

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.

FOR RELEASE July 28, 1958

Statistical Release No. 1545

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks, the week ended July 25, 1958, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1958, is as follows:

	<u>1939 = 100</u>		<u>Percent Change</u>	<u>1958</u>	
	<u>7/25/58</u>	<u>7/18/58</u>		<u>High</u>	<u>Low</u>
Composite	346.9*	337.6	+2.8	346.9	299.0
Manufacturing	435.4*	421.0	+3.4	435.4	373.3
Durable Goods	391.0*	378.5	+3.3	391.0	332.2
Non-Durable Goods	468.0*	452.2	+3.5	468.0	402.2
Transportation	279.4*	269.6	+3.6	279.4	219.7
Utility	173.5	172.7	+0.5	174.2	155.5
Trade, Finance & Service	313.3*	311.1	+0.7	313.3	263.2
Mining	337.6*	336.6	+0.3	337.6	261.3

\*New High

**TRADING IN CORNUCOPIA GOLD MINES STOCK SUSPENDED  
HEARING ORDERED ON QUESTION WHETHER TO DELIST STOCK**

The Securities and Exchange Commission has ordered the temporary suspension of trading in the Cornucopia Gold Mines common stock on the American Stock Exchange for the ten-day period July 25 to August 3, 1958, inclusive. The order also operates to bar trading in the stock in the over-the-counter markets.

The Commission also has scheduled a hearing for September 2, 1958, to determine whether to suspend for a period of not to exceed twelve months, or to withdraw, the registration of the Cornucopia stock on the American Stock Exchange.

The Commission states with respect to the ten-day suspension order that "recent events render it impossible for the investing public to reach an informed judgment at this time as to the value of registrant's (Cornucopia's) securities or for trading in such securities to be conducted in an orderly and equitable manner," and that suspension is necessary "in order to prevent fraudulent, deceptive, or manipulative acts or practices" in the purchase and sale of Cornucopia stock.

In its order scheduling the September 2nd delisting hearing, the Commission asserts that preliminary proxy material filed by Cornucopia on May 29, 1958, is false and misleading or omits material facts with respect to 18 items of information, including the acquisition of controlling interests in Troop Water Heater Company, Deposit Courier, Inc., Carl W. Schutter Corporation, Carl Schutter Realty Corporation and Century Controls Corporation; that the company's Form 10-K

OVER

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

annual report filed May 29, 1958, is false and misleading or omits material facts with respect to four items of information, including failure to furnish financial statements properly certified and prepared in accordance with SEC rules; and that Cornucopia failed to file current Form 8-K report disclosing facts with respect to six items of information, including the acquisition of interests in the five companies above listed and the acquisition of Steiner Manufacturing Company.

#### SALE OF UNITED INSURANCE STOCK BY EQUITY CORPORATION CLEARED

The SEC has issued an order under the Investment Company Act of 1940 granting an exemption application filed by The Equity Corporation, New York investment company, and Financial General Corporation, an affiliated company of Equity, permitting Equity to sell to Financial General 49,989 shares of stock of United Insurance Company at a price of \$18.05 per share or an aggregate cash consideration of \$902,187. The 49,989 shares constitute all of the capital stock of United Insurance except for eleven directors' qualifying shares.

#### ARNOLD ALTEX ALUMINUM PROPOSES PREFERRED STOCK OFFERING

Arnold Altex Aluminum Company, Miami, Fla., today filed a registration statement (File 2-14268) with the SEC seeking registration of 300,000 shares of 35¢ Cumulative Convertible Preferred Stock, \$4 par, to be offered for public sale through an underwriting group headed by Cruttenden, Podesta & Co. The public offering price and underwriting terms are to be supplied by amendment.

Of the net proceeds of the stock sale, \$1,150,000 is to be used for repayment of funds borrowed from James Talcott, Inc., on assignment of accounts receivable and warehouse receipts; \$40,000 for the purchase of additional equipment; and the balance for general corporate purposes.

#### SEC ORDERS PROCEEDINGS AGAINST GRAYE CO.

The Securities and Exchange Commission has ordered proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of James C. Graye, doing business as J. C. Graye Co., New York, N. Y., should be revoked.

According to the Commission's order, Graye, a sole proprietorship, is permanently enjoined (1) by a judgment of the United States District Court for the Southern District of New York entered on or about April 3, 1958, from engaging in or continuing certain conduct and practices in connection with the sale of securities in violation of the anti-fraud prohibitions of the Securities Act of 1933, (2) by a further judgment of the said Court entered on or about the same date from engaging in or continuing certain conduct or practices in connection with the sale of securities in violation of the Commission's net capital rule, and (3) by a judgment of the Supreme Court of New York County, New York, entered on or about February 17, 1958, from engaging in certain conduct or practices in the purchase and sale of securities in that state.

The order asserts that information reported to the Commission by members of its staff "tends, if true, to show" that Graye violated the registration and disclosure requirements of the Securities Exchange Act of 1934 by his failure to file an amendment to his application for registration to disclose the injunctions entered against him. The order also asserts that Graye violated the financial reporting requirement of the said Act by his failure to file a report of his financial condition for the calendar year 1957.

At a hearing scheduled for August 25, 1958, in the Commission's New York Regional Office, inquiry will be conducted for the purpose of adducing evidence with respect to the foregoing matter and to determine whether Graye's broker-dealer registration should be revoked.

\* \* \* \* \*

Continued

ADDENDUM TO NEWS DIGEST OF FRIDAY, JULY 25, 1958

CANADIAN RESTRICTED LIST  
Third Supplement

The Securities and Exchange Commission announced today the addition to its Canadian Restricted List of the securities of the following Canadian company:

CANADIAN JAVELIN LIMITED  
1010 St. Catherine Street West  
Montreal, Quebec, Canada

According to information received by the Commission, large blocks of shares of the no par value common capital stock of CANADIAN JAVELIN LIMITED have been, and are being, offered, distributed and sold to investors in all parts of the United States, being principally existing stockholders, through long distance telephone solicitations originating in Montreal, Quebec, Canada, by and on behalf of various officers and employees of Canadian Javelin Limited.

No registration statement has been filed as to these securities and consequently investors are not being provided with the disclosure of financial and other information concerning Canadian Javelin Limited which a registration statement and prospectus would provide.

The Canadian Restricted List is composed of Canadian companies whose stock the Commission has reason to believe, based upon information obtained in its investigation and otherwise, recently have been, or currently are being, distributed in the United States in violation of the registration requirements of the Securities Act of 1933.

---0000000---