

# 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 August 9, 1960

**SOUTHERN ELECTRIC GENERATING PROPOSES BORROWINGS.** Southern Electric Generating Company, a subsidiary of Alabama Power Company and Georgia Power Company, has applied to the SEC for an order authorizing bank borrowings during the period ending July 1, 1961, in amounts aggregating not to exceed \$28,000,000 in the aggregate. The funds will be used to continue the construction of the Generating Company's No. 1 Steam Plant, the bank notes to be retired at or before maturity from the proceeds of the public sale of debt securities by the Generating Company and/or its sale of additional common stock to its parents.

**CAMPBELL & TRIMBLE GUILTY, PLACED ON PROBATION.** The Fort Worth Regional Office announced July 25th (LR-1747) that on July 12, 1960, Judge Ben C. Connally (USDC, Houston, Tex.) adjudged Theodore J. Campbell and Robert G. Trimble guilty as charged and convicted on Counts 1, 3 and 8 of indictment; suspended imposition of sentence; and placed defendants on probation for five years. Order of dismissal entered against corporate defendants, T. J. Campbell Investment Company, Inc.

**TRADING IN CONSOLIDATED DEVELOPMENT SUSPENDED.** The SEC has issued an order (Release 34-6343) further suspending trading on the American Stock Exchange and the over-the-counter market in the common stock of Consolidated Development Corporation (formerly Consolidated Cuban Petroleum Corporation), of Havana, Cuba, for the ten-day period August 10 to 19, 1960, inclusive.

**SEC TO PARTICIPATE IN CRUSADER OIL REORGANIZATION.** The SEC has entered its appearance in proceedings under Chapter X of the Bankruptcy Act for the reorganization of Crusader Oil and Gas Company, Inc., of Houston, pending in the U. S. District Court in Houston (Release CR-139).

**LEONARD-WIER CORP. PROPOSED OFFERING.** Leonard-Wier Corporation, 521 Bank of The Southwest Building, Houston, Texas, filed a registration statement (File 2-16888) with the SEC on August 8, 1960, seeking registration of \$5,000,000 of participations in exploration and acquisition interests under the company's Retainer and Exploration Agreement. The company offers to enter into and operate under such agreement with one or more persons, by the terms of which the company as agent for such persons will conduct an Oil and Gas Exploration program on a continuing basis, for each in the proportion that his Dedication bears to the total of all Dedications at any given time. Solicitations of commitments will be made by the company through its officers and employees, no agreement to be entered into with any Dedicator for less than a dedication of \$200,000 for a two year period. The company's principal effort will be in locating wildcat prospects, its areas of exploration to include South Louisiana, Gulf Coast and South Texas. One-half of 1% of each dedication will be paid the company each month in lieu of any and all charges for supervision and management overhead. The remainder will be applied to exploration and related purposes. The company was organized in 1960 and its principal stockholders are L. Thian Leonard and Joe Richard Wier, president and vice president, respectively.

**AMERICAN DIVERSIFIED PROPOSES OFFERING.** American Diversified, Inc., 1002 Midland Savings Building, Denver, Colo., filed a registration statement (File 2-16891) with the SEC on August 8, 1960, seeking registration of 300,000 shares of common stock, to be offered for public sale at \$5 per share. A 75c per share commission is payable to the underwriter, Nation-Wide Underwriters, Inc., a subsidiary.

The company was organized under Colorado law on July 12, 1960, and intends to engage in the writing of life insurance and annuity policies and allied lines through one or more subsidiary companies to be formed or acquired; to engage in and carry on the business of making loans of money and to carry on a loan and finance business; and to act as a broker-dealer and underwriter in the sale of corporate securities. It has organized two subsidiaries, The Roosevelt National Life Insurance Company and The Roosevelt Credit Corp., as well as the underwriting subsidiary. The first \$200,000 of the proceeds of the public sale of stock by American Diversified will be applied to the purchase of 100,000 shares of the Insurance Company stock at \$2 per share; and the next \$100,000 will be applied to the purchase of 50,000 shares of the Credit Corp. stock at \$2 per share. The company may from time to time purchase additional stock or contribute or advance additional funds to the three companies so as to facilitate the expansion and growth of such companies. Not to exceed \$750,000 of the proceeds

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For further details, call Worth 3-5526

are expected to be invested in the Insurance Company and \$300,000 in the Credit Corp. Any remaining proceeds will be used for working capital and other corporate purposes.

Promoters of the company are Thomas W. Smeester, president and board chairman, Donald J. Slocum, secretary-treasurer, William J. O'Neil, treasurer, A. Leslie Metzger, Jr., and Dr. David L. Mosconi, directors. They own 24,750 of the 26,375 outstanding shares (Smeester and Slocum 10,000 shares each).

**OLIN MATHIESON SHIP FINANCING SEEKS EXEMPTION.** Olin Mathieson Ship Financing Corporation ("Financing"), New York City, has applied to the SEC for exemption from the Investment Company Act; and the Commission has issued an order (Release 40-3093) giving interested persons until August 19, 1960, to request a hearing thereon. Financing is a wholly-owned subsidiary of Olin Mathieson Shipping Corporation ("Shipping"), a Liberian corporation all of whose stock is owned by a Panamanian company, a wholly-owned subsidiary of Olin Mathieson Chemical Corporation ("Olin Mathieson"). The latter, which is engaged in manufacturing a wide range of products, has entered into an aluminum program whereby it will become an integrated producer and fabricator of aluminum and aluminum products. As part of this program, Olin Mathieson has participated in the formation of a Guinea corporation called Fria, Campagnie Internationale pour la Production de l'Alumine ("Fria") for the purpose of mining extensive bauxite deposits in Guinea. The bauxite will be refined into alumina for shipment to the founding shareholders of Fria, a group consisting of Olin Mathieson and French, Swiss and British aluminum companies.

It is stated that, in order to carry its share of the Fria alumina, Olin Mathieson has caused Shipping to enter into a construction contract with an Italian yard for the construction of a combination vessel. Shipping will borrow the funds to pay for the construction of the vessel from Financing, and will issue a demand note therefor. Financing will obtain the funds to be loaned to Shipping by the issuance of bonds to The Prudential Insurance Company of America in an aggregate principal amount not exceeding \$9,500,000. The note issued by Shipping will be pledged by Financing with Bankers Trust Company as Trustee under an Indenture with Financing. As additional security, all the issued and outstanding capital stock of Financing will be pledged by Shipping with the Trustee. The application also states that Financing will serve only as a debt financing vehicle to facilitate the financing of Shipping's vessel. Financing will not trade in the Shipping notes and will not own or hold the securities of any other company. It will be organized in such a way that it receives only enough money to pay its operating expenses. It will not operate at a profit and will pay no dividends. Financing's sole asset, the Shipping note, will be pledged with the trustee and will be discharged by direct payments by Shipping to the trustee with such payments simultaneously discharging Financing's obligations under its notes. Financing will not deal with the Shipping note after the initial act of pledging them with the trustee. None of the outstanding securities of Financing will be held by the public.

**SYNTEX FILES FOR OFFERING.** Syntex Corporation, Arcia Building, Justo Arosemena Avenue, Panama, Republic of Panama, filed a registration statement (File 2-16889) with the SEC on August 8, 1960, seeking registration of 100,000 shares of common stock, to be offered for public sale through a group of underwriters headed by Allen & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the pharmaceutical business, principally in the production and sale of steroid hormone products and in research relating to development of such products. The net proceeds from the stock sale will be used as additional working capital.

The company has outstanding 7,389 shares of \$100 par 6% preferred stock and 1,318,840 shares of common stock. The prospectus lists George Rosenkranz as president. Management officials own 38% of the outstanding preferred and 3.4% of the outstanding common. Allen & Company owns 391,847 common shares.

**ARMOUR SHARES IN REGISTRATION.** Armour and Company, 401 North Wabash Ave., Chicago, filed a registration statement (File 2-16890) with the SEC on August 8, 1960, seeking registration of 246,336 shares of common stock which are to be issued pursuant to the exercise of warrants, such warrants having been issued as a part of the redemption price of 500,000 outstanding shares of the company's 6% cumulative convertible prior preferred stock all of which were redeemed on December 21, 1954. The plan of redemption called for the prior preferred stock to be redeemed at a price of \$120 per share payable in (1) 5% cumulative income subordinated debentures of the company due November 1, 1984, of like principal amount and (2) one warrant, in bearer form, entitling the holder to purchase one share of common stock at prices ranging from \$12.50 per share from date of issuance to \$20 per share in 1962. Of the 500,000 warrants originally issued, 249,140 had been exercised, as of June 30, 1960, and 4,524 had been cancelled. The proceeds of shares sold pursuant to the exercise of the warrants will be added to the company's working capital and used for general corporate purposes.

The company is engaged principally in the meat packing business, operating packing plants for the slaughter of livestock and the processing of meats and animal products and by-products. It also manufactures, purchases and processes various dairy products. Through the company's Armour Chemical Industries, it manufactures a variety of chemical products including detergents, nitrogen derivatives, leather products, bio-chemicals and fertilizers. In addition to various indebtedness and 3 series of preferred stock, the company has outstanding 5,114,183 shares of common stock. The prospectus lists Frederick W. Specht as board chairman and William Wood Prince as president.

**ARMOUR FILES STOCK PLAN.** Armour and Company, Chicago, filed a registration statement (File 2-16892) with the SEC on August 8, 1960, seeking registration of 234,000 common shares, which have been sold by the company to or are being offered or are to be offered for sale by the company to, certain officers and key employees of the company pursuant to Restricted Stock Options.