

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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Statistical Release No. 1756. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended June 2, 1961, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1961 is as follows:

	<u>1957-59 = 100</u>		<u>Percent Change</u>	<u>1961</u>	
	<u>6/2/61</u>	<u>5/26/61</u>		<u>High</u>	<u>Low</u>
Composite	134.9	134.2	+0.5	136.3	118.3
Manufacturing	128.0	127.3	+0.5	128.8	113.0
Durable Goods	130.9	130.2	+0.5	132.1	117.0
Non-Durable Goods	125.4	124.5	+0.7	125.8	109.2
Transportation	106.9	107.7	-0.7	109.4	97.8
Utility	167.1	166.8	+0.2	173.0	144.4
Trade, Finance & Service	156.0*	155.4	+0.4	156.0	132.5
Mining	99.5*	99.2	+0.3	99.5	83.3

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the Month of May, 195 registration statements were filed, 191 became effective, six were withdrawn, and 453 were pending at May 31st.

MAGNA PIPE LINE FILES EXCHANGE PLAN AND STOCK OFFERING. Magna Pipe Line Company Limited, 508 Credit Foncier Building, Vancouver, British Columbia, filed a registration statement (File 2-18238) with the SEC on June 1st seeking registration of (1) 114,750 shares of common stock, to be offered in exchange for common shares of Natural Gas Transmission Co. (NGT), at the rate of 4 common shares of Magna for 10 shares of NGT, and (2) 750,000 common shares (with attached warrants), of which 525,000 shares are to be offered for sale in the United States through underwriters headed by Bear, Stearns & Co., and the balance in Canada through W. C. Litfield & Company, Limited. The American and Canadian public offering prices and underwriting terms are to be supplied by amendment.

The company proposes to construct and operate an underwater natural gas transmission pipeline from the mainland of British Columbia to Vancouver Island and a land line on the Island, and NGT proposes to construct a natural gas transmission pipeline from Bremerton, Washington to Port Angeles on the Olympic Peninsula in Washington. Total construction costs for the company and NGT for 1961 are estimated at \$4,300,000, and a total of \$30,000,000 through 1967. This program is to be financed in part through the sale of shares the subject of this offering and the sale in the future of \$17,200,000 of first mortgage bonds (for the sale of which no arrangements have been made).

The company has outstanding 243,558 shares of common stock, of which Charter Oil Company Limited owns 27.7%, Bear, Stearns & Co. 18.4%, and management officials as a group 17.7%. Ralph K. Farris is listed as president.

LONG ISLAND LIGHTING PROPOSES BOND OFFERING. Long Island Lighting Company, 250 Old Country Road, Mineola, New York, filed a registration statement (File 2-18239) with the SEC on June 2d seeking registration of \$25,000,000 of First Mortgage Bonds, Series L due 1991, to be offered for public sale at competitive bidding. Net proceeds from the bond sale will be used for construction of a utility plant and to pay short-term bank loans made for such purpose. Construction expenditures for the period April 1, 1961 to December 31, 1962 are estimated at \$84,000,000.

COMMONWEALTH OF AUSTRALIA PROPOSES BOND OFFERING. The Commonwealth of Australia filed a registration statement (File 2-18241) with the SEC on June 2d seeking registration of \$25,000,000 of Twenty Year Bonds due July 1, 1981, to be offered for public sale through underwriters headed by Morgan Stanley & Co. The public offering price and underwriting terms are to be supplied by amendment.

The net proceeds from the bond sale will be added to the Commonwealth's international reserves. The Australian currency equivalent of these proceeds will be applied towards capital works expenditures being financed under the borrowing program for 1961/62 approved by the Australian Loan Council for the Governments of the Commonwealth and the States. Funds are required under this program to finance such public works projects as housing, the extension of electric power transmission facilities, the modernization of railroad equipment and the construction of additional water supply, irrigation and sewerage facilities.

BUSINESS FUNDS PROPOSES OFFERING. Business Funds, Inc., 201 Main St., Houston, filed a registration statement (File 2-18242) with the SEC on June 2d seeking registration of 1,300,000 shares of capital stock, to be offered for public sale at \$11 per share through underwriters headed by Clark, Dodge & Co., Inc., Alex. Brown & Sons and Rotan, Mosle & Co. The underwriting terms are to be supplied by amendment.

OVER

The company was organized under Maryland law in September 1959 under the name of The Mid Atlantic Small Business Investment Co. It is licensed as a small business investment company under the Small Business Investment Act of 1948 and is a registered investment company under the Investment Company Act of 1940. Its basic activities consist of making investments in the equity capital and long-term debt securities of small business concerns, furnishing consulting and advisory services to such concerns, and the financial administration of its investments. To date it has entered into only two transactions aggregating \$67,500. Net proceeds of this stock offering will become additional working capital to be used for the purposes above indicated.

According to the prospectus, the company now has outstanding 50,000 shares of stock held of record by 50 stockholders; and it is anticipated that 201,000 will be outstanding on the offering date, held of record by 40 stockholders. The company's present name was adopted in September 1960; and in May 1961 it applied to the Small Business Administration for authority to expand its operations. At that time, agreements were made with twenty-five persons and firms (including new management officials) for the purchase of 151,000 shares at \$10 per share, including 40,000 by John F. Austin, Jr., board chairman, 10,000 by Rea C. Tenney, president, 10,000 by A. L. Loomis, Jr., a director, and 11,000 by Morris Kaufman, a director. Pursuant to such agreements and arrangements, the company also contemplates the transfer of its principal place of business from Baltimore to Houston and the establishment of a branch office in Baltimore.

CITY CENTER PARKING PROPOSES OFFERING. City Center Parking Associates, 80 Wall St., New York, filed a registration statement (File 2-18243) with the SEC on June 2, 1961, seeking registration of 103 Limited Partnership Interests, to be offered for public sale at \$6,000 per interest. The offering is to be made on a best efforts basis through R & G Associates, Ltd., for which it will receive \$450 per unit (plus \$15,650 for expenses payable by the general partners).

Associates is a partnership organized in May 1961 by Richard S. Merians, Bernard Goodman and Alexander A. Sommers, who are its general partners and original limited partners. It was formed to acquire fee title to a site in the downtown business and retail section of Philadelphia upon which it will have constructed a 9-story automatic parking garage with commercial usage on the street level. Completion of the building is planned for March 1962. The aggregate cost of the property to the partnership (including underwriter's commissions and expenses) will be \$1,048,000. Of this amount, \$30,000 has been contributed by the three partners. The partnership will not operate the property but will lease it to Philadelphia Penny-Park, Inc. A construction contract has been entered into with The Heyward-Robinson Company, Inc. Merians, Sommers and Goodman are the stockholders of Penny-Park, the lessee; and Sommers and Goodman are the stockholders of the contractor and its president and vice president, respectively. The underwriter is not affiliated with the partnership. Net proceeds of the sale of limited partnership interests will aggregate \$618,000 which, together with the \$30,000 cash contributed by the general partners, will give the partnership a capitalization of \$648,000. The total amount of cash available, including a \$400,000 first mortgage, will be \$1,048,000, which will be applied to the purchase of the site and the construction of the property and other related purposes.

VALIC RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-3264) permitting Variable Annuity Life Insurance Company of America, Washington, D. C., (a) to make privately arranged borrowings, including borrowings secured by liens on real estate, through the issuance of notes to banks or other persons (including the issuance of more than one series of unsecured indebtedness, together with one or more series of indebtedness incurred in connection with the acquisition of real estate and secured by mortgage or other lien); and (b) in computing its 300% asset coverage on such borrowings, to treat its liability arising out of its variable annuity contracts and contracts of life and disability insurance as a liability not represented by senior securities.

MISSOURI EDISON BOND OFFERING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14456) permitting Missouri Edison Company, Louisiana, Mo., to issue and sell \$2,000,000 of first mortgage bonds, Series C, at competitive bidding, to provide funds to retire \$1,500,000 of bank notes issued for capital expenditures, to finance part of the continuing construction program, and for other corporate purposes.

MICHIGAN WISCONSIN PIPE LINE FINANCING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14457) authorizing Michigan Wisconsin Pipe Line Company, Detroit subsidiary of American Natural Gas Company, New York, (a) to issue and sell at competitive bidding \$30,000,000 of first mortgage pipe line bonds due 1981 and (b) to issue and sell to American an additional 30,000 common shares for a cash consideration of \$3,000,000. Proceeds of this financing will be used to retire \$33,000,000 of bank notes.

KANSAS CITY FIRE & MARINE GRANTED EXEMPTION. The SEC has issued an order pursuant to its Rule 15d-20 under the Securities Exchange Act of 1934, granting an application of Kansas City Fire & Marine Insurance Company for exemption from the requirements for filing annual and other periodic reports with the Commission. According to the application, the said Insurance Company has outstanding 100,000 common shares, held of record by only four persons; and the filing of reports is not deemed necessary in the public interest or for the protection of investors.

INDICTMENT NAMES NATHAN WECHSLER, HERMAN SINGER. The SEC Washington Regional Office announced May 25th (LR-2031) the return of an indictment (USDC DC) charging Nathan Wechsler and Herman Singer with conspiring, together with Coombs and Company, to violate the Securities Act anti-fraud provisions in the offer and sale of Lost Canyon Uranium and Oil Company stock.

DALE W. CRIPPEN ENJOINED, SENTENCED. The SEC Chicago Regional Office announced May 26th (LR-2032 and 2033) (a) the entry of a court order (USDC, SD I.) permanently enjoining Dale W. Crippen from violating the Securities Act anti-fraud provisions in the sale of Mackinac Bridge Authority debentures, West Virginia Turnpike bonds, Illinois Toll Road bonds, partnership interests, and shares in July Co. and August Co.; and (b) that Crippen had been sentenced to five years' imprisonment on his plea of guilty to two counts of an indictment charging fraud in the sale of securities.

THOROUGHbred ENTERPRISES FILES FOR STOCK OFFERING. Thoroughbred Enterprises, Inc., 8000 Biscayne Blvd., Miami, filed a registration statement (File 2-18244) with the SEC on June 2d seeking registration of 85,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on a best efforts all-or-none basis through Sandkuhl & Company, Inc., which will receive a 50¢ per share commission and \$15,000 for expenses. The prospectus states that additional underwriting compensation may be realized upon sale by the underwriter of 5,000 common shares received by Henry Sandkuhl in exchange for certain assets with a book value of \$4,500, and 30,000 shares purchased by Sandkuhl from Edward Seinfeld, president and controlling stockholder, for \$3,000.

The company was organized under Florida law in January 1961. It proposes to engage in the business of breeding, training, buying, selling and leasing thoroughbred race horses. The company owns 12 thoroughbred horses and a 27% interest in a stallion Admiral Vee (son of War Admiral), which were acquired by the company upon its formation from Seinfeld and Sandkuhl. The company's 12 thoroughbreds consist of five mares, three yearlings, two weanlings and two geldings. It also owns 10 acres of unimproved land located in a subdivision called Heritage Farms on U.S. Highway 441, west of Lake Worth, Florida, and has an option to purchase an additional 40 acres of unimproved land at \$500 per acre. Of the net proceeds from the stock sale, \$20,000 will be used to purchase the 40 acres at Heritage Farms, \$60,000 for fencing and constructing a stable for about 30 horses, \$140,000 to purchase additional horses, and the balance will be added to general funds and used as working capital and for other corporate purposes.

The company has outstanding 155,000 shares of common stock, of which Seinfeld and Sandkuhl own 77.4% and 22.6%, respectively. After the sale of new shares, the present stockholders will own 64.6% of the common stock for which they paid \$40,000 in cash and assets valued at \$32,558.32, and the public 35.4% for an investment of \$340,000.

URIS BUILDINGS FILES FOR SECONDARY. Uris Buildings Corporation, 850 Third Avenue, New York, filed a registration statement (File 2-18240) with the SEC on June 2d seeking registration of 159,403 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Kuhn, Loeb & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes (1) 799,976 common shares which underlie 15-year warrants which were attached to \$20,000,000 of 6½% debentures publicly sold in May 1960, exercisable at \$12.50 per share or by surrender of a 6½% debenture plus the difference in cash, and (2) 100,000 common shares purchasable upon exercise of options granted under the company's Employee Restricted Stock Option Plan.

The company was organized under New York law in 1960 for the purpose of acquiring from Percy Uris, board chairman, and Harold D. Uris, president, and their associates all the outstanding capital stock of nine corporations engaged in various phases of the business of owning, constructing, operating and leasing office buildings. Such corporations were acquired in May 1960 in exchange for an aggregate of 2,800,000 common shares of the company. In addition, the company took over substantially all the functions of two other corporations owned by the Uris brothers and their associates, which were engaged in construction and financing, leasing and administrative functions. The company owns six completed office buildings and is constructing a seventh, all in New York City.

In addition to certain indebtedness, the company has outstanding 3,200,024 shares of common stock, of which Percy and Harold D. Uris own 32.21% each and management officials as a group 82.10%. The prospectus lists 8 selling stockholders including the Trustees of Columbia University and Harry S. Bayer, a vice president, who own 83,694 and 117,306 shares, respectively, and propose to sell 75,000 and 30,000 shares, respectively. Others propose to sell amounts ranging from 1,614 to 12,500 shares.

NORTH ATLANTIC LIFE INSURANCE FILES FOR STOCK OFFERING. The North Atlantic Life Insurance Company of America, Meadow Brook National Bank Bldg., Mineola, L. I., N. Y., filed a registration statement (File 2-18245) with the SEC on June 2d seeking registration of 3,000 shares of common stock, of which 1,386 shares are to be offered for public sale at \$350 per share through company directors. No commissions or remuneration, except expenses of \$13,500, will be paid. The remaining 1,614 shares (53.8%) have been subscribed for at \$350 per share by company directors, for which \$112,980 of the total amount of \$564,900 has been paid in.

Organized under New York law in January 1961, the company proposes to sell life insurance, annuities and accident and health insurance when licensed by the Insurance Department of the State of New York. It also proposes to insure substandard risks to the extent that attractive opportunities for such business are available. The net proceeds from the stock sale will be available for the general conduct, requirements and promotion of the company, and the amount not thus expended will be used to acquire income-producing investments, as authorized by applicable laws, except for a relatively small amount to be retained in the form of cash. The prospectus lists Albert V. Bianco as president and board chairman and subscriber of 480 shares (16%).

SECURITIES ACT REGISTRATIONS. Effective June 2: Air Reduction Company, Inc. (File 2-18071); Borg-Warner Corp. (File 2-18128); Caterpillar Tractor Co. (File 2-18107); International Business Machines Corp. (File 2-18108); Michigan Wisconsin Pipe Line Co. (File 2-17990); Vanadium Corporation of America (File 2-18115); The Wolf Corp. (File 2-17599). Withdrawn June 2: Kaiser Aluminum & Chemical Corp. (File 2-17863). Effective June 5: American Telephone and Telegraph Co. (File 2-18105); Arrow Electronics, Inc. (File 2-17861); Electronics Associates, Inc. (File 2-17854); Super Food Services, Inc. (File 2-17968).