

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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A brief summary of financial proposals filed with and actions by the S.E.C.

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**INDIVIDUALS' SAVING REPORTED.** The SEC reports (for December 29 newspapers) that net financial savings of individuals amounted to \$9 1/2 billion in the third quarter of this year. These flows were up substantially from rates achieved in the first half of the year, largely reflecting seasonal influences. The third quarter total was about \$1 billion less than a year earlier. As in the previous quarters of this year individuals channeled a greater proportion of their savings into direct investments than they did in 1965. This shift reflected the sharp rise in interest rates on marketable debt instruments. (For further details, see Stat. Release No. 2175).

**VALIC REHEARING PETITION DENIED.** The SEC has issued an order under the Investment Company Act (Release IC-4797) denying a petition of Variable Annuity Life Insurance Company of America for a rehearing with respect to the Commission's August 25 decision denying Valic's application for an exemption order under the Act permitting its issuance of stock options to officers and employees.

**IDS RECEIVES ORDERS.** The SEC has issued exemption orders under the Investment Company Act permitting Investors Diversified Services, Inc., of Minneapolis (a) to sell certain mortgages to Investors Syndicate of America, Inc. (Release IC-4808), and (b) to sell certain other mortgages to Investors Syndicate Title & Guaranty Company (Release IC-4809). (The details of these transactions were related in the News Digest of December 13, 1966).

**WORTH FUND STOCK SALE CLEARED.** The SEC has issued an exemption order under the Investment Company Act (Release IC-4804) permitting Worth Fund, Inc., Great Neck, N. Y., to sell 850 shares of common stock of Guaranty Bank & Trust Company, Chicago, to Robert L. Huffines, Jr., for \$51,000.

**ALLIS-CHALMERS INT. SEEKS ORDER.** Allis-Chalmers International Finance Corporation, West Allis, Wisc., has applied to the SEC for an order exempting it from all provisions of the Investment Company Act; and the Commission has issued an order (Release IC-4805) giving interested persons until January 9 to request a hearing thereon. The company was organized by Allis-Chalmers Manufacturing Company (which will acquire \$3,000,000 of its stock, payable in cash or property) primarily to assist in improving the balance of payments position of the United States in compliance with the voluntary cooperation program instituted by the President in February 1965, while at the same time continuing the expansion and development of the parent's operations abroad. The subsidiary intends to issue and sell \$15,000,000 of notes, guaranteed by the parent, to be sold through underwriters for offering outside the United States.

**B.S.F. STOCK SALE CLEARED.** The SEC has issued an exemption order under the Investment Company Act (Release IC-4806) permitting B.S.F. Company, Wilmington, Del., to sell 293,845 common shares of Republic Corporation to Victor Carter for \$2,644,605, to be evidenced by a series of Carter's non-negotiable and non-interest bearing notes.

**30 BROAD CO. FILES FOR OFFERING.** 30 Broad Company, 51 E. 42d Street, New York, N. Y. 10017, filed a registration statement (File 2-25837) with the SEC on December 22 seeking registration of 640 units of additional limited partnership interests, to be offered for sale at \$1,250 per unit. The partnership was organized under New York law in December 1962 by Clifford W. Michel, Henry A. Loeb and T. Newman Lawler, as successor to a former partnership which had acquired real property consisting of the fee title to the 30 Broad Building in lower Manhattan, and a lease of the land underlying said building and the 40 Broad Building. In 1965 the partnership agreement was amended to permit the acquisition by the partnership of the 40 and 42 Broad Buildings, the ground underlease to the land underlying the 40 Broad Building and the ground lease to the land underlying the 42 Broad Building. The purchase price of the additional real property was \$235,000, and the partnership spent another \$565,000 for tenants' alterations and leasing commissions. These funds in the amount of \$800,000 were borrowed from Irving Trust Company of New York City. This loan, which has been reduced to \$750,000, matures on January 31, 1967. The partnership is offering additional limited partnership interests in order to repay the loan. The offering is to be made to the present General and 57 Limited Partners on a pro rata basis whereby each present partner may purchase an additional unit at \$1,250 per unit, for each \$5,000 unit now held.

**2d FIDUCIARY EXCHANGE FUND FILES.** Second Fiduciary Exchange Fund, Inc., 111 Devonshire St., Boston, Mass. 02109, filed a registration statement (File 2-25838) with the SEC on December 22 seeking registration of 3,636,364 shares of common stock. The shares are to be offered to prospective investors in exchange for securities of the character included in the "list of representative securities" included in the Fund's prospectus, on the basis of one Fund share for each \$27.50 of market value of deposited securities, after deducting from such market value a sales charge of 4% scaled down to 1 1/2% depending upon the aggregate market value of the deposited securities.

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The Fund was organized on December 20 under Massachusetts law. Its investment adviser is Vance, Sanders & Company, Inc. Henry T. Vance is board chairman and Robert S. Swain is president of the Fund. Vance is board chairman of the adviser and Swain is senior vice president. William F. Shelley, a vice president of the Fund, is president of the adviser.

**FOUR STOCK PLANS FILED.** The following have filed Form S-8 registration statements with the SEC, seeking registration of securities to be offered pursuant to employee stock purchase plans:

File 2-25812 - Caterpillar Tractor Co., Cleveland - 50,000 common shares

File 2-25847 - LTV Aerospace Corporation, Dallas - 100,000 common shares and \$2,500,000 of convertible subordinated debentures due 1986

File 2-25848 - Connelly Containers, Inc., Bala-Cynwyd, Pa. - 25,000 common shares

File 2-25850 - Sheraton Corporation of America, Boston - 13,500 Memberships in Plan

**GORDON REALTY FILES FOR SECONDARY.** I. Gordon Realty Corporation, 40 West Avenue, Rochester, N. Y. 14611, filed a registration statement (File 2-25849) with the SEC on December 27 seeking registration of 25,000 outstanding shares of common stock. These shares are said to have been acquired by the 11 holders thereof in December 1964, at a purchase price of \$4 per share. The holders propose to offer the shares for sale from time to time in the over-the-counter market (at \$5 per share maximum\*). The company is engaged in various phases of real estate and allied activities. In addition to indebtedness, it has outstanding 326,964 common shares.

**SECURITIES FUND FILES FOR OFFERING.** Securities Fund, Inc., 1617 John F. Kennedy Blvd., Philadelphia, Pa. 19103, filed a registration statement (File 2-25810) with the SEC on December 15, seeking registration of 1,500,000 shares of capital stock. Shares of the Fund (formerly known as Templeton and Liddell Fund, Inc.) are offered for sale at net asset value plus a commission of not more than New York Stock Exchange rates (\$10.35 per share maximum\*). The Fund's investment adviser is Investment Counsel International, Limited. Robert D. Hedberg is president of the Fund and the adviser.

**SECURITIES ACT REGISTRATIONS.** Effective December 27: Farmland Industries, Inc., 2-25714 (40 days); Hydrofoil Transit Corp., 2-25625 (90 days); Leece-Neville Co., 2-25673; Mohawk Data Sciences Corp., 2-25745. Effective December 28: Winslow Tele-Tronics, Inc., 2-25438 (90 days).

**NOTE TO DEALERS.** The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.

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