

For RELEASE Friday, April 19, 1968

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C.

Investment Company Act of 1940
Release No. 5357

The Securities and Exchange Commission today announced that the initial decision of its Hearing Examiner in proceedings under the Investment Company Act of 1940 involving American Steel and Pump Corporation, of New York, has become final, the period within which the parties may have petitioned the Commission for review thereof having expired and no review petitions having been filed.

American Steel and Pump ("American") had applied to the Commission for an order exempting certain transactions from provisions of the Act. These transactions included a tender offer by Victor Muscat and Edward Krock for the outstanding common stock and 4% Income Bond Series A due December 1, 1994, of American; also, the proposed resale of the stock to BSF Company, an investment company, and the proposed resale of the bonds to American. The proposed sales are prohibited by the Act in the absence of an exemption order because Muscat and Krock are affiliated persons of and control American which, by virtue of its ownership of 57% of the outstanding stock of BSF, is an affiliated person of and controls BSF, a registered investment company. In his initial decision, which is now the final decision of the Commission, the Examiner had ruled that the requested exemption should be denied by reason of the failure of American to sustain the burden of establishing that the proposed transactions were fair and reasonable and did not involve overreaching. (For further details, see SEC News Digest of March 19, 1968, and the Examiner's decision.)

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