

# 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 July 17, 1964

**EUGENE OWENS REVOKED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-7370) revoking the broker-dealer registration of Eugene N. Owens, of 5882 Cabanna Ave., St. Louis, for violations of the Commission's disclosure, reporting and record-keeping requirements. However, it observed that its action should not be construed as a bar to Owens' employment by another firm in a non-supervisory capacity under adequate supervision.

According to the Commission's decision, Owens disclaimed in his registration application filed in February 1962 that he had been connected with any other broker-dealer firm within the prior ten years, when in fact he had been employed as a registered representative by another firm from 1956 until May 1963; showed a cash balance of \$1,200 in his checking account as of February 2, 1962, when the balance was at most \$894; failed to file a report of financial condition within five months of the March 11th effective date of his registration, as required; and almost completely disregarded the record-keeping requirements of the Commission.

The Commission cited his "indifference and irresponsibility" in rejecting Owens' explanations of his conduct and his plea that his registration not be revoked. However, the Commission concluded that since his conduct did not relate to his activities as a salesman, his employment in a supervised capacity by another firm would not be inappropriate.

**WARWICK ELECTRONICS FILES STOCK PLANS.** Warwick Electronics Inc., 7300 N. Lehigh Ave., Chicago, filed a registration statement (File 2-22609) with the SEC on July 16 seeking registration of 468,483 shares of common stock, to be offered under its Stock Option Plans.

**SBIC PURCHASE OF AMTEL STOCK CLEARED.** The SEC today announced the issuance of an exemption order under the Investment Company Act (Release IC-4015) permitting affiliated persons of Narragansett Capital Corporation, Providence, R. I., and The Franklin Corporation, of New York, registered closed-end investment companies and also licensed as small business investment companies, to purchase shares of common stock of Amtel Corporation, also of Providence.

Amtel, which is a controlled company of Narragansett and Franklin, has proposed an offering of 250,000 common shares at \$5 per share (its Securities Act registration statement became effective this date). Of the shares to be offered, 98,230 (39.29%) will be offered to holders of Narragansett common and a like number to holders of Franklin common, by way of nontransferable subscription rights. This rights offering is to be made on the basis of one share of Amtel for every nine shares of Narragansett, and one share of Amtel for every twelve shares of Franklin, respectively. Stockholders of Narragansett and Franklin also will have over-subscription privileges to acquire Amtel stock not subscribed for pursuant to primary rights. Un-subscribed shares will be offered at \$5 per share to the public or members of management of Amtel, including Van Saun, Mettler and Buckley. The remaining 53,540 shares are to be offered as follows: (a) 23,540 shares to George H. Mettler; (b) 20,000 shares to Willard G. Van Saun; and (c) 10,000 to Alfred Buckley. Buckley is president of Amtel, which is successor to the merger of Janesville Cotton Mills, Inc., and Lawson Machine and Tool Co. Mettler was president and 33-1/3% owner of Lawson; and Van Saun was president and 15% owner of Janesville. Included among stockholders of Narragansett who, as stockholders of Narragansett, will receive rights to purchase Amtel stock, are thirteen of its officers and directors and one other person holding more than 5% of its stock. These affiliated persons of Narragansett hold some 30.02% of its stock; and under the proposal they may subscribe for 26,408 shares of Amtel stock pursuant to primary subscription rights. Eight affiliated persons of Franklin hold 17.97% of its outstanding stock; and under the proposal they may subscribe for 16,043 shares of Amtel stock pursuant to primary subscription rights. They have indicated that they intend to exercise their primary rights; but they will not exercise their over-subscription privileges unless and until all non-affiliated shareholders have exercised their over-subscription privileges.

**COURT ENJOINS WINGDAM & LTG. CREEK MINING.** The SEC Seattle Regional Office announced July 14 (LR-2985) the entry of a Federal court order (USDC, Seattle), by default, permanently enjoining violations of the Securities Act registration requirements in the sale of stock and debentures of Wingdam and Lightning Creek Mining Co., Ltd., by the said defendant corporation and Argus Securities Limited, both British Columbia corporations, and by R. A. Brossard, of Vancouver, B.C.

**NATIONAL INDUSTRIES SEEKS ORDER.** National Industries, Inc., Louisville, Ky., has applied to the SEC under the Investment Company Act for an order extending its exemption from the Act for an additional sixty days after July 14, 1964; and the Commission has issued an order (Release IC-4013) giving interested persons until August 7 to request a hearing thereon. National filed an application on May 14 for an order declaring it to be primarily engaged in business other than that of an investment company, either directly or (A) through majority-owned subsidiaries or (B) through controlled companies conducting similar types of businesses. Since then, new developments require amendment to that application, including the acquisition of control of Foundation Life Insurance Company as well as a program for disposing of certain subsidiaries of RIC Group, Inc. Additional time is required for the preparation of such amendment. Accordingly, National seeks a 60-day extension of the automatic 60-day exemption provided by the Act upon the filing of an exemption application.

OVER

**WISCONSIN INDUSTRIAL CORP. SEEKS ORDER.** The Superior-Douglas County Industrial Development Corporation, of Superior, Wisc., has applied to the SEC for an order declaring it to be exempt from all provisions of said Act; and the Commission has issued an order (Release IC-4014) giving interested persons until July 30th to request a hearing thereon. Applicant is a subsidiary of Superior-Douglas Industrial Development Association, Inc., a non-profit Wisconsin corporation which owns all of its 61 outstanding common shares. It was formed for the purpose of investing in a note of Superior Fiber Products, Inc., a Wisconsin corporation which intends to construct and operate a hardboard manufacturing plant at Superior. Under a Securities Act registration statement filed by Applicant and Superior Fiber Products, Applicant proposed to offer to the public debentures in the amount of \$630,000, the proceeds of which will be used to purchase the note of Superior Fiber Products, which is expected to be its only asset. The major financing of the plant is to be provided by the United States Area Redevelopment Administration.

**INDICTMENT IN BELMONT OIL STOCK SALE.** The SEC New York Regional Office announced July 17 (LR-2986) the return of a Federal court indictment (USDC SDNY) charging violations of the Securities Act anti-fraud provisions in the sale of securities of Belmont Oil Corp. by Morton Binstock, Michael Canter, Edward S. Cantor, Donald L. Duncan, Joel A. Fox, Murray Gabaeff, a/k/a Murray Gold, Alvin Galpren, Myron Rosenthal, Vincent Schwenoha, Louis Shomberg, Nathan Suess, Arthur Tortorello, Stanley Younger, Belmont Oil Corporation, Carlton Securities, Inc., Globe Securities Corporation, Peerless-New York, Inc., H. G. Stolle & Company. Also named in the indictment as co-conspirators were Ernest Blythe, Michael Costa, G. R. Dean, Jack Gabaeff, a/k/a Jack Gold, Max Hammerling, Ed Harris, David Mandel, George Spiegel, Martin Teller, Milton Toboco, Murray Taylor and David H. Victor.

**CONNECTICUT YANKEE STOCK SALE CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-15106) authorizing Connecticut Yankee Atomic Power Company, of Hartford, Conn., to issue and sell an additional 100,000 shares of its common stock, at \$100 per share or for an aggregate consideration of \$10,000,000, to its twelve "sponsor companies." These include New England Power Company, Western Massachusetts Companies, Public Service Company of New Hampshire, and Montaup Electric Company. Connecticut Yankee is constructing a nuclear electric generating plant, the total capital cost of which is now estimated at \$98,500,000 (exclusive of assistance from the Atomic Energy Commission). Proceeds of the sale of additional stock will be used for plant construction expenditures.

**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. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the July 1 News Digest.

O'Sullivan Rubber Corp, Apr 64, (11)

Republic Corp, May 64, (3,8,12)

Wilson Brothers, May 64, (12,13)

Watt & Bond Inc, Jan 64, (4,7,9,12,13)

Rubbermaid Incorporated, And #1 to 8K for  
Apr 64, (11)

**SECURITIES ACT REGISTRATIONS.** Effective July 17: Amtel, Inc. (File 2-22357); Northern Illinois Gas Company (File 2-22526).

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