

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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LA FONTE OIL OFFERING PROPOSAL SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public stock offering by La Fonte Oil Company, of Kemmerer, Wyoming, and 8750 West Dakota, Denver, Colo. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

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 January 27, 1965, La Fonte Oil proposed the public offering of 250,000 common shares at \$1 per share. In its suspension order, the Commission asserts that it has reasonable cause to believe that the company failed to comply with certain terms and conditions of Regulation A and that its offering circular is false and misleading in respect of certain material facts. There was an alleged failure to disclose that the company is delinquent under the laws of Nevada and that its charter was revoked in March 1963; that its qualifications to engage in business in Wyoming (the state in which it is said to be engaged in business) was revoked in February 1964; that the majority of federal leases on the properties in Wyoming were terminated five days after the company's notification was filed; that the acreage purportedly owned by the issuer is in an area in which no commercial oil and gas has ever been discovered; that geological information of a favorable nature contained in the offering circular does not give consideration to the results obtained in two dry holes drilled on the acreage involved; and that the company's proposal to deepen certain idle wells is very hazardous and may result in considerable expense without tangible results. There also was an alleged failure to make proper disclosure of the interests of management officials in the issuer and in material transactions within the past two years and as to the nature of the company's interest in properties proposed to be developed or exploited.

AUDITRON RADIO HEARING SCHEDULED. At the request of Auditron Radio Corporation, of Philadelphia, Pa., the Commission has scheduled a hearing for May 25, 1965, to determine whether to vacate or make permanent the Commission's order of March 30, 1965, temporarily suspending a Regulation A exemption with respect to a proposed public offering of stock by Auditron Radio. The hearing will be held in the Commission's Washington Office.

COMMONWEALTH NATURAL GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15225) approving the purchase by Commonwealth Natural Gas Corporation, Richmond, Va., of approximately 97% of the common stock of Natural Gas Service Co. (a Virginia corporation and a nonassociated gas utility company) and related transactions.

WOLVERINE SHOE FILES FOR SECONDARY. Wolverine Shoe and Tanning Corporation, Rockford, Mich., filed a registration statement (File 2-23495) with the SEC on April 20 seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. A. G. Becker & Co. Inc., 120 S. La Salle St., Chicago, is listed as the principal underwriter. The public offering price (\$40 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture of casual shoes, with the "Hush Puppies" brand accounting for its principal sales in 1964. In addition to indebtedness, it has outstanding 3,017,570 common shares, of which management officials own 19.5%. The prospectus lists three selling stockholders, as follows: Adolph K. Krause (president), offering 30,000 of 84,406 shares held; Gordon C. Krause (director), 80,000 of 139,714; and Richard H. Krause (director), 40,000 of 164,270.

NORWICH PHARMACAL FILES STOCK PLAN. The Norwich Pharmacal Co., Norwich, N. Y., filed a registration statement (File 2-23496) with the SEC on April 19 seeking registration of 81,996 shares of common stock, to be offered under its Key Employees' Stock Option Plan.

WESTERN LIFE AND ACCIDENT FILES FOR OFFERING. Western Life and Accident Company, Medalion Bldg., Colorado Springs, Col., filed a registration statement (File 2-23497) with the SEC on April 19 seeking registration of 400,000 shares of common stock. The shares are to be offered for public sale at \$5 per share through company representatives, who will receive a 75¢-per-share selling commission.

Organized under Colorado law in September 1964, the company proposes to sell life and other forms of insurance in Colorado. Net proceeds from its stock sale will be applied to company operations. The company has outstanding 83,000 common shares, of which management officials own 16.87%. Of the outstanding stock, 71,000 shares were sold for an aggregate of \$35,500 and 12,000 were issued in payment for legal, managerial and promotional services (with 9,000 of such shares being issued to Merle E. Jenkins, president).

JAMES MONROE LIFE PROPOSES OFFERING. James Monroe Life Insurance Company, 79 Wall St., New York, filed a registration statement (File 2-23498) with the SEC on April 20 seeking registration of 375,000 shares of capital stock, offered for public sale at \$6 per share through company officials. The registration statement also includes 100,000 capital shares that have been subscribed for at the public offering price by company officers. Organized under New York law in November 1964, the company intends to engage in the life insurance

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business. Net proceeds from its stock sale will be added to capital and surplus and used in the conduct of such business. Anthony J. Cassano is president.

FMC CORP. FILES STOCK PLAN. FMC Corporation, 1105 Coleman Ave., San Jose, Calif. 95110, filed a registration statement (File 2-23499) with the SEC on April 20 seeking registration of \$15,000,000 of interest in the FMC Employees' 1960 Thrift and Stock Purchase Plan, together with 213,523 shares of common stock that may be acquired pursuant thereto.

PIERCE BROS. SEEKS EXEMPTION. Pierce Brothers, North Hollywood, Calif., has applied to the SEC for exemption from the registration requirements of Section 12(g) of the Securities Exchange Act; and the Commission has issued an order (Release 34-7582) giving interested persons until May 7th to request a hearing thereon. The exemption is sought on the basis of the limited amount of trading interest in Pierce securities and the nature and extent of its activities. The company had assets of \$4,000,000 at August 31, 1964. It has outstanding 1,800 common shares held by Valhalla Corporation; and it also has outstanding 4,565 shares of 6% preferred stock and 34,446 shares of 3% preferred B stock held of record by 1,271 shareholders. The purpose underlying the sale of preferred shares was to afford persons desiring to prearrange funeral services with a method of so doing while retaining to themselves some earning power for the funds invested; and some 89.77% of the shares has been pledged by the purchasers thereof for future funeral services. The remainder of the shares are held by 128 persons for investment. There is no over-the-counter market or trading in the preferred shares, nor is there any other public market therefor.

UNION BANKERS INSURANCE FILES FOR OFFERING AND SECONDARY. Union Bankers Insurance Company, 2551 Elm St., Dallas, today filed a registration statement (File 2-23500) with the SEC seeking registration of 60,000 shares of common stock. Of this stock, 50,000 shares are to be offered for public sale by the company and the remaining 10,000 by General Insurance Investment Company. Rauscher, Pierce & Co., Inc., 1200 Mercantile Dallas Bldg., Dallas, Texas 75201, is listed as the principal underwriter. The offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the writing of individual life and individual accident, sickness, medical and surgical reimbursement and hospitalization insurance. Net proceeds of its sale of additional stock will be added to the general funds of the company. In addition to indebtedness and preferred stock, the company has outstanding 919,052 common shares. General owns 38.91% of the outstanding common shares. Most of its management officials also are officials of the company. General also owns 85.92% of the Class A preferred and 100% of the Class B preferred of the company, both of which are convertible into common stock. Margaret Brand Smith is president and Harry Eben Smith is board chairman of the company.

FAIRCHILD CAMERA FILES STOCK PLAN. Fairchild Camera and Instrument Corporation, 300 Robbins Lane, Syosset, Long Island, N. Y., filed a registration statement (File 2-23501) with the SEC on April 20 seeking registration of 290,348 common shares, reserved for issuance under its stock option plans.

AMENDMENT OF RULE 16a-2 PROPOSED. The SEC has proposed an amendment to Rule 16a-2 under the Securities Exchange Act; and it has invited comments thereon not later than May 21, 1965 (Release 34-7580). Section 16(a) of the Act requires periodic ownership reports to be filed by officers and directors of registered companies and by any person who is the beneficial owner, directly or indirectly, of more than 10% of a class of registered equity security. Rule 16a-2 outlines the procedure for calculation of the percentage of ownership and the proposed amendment further clarifies the procedure.

SECURITIES ACT REGISTRATIONS. Effective April 20: Aurora Plastics Corp., 2-23349 (40 days); The Coca-Cola Co. (File 2-23429); Evans Products Co., 2-22642 (May 30); FMC Corp. (File 2-23404); Pargas, Inc., 2-23235 (May 31); The Perkin-Elmer Corp., 2-23384 (June 1); Tennessee Gas Transmission Co. (File 2-23328). Effective April 21: Citation National Life Corp., 2-23116 (July 20); Gulf States Land & Industries, Inc., 2-22471 (May 31); Kaneb Pipe Line Co., 2-23303 (July 20); Republic of Venezuela, 2-23420 (July 21); Scientific Data Systems, Inc. (File 2-23357).

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.

*As estimated for purposes of computing the registration fee.

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