

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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417-6289

AETNA OIL HEARING POSTPONED. At the request of counsel for Aetna Oil Development Co., Inc., of Phoenix, Arizona, the hearing scheduled for April 5, 1960, in the SEC San Francisco Regional Office on the question whether to vacate or make permanent an order temporarily suspending a Regulation A exemption from Securities Act registration with respect to a proposed stock offering by Aetna Oil has been postponed to April 21, 1960, and transferred to Phoenix, Arizona, in the State A.S.C. Committee Conference Room, 1001 N. First St.

SEC ACTION NAMES JAMIESON, ARGEROS. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether it is appropriate in the public interest to deny an application for broker-dealer registration filed by Nicholas Jamieson, doing business as First Houston Investment Brokers, of Houston, Texas. The Commission has scheduled a hearing for 2:00 P. M. on April 12, 1960, in its Houston Branch Office on the preliminary question whether to postpone the effective date of Jamieson's registration application pending decision on the question of denial of registration.

Jamieson's registration application was filed on February 5, 1960. It listed George T. Argeros as a salesman and stated that Argeros was enjoined in June 1958 by Federal court order (USDC, NY, Buffalo Division) from engaging in or continuing certain conduct or practice in connection with the purchase or sale of a security. The Commission's order asserts that the said application is false and misleading, in that (1) it represents that no person other than Jamieson controls the business when, in fact, Argeros is in control, (2) Argeros also is enjoined by an August 1958 order of the Supreme Court of Erie County, N. Y., from engaging in and continuing certain conduct and practices in connection with the sale of securities and (3) Jamieson's listed address of 1420 Melrose Building in Houston has not been his principal business address since January 1, 1960. It is also asserted that the report of financial condition filed by Jamieson was false in listing certain assets which he did not have.

Argeros was a partner of Universal Securities of Buffalo, whose broker-dealer registration was revoked by the Commission on September 1, 1959, based upon violations of the Securities Exchange Act broker-dealer registration requirements and on the June 1958 Federal court order enjoining the firm and its partners, including Argeros, from effecting transactions in securities while their liabilities exceeded their assets in violation of the anti-fraud provisions of the Act or while in violation of the Commission's net capital and record-keeping requirements.

ARMOUR & CO, FILES STOCK PLAN. Armour and Company, 401 North Wabash Ave., Chicago, filed a registration statement (File 2-16432) with the SEC on April 5, 1960, seeking registration of 234,000 common shares, which have been sold by the company to, or are being offered or are to be offered for sale to, certain officers and key employees of the company pursuant to Restricted Stock Options.

KAISER INDUSTRIES SHARES IN REGISTRATION. Kaiser Industries Corporation, 1924 Broadway, Oakland, Calif., today filed a registration statement (File 2-16433) seeking registration of 645,161 shares of common stock. According to the prospectus, shares of Kaiser Industries stock are issuable upon exchange (conversion) of Collateral Trust Bonds of Henry J. Kaiser Company, as follows: 1,427,641 (initially 1,511,487) shares issuable upon exchange (conversion) of Collateral Trust 5-3/4% Bonds, Series A, due January 15, 1969, and 645,161 shares issuable upon exchange (conversion) of Collateral Trust 6% Bonds, Series B, due January 15, 1972.

The principal holders of the bonds are Carothers & Clark (\$8,000,000 of Series A and \$2,865,000 of Series B) and Investors Syndicate of America, Inc. (\$6,000,000 Series A and \$2,149,000 Series B). The prospectus states that to the company's knowledge none of the bond holders has made any arrangement for the sale through underwriters of the common stock issuable upon exchange (conversion) of the bonds.

The 645,161 shares are said to represent the estimated maximum number of shares issuable upon exchange (conversion) of the Series B bonds.

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For further details, call ST. 3-7600, ext. 5526

REVISED PROPOSAL FOR AMENDMENT TO RULE 16b-3. The Commission today announced a revised proposal (Release 34-6227) to amend Rule 16b-3 under the Securities Exchange Act of 1934. The revision, which gives effect to changes in the original proposal resulting from comments received from interested persons, would amend the existing rule (1) to provide additional safeguards in connection with exemptions from the short-term trading provisions of the Act for acquisitions of shares of stock or restricted stock options in connection with bonus, profit sharing, retirement, incentive, thrift, savings or similar plans approved by security holders and (2) to eliminate the existing exemption for stock received upon the exercise of such options.

Interested persons may submit views and comments on the revised proposal on or before April 20, 1960.

WALLACE PROPERTIES PROPOSES OFFERING. Wallace Properties, Inc., 1111 Hartford Building, Dallas, Texas, filed a registration statement (File 2-16431) with the SEC on April 5, 1960, seeking registration of \$12,000,000 principal amount, 6% convertible subordinated debentures, due June 1, 1975, and 360,000 shares of common stock, to be offered for public sale through a group of underwriters headed by Harriman Ripley & Co., Inc. The offering will be made in units of \$100 of debentures and 3 shares of common stock. The public offering price and the underwriting terms are to be supplied by amendment.

In addition to the foregoing, the company also seeks registration of \$3,000,000 of 6% convertible subordinated debentures, due June 1, 1975, 1,779,913 shares of common stock and 9,000 common stock warrants for the purchase of 90,000 shares, all of which will be or have been offered to certain companies and individuals and will not be underwritten. An additional 85,000 shares of common stock may be issued under the company's Employees' Restricted Stock Option Plan.

The company was incorporated under Delaware law on March 7, 1960. According to the prospectus the company and its subsidiaries will engage in substantially all phases of real estate activity, including the management of 29 properties in which it will acquire interests in exchange for 1,737,163 shares of the common stock in registration. It will also make interim construction loans and purchase, develop, operate, lease and sell other real property. The \$3,000,000 of debentures will be delivered in partial payment of 2,373 acres of land in Woodland Hills (Los Angeles), 42,750 shares of common stock have been sold to certain individuals for \$285,142 cash including 30,000 shares sold to the underwriter at \$6.67 per share; the 9,000 warrants were sold at \$1 per warrant, for the purchase of 10 shares of common stock per warrant at a price equivalent to the initial conversion rate of the debentures.

The net proceeds from the cash sale of units will be added to the general funds of the company and used from time to time for such general corporate purposes as management determines. It is indicated that \$8,000,000 will be used initially for interim construction loans and the balance in the acquisition and development of land for residential, industrial and commercial purposes, and the purchase or construction of office buildings, industrial buildings, shopping centers, etc.

Holders of outstanding stock include Centex Construction Company, Inc., 262,491 shares (14.75%), Henry C. Beck, Jr., 231,687 shares; Trammell Crow, 199,260, and Eugene M. Locke, 183,003, all of Dallas. E. E. Wallace, Jr., is listed as president and A. B. Cass, Jr., as executive vice president.

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