

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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C.F.C. FUNDING OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by C.F.C. Funding, Inc., 33 West 42nd St., New York.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed on May 6, 1960, C.F.C. proposed the public offering of \$150,000 of common stock, the offering to be made on a best efforts basis by Darius, Inc., of 80 Pine St., New York. The Commission asserts in its suspension order that it has reasonable cause to believe that certain terms and conditions of the Regulation were not complied with, that the company's offering circular was false and misleading in respect of certain material facts, and that the offering was made in violation of the Securities Act anti-fraud provisions. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

According to the order, the alleged misrepresentations in the offering circular related to (1) the statement that the company would engage principally in the business of acquiring machinery and equipment for leasing to industrial concerns, (2) failure to disclose the intention to use most of the company's cash for investing, owning and holding securities of other companies, and (3) failure to disclose that the proceeds to the issuer would be available for use by the underwriter in its broker-dealer operations. The Commission also asserts that the company did not comply with the Regulation in that it submitted a report of sales in which it falsely reported that \$66,000 of the proceeds were used to purchase machinery and equipment and failed to show the true proceeds to the company and the disbursement of part of the proceeds to the underwriter. Moreover, the company is an investment company and therefore the Regulation A exemption was not available.

GREATER MIAMI INDUSTRIAL PARK HEARING POSTPONED. On request of Greater Miami Industrial Park, Inc., 310 S.E. Second Avenue, Miami, the Commission has authorized postponement from October 30 to December 4, 1962, of the hearing in its Atlanta Regional Office on the question whether to vacate or make permanent its prior order of September 13, 1962, temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by that company.

SHARES IN AMERICAN INDUSTRY SEEKS ORDER. Shares in American Industry, Inc., of Washington, D. C., has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposed purchase of up to \$75,000 of units of subordinated debentures (with attached stock purchase warrants) of Duro-Test Corporation; and the Commission has issued an order (Release IC-3561) giving interested persons until November 1, 1962 to request a hearing thereon. According to the application, the securities proposed to be purchased by the company are a portion of a \$3,500,000 offering of units (each consisting of \$1,000 of debentures, series A due 1982, with an attached warrant to purchase 60 common shares), to be offered for public sale as soon as a registration statement filed by Duro-Test in September 1962 becomes effective. The price to be paid will be equal to the public offering price in effect on the first full day of the offering. A partner of the principal underwriter is a director of the applicant company, which affiliation necessitates the present application.

AMPEX CORP. FILES STOCK PLAN. Ampex Corporation, 934 Charter Street, Redwood City, Calif., filed a registration statement (File 2-20826) with the SEC on October 17th seeking registration of 200,000 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

EAST COAST INVESTORS HEARING SCHEDULED. The SEC has scheduled a hearing for October 29, 1962, in its New York Regional Office in the proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of East Coast Investors Co., Inc., should be revoked. The July 12, 1962 order authorizing these proceedings recites charges of the Commission's staff that East Coast violated its reporting, net capital and record-keeping rules.

ALEXANDER HAMILTON INVESTMENT HEARING POSTPONED. Upon request of Alexander Hamilton Investment Co., Inc., of Chicago, the Commission has authorized postponement from October 17 to November 14, 1962 of the hearing in administrative proceedings under the Securities Exchange Act to determine whether that company's broker-dealer registration should be revoked.

SECURITIES ACT REGISTRATIONS. Effective October 18: McCrory Corp. (File 2-20546); Mississippi River Fuel Corp. (File 2-20746); Nuveen Tax-Exempt Bond Fund, Series 3 (File 2-19149); Westbury Fashions (File 2-20702). Withdrawn October 17: The Micro-Dine Corp. (File 2-19776).

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