

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 March 17, 1960

TWO STOCK OFFERINGS SUSPENDED. The Securities and Exchange Commission has issued orders temporarily suspending Regulation A exemptions from registration under the Securities Act of 1933 with respect to public offerings of securities by the following:

1) **Farwest Plywood Company ("Plywood Co."), Tacoma, Washington**

In a notification, filed December 31, 1959, Plywood Co. proposed the public offering of 80 units of preferred and common stock, in small part for sale at \$3500 per unit and the balance reserved for conversion of Class C preferred held by employee stockholders

2) **Mt Vernon Mining & Development Co. ("Development Co."), Salt Lake City, Utah** Development Co.'s notification, filed in November 1955, proposed the public offering of 300,000 common shares at \$1 per share

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. The Commission's suspension order with respect to the Development Co. asserts that it failed to file the required semi-annual reports of stock sales.

With respect to Plywood Co., the Commission's order asserts that that company's offering circular is false and misleading in respect of certain material facts, and that its use in the offering and sale of Plywood Co. stock would violate Section 17 (the anti-fraud provision) of the Securities Act. The alleged misrepresentations relate particularly to the failure to disclose or describe adequately the interests of the issuer's principal stockholder in the company and the benefits which will accrue to him as a result of these interests upon receipt of the proceeds of the sale of the units; the issuer's lack of timber reserves and the resulting competitive disadvantage to the company in its procurement of raw materials; the securities being offered (particularly the voting rights and cumulative rights to dividends); the nature, extent and limitations of the preferential work rights of the securities being offered; the suggested increase in profits through acquisition of timber and expansion of operations; the terms and conditions of the offering of units; and the failure to present required information in a clear and understandable fashion.

The orders provide an opportunity for hearing, upon request, on the question whether the suspensions should be vacated or made permanent.

LEON ALLEN FUND SEEKS ORDER. Leon B. Allen Fund, Inc., New York investment company, has applied to the SEC for an order under the Investment Company Act permitting Gillen & Company, to continue to serve as investment adviser until the August 16, 1960, stockholders meeting; and the Commission has issued an order (Release 40-2985) giving interested persons until March 31, 1960, to request a hearing thereon.

According to the application, Gillen & Company has acted as investment adviser to the Fund since June 1952 under a written contract. On December 10, 1959, one of the partners of the adviser died, which constituted a transfer of control of the partnership and resulted in an assignment of the investment advisory contract within the meaning of the Investment Company Act. The present application seeks an exemption which would permit the firm to continue to serve as investment adviser until the stockholders meeting, as well as an exemption for all actions of the firm since December 10, 1959.

ONE WM ST. FUND PROPOSES ACQUISITION. One William Street Fund, Inc., New York investment company, has applied to the SEC for an exemption order under the Investment Company Act permitting the issuance of its shares for substantially all the cash and securities of W & W Investment Co.; and the Commission has issued an order (Release 40-2986) giving interested persons until March 29, 1960, to request a hearing thereon.

W & W Investment Co. is an investment company whose outstanding stock is owned by one shareholder. The William Street Fund has agreed to purchase substantially all its cash and securities, with a total value of \$1,345,000 as of November 30, 1959, in exchange for shares of the Fund's stock on the basis of the net asset value of such stock on the closing date.

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

BUCKEYE CORP. FILES EXCHANGE OFFER. The Buckeye Corporation, 16 East 34th Street, New York, filed a registration statement (File 2-16265) with the SEC on March 16, 1960, seeking registration of 296,236 shares of common stock. It is proposed to offer this stock in exchange for the 888,708 shares of capital stock of King Bros. Productions, Inc., of Hollywood, at the rate of one share of Buckeye stock for each three shares of King Productions stock. King Productions, an independent producer of feature films for exhibition in theaters, has recently announced plans for the production of film series for exhibition on television. It has been managed by Messrs. Frank, Maurice and Herman King and Buckeye has no plans with respect to any change in management.

The registration statement also includes 6,582 shares of 5% Convertible Preferred Stock, Series A, \$10 par, and 70,638 shares of common stock of Buckeye which have been or are to be issued in connection with the acquisition of certain businesses and in connection with the refunding of certain claims against and obligations of Buckeye; 6,709 common shares reserved for issuance upon conversion of 6,582 shares of Series A preferred; 50,000 common shares which may be offered from time to time pursuant to the company's Employee Stock Option Plan; 150,000 common shares owned by Landrock Realty Corp. which may wish to dispose of such shares at some future time or times; and 2,000,000 unissued shares of Buckeye common which may be issued from time to time in the acquisition of additional businesses or properties or in connection with the refunding of obligations, or offered for cash sale.

Among recent transactions are the following: (1) issuance of 15,491 shares of Series A preferred in September 1959 in exchange for all the outstanding stock of Caravel Films, Inc.; and (2) issuance of 52,247 common shares in February 1960 in exchange for the stock of Proprietors of the Locks and Canals on Merrimack River, of Lowell, Mass. Of Buckeye's outstanding common, 346,095 shares (34.16%) are owned by Landrock Realty. The prospectus lists E. V. Horvath as board chairman and G. A. Horvath as president.

UBS FUND OF CANADA FILES FOR OFFERING. UBS Fund of Canada, Ltd., 680 Sherbrooke Street West, Montreal, filed a registration statement (File 2-16262) with the SEC on March 16, 1960, seeking registration of 3,000,000 common shares. The Fund was organized in October 1959 as a Canadian company and is a mutual investment fund whose primary objective is capital growth. The prospectus lists Nelson Conant of Boston as president. The Fund's Canadian adviser is Bolton, Tremblay & Company of Montreal and its American adviser is United Investment Management Corp. of Boston, a subsidiary of United Investment Counsel, Inc. The principal underwriter is UBS Distributing Corporation, of Boston, a subsidiary of United Business Service Company. The Fund proposes to provide initial capital of at least \$100,000 through private subscription for its common shares by United Investment Counsel and certain of the Fund's directors. Thereafter, shares will be sold at net asset value plus a sales charge of not over 9% of the offering price.

UBS FUND APPLIES FOR ORDER. UBS Fund of Canada, Ltd., Montreal, has applied to the SEC for an order under the Investment Company Act permitting it to register with the Commission as an investment company under the Investment Company Act and to make a public offering of its securities in the United States; and the Commission has issued an order (Release 40-2987) giving interested persons until March 30, 1960, to request a hearing thereon.

CORRECTION. In the SEC News Digest of March 16, 1960, the item on the offering of partnership interests by Pittsburgh Self-Service Associates should have reflected a \$10,000 offering price of the interests.

SOUTHERN NEVADA TELEPHONE PROPOSES OFFERING. Southern Nevada Telephone Co., 125 Las Vegas Boulevard South, Las Vegas, Nevada, filed a registration statement (File 2-16263) with the SEC on March 16, 1960, seeking registration of 100,000 shares of \$25 par cumulative convertible preferred stock, to be offered for public sale through an underwriting group headed by Dean Witter & Co. The dividend and conversion rates, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the stock sale will be used to retire some \$2,000,000 of bank loans and to finance in part the company's continuing construction program. Construction expenditures are estimated at \$4,716,000 for 1960.

RITTER FINANCE FILES FINANCING PROPOSAL. Ritter Finance Company, Inc., Church Road and Greenwood Ave., Wyncote, Pa., filed a registration statement (File 2-16264) with the SEC on March 16, 1960, seeking registration of \$1,500,000 of 6½% Debentures due 1975 and ten-year warrants for the purchase of 75,000 Class B common shares. It is proposed to offer these securities for public sale in units, each consisting of one \$1,000 debenture and a warrant for 50 Class B shares, and at \$1,000 per unit. The offering will be made on an all or none basis through an underwriting group headed by Stroud & Co., Inc., for which a \$60 per unit commission is to be paid. The exercise price of the warrants will be supplied by amendment.

The company and its subsidiaries are engaged in the small loan business. Net proceeds of this financing will be added to its general funds and used initially to reduce bank loans. There are no negotiations pending for the use of the proceeds in the acquisition of assets or securities of other finance

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companies, but the company intends to make such acquisitions as and when favorable opportunities present themselves.

According to the prospectus, the company has outstanding 150,000 shares of Class A and 1,043,102 shares of Class B stock in addition to preferred stock and sundry indebtedness. Rolland A. Kitter, president, owns 56.8% of the Class A and 2.9% of the Class B stock.

ELECTRONIC ASSISTANCE FILES FOR OFFERING AND SECONDARY. Electronic Assistance Corporation, 20 Bridge Ave., Red Bank, N. J., today filed a registration statement (File 2-16266) with the SEC seeking registration of 152,698 shares of common stock, of which 72,500 shares are to be offered for public sale for the account of the company and the remaining shares, now outstanding, by Robert Edwards, company president. The prospectus lists Amos Treat & Co., Inc., as the principal underwriter. The offering price and underwriting terms are to be supplied by amendment. The underwriters will purchase at one cent per warrant, five-year warrants to purchase 7,250 common shares at the public offering price. Also included in the registration statement are 22,948 shares acquired in January 1959 from Edwards by Amos Treat and by officers of Bruno-Lenchner Inc., another underwriter.

The company was organized in June 1958 and is engaged in the design, engineering, manufacture and sale of radar altimeters, telephone equipment, test equipment and ultrasonic generators and transducers. In August 1958 it acquired a majority of the assets of Mack Electronics Division of Mack Trucks, Inc., located in Plainfield, N. J. Of the net proceeds of the sale of additional stock by the company, \$20,000 will be used to further equip its engineering department and office, \$60,000 for research and development, and \$20,000 for advertising and promotion. The balance of approximately \$594,750 will be added to working capital; and it is anticipated that \$300,000 will be used to finance the purchase of Materials, components and a finished goods inventory. The balance will be applied toward hiring additional personnel and meeting larger payrolls.

According to the prospectus, the company now has outstanding 511,264 common shares and 300 shares of \$100 par preferred stock. Edwards owns 270,000 shares (52.8%) of the common stock.

ORANGE & ROCKLAND UTILITIES PROPOSES OFFERING. Orange and Rockland Utilities, Inc., 10 North Broadway, Nyack, N. Y., today filed a registration statement (File 2-16267) with the SEC seeking registration of 39,165 shares of Convertible Cumulative Preferred Stock, Series E (\$100 par). The company proposes to offer this stock for subscription by holders of its outstanding common stock of record April 14, 1960, at the rate of one share of preferred for each 50 shares of common then held, and at a subscription price of \$100 per share. The First Boston Corporation is listed as the principal underwriter; and the underwriting terms are to be supplied by amendment.

The company and its subsidiaries furnish electric and gas service to an essentially residential area of 1,350 square miles near New York City. Proceeds of the preferred stock sale will be applied to the reduction of bank notes (the proceeds of which were used for construction) and the balance will be used for future construction. The company estimates its construction expenditures for 1960-62 at \$25,000,000.

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