

# 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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**AMERICAN HEALTH CREDIT PLAN ENJOINED.** The SEC Denver Regional Office announced August 30 (LR-2728) the entry of a Federal court order (USDC, Cheyenne) permanently enjoining (by default) American Health Credit Plan, Inc., of Wyoming, from further violations of the Securities Act anti-fraud provisions in the offer and sale of common stock and option rights of that company (or any other securities).

**NATIONAL PETROLEUM LEASE ENJOINED.** The SEC Atlanta Regional Office announced August 30 (LR-2729) the entry of a Federal court order (USDC, SD, Fla.) permanently enjoining National Petroleum Lease Corporation and its president, Mark M. Weiss, both of Miami Beach, from violations of the Securities Act registration requirements in the offer and sale of investment contracts consisting of assignments of oil and gas leases on tracts of land situated in New Mexico, coupled with contemporaneous representations and undertakings concerning the development and use of such tracts. The defendants consented to entry of the injunction.

**CHAROLAIS CATTLE ENJOINED.** The SEC Atlanta Regional Office announced September 4 (LR-2730) the entry of a Federal court order (USDC, EDNC) preliminarily enjoining Charolais Cattle Company and Harry Ernest Woodson, of Fairfield, N. C., from further violations of the Securities Act registration provisions in the offer and sale of investment contracts entitled "Production Agreement," which provide for the sale to investors of cattle which the defendants agree to manage for the benefit and profit of the purchasers.

**TWO INDICTED IN ETE-N-RUN CASE.** The SEC Denver Regional Office announced August 30 (LR-2731) the return of a 26-count indictment (USDC, Cheyenne) charging Herman L. Schuh, of Casper, Wyoming, and Albert J. Hahn, of Boise, Idaho, with violations of the Securities Act anti-fraud provisions in the offer and sale of securities of Ete-n-Run, Inc., a Wyoming company, of which they were officers and directors.

**AMERICAN NATURAL GAS SEEKS ORDER.** American Natural Gas Company, New York registered holding company, and its utility subsidiary, Milwaukee Gas Light Company, have applied to the SEC for an order under the Holding Company Act authorizing the subsidiary to sell to American (its sole stockholder) 333,334 additional shares of Milwaukee's common stock for an aggregate of \$4,000,008 in cash; and the Commission has issued an order (Release 35-14937) giving interested persons until September 26, 1963 to request a hearing thereon. Milwaukee also proposes to borrow from time to time during the next year up to \$16,000,000 from a group of banks and to use the proceeds therefrom, together with the proceeds from the sale of additional stock to its parent, to pay off \$12,500,000 of notes held by five banks which were issued by Milwaukee in connection with its 1962 construction program. The balance of the proceeds will be used by Milwaukee to finance in part its 1963 construction program, estimated at \$15,639,000.

**BUDD CO. FILES STOCK PLAN.** The Budd Company, 2450 Hunting Park Ave., Philadelphia, filed a registration statement (File 2-21684) with the SEC on September 4 seeking registration of 200,000 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

**AMERLINE FILES FOR SECONDARY.** Amerline Corporation, 2727 West Chicago Ave., Chicago, filed a registration statement (File 2-21685) with the SEC on September 5 seeking registration of 100,000 outstanding shares of Class A stock, to be offered for public sale by the holders thereof through underwriters headed by Dean Witter & Co, 50 West Adams St., Chicago. The public offering price (maximum \$26.50 per share\*) and underwriting terms are to be supplied by amendment.

The company's principal business is manufacturing, engineering and developing precision magnetic tape reels, dust-proof containers and endless magnetic tape cartridges for manufacturers of computers, data processing machines, business machines, tape recorders and magnetic tape. It also produces nylon bobbins and coil forms for customers in the electronic and electrical fields. The company has outstanding 273,125 Class A and 309,375 Class B shares, of which Charles E. Caestecker, president, owns 59.6% in the aggregate and his wife, Marie O. Caestecker, a director, 7.4% in the aggregate. They propose to sell all of their Class A holdings (87,280 and 10,844 shares, respectively); and Thomas E. Caestecker, a vice president, proposes to sell 1,876 Class A shares (of 9,078 shares held).

**DELISTING APPROVED.** The SEC has granted an application of the New York Stock Exchange to delist the common stock, series B 5% cumulative preferred stock and general mortgage 4 $\frac{1}{2}$ % income bonds series A of Central of Georgia Railway Company, effective at the opening of business on September 11, 1963. (Release 34-7133)

**UNLISTED TRADING SOUGHT.** The SEC has issued an order (Release 34-7133) giving interested persons until September 20, 1963 to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of Abbott Laboratories, Electronic Associates, Inc., American Hospital Supply Corp., First Charter Financial Corp., Howard Johnson Co. and J. P. Stevens.

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**B.V.D. CO. FILES FOR SECONDARY.** The B.V.D. Company, Inc., 404 Fifth Ave., New York, filed a registration statement (File 2-21686) with the SEC on September 5 seeking registration of 600,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Drexel & Co., 1500 Walnut St., Philadelphia. The public offering price (maximum \$22 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 44,002 shares issued or to be issued upon exercise of certain outstanding stock options of the company. The company manufactures various men's, boys' and women's wearing apparel. In addition to certain indebtedness, it has outstanding 2,921,849 shares of common stock, of which Sol Kittay, president and board chairman, and Frieda Kittay own 34.44% and 30.33%, respectively, and management officials as a group own 69.10%. Sol Kittay, Frieda Kittay, Sol Goldenthal, executive president, and Selma Goldenthal propose to sell 294,960, 259,800, 22,500 and 22,740 shares, respectively.

**INTRA STATE TELEPHONE PROPOSES RIGHTS OFFERING.** Intra State Telephone Company, 100 North Cherry St., Galesburg, Ill., filed a registration statement (File 2-21687) with the SEC on September 5 seeking registration of 8,983 shares of common stock. It is proposed to offer such stock for subscription at \$100 per share to common stockholders at the rate of two shares for each five shares held of record October 21, 1963. No underwriting is involved.

The company is engaged in the business of furnishing communication services, mainly local and toll telephone service, in the City of Galesburg and the towns of Knoxville, Avon and Wataga, Illinois. The net proceeds from the stock sale will be used to pay some \$875,000 of bank loans obtained for construction purposes, and the balance will be used for general corporate purposes. In addition to certain indebtedness, the company has outstanding 22,458 shares of common stock, of which Illinois Bell Telephone Company, of Chicago, owns 36.84% and management officials as a group 3.78%. H. F. Nichols is president. According to the prospectus, Illinois Bell intends to subscribe for the 3,309 shares representing its pro rate portion of this offering.

**SUSPENSION OF HOWE PLASTICS OFFERING VACATED.** The SEC has vacated its order of August 14, 1961 temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering by Howe Plastics and Chemical Companies, Inc., 4077 Park Avenue, Bronx, New York, of an undetermined number of its common shares at the market subject to an overall limitation of \$200,000 as the aggregate offering price. According to the order, the issuer filed a petition in July 1963 requesting that it be permitted to withdraw the shares from the notification filed in March 1961 stating that an amendment thereto filed in August 1961 substantially corrected or eliminated the matters stated in the Commission's temporary suspension order and that no shares have been sold.

**INDIVIDUALS' SAVING DOWN.** The SEC announces (for September 9 newspapers) that individuals saved \$2.9 billion in financial form during the second quarter of 1963 as compared with \$6.5 billion in the preceding quarter and \$4.0 billion during the second quarter last year. For details, see Stat. Release No. 1924.

**TEXAS INDEPENDENT COFFEE, ET AL ENJOINED.** The SEC Fort Worth Regional Office announced August 30 (LR-2732) the entry of a Federal court order (USDC, SD, Texas) preliminarily enjoining Texas Independent Coffee Organization, Inc., Cleve H. Cravens, Roy A. Beaver, Harper Lincecum and A. E. Walton, all of Corpus Christi, and L. G. Worsham, of Pecos, Texas, from further violations of the Securities Act registration provisions in the sale of unregistered investment contracts arising out of the sale of acreage located in Costa Rica coupled with a contemporaneous agreement whereby Texas Independent Coffee would develop, cultivate and manage the acreage and share with the investors the profits derived therefrom. The defendants consented to entry of the injunction.

**FRANK JOHN MOHR ENJOINED.** The SEC San Francisco Regional Office announced September 4 (LR-2733) the entry of a Federal court order (USDC, ND, Calif.) permanently enjoining Frank John Mohr, doing business as Frank J. Mohr Investment Securities, from further violations of the Exchange Act anti-fraud provisions. Mohr, who consented to the injunction order, is said to have voluntarily liquidated his business.

**SECURITIES ACT REGISTRATIONS.** Effective September 6: The Buehler Corp. (File 2-21565). Northern States Power Co. (File 2-21601).  
Withdrawn September 4: Metropolitan Acceptance Corp. (File 2-19088).

\*As estimated for purposes of computing the registration fee.

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