

# 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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**MASSACHUSETTS ELECTRIC CO. RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-14961) authorizing Massachusetts Electric Company, Boston, to issue and sell at competitive bidding \$10,000,000 principal amount of first mortgage bonds, Series H, due 1993. The proceeds from the sale will be applied against outstanding short term notes, and the balance, if any, will be used for construction expenditures.

**HILL STREET CO. SEEKS ORDER.** Hill Street Company, Los Angeles closed-end investment company, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company, and the Commission has issued an order (Release IC-3819) giving interested persons until December 6 to request a hearing thereon. According to the application, the company has never transacted any business, it has no security holders, and it has no present intention of offering its securities for public sale.

**INVESTMENT COMPANY EXEMPTED.** The SEC has issued an order under the Investment Company Act (Release IC-3820) declaring that The First American Israel Mutual Fund, 141 Milk Street, Boston, Mass., has ceased to be an investment company.

**THREE DELISTINGS APPROVED.** The SEC has issued orders (Release 34-7175) granting applications of the New York Stock Exchange to strike the common stock of Jacob Ruppert and the capital stock of Texas Pacific Coal and Oil Company from listing and registration, effective at the opening of business on December 2, 1963, and an application of the Pacific Coast Stock Exchange to strike the common stock of Terex Corporation from listing and registration effective at the opening of business on November 29, 1963.

**REGISTRATION OF R. B. MARX & CO. CANCELLED.** The SEC has cancelled the broker-dealer registration of R. B. Marx & Company, Inc., of Miami, Florida. The firm and its president were permanently enjoined in July 1963 from doing business as a broker-dealer in securities in further violation of the Commission's net capital rule and from disposing of the assets of the registrant, and a receiver was appointed.

**ILLINOIS TOOL WORKS FILES FOR SECONDARY.** Illinois Tool Works, Inc., 2501 North Keeler Ave., Chicago, filed a registration statement (File 2-21892) with the SEC on November 20 seeking registration of 157,306 shares of common stock \$10 par value, to be offered for public sale by the present holders thereof through an underwriting group headed by White, Weld & Co., 30 West Monroe St., Chicago. The offering price (maximum \$42 per share\*) and underwriting terms are to be supplied by amendment. No proceeds from the sale will go to the company.

Illinois Tool Works, Inc., incorporated in June, 1961 as a wholly-owned subsidiary of Illinois Tool Works (successor to a partnership named Illinois Tool Works which was organized in 1912), was merged with Illinois Tool Works in August 1961. The company develops, manufactures and sells metal fasteners and specialty components, plastic fasteners and specialty components, gear-cutting tools, measuring instruments, specialized gearing, plastic containers and multipackaging products, precision snap action electrical switches, and electronic components. The company has declared a stock dividend payable December 6, 1963 at the rate of one share for each two shares of common stock held by stockholders of record November 22, 1963. After effectuation of the stock split and the proposed sale of the 157,306 shares, the eleven selling stockholders will own 446,964 shares of the outstanding 1,669,974 shares of common stock. Directors and officers of the company will own beneficially, directly and indirectly, 17.3% of the outstanding common stock. Of the shares being offered for sale, Edward Byron Smith, board chairman, proposes to sell 12,750 of his 30,990 shares, and Solomon Byron Smith, chairman of the executive committee, proposes to sell 10,500 of his 33,997 shares. Harold Byron Smith is president of the company.

**SINCLAIR OIL FILES FINANCING PROPOSAL.** Sinclair Oil Corporation, 600 Fifth Ave., New York, filed a registration statement (File 2-21893) with the SEC on November 20 seeking registration of \$150,000,000 of 7 sinking fund debentures due 1988 to be offered for public sale through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York. The offering price (maximum 102½\*) and underwriting terms are to be supplied by amendment. The net proceeds from the sale will be used in part to retire the \$40,000,000 of term notes due banks and the balance will be used in connection with the proposed acquisition by the corporation of the oil and gas properties and certain other assets of Texas Gulf Producing Company and to reimburse treasury funds for expenditures in connection with the previous acquisition of oil and gas properties and other assets of Drilling and Exploration Company, Inc. and Western Natural Gas Company. If the proposed acquisition from Texas Gulf Producing Company should not materialize, the funds earmarked for this use will be used for general corporate purposes.

Primarily a holding company, the corporation, organized in 1919, and its subsidiaries constitute one of the large integrated enterprises in the petroleum industry. Operating subsidiaries are engaged in exploration for and production of crude oil and natural gas; refining, transportation and marketing of petroleum and its products, including petrochemicals; and research.

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**AMERICAN RESEARCH AND DEVELOPMENT SEEKS ORDER.** American Research and Development Corporation, Boston closed-end investment company, has applied to the SEC for an exemption order under the Investment Company Act to permit the conversion by the company of certain convertible debentures held by it into shares of common stock of Giannini Controls Corporation, to be issued by Giannini at the conversion price of \$6.92327 per share, and the Commission has issued an order (Release IC-3826) giving interested persons until December 5, 1963, to request a hearing thereon.

Giannini is a New York corporation with its principal place of business at Duarte, California. Its business is primarily designing, developing, and manufacturing measurement and control devices used in aircraft and missile fields and for industrial control equipment, manufacturing electro-mechanical and electronic equipment in the time control field, and manufacturing small AC-DC motors. Its common stock is listed on the American Stock Exchange. As of June 30, 1963, it had 1,121,385 shares of such stock outstanding. American Research owns 62,374 shares (approximately 5.56%) of the common stock of Giannini. The debentures proposed to be converted by American Research consist of \$146,200 principal amount of 6% ten-year convertible debentures issued to it in December 1953 by Cramer Controls Corporation as part of an issue aggregating \$149,000 principal amount. On March 20, 1961, Giannini entered into a plan of agreement with Cramer, which was consummated on June 2, 1961, under which Giannini assumed all of Cramer's obligations, including the debentures proposed to be converted, and exchanged 55/100 of a Giannini shares of common stock for each outstanding share of Cramer. After the proposed transaction, American Research will own 83,491 shares (approximately 7/34%) of the shares of common stock of Giannini to be outstanding after conversion, assuming that all debenture holders exercise their conversion privilege.

**SECURITIES ACT REGISTRATIONS.** Effective November 20: Puget Sound Power & Light Co. (File 2-21824); Ralston Purina Co. (File 2-21850). Effective November 21: Ben Franklin in Paris Co. (File 2-21764); Massachusetts Electric Co. (File 2-21813); Universal American Corp. (File 2-21704).

\*As estimated for purposes of computing the registration fee.

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