SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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

Washington 25, D.C.

FOR RELEASE July 18, 1957

Investment Company Act Release No. 2559

Ira Haupt & Co., of New York, a registered broker-dealer and sponsor and depositor of the Municipal Investment Trust Fund, Series A, New York investment company, has applied to the SEC for an order under the Investment Company Act of 1940 providing an exemption from certain specified provisions of that Act to the extent that such sections require the securities issued by Trust Fund to be redeemable either by the Trust Fund or a person designated by the Trust Fund as its agent; and the Commission has issued an order scheduling the exemption application for hearing on August 5, 1957.

Ira Haupt & Co. also seeks the same exemption with respect to any other unit investment trust fund established in the future by it under a trust agreement substantially identical in terms with the trust agreement relating to Trust Fund securities. Under this agreement, Ira Haupt & Co., as depositor, will deposit with the trustee $5,000,000 of bonds, the interest income on which will be exempt from Federal income taxes; and it will receive certificates representing 5,000 units representing undivided fractional interests in the trust fund. These certificates will be sold by the depositor to an underwriting group to be formed for the purpose of their public distribution. The price to the public of a unit will be approximately its current net asset value as determined by the depositor plus an underwriting commission of 4.166% of such value.

The trust agreement provides that as the bonds which were originally deposited are redeemed, matured or otherwise liquidated the proceeds will be distributed annually, and there will be no reinvestment nor substitution of securities except in certain refundings. The depositor will determine which bonds shall be sold from time to time upon the happening of certain specified events or for the purpose of redeeming outstanding certificates which the depositor has repurchased.

The trust agreement also provides that the depositor will repurchase the certificates from the holders and has the right, at its election, to either resell the same or present the same to the trustee for redemption. The price at which certificates are repurchased will be determined by the depositor on the last business day or the week in which certificates are presented for repurchase, and payment will be made on the next business day. The price at which the certificate will be redeemed by the Trust will be determined by the depositor on the day in which it is presented to the Trust for redemption, which date may not be more than four days after the repurchase date. Both the repurchase and redemption prices are to be determined by the depositor on the basis, among other things, of the bid prices for the underlying bonds on the date of repurchase or redemption. If the depositor refuses to repurchase a certificate the trustee is required within sixty days after notice of such refusal to appoint a successor depositor, and pending such appointment the trustee shall act in the capacity of the depositor. If the trustee is unable to appoint a successor depositor it is required to liquidate the Trust.

The Commissioner of Internal Revenue has ruled that the Trust will not constitute an association taxable as a corporation for Federal income tax purposes, and interest on the deposited bonds which is exempt from Federal income tax will not constitute taxable income to the Trustee or to the certificate holders.

At the hearing, inquiry will be conducted into the question whether the requested exemption should be granted.

Securities Act Release No. 3812

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of securities by Fidelity Trust of America, Dallas, Texas. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration under the Securities Act with respect to public offerings of securities not exceeding $300,000 in amount. Fidelity filed its Regulation A notification on November 27, 1953, proposing the public offering of 30,000 shares of its common stock at $10 per share pursuant to such an exemption.

In its suspension order, the Commission asserts (a) that Council M. Forsyth, president, a director and an affiliate of Fidelity, is subject to a judgment and decree entered on April 5, 1956, in the U. S. District Court for the Eastern District of Texas permanently enjoining him from further sales of securities in violation of Sections 5 and 17 of the Securities Act; and (b) that Fidelity is permanently enjoined by an injunction entered on January 8, 1957, in the District Court of Garden County, Nebraska, from further sales of securities in violation of the Blue Sky Law of Nebraska.

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Indianapolis Power & Light Company, Indianapolis, Ind., today filed a registration statement (File 2-13477) with the SEC seeking registration of 60,000 shares of its Cumulative Preferred Stock, $100 par. The company proposes to offer these shares for public sale through an underwriting group headed by Lehman Brothers, Goldman, Sachs & Co., and The First Boston Corporation. The dividend rate, public offering price and underwriting terms are to be supplied by amendment. Net proceeds of the financing will be used to repay short term bank loans aggregating $5,700,000 incurred for the construction of utility plant and the balance applied to the company's construction program. The company's construction program for the years 1957-60 contemplates expenditures of approximately $18,611,000 in 1957, $11,774,000 in 1958, $10,300,000 in 1959, and $18,469,000 in 1960, aggregating $59,154,000.

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