Ferguson & Associates Offering 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 stock offering by Ferguson & Associates, Inc., 6470 Westfield Dr., N.E., Atlanta. 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 on July 22, 1963, Ferguson proposed the public offering of 180 units consisting of $180,000 principal amount of 7% subordinated debentures and 18,000 shares of its Class A common stock at $0.01 per share for an aggregate of $180,180, which commenced in November 1963. A report of sales was filed in June 1964 and amended in July. A revised offering circular was filed on October 5, 1964, but has not been amended. The Commission asserts in its suspension order that it has reasonable cause to believe that the offering circular contained misrepresentations with respect to certain material facts in that it stated, among other things, that the company would concentrate on the sale of securities to raise the prerequisite $100,000 capital to operate as a broker-dealer and to engage in such business in Georgia, whereas it appears that the principal function of its operations and the sole purpose of the offering to date are to provide the company’s principal officer with a means of livelihood. The circular also contained misrepresentations as to the company’s financial condition.

Security Reserve Life Ins. Exemption 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 public offering of stock by Security Reserve Life Insurance Company of Denver. 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 offering of securities not exceeding $300,000 in amount. In a notification filed in October 1962, Security Reserve proposed the public offering of 75,000 shares of common stock at $4 per share, which was commenced in November 1962 and completed with all shares sold in December 1963. In November 1963, the company filed a second notification relating to another offering of 25,000 shares at $4 per share. The second offering commenced in December 1963, and a report of sales indicates that this offering was terminated as of July 30, 1964, with 2,000 shares sold. The Commission states in its suspension order that it “has reasonable cause to believe” that the company’s offering circular was false and misleading with respect to certain material facts, including the listing of underwriters and the contingent liability for sales made in violations of the securities laws, and that each offering exceeded the $300,000 Regulation A limitation when computed in accordance with Rules 253 and 254. The order also alleges that the company and the underwriters made untrue statements in connection with a rescission offer to purchasers of the stock under the two offerings.

Colonial Utilities Receives Order. The SEC has issued an order under the Holding Company Act (Release 35-15162) authorizing the merger of Colonial Utilities Corporation (a Delaware corporation) into its wholly owned inactive subsidiary, Colonial Utilities Corporation (a New Hampshire corporation). According to the application, the Delaware corporation is solely a holding company, whose assets consist chiefly of the outstanding capital stock and a $110,000 promissory note of its sole public-utility subsidiary, Allied New Hampshire Gas Company, a New Hampshire company having total assets of $2,215,410 as of December 31, 1963.

Connecticut Yankee Atomic Power Seeks Order. Connecticut Yankee Atomic Power Company, a Connecticut public utility subsidiary of New England Electric System, a registered holding company, has applied to the SEC for an order under the Holding Company Act authorizing a financing proposal to meet the balance of its capital requirements for the construction of a nuclear electric generating plant, estimated to cost $98,500,000 (exclusive of $6,050,000 anticipated financial assistance from the Atomic Energy Commission). The Commission has issued an order (Release 35-15163) giving interested persons until December 29, 1964 to comment. According to the application, Connecticut Yankee proposes to sell at competitive bidding $40,000,000 principal amount of First Mortgage Bonds, Series A, due 1993; to sell from time to time up to a group of eleven banks a maximum of $25,000,000 of 4%-1/2% promissory notes; and to sell 200,000 additional shares of its $100 par value common stock to four of its "sponsoring companies."

Union Tank Car Co. Files Stock Plan. Union Tank Car Company, 111 W. Jackson Blvd., Chicago, filed a registration statement (File 2-22999) with the SEC on December 8 seeking registration of $3,200,000 of interests in participation in its Restated Profit Sharing Plan, together with 60,000 shares of capital stock which may be acquired pursuant thereto.

Mills Music Trust proposes Rights Offering. Mills Music Trust, 425 Park Ave., New York, filed a registration statement (File 2-22997) with the SEC on December 7 seeking registration of 278,250 units of beneficial interest, to be offered for subscription by stockholders of Utilities & Industries Corporation at the rate of one unit for each five common shares held. The record date and subscription price ($8.40 per unit maximum) are to be supplied by amendment. Richard L. Rosenthal, Bernard D. Fischman and C. B. Myers are...
trustees of the trust and own approximately 17.5% of the outstanding stock of Utilities & Industries Corporation. They have indicated that they intend to exercise all their subscription rights for such units and will acquire unsubscribed units, if available, through the exercise of conditional purchase rights.

The Trust was organized in December 1964 for the purpose of acquiring from Mills Music, Inc. (Old Mills), the right to receive payment of a deferred contingent purchase price obligation payable to Old Mills. The purchase price obligation arose as the result of the sale by Old Mills (which was engaged in the music publishing business) of its musical copyright catalogue to a newly formed indirect subsidiary (New Mills) of Utilities & Industries Corporation in December 1964. In payment for this catalogue, New Mills agreed to make quarterly payments to Old Mills measured by the royalty income to be generated from this catalogue and, subject to certain limitations and conditions, from any copyrights thereafter acquired by New Mills. The Trust's sole activity will be the receipt of the periodic installments of the purchase price and the distribution thereof to the owners of beneficial interests in the Trust. The Trust has entered into an agreement with the shareholders of Old Mills to purchase all of their shares for $4,900,000, less $500,000 already received by them under an outstanding option which was cancelled. Simultaneously therewith, the Trust agreed to reimburse the parent of New Mills for the $500,000 previously paid by it for such option. It is intended to finance such acquisition with the net proceeds from this offering and a $2,250,000 six-year loan (presently being negotiated). It is contemplated that immediately after the purchase of the Old Mills shares, Old Mills will be liquidated and all its assets (consisting of the $400,000 in cash to be received from New Mills and the right to receive the Contingent Portion) will be distributed to the Trust.

COLLEGE FUND PROPOSES OFFERING: College Fund, Inc., 3223 W. Sixth St., Los Angeles, filed a registration statement (File 2-22993) with the SEC on December 7 seeking registration of 200,000 shares of capital stock, to be offered for public sale at net asset value ($10 per share maximum) including a maximum sales charge of 8%. College Fund Management Company, of the Los Angeles address, is listed as the distributor. Organized under California law in October 1964, the Fund (a diversified mutual investment fund of the open-end, management type) was created primarily "to provide an appropriate investment medium for the accumulation of funds to provide for the costs of college education." Its investment adviser is American Investment Counseling Company. Philip E. Sperry is president of the Fund.

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 obtained 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 December 1 News Digest.

8K for Oct. 1964

I. Gordon Realty Corp (2,7,13)
Hawaiian Pacific Industries, Inc (11,13)
Redman Industries, Inc (11,13)
Frank G. Shattuck Co April 1964 (13)
Colt Industries, Inc (7,13)
Mid-Continent Telephone Corp (11,13)
Badger Northland, Inc (11)
Great American Industries, Inc (4,13)
Occidental Petroleum Exploration Co (11)
Power Designs, Inc (Oct. & Nov. 1964 (7,11,13)
Banner Mining Co March 1963 (2,7,13)
The Marley Co (7,10)
East Seventy Second Liquidating Co (8,12)
Tidewater Lumber Co, Inc (8,11)
U.S. Realty Investments Sept. 1964 (2,12,13)
Consolidated Oil & Gas Inc (2,13)
National Security, Inc (7,13)
New Jersey Aluminum Extrusion Co, Inc April 1964 (4) June 1962 (4)
April 1963 (4)
Rapid American Corp (2,3,12,13)
Campbell Chibougamau Mines, Ltd (7,8,11,12,13)
C. M. Hall Lamp Co Aug. 1964 (7)
Rubberoid Co July 1964 (4,13)
Denny's Restaurants Inc July 1964 (4,7,8,13)
Levitt & Sons, Inc (9)
Italk (2,4,13)
Aro Corp Nov. 1964 (2,3,7,12)
Franchard Corp (12)
Herman & Appley, Inc (12)
John's Bargain Stores Corp (4,13)
W. R. Ames Co Sept. 1964 (2,3) (Nov. 1963 (12)

SECURITIES ACT REGISTRATIONS: Effective December 8: Scott Paper Co. (File 2-22917); Libbey-Owens-Ford Glass Co. (File 2-22944). Effective December 9: Windsor Life Insurance Co. of America (File 2-22845). Withdrawn December 9: Texas Gas Producing Co. (File 2-22253).

*As estimated for purposes of computing the registration fee.

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