

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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GENERAL TIME CORP. FILES STOCK PLAN. General Time Corporation, 355 Lexington Ave., New York 10017, filed a registration statement (File 2-23790) with the SEC on June 30 seeking registration of 50,000 shares of common stock, to be offered pursuant to the company's Qualified Stock Option Plan for Key Employees.

CONSOLIDATED OIL & GAS FILES FOR OFFERING. Consolidated Oil & Gas, Inc., 4150 E. Mexico Ave., Denver, Colo. 80222, filed a registration statement (File 2-23793) with the SEC on July 1 seeking registration of \$1,000,000 of 6% convertible sinking fund debentures, due 1980, and warrants to purchase 360,000 shares of common stock. The offering is to be made in units of one \$1,000 debenture and warrants to purchase 120 common shares, at \$1,000 per unit. McDonnell & Co. Inc., 120 Broadway, New York, heads the list of underwriters, which will receive a \$50-per-unit commission. The company is also granting to McDonnell & Co. an option to purchase 20,000 additional common shares.

The company engages in the production and sale of crude oil, condensate and natural gas, as well as the acquisition and development of leaseholds and other interests in oil and gas properties. Of the net proceeds from this financing, \$1,000,000 will be used to repay a secured bank loan incurred in connection with acquisition of Worldwide Petroleum Corporation (an Oklahoma corporation); \$500,000 to repay an unsecured bank loan; and the balance to develop certain of the company's properties. In March 1965, the company acquired 99.4% of Worldwide Petroleum for 240,851 of its common shares and \$257,739 in cash. In addition to indebtedness, the company has outstanding 2,887,561 common shares, of which management officials own 22.4% (including holdings of their immediate families and certain associates). Harry A. Trueblood, Jr., is president.

LEASCO DATA PROCESSING EQUIPMENT PROPOSES OFFERING. Leasco Data Processing Equipment Corporation, Barstow Rd., Great Neck, N. Y. 11021, filed a registration statement (File 2-23791) with the SEC on July 1 seeking registration of 150,000 shares of common stock. The shares are to be offered for public sale at \$5 per share through underwriters headed by Michael G. Kletz & Co. Inc., Time & Life Bldg., Rockefeller Center, New York, which will receive a 50¢-per-share commission. The company is also registering five-year warrants, exercisable at \$5.50 per share, to purchase 14,000 of its common shares. Of these warrants, the company has agreed to sell the representative underwriter or its designees warrants covering 10,000 shares, at an aggregate price of \$1,000. The remaining warrants were sold to Bernard L. Schwartz (director) for \$100, in consideration of financial consulting and advisor services which he rendered to the company.

The company was organized under Delaware law in June 1965 to acquire all of the capital stock of Ideal Leasing Corp., which in 1961 began leasing data processing, office and related equipment. Net proceeds from the stock sale will be added to working capital to enable the company to increase its borrowing base and to take advantage of additional leasing opportunities. In addition to indebtedness, the company has outstanding 15,000 common shares, which were issued in equal amounts to Saul Steinberg (president), Meyer Steinberg (treasurer) and Julius Steinberg (secretary) for all of the capital stock of Ideal. The company also has outstanding warrants to purchase 100,000 common shares at \$5 per share.

STANLEY WORKS FILES STOCK PLANS. The Stanley Works, 195 Lake St., New Britain, Conn., filed a registration statement (File 2-23794) with the SEC on July 1 seeking registration of 98,500 shares of common stock, to be offered under the company's Senior Executive Stock Option Plans.

STUDEBAKER FILES STOCK PLANS. Studebaker Corporation, 635 S. Main St., South Bend, Ind. 46627, filed a registration statement (File 2-23795) with the SEC on July 1 seeking registration of 218,030 shares of common stock, to be offered pursuant to its Stock Ownership Plan and Qualified Stock Ownership Plan.

METROPOLITAN EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 15-15272) authorizing Metropolitan Edison Company, Berks County, Pa., to sell at competitive bidding \$12,000,000 principal amount of first mortgage bonds, due 1995. The company will use the net proceeds from the bond sale (together with \$6,000,000 from a proposed debenture sale) to repay its short-term bank loans and for construction purposes. Its 1965 construction program is estimated to cost \$23,800,000.

COMPLAINT CITES NORTHERN PETROLEUM, OTHERS. The SEC Fort Worth Regional Office announced June 29 (LR-62) the filing of a complaint (USDC, Kansas) seeking to enjoin Northern Petroleum, Inc., South Central Oil Co., Inc., Leroy A. Belisle (individually and d/b/a A-Mar Oil Co.), Sylvester J. "Chet" Belisle, Adrian J. Belisle and Donald J. Belisle, all of Kansas, from further violating the Securities Act registration and anti-fraud provisions in the sale of interests in oil and gas leases located in Kansas.

KEYSTONE MORTGAGE AND ROBBINS INDICTED. The SEC Chicago Regional Office announced June 30 (LR-3263) the return of a 21-count indictment (USDC, Cleveland) charging Keystone Mortgage Corporation and Marvin Robbins, officer and stockholder, with violations of and conspiracy to violate the anti-fraud provisions of the Securities Act in the sale of investment notes of Keystone Mortgage. Joseph Robbins was named co-conspirator.

OVER

BURKE-MARTIN MINES, OTHERS CITED. The SEC Denver Regional Office announced July 1 (LR-3264) the filing of a complaint (USDC, Denver) seeking to enjoin Burke-Martin Mines, Inc., Mack and Co. (both Colorado corporations), Jack E. Mack, Bernard H. Mack, T. E. Martin (Denver, Colo.), and Pat Willis (now of Seattle, Wash.) from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of common stock of Burke-Martin. A hearing on the motion for a preliminary injunction is scheduled for July 13.

BROADWALL SECURITIES REVOKED AND EXPELLED. In a decision announced today under the Securities Exchange Act (Release 34-7638), the SEC revoked the broker-dealer registration of Broadwall Securities, Inc., of New York, and expelled the firm from NASD membership. The Commission also barred Arnold Mahler, president and sole stockholder, Jack Einiger, Alexander Lapidus and Stanley Miller, salesmen, from being associated with a broker or dealer. None appeared at the hearing to defend against the charges.

Based on the allegations of the order for proceedings, as well as the record of an evidentiary hearing, the Commission found that during the period March-December 1964, the firm, aided and abetted by said individuals, violated the anti-fraud provisions of the Federal securities laws in the sale of common stock of The Coast to Coast Company, Inc. According to the decision, the named salesmen made "false and misleading" statements by representing, among other things, that the company owned lobster ponds and was in the business of freezing lobsters, that it was unable to keep up with orders, that it had a patent on a process for canning shell fish, and that a substantial increase in the price of its stock was expected. In reality, Coast to Coast was a new company which acted only as a distributor of frozen lobsters, and it owned no fixed assets, no patents, and no property other than whatever inventory of lobsters it might have at any time. It had no full-time employees and no contractual commitments or agreements for the sale of lobsters. The net earnings of the company, which had 4,000,000 outstanding shares, were \$1,488 before taxes for the year ended October 31, 1963; and in October of that year it was forced to borrow funds to continue operations. During the first four months of 1964 it had gross sales of about \$1,500. All were enjoined by court order in March 1965.

REGISTRATIONS OF CLEMENS COMPANIES REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7639) revoking the broker-dealer registration of Clemens & Co., Inc., 157½ E. Franklin St., Chapel Hill, N. C., and expelling the firm from NASD membership. Its president, Robert John Clemens, was barred from being associated with any broker-dealer. The Commission also revoked the investment adviser registration of Robert John Clemens, doing business as Clemens Insurance Stock Letter (CISL), of the Chapel Hill address.

The Commission found that during the period June-November 1964 the broker-dealer firm, aided and abetted by Clemens and CISL, violated the anti-fraud provisions of the Federal securities laws by failing to effect transactions with and for customers as represented, causing customers to transact business with the broker-dealer firm at a time when that company was unable to meet its current liabilities and to account to customers for monies and securities due them, and making false and misleading representations concerning Clemens & Co.'s ability to meet its obligations, the purchase and delivery of securities to its customers and the use of funds and securities received from investors. During the same period, Clemens & Co. violated the Commission's net capital and bookkeeping rules, and failed to file 1963 and 1964 financial reports. Clemens also falsely represented in his application for investment adviser registration that all of its business in insurance stocks would be on an agency basis.

ORANGE AND ROCKLAND UTILITIES PROPOSES BOND OFFERING. Orange and Rockland Utilities, Inc., 10 N. Broadway, Nyack, N. Y. 10960, filed a registration statement (File 2-23796) with the SEC on July 2 seeking registration of \$17,000,000 of first mortgage bonds, Series H, due 1995. The bonds are to be offered for public sale at competitive bidding. The company will use \$12,888,000 of the net proceeds from the bond sale to pay bank loans incurred in connection with its construction program; \$2,000,000 to purchase 20,000 additional capital shares of Rockland Electric Co., its wholly-owned subsidiary; and the balance for construction expenditures. The company's 1965 construction program is estimated to cost \$21,100,000.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended July 1, 1965, 51 registration statements were filed, 20 became effective, 3 were withdrawn, 1 stop order was issued, and 319 were pending at the week-end.

SECURITIES ACTS REGISTRATIONS. Effective July 2: Federal Realty Investment Trust, 2-23403 (40 days); Freeport Savings and Loan Association, Ltd., 2-23631; Beatrice Foods Co., 2-23669. Effective July 6: Colorado Interstate Gas Co., 2-23684; Metropolitan Edison Co., 2-23614.

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 the parentheses after the name of the issuer.