

# 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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FOR RELEASE July 7, 1964

**FLIGEL EMPLOYMENT CLEARED.** The SEC has issued an order under the Securities Exchange Act (Release 34-7362) granting an NASD application for continuance of a firm in membership with Marshall Alfred Fligel, of New York City in its employ as a registered representative.

**SOUTHERN CO. ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15100) making permanent its 1962 authorization with respect to the organization and conduct of business of Southern Services, Inc., a wholly owned service subsidiary of The Southern Company, Atlanta registered holding company.

**PETROLINI CORP. ENJOINED.** The SEC Chicago Regional Office announced June 30th (LR-2979) the entry of a Federal court order (USDC, Chicago) preliminarily enjoining violations of the Securities Act registration requirement by Petrolini Corporation, of Chicago and Quincy, and its president, John Edward Carson, in the sale of oil interests.

**FOUR OFFERINGS SUSPENDED.** The SEC has issued orders under the Securities Act of 1933 temporarily suspending Regulation A exemptions from registration under that Act with respect to the public offering of securities by the following:

- 1) William Baxter and Edward Friedman, as "The Mandingo Company," Hotel Astor, New York City, N. Y., who filed a notification in February 1961 proposing the offering of \$75,000 of pre-formation limited partnership interests
- 2) General Computer/Electronics Corporation, Berlin, N. J.  
In its notification, filed in December 1961, General Computer proposed the offering of 100,000 common shares at \$3 per share
- 3) Transportation for the Handicapped, Inc., Wantagh, N. Y.  
This company, in a notification filed in August 1962, proposed the offering of 80,000 shares of common stock at \$2.50 per share
- 4) Transworld Equipment Corporation, 119 W. 26th St., New York City, N. Y.  
Transworld proposed the offering of 139,832 common shares at \$2 per share in a notification filed in January 1960

Each of the orders asserts that the respective issuers failed to comply with Regulation A by reason of their failure to file the required reports of sales of securities pursuant to the exemption showing the use to which the proceeds thereof were applied.

**NEW JERSEY ZINC FILES STOCK PLAN.** The New Jersey Zinc Company, 160 Front St., New York, filed a registration statement (File 2-22591) with the SEC on July 6 seeking registration of 99,600 shares of capital stock, to be offered under its 1958 Stock Option Plan.

**GLASTRON BOAT PROPOSES RIGHTS OFFERING.** Glastron Boat Company, 9108 Reid Rd., Austin, Tex., filed a registration statement (File 2-22584) with the SEC on July 2 seeking registration of 79,000 shares of common stock, to be offered for subscription at \$3 per share by common stockholders at the rate of one new share for each five shares held. The record date will be supplied by amendment. Blanco Oil Co., a Texas corporation, will offer to purchase all rights issued under this offering at a price of 44¢ per right, less a commission of 4¢ and expenses of 1¢ per right. The rights offering is conditional upon the closing of an agreement between Blanco and certain company officials to assure Blanco ownership of 240,000 shares for \$1,476,000. Under this agreement, Robert R. Hammond (president), William D. Gaston (executive vice president) and Peyton Dabney Cauley (vice president) will grant to Blanco an option to purchase 50,000 common shares now owned by them at a price of \$8 per share. They further agree to sell enough additional shares to Blanco to give it an additional 80,000 shares after exercise of all rights purchased by Blanco. Blanco will also offer to purchase 110,000 shares from common stockholders of the company on a pro rata basis at \$6 per share, and company officials will sell the number of shares necessary to give Blanco ownership of the 110,000 shares from the tender offer.

The company is engaged in manufacturing and selling fiberglass pleasure boats, under the trade name of "Glastron". Net proceeds derived from its rights offering will be applied to property additions and improvements, and the remainder will be used for working capital. In addition to indebtedness, the company has outstanding 395,000 shares of common stock, of which management officials as a group own approximately 49%.

**CONTINENTAL GAS SEEKS EXEMPTION ORDER.** Continental Can Company, Inc., New York, and Cox Newsprint, Inc. (a nonaffiliated Georgia company) have applied to the SEC for an order exempting them and their subsidiaries from all provisions of the Holding Company Act on the ground that each "is primarily engaged in a business other than that of a public utility company and is only incidentally a holding company"; and the Commission has issued an order (Release 35-15101) giving interested persons until August 3 to request a hearing thereon. According to the application, Continental is engaged in the manufacture and sale of packaging products and

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in related operations. Among its properties is a pulp and paper mill near Augusta, Ga., together with adjoining facilities for the generation of electrical and steam energy which is substantially all used by Continental. Cox Newsprint was recently organized to construct a newsprint mill on a site adjacent to that of Continental's pulp and paper plant. For the purpose of furnishing electrical and steam energy requirements to the applicants, they have organized (under New York law) the Peachtree Generating Corp., which will be jointly controlled by the two companies. The construction program of such corporation will include expansion of Continental's presently owned electric and steam generating facilities.

**CORRECTION RE AMERICAN FIDELITY LIFE OFFERING.** The SEC News Digest of June 24th with respect to the proposed offering by American Fidelity Life Insurance Company of additional common shares to its shareholders by means of subscription warrants, erroneously reported that the public offering of unsubscribed shares by underwriters would be on a best efforts basis.

**PENNA. REAL ESTATE INVESTMENT PROPOSES OFFERING.** Pennsylvania Real Estate Investment Trust, 2222 Philadelphia Saving Fund Bldg., Philadelphia, filed a registration statement (File 2-22589) with the SEC on July 2 seeking registration of \$5,000,000 of 6 $\frac{1}{4}$ % convertible subordinated debentures due 1979, to be offered at 100% of principal amount. Underwriters headed by Stroud & Co., Inc., 123 S. Broad St., Philadelphia, will offer \$2,000,000 of the debentures (without underwriting commission) to trustees of the Trust, their associates and other persons designated by them, the balance to be offered for public sale, with a 5% commission to the underwriters.

The Trust was organized in 1960 for the purpose of providing investors "with an opportunity to own equal transferable, limited voting, beneficial interests in the Trust which in turn would own diversified real estate holdings." Of the net proceeds of the debenture sale, \$4,000,000 will be used to repay bank loans incurred in connection with various real estate acquisitions, and the balance will be added to general funds. In addition to indebtedness, the Trust has outstanding 750,000 shares of beneficial interest, of which officers and trustees of the Trust, together with their associates, own 33.6%. Sylvan M. Cohen is president.

**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.

Servo Corp of America April 1964  
( 9)  
Victoreen Instrument Co ( Ohio)  
May 1964 ( 2,11,13)  
Hygiene Ind, Inc June 1964 ( 11)  
Waite & Bond Inc June 1964 ( 11)  
Driver-Harris Co June 1964 ( 11)  
West Coast Tel Co May 1964 ( 11)  
Transierra Exploration Corp April 1964  
( 11)  
The 721 Corp Amend #1 to 8K for April  
1964 ( 2,13)  
Southeastern Timberland Trust Amend #1 to  
8K for April 1964 ( 7)  
American Commercial Lines, Inc Amend  
#1 to 8K for March 1964 ( 4)

**SECURITIES ACT REGISTRATIONS.** Effective July 6: Baltimore Gas and Electric Co. (File 2-22473); Chrysler Corp. (File 2-22464); General Waterworks Corp. (File 2-22477); Xerox Corp. (File Nos. 2-22472 and 2-22500).

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