

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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Washington 25, D.C.

FOR RELEASE June 5, 1962

SEC ORDER CITES WILLIAM H. BIESEL. The SEC has ordered proceedings under the Investment Advisers Act of 1940 to determine whether an application filed by William H. Biesel, 304 Allegany Ave., Coudersport, Pa., for registration as an investment adviser should be denied.

On February 10, 1961, the Commission issued orders under the Securities Exchange Act of 1934 revoking the broker-dealer registrations of Biesel, doing business as William H. Biesel Company, and of Biesel, Way & Company, a general partnership consisting of Biesel and Eugene L. Way. In its order announced today the Commission recites charges of its staff that information developed in an investigation tends to show that Biesel, Way & Company, while engaged in business as a broker-dealer violated certain provisions of the said Exchange Act and rules thereunder, including the record-keeping, financial reporting and net capital requirements and the provisions of Regulation T, and that Biesel caused and/or aided and abetted such violations; also, that Biesel, doing business as William H. Biesel Company, made false and misleading statements concerning his liabilities in financial statements filed with the Commission, thus violating the said financial reporting requirement.

A hearing for the purpose of taking evidence on the foregoing will be held on June 19, 1962 at the Bradford National Bank, 71 Main Street, Bradford, Pa.

EMCEE ELECTRONICS FILES FINANCING PLAN. Emcee Electronics, Inc., 1202 Arnold Avenue, New Castle, Del., filed a registration statement (File 2-20447) with the SEC on June 4th seeking registration of \$200,000 of 6-3/4% convertible debentures due 1974 and 50,000 shares of common stock, to be offered for public sale in units consisting of a \$200 debenture and 50 common shares. The offering will be made at \$400 per unit by Weil & Company, Incorporated, 400 Woodward Bldg., Washington, D. C., which will receive a \$40 per unit commission and \$13,500 for expenses. The statement also includes (1) 7,500 shares underlying 5-year warrants to be sold to the underwriter for \$75, exercisable at \$4 per share, and (2) 20,000 shares to be sold at \$.50 per share to Investors Equity Corp., an affiliate of the underwriter.

Organized in 1958, the company commenced operations on a full-time basis in July 1961. It is engaged in the custom manufacture of precision instruments for customers and the development, manufacture, and sale of electronic instruments for measurement and control. According to the prospectus, the sales of the company's products have been limited to date and the company has incurred operational losses in each of the periods since inception. Of the net proceeds from this financing, \$150,000 will be used to acquire land and to build new plant facilities, \$100,000 to maintain inventory, and the balance to purchase new tools, for research and development, and possibly to pay interest requirements of the new debentures (about \$13,500 per annum).

The company has outstanding 211,600 shares of common stock, of which M.W. Corzilius, president and board chairman, owns 67.7% and management officials as a group 75%. Corzilius purchased his shares since 1958 at prices of 1.2¢ and 1.5¢ per share.

COMMERCIAL CREDIT FILES EXCHANGE PLAN. Commercial Credit Company, 300 St. Paul Place, Baltimore, Md., filed a registration statement (File 2-20448) with the SEC on June 4th seeking registration of 237,856 shares of common stock. It is proposed to offer such stock to common stockholders of The Farmers & Bankers Life Insurance Company, Wichita, Kansas, at the rate of 3.2 shares for each outstanding share of the insurance company. No underwriting is involved.

Commercial is a holding company owning subsidiaries engaged in various financing, insurance and manufacturing activities. Farmers' business consists of selling ordinary life, endowment and term insurance policies, as well as group life policies and, to a small extent, individual accident, health and hospitalization policies. The prospectus states that the purpose of the exchange offer is the desire of Commercial to supplement the activities of its insurance subsidiaries and to broaden the types of risk insured by them by the acquisition of an ordinary life insurance company. In addition to certain indebtedness, and preferred stock, the company has outstanding 10,597,923 shares of common stock, of which management officials as a group own 1.44%. E. L. Grimes is board chairman and C. C. Greene is president. Members as a group of the respective families of Robert L. Burns, J. H. Stewart, Jr., and the late Warren E. Brown, own 14.7%, 22.2% and 41.6%, respectively, of the outstanding stock of Farmers; and they together with other stockholders owning an aggregate of 82.8% of its outstanding stock have agreed to the terms of the exchange.

SEC TO PARTICIPATE IN FLORA SUN CASE. The SEC has entered its appearance in the proceedings under Chapter X of the Bankruptcy Act for the reorganization of Flora Sun Corporation pending in the United States District Court in Miami, Fla. The debtor's voluntary petition for reorganization, filed on February 27, 1962, was approved by Judge Emmett C. Choate on April 25, 1962. Thomas J. Bomar has been appointed trustee and Stanton D. Sanson additional trustee. The debtor owns and operates a real estate development known as Apollo Beach, located near Tampa, Fla. Its liabilities are estimated at about \$18,000,000, including prior mortgages of almost \$10,000,000. According to preliminary information, about 1,400 persons hold approximately \$5,500,000 face amount of junior mortgages on lots in the Apollo Beach development, all of which mortgages were purchased through American Bonded Mortgage Company of Miami, Fla. An involuntary Chapter X petition for reorganization of the latter company has been filed by creditors, and is now pending.

OVER

SECURITIES ACT REGISTRATIONS. Effective June 4: United Aero Products Corp. (File 2-19056). Effective June 5: American States Life Insurance Co. (File 2-20001); Trans-Pacific Research and Capital, Inc. (File 2-19354); Wisconsin Power & Light Co. (File 2-20372). Withdrawn June 5: Eastern Investors, Inc. (File 2-19538); Research Products, Inc. (File 2-19559).

AMERICAN FIDELITY FILES FOR STOCK OFFERING. American Fidelity Corporation, 423 East Market St., Indianapolis, Ind., filed a registration statement (File 2-20449) with the SEC on June 4th seeking registration of 500,000 shares of common stock, to be offered for public sale at \$11 per share. The offering will be made through underwriters headed by Reynolds & Co., Inc., 120 Broadway, New York, and Cruttenden, Podesta & Miller, LaSalle-Jackson Bldg., Chicago, which will receive a \$1.10 per share commission. The statement also includes 50,000 shares underlying a 30-day option granted to the underwriters, exercisable at the public offering price.

Organized under Indiana law in December 1961, the company is licensed as a small business investment company under the Small Business Investment Act of 1958, and is also registered under the Investment Company Act of 1940 as a closed-end, non-diversified management investment company. The company contemplates that a substantial portion of its investments will be made in business concerns operating primarily within Indiana and the surrounding states. The net proceeds from the stock sale, together with proceeds from prior stock sales, will be used to provide equity capital and long-term loans, and advisory and management counseling services to small business concerns, and for operating expenses. The company has outstanding 31,120 shares of common stock (purchased at \$9 per share), of which American Fletcher National Bank and Trust Company (Indianapolis), John J. Gubelman (and his wife), and National Oxidizing and Polishing Co., Inc. (wholly owned by Robert H. Grabhorn, president of the company) own about 34%, 19% and 12%, respectively. Management officials as a group own about 27%. Shirley D. Murphy is board chairman.

PUBLIC SERVICE OF N.H. PROPOSES BOND OFFERING. Public Service Company of New Hampshire, 1087 Elm St., Manchester, N. H., today filed a registration statement (File 2-20451) with the SEC seeking registration of \$24,000,000 of first mortgage bonds due 1992 (series M), to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be used to redeem all of the company's series J 5-3/8% bonds due 1987, series K 5-1/8% bonds due 1989 and series L 5-1/8% bonds due 1990, at an estimated cost of \$22,171,864 (including premiums and interest), and to pay short-term borrowings incurred for interim financing of construction (estimated at \$1,000,000). The balance of the proceeds will be used for the construction of additional facilities and for other corporate purposes. The company's construction expenditures for 1962-63 are expected to aggregate \$12,200,000.

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