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

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FIRST PENNINGTON REVOKED. In a decision announced today under the Securities Exchange Act (Release 34-7927), the SEC revoked the broker-dealer registration of First Pennington Company, 410 Gulf Bldg., Pittsburgh, Pa., for violations of the Securities Act anti-fraud provisions.

Based on the order for proceedings and an offer of settlement, the Commission found that First Pennington had violated the Securities Act anti-fraud provisions in the 1960-61 sale of stock of Siltronics, Inc. Among other things, the firm circulated reports that the market price would rise upon completion of the Regulation A offering of Siltronics stock, and arranged for certain persons to purchase a substantial number of the shares at the offering price of \$2 and resell them at an increased price to a broker-dealer, and for the acquisition of such shares by another broker-dealer by a means of a series of transactions at increasing prices through a number of broker-dealer firms. The firm also made false and misleading statements to purchasers concerning the identities of all the underwriters of the offering, the offering price, and the plan of distribution. The Commission also ruled that Edward L. Batz, First Pennington's president, participated in the firm's violations; also, that in 1959 while an officer of The First Washington Corporation he offered and sold stock of Lifetime Pools Equipment Corp. in violation of the Securities Act registration and anti-fraud provisions.

PROSPECTUS CLARIFICATION PROPOSED. The SEC today issued a statement (Release 33-4844) calling for the cooperation of issuing companies in improving the "clarity of prospectuses" for securities registered on Form S-8 under the Securities Act. Form S-8 is a simplified form for the registration of securities offered by reporting companies under various employee stock purchase, savings, stock option and similar plans. These securities are usually offered on terms and conditions that enable the employee to purchase the securities at a favorable price or on other favorable terms, or to obtain favorable tax treatment for any profit resulting from the sale of the securities by the employee. Because these offerings generally provide some advantage to employees, and because of the knowledge which employees may be presumed to have about their company, the form permits the omission of certain information, such as the description of the business and information about management, which otherwise would be required. The form does, however, require the prospectus to contain reasonably detailed information about the nature and operation of the plan and the rights and duties of employees under it. Additionally, the prospectus must contain certain financial and other information about the issuer of the securities offered.

Prospectuses used in such offerings, the Commission observed, are more complex and technical than is necessary. This is especially true of the information about the plan itself, thus making it difficult for the employee to understand readily the nature of the plan and his rights and duties under it. However, some issuers have included in the prospectus, or transmitted with it in booklet form, a description of the plan in language which can be readily understood. In some instances these descriptions are in question-and-answer form so as to answer specifically and concisely employees' questions about the plan. The Commission commends this practice and suggests that it might well be extended to the prospectus. The Commission urges and expects that issuers who have not already done so will devise innovations which will explain their plans more clearly to employees.

SOUTHPORT COMMERCIAL SEEKS ORDER. Southport Commercial Corporation, New York management closed-end 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 as defined in the Act; and the Commission has issued an order (Release IC-4660) giving interested persons until August 25 to request a hearing thereon. Applicant represents that its outstanding securities are owned by not more than 100 persons and that it is not making and does not presently intend to make a public offering of its securities.

MICHIGAN CONSOLIDATED GAS SEEKS ORDER. Michigan Consolidated Gas Company, Detroit gas-utility subsidiary of American Natural Gas Co., has applied to the SEC for an order under the Holding Company Act authorizing it to sell its unsecured promissory notes to banks in amounts aggregating a maximum of \$27,000,000; and the Commission has issued an order (Release 35-15538) giving interested persons until August 26 to request a hearing thereon. The company will use the funds to finance its construction costs, which are expected to amount to \$45,340,000 in 1966.

TWO TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Great American Industries, Inc., for the ten-day period August 7-16, inclusive, and over-the-counter trading in bonds of Pinal County Development Association for the same period.

PITTSBURGH PLATE GLASS PROPOSES DEBENTURE OFFERING. Pittsburgh Plate Glass Company, One Gateway Center, Pittsburgh, Pa. 15222, filed a registration statement (File 2-25372) with the SEC on August 4 seeking registration of \$125,000,000 of sinking fund debentures (due 1991). The debentures are to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

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The company produces flat glass, industrial chemicals, coatings and resins, fiber glass, and related products. Net proceeds of its debenture sale will be added to general funds and will be used to reduce current bank borrowings and to finance the expansion and improvement of the company's production and distribution facilities. Its program for capital expenditures totals about \$180 million; capital expenditures made or to be made in 1966 are estimated at \$120 million. In addition to indebtedness, the company has outstanding 10,777,388 common shares. David G. Hill is board chairman and R. F. Barker is president.

PAN-ALASKA FISHERIES FILES FOR SECONDARY. Pan-Alaska Fisheries, Inc., 1818 Westlake North, Seattle, Wash 98109, filed a registration statement (File 2-25368) with the SEC on July 28 seeking registration of \$350,000 of outstanding 6-3/4% convertible subordinated debentures and outstanding common stock. The present holder thereof proposes to offer the securities for public sale in units of debentures and common shares (the number of shares being registered, and the composition of the units, are to be supplied by amendment). The offering is to be made on a "best efforts" basis through William J. Grano & Co., Executive Bldg., Portland, Ore., which will receive a 10% selling commission.

The company is engaged in the processing and selling of Alaska king crab and other seafood products. Pacific Fleets, Inc., a recently-organized subsidiary, is the selling securities holder; it will use the net proceeds of its sale of the units for general corporate purposes, as well as for the construction of fishing vessels whose operation will be managed by the parent company. In addition to indebtedness, the company had outstanding 432,580 common shares as of April 30 (which does not reflect the stock being registered). Management officials own 64,166 common shares (including 57,500 shares owned by William A. Ritter, president). Robert L. Ferman is chairman.

RAPID-AMERICAN SHARES IN REGISTRATION. Rapid-American Corporation, 711 Fifth Ave., New York 10022, filed a registration statement (File 2-25344) with the SEC on July 29 seeking registration of 15,000 outstanding shares of 5% cumulative convertible preferred stock (\$100 par) and 50,706 outstanding shares of \$.75 cumulative convertible preferred stock (\$1 par). The present holders thereof may offer the stock for public sale from time to time on the American Stock Exchange or otherwise, at prices current at the time of sale. The company is also registering 200,000 shares of common stock, to be offered pursuant to its 1964 Qualified Stock Option Plan.

The company controls McCrory Corporation through ownership of 50.7% of its outstanding common stock; McCrory in turn owns a majority of the common stock of Lerner Stores Corp. and S. Klein Department Stores, Inc. and approximately 49.7% of the common stock of Glen Alden Corp. In 1965 the company acquired the men's clothing manufacturing business and certain assets of Joseph H. Cohen & Sons, Inc. Hanover Equities Corp. was recently merged into the company. In addition to indebtedness and preferred stock, the company has outstanding 2,101,707 common shares, of which management officials own 13.3%. The prospectus lists six sellers of the 5% preferred stock, including Cantor, Fitzgerald & Co., which is offering 10,000 shares. The \$.75 preferred stock is to be offered by six other selling stockholders. Arthur N. Levien proposes to sell 10,138 of such shares; and, as trustee under four trusts, he intends to offer an aggregate of 35,568 shares. The remaining 5,000 shares are to be offered by Fred Wilpon, upon the exercise of an option to purchase such shares at \$5.625 per share. All of the preferred stock was issued in connection with the company's acquisition of Hanover and of Cohen & Sons (the option was originally granted by Hanover to one of its officers). Meshulam Riklis is president and board chairman.

SECURITIES ACT REGISTRATIONS. Effective August 4: Graphic Controls Corp., 2-25153 (Nov 2); Hail Svengali Co, 2-24337 (90 days); Pathfinder Life Insurance Co. of America, 2-24995 (90 days); Piedmont Aviation, Inc., 2-25226 (Nov 3).

NOTE TO DEALERS. 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.

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