

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.

(In ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE December 5, 1960

Statistical Release No. 1717. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended December 2, 1960, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1960, is as follows:

	1957-59 = 100		Percent Change	1960	
	12/2/60	11/25/60		High	Low
Composite	111.8	113.5	-1.5	121.4	107.7
Manufacturing	107.2	109.2	-1.8	122.0	103.6
Durable Goods	111.2	113.3	-1.9	129.5	107.7
Non-Durable	103.5	105.4	-1.8	115.1	99.5
Transportation	92.1	92.0	+0.1	108.3	87.1
Utility	133.4	133.5	-0.1	137.3	118.4
Trade, Finance & Service	129.8	131.9	-1.6	134.1	120.5
Mining	74.3	75.4	-1.5	86.7	67.0

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended November 30, 1960, 31 registration statements were filed, 19 became effective, 1 was withdrawn, and 319 were pending at the week end.

CULLEN-STANFORD CORP. REGISTRATION REVOKED. In a decision announced today (Release 34-6427), the SEC revoked the broker-dealer registration of Cullen-Stanford Corp., 99 Wall St., New York City, for violations of the anti-fraud provisions of the Federal Securities Laws in the sale of securities of Union Gulf Petroleum Corporation and Pacific Central Company. The Commission also denied the application of Cullen-Stanford for withdrawal of its registration and found Stanford R. Gabaeff, president and director, to be a cause of the order of revocation. Cullen-Stanford and Gabaeff consented to the Commission's order.

BATTEN & CO., MUTUAL FUNDS OF AMERICA HEARING POSTPONED. At the request of counsel for Batten & Co., Inc., and Mutual Funds of America, Inc., both of Washington, D. C., and counsel for the Commission's Division of Trading and Exchanges, the Commission has postponed to January 16, 1961, the hearing heretofore scheduled to be held on December 5, 1960, in the proceedings instituted by the Commission under the Securities Exchange Act on the question of suspension of revocation of the broker-dealer registrations of the said companies.

VIOLATIONS CHARGED TO DIROMA, ALEXIK & CO. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of DiRoma, Alexik & Co., 24 Vernon Street, Springfield, Mass., should be revoked and/or whether the said firm should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

According to the Commission's order, DiRoma, Alexik & Co., Inc., became registered with the Commission as a broker-dealer on June 3, 1959. Agostino DiRoma, Jr., and Edward F. Alexik are general partners of the firm. The Commission's order asserts that DiRoma, Alexik & Co., DiRoma, individually, and Alexik, individually, were permanently enjoined by two court orders entered on or about June 1, 1960, and September 8, 1960, from engaging in and continuing certain conduct and practices in connection with the purchase and sale of securities. The Commission's order further asserts that information developed in an investigation conducted by the Commission's staff tends, if true, to show that DiRoma, Alexik & Co., Inc., wilfully violated the registration provisions of the Securities Exchange Act in that it did not promptly file an amendment to its registration statement correcting the statement made therein that neither it nor any of its partners was permanently or temporarily enjoined from engaging in or continuing any conduct or practice in connection with the purchase or sale of any security, and that DiRoma and Alexik, individually, aided and abetted such violation.

A hearing for the purpose of taking evidence with respect to the foregoing matters, as well as with respect to the question whether DiRoma and Alexik, individually, should be found to be causes of any order which the Commission might enter, will be held at a time and place to be announced later.

OVER

For further details, call WORTH 3-5526

AMERICAN RESEARCH AND DEVELOPMENT SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release 40-3148) giving interested persons until December 16th to request a hearing upon an application of American Research and Development Corporation, Boston, Mass., for an order of the Commission under the Investment Company Act permitting the company to make loans of not exceeding an aggregate of \$50,000 at any one time outstanding to Intercontinental Electronics Corporation. Intercontinental, a Delaware corporation, was organized in 1956 and is engaged in the business of the development and sale of electronic, aircraft detection, and navigation equipment. American Research and Development states in its application that it owns approximately 17% of the outstanding voting securities of Intercontinental.

TEXAS EASTERN TRANSMISSION CORP. FILES FINANCING PROPOSAL. Texas Eastern Transmission Corporation, Memorial Professional Bldg., Houston, Texas, filed a registration statement (File 2-17358) with the SEC on December 2, 1960, seeking registration of \$30,000,000 of First Mortgage Pipe Line Bonds due 1981 and 150,000 shares of preferred stock to be offered for public sale through an underwriting group headed by Dillon, Read & Co., Inc. The interest rate on the bonds, the dividend rate on the preferred stock, and the public offering prices and underwriting terms are to be supplied by amendment. Of the net proceeds to the company from the sale of the bonds and preferred stock, a portion will be used to retire revolving credit notes and the balance will be used in connection with the company's construction program. Under date of May 1, 1960, the company entered into a one-year revolving credit agreement with a group of banks providing for borrowings not to exceed \$75,000,000 at any one time for repayments and reborrowings, and for interest at the commercial prime rate at the time of each borrowing. The construction program of the company involves estimated expenditures of approximately \$83,000,000 in 1961. The financing of such expenditures will be provided by the sale of the bonds and preferred stock proposed to be offered, by the sale of other securities of the company of types and in amounts not now determinable, by borrowings under the revolving credit agreement, and, to a minor extent, by company funds.

BRUNSWICK FILES FOR RIGHTS OFFERING. Brunswick Corporation, 623 South Wabash Avenue, Chicago, Illinois, today filed a registration statement (File 2-17359) with the SEC, seeking registration of \$25,634,400 of Convertible Subordinated Debentures, due January 1, 1981. The company proposes to offer the debentures to holders of its common stock on the basis of \$100 principal amount of debentures for each 65 shares held of record on January 11, 1961. Lehman Brothers and Goldman, Sachs & Co. are listed as the principal underwriters. The dividend rate, subscription price and underwriting terms are to be supplied by amendment.

The company (formerly The Brunswick-Balke-Collender Company) is engaged in the manufacture and distribution of bowling products. In addition to selling, installing and servicing bowling lanes and related equipment, it manufactures and sells a complete line of bowling supplies, including balls and pins. The net proceeds from the sale of debentures will be added to the company's general funds and will be available for any corporate purposes.

In addition to indebtedness and preferred stock, the company has outstanding 16,607,584 shares of common stock (giving effect to a 2-for-1 stock split effected December 1, 1960), of which management officials as a group own 1,452,014 shares. B. E. Bensinger is listed as president and R. F. Bensinger as board chairman.

FINANCIAL SECURITY CORP. HEARING SCHEDULED. The SEC has scheduled a hearing for December 21, 1960, in its Fort Worth Regional Office in the proceedings under the Securities Exchange Act of 1934 to determine whether the application of Financial Security Corporation, 518 Scott Street, Little Rock, Arkansas, for registration as a broker-dealer should be denied. The Commission's order of September 10, 1959, which authorized these proceedings charged that the corporation had violated the anti-fraud provisions of the Federal Securities Laws and that the statement of financial condition contained in the application for registration was false and misleading in certain respects.

---oooOooo---