1) and 3,000,000 ordinary shares (par value IL.5), of which "Rassco" Rural & Suburban Settlement Company, Ltd., of Tel Aviv, owns about 95% and 20%, respectively. Rassco Financial owns 400,000 of the IL.5 shares and proposes to sell all such shares. "Rassco" Rural has subscribed for an additional 200,000 of the IL.5 shares at their par value and 400,000 of such shares have been issued to the public in Israel. Jacob Hamburg is principal administrative officer of the company. Rassco Financial recently purchased the 400,000 shares at the price of IL. 9.50 per share less 7½% for a total of IL. 1,171,666, and the purpose of the company's sale of such shares was to raise funds for the acquisition of the right to 350 dunams of the so-called Sakia citrus grove, for acquisition of a packing house at Natanya, for construction of an additional packing house in Ashkelon, working capital for final cultivation, packing and marketing activities and other related purposes.

WISCONSIN PUBLIC SERVICE PROPOSES BOND OFFERING. Wisconsin Public Service Corporation, 1029 North Marshall St., Milwaukee, filed a registration statement (File 2-21667) with the SEC on August 27 seeking registration of \$15,000,000 of first mortgage bonds due 1993, to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be used either (1) to pay \$10,500,000 of outstanding short-term bank loans and for additional construction in 1963, or (2) to redeem \$7,840,000 of 5¼% first mortgage bonds due 1989 and to pay \$7,000,000 on bank loans. The remaining 1963 construction requirements (estimated an aggregate of \$16,000,000) will be financed with bank loans.

GUERDON INDUSTRIES FILES STOCK PLAN. Guerdon Industries, Inc., 17600 West Eight Mile Road, Southfield, Mich., filed a registration statement (File 2-21668) with the SEC on August 26 seeking registration of 104,005 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

SOUTHEASTERN TIMBERLAND TRUST SHARES IN REGISTRATION. Southeastern Timberland Trust, Warm Springs, Ga., filed a registration statement (File 2-21669) with the SEC on August 27 seeking registration of 720,243 shares of beneficial interest in the Trust. Such shares have been sold by the Trust since its organization in May 1962 to the public at prices varying from \$1.70 to \$2.59 per share (for cash and on a time payment basis). The shares were sold to about 1,516 persons who are said to have signed a subscription agreement representing to the Trust that they were bona fide residents of Georgia; and the prospectus further states that the offering was made pursuant to the exemption from Securities Act registration which is based upon an issue being sold only to persons resident within a single state. According to the prospectus, the exemption from registration may have been lost by the Trust during the course of the public offering, and this prospectus is being filed in order to inform certain subscribers as of July 1, 1963 on a time payment note basis, and certain security holders who purchased securities for cash, of the possible loss of the exemption and the possible contingent liability for a refund to them of the price paid plus 7% interest from the date of purchase.

The purpose of the Trust is to provide investors with an opportunity to own an interest in various real properties throughout the Southeast, principally consisting of timberlands. The Trust will attempt to qualify as a "real estate investment trust" under the Internal Revenue Code. Georgia Timberlands Management Company will act as exclusive managing agent of the Trust's interest and affairs and of the real and other properties which it may hold from time to time; and the management company has also contracted with the Trust for the sale of all its securities on a best efforts basis at a 15% commission. Trustees as a group own 20,090 shares of the Trust (13.7%) and have subscribed for an additional 57,506 shares. Judson K. Kendrick is board chairman and M. G. Woodward is president. Kendrick and two other trustees are sole stockholders of the management company.

JERSEY CENTRAL POWER & LIGHT PROPOSES BOND AND DEBENTURE OFFERINGS. Jersey Central Power & Light Company, Morristown, N. J. subsidiary of General Public Utilities Corporation, a registered holding company, has applied to the SEC for orders under the Holding Company Act authorizing Jersey Central to sell at competitive bidding \$18,525,000 of first mortgage bonds due 1993 and \$9,000,000 of debentures due 1988; and the Commission has issued orders (Releases 35-14933 and 35-14934) giving interested persons until September 23, 1963 to request hearings on the respective applications. As reported in the News Digests of August 16 and August 22, the proceeds from the bond sale, to the extent of \$8,525,000, will be used to redeem outstanding 5-3/8% first mortgage bonds due 1990 and the balance to pay short-term indebtedness; and the proceeds from the debenture sale will be applied toward the company's 1963 construction program (estimated at \$30,000,000) or to partially reimburse treasury for expenditures made for that purpose.

SECURITIES ACT REGISTRATIONS. Effective August 28: Eastern Investors, Inc. (File 2-21467); The Stanley Works (File 2-20469). Effective August 29: Global Construction Devices, Inc. (File 2-20526).

*As estimated for purposes of computing the registration fee.

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