

**NEWS DIGEST**

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



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FOR RELEASE October 19, 1961

**MIDDLE SOUTH-NEW ORLEANS PUBLIC SERVICE EXCHANGE PLAN APPROVED.** The SEC today announced a decision under the Holding Company Act (Release 35-14533) approving a plan filed by Middle South Utilities, Inc., a New York holding company, for elimination, through an exchange offer, of the outstanding minority stock interest in its subsidiary, New Orleans Public Service Inc., of New Orleans.

Middle South owns 96.82% of the outstanding common stock of New Orleans Public Service, the remaining 3.18% (45,199.78 shares) being held by the public. Section 11(b)(2) of the Act requires an equitable distribution of voting power among security holders of registered holding companies and their subsidiaries; and in proceedings under that Section which the Commission consolidated with proceedings on the Middle South exchange plan, the Commission ordered the elimination of the minority interest in New Orleans Public Service as necessary to comply with such requirement.

Under the plan, Middle South will exchange approximately 124,300 shares of its common stock for the minority shares of New Orleans Public Service, at the rate of 2-3/4 shares of Middle South for each share of New Orleans Public Service. Upon the basis of its analysis of the assets, earnings, dividends, and other factors bearing upon the relative worth of the stocks of the two companies, the Commission (in a decision written by Commissioner Frear) concluded that the plan was fair and equitable to all persons affected thereby and that it would effectuate compliance with said requirement of Section 11(b)(2).

Consummation of the plan is subject to court approval; and the Commission, on request of Middle South, will apply to the U. S. District Court in New Orleans for approval and enforcement of the plan.

**BELLIN SECURITIES REGISTRATION REVOKED.** The SEC has issued an order under the Securities Exchange Act (Release 34-6654) revoking the broker-dealer registration of A. G. Bellin Securities Corp., 56 Beaver St., New York, for violations of the Securities Act registration and anti-fraud provisions in the offer and sale of stock of General Oil & Industries Co., Inc. Benjamin Zwang and Walter M. Holtzberg, officers of Bellin Securities, were each held to be a cause of the revocation order.

Upon the basis of admissions by Bellin Securities, Zwang and Holtzberg, the Commission ruled that, in the offer and sale of General Oil stock in 1958, they made false and misleading statements with respect to the future price of the stock and listing of the stock on an exchange, the management and earnings of the company, its merger with a prominent oil company, its ownership of oil and gas wells with a current substantial production, and production of oil and gas from its properties. The Commission also held that the stock was sold in violation of the Securities Act registration requirement. Bellin Securities and the two individuals were enjoined by Federal court order in March 1961 from selling General Oil stock in violation of the registration requirement. Bellin Securities also was expelled from membership in the NASD for failure to file certain reports with it.

**METATRONICS MFG. FILES FOR STOCK OFFERING.** Metatronics Manufacturing Corp., 111 Bloomingdale Road, Hicksville, N. Y., filed a registration statement (File 2-19154) with the SEC on October 18th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$2 per share. The offering will be made on an all or none basis through underwriters headed by Frank Karasik & Co., which will receive a 20¢ per share commission plus \$17,500 for expenses. The registration statement also includes 16,000 outstanding shares sold by the controlling stockholder to Frank Karasik and 4,000 shares to Daniel J. D'Addario and Arnold Weinstein, the finders, all at 10¢ per share.

The company (formerly A & P Metal Products Mfg. Corp.) is engaged primarily in the business of manufacturing military electronic cases and containers, and to a lesser extent, in the manufacturing of custom-built, precision sheet metal products. The \$154,500 estimated net proceeds from the stock sale will be applied to the purchase of finishing plant equipment, toward construction of a new building, to purchase additional measuring and testing equipment, to acquire new tools and dies, to a reduction of outstanding accounts payable, to increase inventory and to improve working capital.

In addition to certain indebtedness, the company has outstanding 235,000 shares of common stock (after giving effect to a recapitalization in July 1961 whereby the 200 shares then outstanding were exchanged for 146,640 new shares), of which Michael C. Fresnick, president, owns 89.3% and management officials as a group 90.7%.

**CARIBBEAN CEMENT FILES FOR SECONDARY.** Caribbean Cement Company Limited, Rockfort, Kingston, Jamaica, filed a registration statement (File 2-19155) with the SEC on October 18th seeking registration of 300,000 outstanding Ordinary Shares (plus a like amount of American Depositary Shares issuable upon deposit of the ordinary shares). Of such shares, 272,000 are to be offered for public sale by the holders thereof through underwriters headed by Paribas Corporation. The public offering price and underwriting terms are to be supplied by amendment. The underwriters will deliver to purchasers American Depositary Receipts for American Depositary Shares (in denominations of not more than 100 such shares), one such share being issued upon deposit of one ordinary share in Kingston, Jamaica with the agent of Morgan Guaranty Trust Company of New York, the Depositary. The remaining 28,000 shares may be sold by the holders thereof from time to time privately or publicly at prices then obtainable. The company owns and operates a cement manufacturing plant in Kingston. In 1960 Carl M. Loeb, Rhoades & Co. purchased for the several accounts of itself and

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certain other selling shareholders an aggregate of 200,000 ordinary shares, or 16-2/3% of the 1,800,000 outstanding shares of the company. By reason of subsequent share distributions, the number of such ordinary shares has been increased to 300,000, the adjusted purchase price per share being \$5.60. The prospectus lists individuals and firms as 19 selling shareholders, including the Loeb, Rhoades firm which owns 97,290 shares and Sugar Securities Corporation which owns 58,320 shares. The amounts proposed to be sold are to be supplied by amendment.

ADR'S FOR CARIBBEAN CEMENT FILED. Morgan Guaranty Trust Company of New York filed a registration statement (File 2-19156) with the SEC on October 18th seeking registration of American Depositary Receipts for 50,000 Ordinary Shares (Kingston Registry) of Caribbean Cement Company Limited.

JANE COLBY FILES FOR OFFERING AND SECONDARY. Jane Colby, Inc., 113 Fourth Ave., New York, today filed a registration statement (File 2-19157) with the SEC seeking registration of 105,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 55,000 shares, being outstanding stock, by the present holders thereof. The offering will be made at \$10 per share by Meade & Co., which will receive a \$1.20 per share commission and \$25,000 for expenses. The registration statement also includes 10,000 shares underlying four-year warrants sold to the underwriter for \$100, exercisable initially at \$10 per share, and 2,500 shares underlying like warrants sold to Leonard M. Frackman for \$250.

The company is engaged in the manufacture and sale of women's and misses' cotton knit sportswear and casual apparel. Net proceeds from the company's sale of additional stock will be added to general funds and used for general corporate purposes including increased working capital, expansion of manufacturing facilities and increased expenditures for sales and advertising. About \$175,000 will be required to equip the new plant being constructed for the company in Clifton Forge, Va.

The company has outstanding 325,000 shares of common stock, of which Isidor M. Rothschild, board chairman, owns 108,334 shares and proposes to sell 18,334 shares; and Bertram Goldberg, president, and H. Leonard Rothschild, treasurer, own 108,333 shares each and propose to sell 18,333 shares each.

AMERICAN BUILDING MAINTENANCE INDUSTRIES FILES FOR OFFERING AND SECONDARY. American Building Maintenance Industries, 335 Fell Street, San Francisco, today filed a registration statement (File 2-19158) with the SEC seeking registration of 141,000 shares of capital stock, of which 30,000 shares are to be offered for public sale by the company and 111,000 shares, being outstanding stock, by the present holders thereof. The offering will be made on an all or none basis through underwriters headed by Carl M. Loeb, Rhoades & Co. and Sutro & Co. The offering price and underwriting terms are to be supplied by amendment. The selling stockholders have sold to the principal underwriters five-year options to purchase 20,000 shares at \$18 per share.

The company is engaged principally in the business of providing janitorial, window cleaning and building maintenance services. Net proceeds from the company's sale of additional stock will be added to general funds which may be used for acquisition from unaffiliated sources of businesses similar to that of the company. In addition to certain indebtedness, the company has outstanding 700,000 shares of capital stock, of which Theodore Rosenberg, board chairman, and Sydney J. Rosenberg, president, own 350,000 shares each and propose to sell 55,500 shares each.

PENNSALT CHEMICALS FILES STOCK PLAN. Pennsalt Chemicals Corporation, Three Penn Center, Philadelphia, filed a registration statement (File 2-19160) with the SEC on October 18th seeking registration of 14,500 shares of common stock, to be offered pursuant to its Employee Stock Purchase Plan 1961-1962.

SECURITIES ACT REGISTRATIONS. Effective October 19: American Heritage Publishing Co., Inc. (File 2-18718); American Precision Industries, Inc. (File 2-18714); American Realty Trust (File 2-18552); Caressa, Inc. (File 2-18625); Fotochrome, Inc. (File 2-18423); Idaho Power Co. (File 2-18977); Leader Durst Tri-State Co. (File 2-18532); Universal Publishing and Distribution Corp. (File 2-18393); Universal Surgical Supply, Inc. (File 2-18615). Withdrawn October 19: Superior Acceptance Corp. (File 2-19134).

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