

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 April 26, 1962

COOPERATIVE GRANGE LEAGUE FEDERATION EXCHANGE FILES FINANCING PLAN. Cooperative Grange League Federation Exchange, Inc. (G.L.F. Exchange), Terrace Hill, Ithaca, N. Y., filed a registration statement (File 2-20279) with the SEC on April 25th seeking registration of \$250,000 of 4% subordinated debentures due 1966, 30,000 shares of 4% cumulative preferred stock (\$100 par), and 300,000 shares of common stock. The debentures are to be offered for sale at 100% of principal amount, the preferred at \$100 per share, and the common at \$5 per share. No underwriting is involved. The prospectus states that the debentures and preferred shares are to be offered without limitation and may be purchased by both farmer and non-farmer patrons of G.L.F. Exchange and by other persons; and the offering of common stock is restricted to present members of the Exchange and to farmers interested in becoming members.

G.L.F. Exchange is an incorporated agricultural cooperative association and is the parent cooperative of the G.L.F. system of cooperatives. It functions both as an operating cooperative directly engaged in product manufacturing, processing and distribution, wholesale purchasing, and the marketing of commodities for its members, and as a holding corporation owning all of the outstanding common stock of the following principal subsidiaries: Cooperative G.L.F. Holding Corporation, Grange League Federation Insurance Company and G.L.F. Agency Corporation. As a parent cooperative, it is also the trustee-holder of all of the outstanding common stock of 285 member G.L.F. cooperative associations operating in local communities in New York, Pennsylvania and New Jersey. The net proceeds from the sale of the securities, estimated at a maximum of \$4,750,000 will be used principally to provide funds for future redemption of outstanding securities of G.L.F. Exchange and Cooperative G.L.F. Holding Corporation. Any excess in proceeds will be added to working capital.

GREENMAN BROS. FILES FOR OFFERING AND SECONDARY. Greenman Bros. Inc., 35 Engel Street, Hicksville, New York, filed a registration statement (File 2-20280) with the SEC on April 25th seeking registration of 150,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the company and 75,000 shares, being outstanding stock, by the holders thereof. The offering will be made at \$10 per share through underwriters headed by J. R. Williston & Beane, 2 Broadway, New York, which will receive a \$1 per share commission and \$16,000 for expenses. The statement also includes 5,250 shares underlying three-year warrants to be sold to the principal underwriter by the company and selling stockholders (in equal amounts) for \$262.50, exercisable initially at \$11 per share.

The company and its subsidiaries are engaged in the wholesale and retail distribution of toys and related lines such as hobbies and sporting equipment. Its retail operations, which are conducted primarily through nine leased departments in discount department stores located principally in the New York City area, also include the sale of additional items such as juvenile furniture and luggage. Of the net proceeds from the company's sale of additional stock, \$150,000 will be used to liquidate short-term bank loans incurred to pay income taxes and for general corporate purposes; \$250,000 to finance inventories and reduce substantially the need to incur additional short-term loans to meet seasonal and other corporate needs; and the balance will be added to general working capital and may be used to open additional leased departments.

In addition to certain indebtedness, the company has outstanding 352,500 shares of common stock (after giving effect to a recent 3,525-for-1 stock split), of which Sidney Greenman, board chairman, Bernard Greenman, president, and Nathan Greenman, executive vice president, own 117,500 shares each. They propose to sell 25,000 shares each. Sale of new stock to the public at \$10 per share will result in an increase in the book value of stock now outstanding from \$2.19 to \$3.33 per share with a dilution of \$6.67 per share in the book equity of stock purchased by the public.

BONNEVILLE RESOURCES HEARING SCHEDULED. On request of Bonneville Resources, Inc., of Salt Lake City, Utah, the SEC has scheduled a hearing for May 17, 1962, in its Salt Lake City Branch Office, to determine whether the Commission should vacate or make permanent its order of March 19, 1962, temporarily suspending a Regulation F exemption from registration under the Securities Act of 1933 with respect to a proposed assessment by Bonneville Resources of 5c per share on its 6,000,000 shares of outstanding stock. The March 19th suspension order asserted that certain terms and conditions of Regulation F were not complied with and that certain sales material was used by the company which was false and misleading.

CUSTER CHANNEL WING ENJOINED. The SEC Washington Regional Office announced April 25th (Lit-2247) the entry of a Federal court order (USDC, Baltimore) permanently enjoining further violations of the registration and anti-fraud provisions of the Securities Act in the offer and sale of stock of Custer Channel Wing Corporation by the said corporation, Willard R. Custer and John D. Lawson, Trustee.

AMERICAN-INTERNATIONAL SECURITIES ENJOINED. The San Francisco Regional Office announced April 20th (Lit-2248) the entry of a Federal court order permanently enjoining further violations of the SEC net capital rule by American-International Securities, Inc., of Los Angeles, and James L. Fallon and Herbert H. Meyer, president and secretary-treasurer, respectively.

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SALE OF MACINAR STOCK ENJOINED. The SEC Washington Regional Office announced April 25th (Lit-2249) the entry of a Federal court order (USDC DC) permanently enjoining further violations of the Securities Act registration requirement in the offer and sale of stock of Macinar, Inc., by the said corporation and by Paul S. Gaston, its president, and Orin de Motte Walker, Philip P. Friedlander, Sr., Kenneth Friedlander, Ralph H. Whitmore, and Herman Singer. Previously, the court had entered a preliminary injunction against Howard F. Hansell, Jr.

INTERNATIONAL SECURITIES REGISTRATION POSTPONED. The SEC, on request of International Securities, Inc., of Charlotte, N. Car., has postponed the effective date of that company's application for broker-dealer registration pending final determination of the question whether registration should be denied; and the hearing scheduled for April 27, 1962, in the Commission's Atlanta Regional Office has been postponed to June 5, 1962, and transferred to the U. S. Post Office and Courthouse in Charlotte.

NATIONAL STEEL FILES STOCK PLAN. National Steel Corporation, 2800 Grant Building, Pittsburgh, today filed a registration statement (File 2-20281) with the SEC seeking registration of 150,000 shares of capital stock, to be offered pursuant to its Stock Investment Plan for Salaried Employees.

NORTHERN STATES POWER PROPOSES BOND OFFERING. Northern States Power Company, 15 South Fifth Street, Minneapolis, Minn., today filed a registration statement (File 2-20282) with the SEC seeking registration of \$15,000,000 of first mortgage bonds due 1992, to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be added to general funds and used to pay part of the company's construction expenditures for 1962, estimated at \$39.3 million.

SECURITIES ACT REGISTRATIONS. Effective April 26: Cheseborough-Pond's, Inc. (File 2-20091); Fidelity America Financial Corp. (File 2-19093); Florida Palm-Aire Corp. (File 2-19162); Haveg Industries, Inc. (File 2-19965); Maxson Electronics Corp. (File 2-19364); National Work-Clothes Rental (File 2-19899); Precision Instrument Co. (File 2-19548); Texas Tennessee Industries, Inc. (File 2-19199); United Gas Corp. (File 2-19987). Withdrawn April 26: Hydroswift Corp. (File 2-17206).

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