

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE January 27, 1959

## INDICTMENT CHARGES FRAUD AGAINST PANDOLFO AND OTHERS

The SEC Denver Regional Office announced January 22, 1959, that an indictment was returned on January 17th in U. S. District Court (ND) charging Samuel Parker Pandolfo, Alvin G. Martin, Edward L. Dux, Edward L. MacClain, Frederick C. Scadding, Stewart Pandolfo, Norton Guon and Universal Securities, Inc., with fraudulent sales of Great Northern Investment Company, Inc., stock and other securities (Rel. 1395).

## BELLECHASSE DROPPED FROM CANADIAN RESTRICTED LIST

The Securities and Exchange Commission today announced the deletion of BELLECHASSE MINING CORPORATION LIMITED from its Canadian Restricted List, upon the effectiveness of a registration statement under the Securities Act of 1933, covering a public offering of its common capital stock.

## LING ELECTRONICS FILES FOR EXCHANGE OFFER

Ling Electronics, Inc., 727 South Central Expressway, Richardson, Texas, today filed a registration statement (File 2-14702) with the SEC seeking registration of 335,000 shares of Common Stock. The company proposes to offer this stock in exchange for the outstanding capital stock of Altec Companies, Inc., on the basis of one share of Ling stock for one share of Altec stock. No exchanges will be made unless the exchange offer is accepted by the holders of at least 80% of the outstanding Altec stock.

According to the prospectus, the holders of an aggregate of 123,084 shares of Altec stock, or 36.7% of the total number of Altec shares outstanding, have agreed to accept the exchange offer; and the holders of an additional 59,107 shares, or 17.6% (making a total of 182,191 shares, or 54%) have agreed with White, Weld & Co. to accept the exchange offer.

Ling is the surviving corporation resulting from a series of mergers and acquisitions, most of which have taken place within the past three years. It is engaged principally in the development, manufacture and sale of electronically-driven vibration testing systems, which are said to be used primarily in connection with research and development in and the manufacture of guided missiles and aircraft. Its subsidiary, The Calidyne Company, Inc., manufactures electrodynamic shakers and special purpose vacuum tubes and vacuum capacitors. The company also is engaged through subsidiaries in the electrical contracting and related businesses. Ling has outstanding 1,027,599 common shares. James J. Ling is board chairman and Cameron G. Pierce is president. Altec was organized in 1937 for the purpose of acquiring the domestic theatre sound service and maintenance business of Electrical Research Products, Inc., a Western Electric subsidiary, which activity has been continuously carried on since that date by Altec's Service Company Division. In 1941, Altec organized Altec Lansing Corporation "to assure a continuing source of high quality sound equipment parts to the service phase of the business", which company in 1947 was merged with Peerless Electrical Products Co. of Los Angeles, a manufacturer of transformers.

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For further details, call ST. 3-7600, ext. 5526

## SOUTHWESTERN STATES TELEPHONE FILES FOR OFFERING

The Southwestern States Telephone Company, 300 Montgomery Street, San Francisco, today filed a registration statement (File 2-14703) with the SEC seeking registration of 150,000 shares of Common Stock, of which 140,000 shares are to be offered for public sale and 10,000 to company employees. Dean Witter & Co. is listed as the principal underwriter; and the offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the stock sale will be used to finance a portion of the company's 1959 construction program, estimated to involve expenditures of approximately \$6,000,000.

## DUQUESNE LIGHT PROPOSES BOND OFFERING

Duquesne Light Company, 435 Sixth Ave., Pittsburgh, Pa., today filed a registration statement (File 2-14704) with the SEC seeking registration of \$10,000,000 of First Mortgage Bonds, Series due March 1, 1989, to be offered for public sale pursuant to competitive bidding.

Net proceeds of the bond sale will be used, together with other funds of the company, to finance construction expenditures (including the payment of from \$1.5 to \$2.5 million of short-term bank loans incurred or to be incurred for construction purposes). The company anticipates that construction expenditures will approximate \$35,000,000 in each of the years 1959, 1960, and 1961.

## SECURITIES VIOLATIONS CHARGED AGAINST PANAMA PROMOTION

The Securities and Exchange Commission today issued a warning to United States investors against the purchase of securities being offered from Panama by the following, all of the Republic of Panama:

SECURITY INVESTMENT CORPORATION  
 PHILLIP HARMAN  
 INTER-AMERICAN SAVINGS AND LOAN ASSOCIATION  
 INTER-AMERICAN BUILDING AND LOAN ASSOCIATION

No filings have been made with the Commission by any of the persons or companies known to be involved in this promotion and no exemption from the registration requirements of the Securities Act appears to be available. The requirement for registration of securities offered for public sale in the United States applies to foreign as well as domestic companies. Registration is designed to provide disclosure of financial and other information which would enable investors to make an informed and realistic evaluation of the worth of securities offered for public sale. Failure to comply with the registration requirements may deprive investors of much or all of such information; and it facilitates false claims concerning securities. Thus investors are denied essential protections which the Securities Act was designed to provide.

In addition the United States Post Office Department has issued Foreign Fraud Orders against SECURITY INVESTMENT CORPORATION, PHILLIP HARMAN, INTER-AMERICAN SAVINGS AND LOAN ASSOCIATION, INTER-AMERICAN BUILDING AND LOAN ASSOCIATION, ASOCIACION INTER-AMERICANA DE AHORROS Y PRESTAMOS, S.A., ASOCIACION INTER-AMERICANA DE PRESTAMOS Y CONSTRUCCIONES S.A., AND SOCIEDAD INTER-AMERICANA DE AHORROS Y PRESTAMOS, S. A.

The Fraud Orders state that evidence had been presented to the Post Office Department that these companies and individuals were using the mails for the purpose of conducting a scheme for obtaining money by means of false and fraudulent pretenses, representations and promises.