

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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FOR RELEASE August 25, 1965

NASD SANCTION AFFIRMED AS MODIFIED. In a decision under the Securities Exchange Act announced today (Release 34-7682) the SEC sustained findings of the NASD that Cortlandt Investing Corporation, 120 Wall St., New York, had violated certain of its Rules of Fair Practice and that Melvin Cantor, its president, was a cause thereof. However, the penalty was reduced from NASD expulsion to one of suspension from NASD membership for 30 days, commencing September 1.

The NASD had ruled that in 13 transactions with its customers Cortlandt had charged customers prices which were not reasonably related to the current market (the mark-ups ranging from 10% to 20%), in violation of the NASD mark-up policy. The Commission sustained the findings as to six of the transactions (but not as to the others, by reason of insufficient evidence or otherwise). The Commission also sustained findings that Cortlandt had violated the Commission's net capital and hypothecation rules, as well as provisions of Regulation T, but set aside the NASD finding that the firm on November 30, 1961, had been unable to meet its current liabilities.

Under the circumstances, particularly the facts that Cortlandt and Cantor appear to have taken prompt action to correct the violations when they became aware of them and sought to prevent recurrences, and in view of the fact that the Commission set aside some of the NASD's findings, the Commission concluded that the sanction of expulsion was excessive and that a suspension of the firm for a period of 30 days would adequately serve the public interest.

RULING APPEALED BY ASSURANCE INVESTMENT. The SEC has granted a petition of Assurance Investment Company, Van Nuys, Calif., seeking Commission review of the initial decision of its Hearing Examiner proposing that the firm's broker-dealer registration should be revoked and that it be expelled from NASD membership. The Hearing Examiner also had proposed a 12-month bar of Paul A. Miller and Harold M. Pelton from association with any broker-dealer firm. His initial decision was based upon findings of violations of the Federal securities laws in the sale of stock of Kramer-American Corp. The parties will now file briefs with the Commission and may be heard later in oral argument before the Commission.

FRANCHARD PARTNERSHIPS EXEMPTED. The SEC has issued an order under the Securities Exchange Act granting an application of 21 West Associates, 63 Wall Associates, River View Associates, and Wedgwood House Associates (limited partnerships managed by Franchard Corp.) for exemption from the registration provisions of Section 12(g) of the Act.

According to the application, Louis A. Siegel and Seymour Young, president and executive vice president, respectively, of Franchard, are also the sole general partners of 21 West and 63 Wall and the only active general partners of River View and Wedgwood House. The general partners receive no compensation from any of the partnerships. The partnerships were organized under New York law and all of their business is conducted within that State. Each partnership has outstanding interests issued in units of \$5,000.

The granting of an exemption from Section 12(g) of the Act will have the additional effect of providing an exemption from the periodic reporting requirements of Section 13 of the Act, as well as the proxy and insider trading provisions of Section 14 and 16, respectively. 21 West, 63 Wall and Wedgwood, pursuant to New York law, issue quarterly "Source of Distribution" statements and annual reports to the limited partners, and file an annual AR-1 report with the Attorney General of New York. River View, syndicated in 1960, is not governed by this law, but has undertaken to comply with the reporting requirements of such law in the event that this application is granted. Since the limited partners do not participate in the conduct of the partnership business and do not elect general partners, there is no opportunity for periodic meetings and solicitation of proxies.

LOUISVILLE INDUSTRIAL FOUNDATION RECEIVES EXEMPTION. The SEC has issued an order under the Securities Exchange Act granting an application of the Louisville Industrial Foundation, Inc., for exemption from the registration provisions of Section 12(g) of the Act. According to the application, the Foundation is a semi-civic, self-supporting organization engaged in the industrial and commercial development of the City of Louisville and vicinity. There is no trading of Foundation stock in the over-the-counter market, the only market for such stock being the Foundation itself.

WOODS PETROLEUM PROPOSES OFFERING. Woods Petroleum Corporation, 4900 N. Santa Fe, Oklahoma City, Okla., filed a registration statement (File 2-23955) with the SEC on August 23 seeking registration of \$2,250,000 of interests in its 1966 joint venture for the exploration for and production of oil, gas and other minerals. The interests are to be offered, in minimum units of \$5,000, to select parties through company officials and employees. A wholly-owned subsidiary of Woods Industries, Inc., the company intends to conduct its 1966 joint venture primarily in the Mid-Continent and Rocky Mountain areas. Roy G. Woods (company president and board chairman), A. M. Woods (vice board chairman), and their families are principal stockholders of Woods Industries.

SKORO CONSOLIDATED MINING, OTHERS ENJOINED. The SEC Seattle Regional Office announced August 20 (LR-3302) the entry of a Federal court order (USDC, Seattle) permanently enjoining Skoro Consolidated Mining & Milling Co. (Oakley, Ida.), Carl C. Clinkscales (Boise, Ida.), and Yvonne Sbory (Seattle, Wash.) from further violations of the Securities Act registration provisions in the sale of stock of Skoro Consolidated Mining.

OVER

MOTION PICTURE INVESTORS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4335) declaring that Motion Picture Investors, Inc., Kansas City, Mo., has ceased to be an investment company as defined in the Act. According to the application, Motion Picture's shareholders adopted a plan of liquidation on December 10, 1963, and all of its listed securities have now been sold. The order is subject to the conditions that the company (1) file with the Commission abbreviated quarterly unaudited financial reports with respect to its progress in the distribution of two films which it owns and (2) furnish its shareholders and the Commission annual unaudited financial statements for all fiscal years ending after March 31, 1965, until such time as it is fully dissolved and liquidated.

CONDUCTRON FILES FOR SECONDARY. Conductron Corporation, 343 S. Main St., Ann Arbor, Mich., filed a registration statement (File 2-23957) with the SEC on August 23 seeking registration of 90,908 outstanding warrants to purchase a like number of common shares, and of the underlying stock. The present warrant holder may offer such warrants (or shares obtained upon the exercise thereof) from time to time, through brokers or facilities of the American Stock Exchange.

Organized under Delaware law in 1960, the company is principally engaged in military electronics research and development for the end use of the United States Government. In addition to indebtedness, it has outstanding 557,514 common shares, as adjusted to reflect a 5-for-4 stock split in February 1965. Management officials own 27% of the company's outstanding stock (including 25% owned by Kaeve M. Siegel, president and board chairman). The prospectus lists seven selling warrant holders, including Greater Washington Industrial Investments, Inc. (offering 43,726 warrants), Continental Capital Corporation (8,707), and Aviation Growth Investments, Inc. (5,225). The warrants were issued to said companies pursuant to a loan agreement dated November 24, 1961. Robert M. Smith is offering 16,100 warrants, and the remaining sellers are offering warrants ranging in amounts from 1,925 to 8,975. Each warrant is exercisable at \$8.80 per share until December 31, 1966.

EASTMAN KODAK SHARES IN REGISTRATION. Quinby & Co., Inc., 183 Main St., East, Rochester, N. Y. 14604, filed a registration statement (File 2-23958) with the SEC on August 23 seeking registration of \$15,000,000 of personal investment accounts (known as Investaccounts) and 172,652 shares of common stock of Eastman Kodak Company that may be acquired by Eastman Kodak employees pursuant thereto.

THOMAS C. HUGHES ENJOINED. The SEC Seattle Regional Office announced August 19 (LR-3303) the entry of a Federal court order (USDC, ED Wash.) permanently enjoining Thomas C. Hughes from further violations of the Securities Act registration provisions in the sale of common capital stock of Slocan-Hughes Mines, Ltd., a corporation organized under the laws of the Province of British Columbia, Canada.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	Registrant	Location
1626	Advance Mortgage Corp. **	Detroit, Mich.
1622	American Aggregates Corp.	Greenville, Ohio
1614	American Mining Co.	Salt Lake City, Utah
1610	Bankers Trust	Kokomo, Ind.
1627	Bush Hog, Inc. **	Selma, Ala.
1602	Dextra Corp.	Miami, Fla.
1605	Equitable Real Estate Inv't Tr.	Kokomo, Ind.
1620	Federal Shopping Way, Inc	Federal Way, Wash.
1621	First Western Fidelity	Salt Lake City, Utah
1603	Hudson Ohio Oil Co.	Columbus, Ohio
1628	Hamilton Mgt Corp. **	Denver, Colorado
1625	Las Vegas Hacienda, Inc.	Los Angeles, Calif.
1601	Mersick Industries, Inc.	North Haven, Conn.
1607	Mid-State Raceway Inc	Barnon, N. Y.
1613	Ormac Corp	Glendora, Calif.
1631	Peterson, Howell & Heather, Inc.	Baltimore, Md.

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1629	Premier Corp of America	New York, N. Y.
1615	Rote American Corp	Paramus, N. J.
1624	Tennece Mfg Co	Houston, Texas
1604	Tidewater Marine Service, Inc.	New Orleans, La.
1623	Tribune Oil Corp	New York, N. Y.
1630	United States Banknote Corp	New York, N. Y.
1611	West Virginia Acceptance Co	Charleston, W.Va.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the August 3 News Digest.

The B V D Co, July 65 (11,13)	1-4620-2	Knox Glass Inc July 65 (12,13)	0-130-2
Medco Inc July 65 (7,11,13)	1-4724-2	R G LeTourneau Inc Apr 65 (7)	2-6205-2
N J Bell Tel Co July 65 (7,13)	1-3488-2	July 65 (3)	2-6205-2
Chas Pfizer & Co Inc Dec 64(12,13)	1-3619-2	Martinall Industries Inc July 65(2,11,12,13)	2-5489-2
Welch Scientific Co July 65(12,13)	1-4711-2	Weiman Co Inc Jan 63 (7,13)	1-2642-2
The Winter Park Tel Co July 65 (7)	0-1254-2	July 64 (2,7,13)	1-2642-2
Gains Guaranty Corp July 65 (12)	0-938-2	Copeland Refrigeration Corp Jan 65 (7,11)	1-4312-2
Genl Foods Corp July 65 (11,12,13)	1-1354-2	July 65 (13)	1-4312-2
R Hoe & Co Inc July 65 (6)	1-2748-2	Loew's Theatres Inc July 65 (8)	1-4204-2
Levines Inc July 65 (12,13)	1-4609-2	American Metal Climax Inc July 65 (12)	1-229-2
Mercantile-Safe Deposit & Trust Co July 65 (12,13)	0-388-2	Columbia Broadcasting System Inc July 65 (12,13)	1-2931-2
Washington Natural Gas Co July 65 (12)	0-951-2	Cummins Engine Co Inc July 65 (7,8,13)	1-4949-2
Internatl Basic Economy Corp July 65 (4,7,13)	2-19210-2	Diebold Inc July 65 (2,7,11,12,13)	1-4879-2
Wrather Corp July 65 (9,13)	0-988-2	Jefferson Construction Co July 65 (11)	1-4538-2
Lightcraft-Genl July 65 (11)	2-21432-2	Jones & Laughlin Steel Corp July 65 (3,13)	1-463-2
White Consolidated Industries Inc July 65 (13)	1-826-2	Miller Bros Hat Co Inc July 65 (4,7,13)	2-19474-2
Landa Oil Co July 65 (2,13)	0-786-2	American Tobacco Co July 65 (7,13)	1-92-2
Merchants Fast Motor Lines Inc July 65 (2,4,7,13)	0-286-2	Eitel-McCullough Inc July 65 (11,13)	1-4809-2
Panoll Co July 65 (7,13)	0-1194-2	Aug 65 (2,13)	1-4809-2
Richardson-Merrell Inc July 65(3)	1-1029-2	Guardman Ins Investors Inc July 65 (7,13)	0-861-2
Natl Western Life Ins Co July 65 (3,11,13)	2-17039-2	Marsh Supermarkets Inc May 65 (12)	0-1532-2
The W rner Bros Co July 65(8,10,13)	1-4715-2	Overnite Transportation Co July 65 (12,13)	1-4747-2
DWG Cigar Corp July 65 (3,12)	1-2207-2	Electro-Voice Inc July 65 (13)	1-4655-2
Evans Products Co July 65 (12)	1-542-2	Mallinckrodt Chemical Works July 65 (8,11)	0-1274-2
Interstate Hosts Inc July 65(12,13)	0-1071-2	United Nuclear Corp July 65 (11,12,13)	0-1554-2
The North Central Co July 65(7,10)	0-533-2	Wm Wallace Corp July 65 (3)	0-907-2
Strouse Inc Sept Oct 64 & May 65 (11,13)	2-18386-2	Bergen Drug Co Inc July 65 (4,7,11,13)	1-5110-2
Eastern Air Lines Inc July 65 (4,7,8,12,13)	1-3049-2	Boston & Maine Corp July 65 (7)	1-4964-2
Falstaff Brewing Corp July 65 (2,3,4,7,11,13)	1-950-2	Curtis Publishing Co July 65 (3,6)	1-69-2
Great Natl Corp June 65 (11)	0-1587-2	Great Lakes Natural Gas Corp June 65 (11)	2-13476-2
Hager Inc July 65 (7,13)	2-17887-2	Stauffer Chemical Co July 65 (13)	1-3766-2
Jervia Corp July 65 (13)	1-5073-2	Wayne Knitting Mills July 65 (7)	1-2782-2
		Burnell & Co Inc July 65 (11)	1-4380-2
		Capital Bancshares Inc June & July 65 (2,8,13)	2-23067-2
		Computer Applications Inc July 65 (2,13)	1-5048-2
		Internatl Resistance Co July 65 (13)	1-3768-2
		Kent Dry Cleaners Inc June 65 (7,11,13)	2-18762-2
		Travelers Express Co Inc July 65 (1,13)	0-453-2
		The B V D Co	
		Amend #1 to 8K for Dec 64 (13)	1-4620-2
		Amend #1 to 8K for Feb 65 (13)	1-4620-2

Glidden Co, July 65, (11,13)	1-531		
Microdot, Inc, July 65, (13)	1-4873		
New England Tel & Tel Co, July 65, (7,13)	1-1150	Coastal States Gas Producing Co, July 65, (12,13)	1-4718
Nordon Corp, Ltd., June 65, (11)	1-547	The Goldfield Corp, July 65, (2,7,11,13)	1-2618
Potter Co, July 65, (11,13)	1-1632	Oulf Sulphur Corp, July 65, (9,11)	1-4815
Siskon Corp, July 65, (2,13)	1-3420	Mesa Petroleum Co, July 65, (2,7,11,13)	2-22126
		Virginia Tel & Tel Co, July 65, (7,13)	0-763
General Electric Co, July 65, (3)	1-35		
Gulton Industries Inc, July 65, (4,7,13)	1-4330	Grow Chemical Corp	
Hawaiian Pacific Indus. Inc, July 65, (13)	2-16767	Amend #1 to 8K for Apr 65 (12)	1-4596-2
Louisville & Nashville RR Co, July 65 (7,13)	1-1116		
R. H. Macy & Co., Inc, July 65, (7,13)	1-556	Seilon Inc	
Northeast Airlines, Inc, July 65, (1,6,7)	1-3200	Amend #1 to 8K for May 65 (2,13)	1-1497-2
Oxford Paper Co, July 65, (12)	1-3841		
Revco D.S., Inc, July 65, (2,12,13)	1-5025	Federal Sign & Signal Corp	
Seaboard Finance Co, July 65, (8)	1-3440	Amend #1 to 8K for July 65 (8)	0-693-2
Amer Safety Equip Corp, July 65, (7)	1-4829	Hart-Carter Co	
Chicago & No. Western Ry Co, July 65, (2,13)	1-3211	Amend #1 to 8K for June 65 (7,10,11)	0-704-2
H & B Amer Corp, July 65, (7,13)	1-4089		
South Jersey Gas Co, July 65, (4,7,11,13)	1-3990	Georgia Power Co July 65 (11,13)	0-392-2
United Investors Corp (Del), July 65, (11)	0-1515	Republic Supply Co of Calif	
Univ Match Corp, July 65, (12,13)	1-4202	Feb 65 (11,13)	0-194-2
US Steel Corp, July 65, (3)	1-1583	Southwest Forest Industries Inc	
		July 65 (7,9,11,12,13)	2-16079-2
		Swift Homes Inc July 65 (11,13)	2-18903-2
Colgate-Palmolive Co, July 65, (7,10)	1-644	Transcontinental Gas Pipe Line Inc	
Pers Property Leasing Co, July 65, (12,13)	2-17514	Amend #1 to 8K for Apr 65 (7,13)	0-656-2
Mobile Gas Serv Corp, July 65, (3)	0-234		
Packer's Super Markets, Inc, July 65, (7)	1-4558		
Texas Tenn. Indus, Inc, July 65, (8)	0-11		
United Air Lines, Inc, July 65, (7)	1-2637		
Employees' Stk Pur. Pln United Airlines, Inc, July 65, (4,13)	2-23446		

WESTERN OIL SHALE PROPOSES OFFERING. Western Oil Shale Corporation, 351 South State St., Salt Lake City, Utah, filed a registration statement (File 2-23959) with the SEC on August 23 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$5 per share. Parker, Bishop & Welsh, Inc. 99 Park Ave., Oklahoma City, Okla., will head a group of underwriters, which will receive a 50¢-per-share commission.

The company was organized under Utah law in June of 1965 for the purpose of acquiring, exploring and developing interests in oil, gas, and other mineral properties, and particularly oil shale properties. It has acquired by assignment 97 oil shale leases (covering approximately 56,631 acres of land located in Utah) in exchange for 566,310 shares of its common stock. Net proceeds from its stock sale will be used in the conduct of its business. The company has outstanding 571,310 common shares, of which Texas American Oil Corp. and Pacific Union Gas Co. own 59.80% and 16.37%, respectively. Management officials of the company or the corporations of which some of them are principal officers own all of the outstanding stock. Nash J. Dowdle is president of the company and of Texas American Oil.

SOUTHERN BELL T&T PROPOSES DEBENTURE OFFERING. Southern Bell Telephone and Telegraph Company, 67 Edgewood Ave., S.E., Atlanta, Ga. 30303, today filed a registration statement (File 2-23960) with the SEC seeking registration of \$100,000,000 of 35-year debentures (due 2000), to be offered for public sale at competitive bidding. A wholly-owned subsidiary of American Telephone and Telegraph Company, the company will apply the net proceeds from its debenture sale toward repayment of some \$137,000,000 of advances from AT&T. Such advances were used for general corporate purposes, including property additions and improvements. It expended \$462,000,000 for construction in 1964 and it anticipates higher expenditures for such purpose in 1965.

SECURITIES ACT REGISTRATIONS. Effective August 24: Denny's Restaurants, Inc., 2-23890 (40 days); Province of Ontario, 2-23903 (Oct 4); Transcontinental Gas Pipe Line Corp., 2-23879.
Effective August 25: "Arad" Quarries and Roads Limited, 2-23739 (90 days); Commonwealth Assurance Co., 2-23644 (90 days); Work Wear Corp., 2-23835 (40 days).

NOTE TO DEALERS. The last date or the period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.