

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington 25, D.C.

January 8, 1957

FOR RELEASE

Axe-Houghton Fund B, Inc., Tarrytown, N. Y., investment company, filed a registration statement (File 2-13001) with the SEC on January 7, 1957, seeking registration of 2,000,000 shares of its capital stock.

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Associates Investment Company, South Bend, Ind., filed a registration statement (File 2-13002) with the SEC on January 7, 1957, seeking registration of 85,000 shares of its \$10 par Common Stock. Associates Investment proposes to offer these shares in exchange for the issued and outstanding common capital stock of The Capitol Life Insurance Company, of Denver, Colo., on the basis of 34 shares of Associates Investment stock for each share of Capitol stock. The purpose of the exchange offer is to acquire all of the issued and outstanding common stock of Capitol and thus obtain a fully operating life insurance subsidiary. Mr. Clarence J. Daly, principal stockholder and president of Capitol, has accepted this offer on his own behalf. He and members of his family own or control approximately 60% of the 2500 shares of issued and outstanding capital stock of Capitol. Another 12% is held by members of the board of directors of Capitol, who have expressed their willingness to accept the offer.

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Caterpillar Tractor Co., East Peoria, Ill., today filed a registration statement (File 2-13003) with the SEC seeking registration of 48,612 shares of its \$10 par Common Stock, to be offered to holders of its stock options in accordance with the company's Restricted Stock Option Plan for officers and other key employees of the company and its subsidiaries.

Holding Company Act Release No. 13359

Cities Service Company has received an SEC order authorizing the issuance of 202,206 shares of its \$10 par common stock, to be distributed on or about January 24, 1957, to its stockholders of record December 6, 1956, as a 2% stock dividend on its 10,110,347 outstanding common shares, or at the rate of one additional share for each fifty shares outstanding.

Holding Company Act Release No. 13360

The SEC has issued an order authorizing Louisiana Power & Light Company to issue and sell, at competitive bidding, \$20,000,000 of First Mortgage Bonds, due January 1, 1987. Proceeds are to be applied to the company's construction program, to the payment of \$7,280,000 of outstanding bank loans, and for other corporate purposes.

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Investment Company Act Release No. 2469

The Bond Investment Trust of America has withdrawn its application proposing the purchase of not to exceed \$100,000 of the 5% Subordinated Debentures of San Jacinto Petroleum Corporation which that latter had proposed for public sale through underwriters.

Investment Company Act Release No. 2468

American Research and Development Corporation and Tracerlab, Inc., have applied to the SEC for an exemption order with respect to the purchase of additional Tracerlab stock by American; and the Commission has issued an order giving interested persons until January 18, 1957, at 1:00 P.M. to request a hearing thereon.

Tracerlab, of Boston, operates laboratories and manufacturing facilities in Boston, Richmond, Cal., and Houston, Tex. Its 99% owned subsidiary, Keleket X-ray Corporation, manufactures and distributes X-ray apparatus and equipment and distributes X-ray film, tubes, supplies and accessories. It has outstanding \$1,500,000 of 5% Debentures, 456,553 common shares (of which American owns 13.1%), and \$991,676 of bank notes now due on demand (an additional \$200,000 of bank notes were recently issued).

Substantial recent losses by Keleket have offset profitable operations of Tracerlab's nucleonics business. In an effort to improve this situation, a program of reorganizing the operations of Keleket and integrating its manufacturing operations with those of Tracerlab was begun in 1955. The business of the two companies will be consolidated in a new plant now being constructed at Waltham, Mass., for lease to Tracerlab. Massachusetts Business Development Corporation has agreed to purchase a \$400,000 second mortgage note of Tracerlab Development Corporation (which is constructing the new plant) from Tracerlab, or lend an equivalent amount to that company to repay its second mortgage note to Tracerlab, on condition that Tracerlab obtain \$480,000 of additional equity capital, obtain a one-year line of credit for \$1,000,000 from The First National Bank of Boston, which holds its demand notes, and grant MBDC options to purchase 2,000 common shares at \$5.50 per share. The additional \$200,000 was advanced by First National in contemplation of this proposed financing.

Tracerlab has negotiated with several existing security holders and others, including American, to sell to American and five or six other persons not more than 87,273 common shares at \$5.50 per share. Of this stock, American has agreed to purchase not more than 43,673 shares.

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