

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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ROBINETTE & CO. REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7386) revoking the broker-dealer registration of Robinette & Co., Old Town Bank Bldg., Baltimore, Md., for fraudulent activities in connection with the sale of unregistered securities by false and misleading representations and other violations of the Federal securities statutes. John H. Robinette III, Josef W. Wilke, Edward A. Klein, Robert J. Zimmer and Fred E. Scheible were each found to be a cause of the revocation order.

In its decision the Commission found that the firm, Robinette, its president, Wilke, a vice-president, and the other respondents, who were salesmen, wilfully violated the Securities Act by the offer and sale of unregistered 6% convertible debentures of Dorothy Lamour, Inc.

According to the decision the respondents also made false and misleading representations during the 1961 debenture offering regarding the financial condition and sales of the company; the reason for issue of the debentures and their investment quality; and the profit that could be made upon conversion of the debentures into stock. In regard to Wilke the Commission found that the verbal assurances which he had received about the Lamour company's financial soundness and prospects did not furnish a reasonable basis for his unrestrained and highly optimistic recommendations of the debenture, and that he resold some of the debentures after he had actual knowledge of the issuer's increasingly precarious financial condition without disclosing that information to the investor. The Commission also found that the firm failed to make confirmations and keep records of the debenture sales.

CITIZENS FINANCIAL FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4034) declaring that the Citizens Financial Fund, Inc., 5940 Freeport Blvd., Sacramento, Calif., has ceased to be an investment company.

CONSOLIDATED NATURAL GAS RECEIVES SUPPLEMENTAL ORDER. The SEC has issued a supplemental order under the Holding Company Act (Release 35-15112) extending for three months (until December 9, 1964) authority previously granted to Consolidated Natural Gas Company, New York registered holding company, to organize and conduct the business of Con-Gas Service Company as a subsidiary service company in the Consolidated holding-company system.

FIDELITY NATIONAL PROPOSES OFFERING. Fidelity National Corporation, 19018 32nd Ave. South, Seattle, Wash., filed a registration statement (File 2-22676) with the SEC on August 11 seeking registration of 2,700,000 shares of common stock, to be offered for public sale at \$5.25 per share on a best-efforts basis through Trans-American Securities Corporation, of the Seattle address, which will receive a selling commission of \$0.7875 per share. The underwriter was organized in November 1963 for the primary purpose of organizing the company and underwriting this offering. The registration statement also includes 6-year options to acquire 50,000 shares of common stock at the exercise price of \$5.25 per share, to be offered to certain persons who purchased shares through the underwriter and who were nominated by the company's board of directors to serve on its advisory board.

Organized under Washington law on July 1, 1964, the company proposes to organize and purchase all of the stock of a Washington life insurance company. It also intends to purchase stock of existing life insurance companies as opportunities arise. Net proceeds from the company's stock sale will be used to purchase \$6,000,000 of stock of the insurance company, and the balance (except for \$50,000 to be used for operating capital) will be held in reserve for additional investments in insurance companies. The company has outstanding 107 common shares which were purchased by the eight incorporators at \$5.25 per share. The incorporators have also subscribed to purchase 2,000 common shares each at \$5.25 per share. Carl D. Brown, Sr., is president of the company.

PARKE, DAVIS FILES STOCK PLANS. Parke, Davis & Company, P. O. Box 118, Detroit, filed a registration statement (File 2-22677) with the SEC on August 11 seeking registration of 528,987 shares of common stock, to be offered under its 1954 and 1964 Stock Option Plans.

MONTANA POWER FILES STOCK PLAN. The Montana Power Company, 40 E. Broadway, Butte, Montana, filed a registration statement (File 2-22678) with the SEC on August 11 seeking registration of \$9,645,058 of participation in its Key Employees' Stock Ownership Plan, together with 300,000 shares of common stock which may be acquired pursuant thereto.

SECURITIES ACT REGISTRATIONS. Effective August 10: American Fidelity Life Insurance Co. (File 2-22544). Effective August 11: Airport Parking Company of America (File 2-22414); International Telephone and Telegraph Corp. (File 2-22545). Effective August 12: Delta Corp. (File 2-22451 and 2-22452); Gearhart Owen Industries, Inc. (File 2-22585); Wisconsin Real Estate Investment Fund (File 2-21915); The New Jersey Zinc Co. (File 2-22591).