

# 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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**SECURITY EQUITY FUND FILES FOR STOCK OFFERING.** Security Equity Fund, Inc., 700 Harrison Street, Topeka, Kansas, filed a registration statement (File 2-19458) with the SEC on December 14th seeking registration of 400,000 shares of capital stock, to be offered for public sale at the net asset value plus a 6% sales charge. Distribution will be made by Security Management Company, Inc.

The Fund was organized under Kansas law in November 1961 as a diversified, open-end investment company of the management type. Its primary purpose is to provide a medium for investment in equity securities to complement the participant's fixed obligation type of investments. The Fund has 21,000 capital shares outstanding, all of which are owned by Security Benefit Life Insurance Company of Topeka. The parent also owns all of the stock of Security Management, the business manager and principal underwriter of the Fund. Herbert F. Laing is board chairman of the Fund, treasurer of the underwriter and a vice president of the parent; and Dean L. Smith is president of the Fund and of the underwriter and secretary of the parent. Other management officials of the Fund are also management officials of the underwriter and parent.

**ADR'S FOR INTERNATIONAL COMPUTERS AND TABULATORS FILED.** Morgan Guaranty Trust Company of New York, 140 Broadway, New York, filed a registration statement (File 2-19459) with the SEC on December 14th seeking registration of American Depositary Receipts for 50,000 ordinary registered shares of International Computers and Tabulators Limited (of England).

**BOND INVESTMENT TRUST EXEMPTED.** The SEC has issued an order under the Investment Company Act (Release IC-3381) granting an application of The Bond Investment Trust of America, of Boston, for a declaration that it has ceased to be an investment company.

**ATLAS RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-3382) with respect to certain transactions between Atlas Corporation, New York investment company, and its affiliate, Wellco Shoe Corporation. Under the proposal, Wellco will change certain rights of its 5% cumulative preferred stock; and Atlas will change its holdings of Class A common stock of Wellco into Class B common stock.

**UNITED FUNDS PROPOSES ACQUISITION.** United Funds, Inc., Kansas City investment company, has filed an application with the SEC under the Investment Company Act seeking an exemption with respect to its proposed purchase of Russell Stover Candies, Inc., stock; and the Commission has issued an order (Release IC-3383) giving interested persons until December 29th to request a hearing thereon. According to the application Russell Stover Candies has filed a registration statement with the Commission which proposed the secondary offering of 130,000 outstanding shares of its stock. Harriman Ripley & Co., Inc., and Stern Brothers & Co. are the principal underwriters. United Funds proposes to purchase up to 20,000 shares of the stock; and, because one of its directors is affiliated with Barret Fitch North & Co., one of the underwriters, such purchase is prohibited by the Investment Company Act unless the Commission grants an exemption from the prohibition.

**ALASKA-NORTH AMERICAN INVESTMENT PROPOSES ACQUISITION.** The Alaska-North American Investment Company, Washington, D. C., has applied to the SEC under the Investment Company Act for an exemption order permitting its acquisition of stock of United Servomation Corp.; and the Commission has issued an order (Release IC-3384) giving interested persons until December 29th to request a hearing thereon. United Servomation has filed a registration statement with the Commission proposing the public offering of 355,000 shares of capital stock. Auchincloss, Parker & Redpath is a member of the underwriting group. The Investment Company proposes to purchase 1,000 of such shares; and, because Milton Lyons, one of its directors, is a partner of the Auchincloss firm, such purchase is prohibited by the Investment Company Act unless the Commission grants an exemption from the prohibition.

**KRAFT PLANNED HOMES FILES FOR STOCK OFFERING.** Kraft Planned Homes, Inc., 126 West Broadway, Girard, Ohio, filed a registration statement (File 2-19460) with the SEC on December 14th seeking registration of 200,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on a best efforts basis by Best and Garey, Co., Inc., which will receive a \$.625 per share selling commission and \$30,000 for expenses. The statement also includes (1) 10,000 new shares underlying 5-year options to be granted to the underwriter by the company, exercisable at \$2.50 per share, and 15,000 outstanding shares underlying like options granted to the underwriter by a principal stockholder, (2) 11,000 shares underlying an option granted to Venture Capital Corporation of America in consideration for a \$50,000 loan to the company, to be exercised at the effective date of the public offering at 50¢ per share, and (3) an additional 20,000 outstanding shares which may be sold by the holders thereof from time to time in the over-the-counter market at prices prevailing at the time of sale.

The company was organized under Delaware law in July 1961, at which time it acquired from Andrew Chickarneo, president, and Leon G. Chickarneo, secretary, all of the capital stock of Kraft Built Homes, Inc., Girard Lumber Company, Inc. and Prudential Mortgage Corporation, for 190,000 company shares. The

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company will be a sales and holding company owning subsidiaries engaged principally in the sale, construction and financing of "shell homes." Of the \$802,500 estimated net proceeds from the stock sale, \$187,000 will be used to retire trade accounts, \$310,000 for Prudential Mortgage, \$100,000 for working capital, and the balance to pay notes payable and taxes, to retire debentures, for advertising and promotion, and for research and equipment.

In addition to certain indebtedness, the company has outstanding 190,000 shares of common stock, of which the Chickernoos own 60,000 shares each and Arthur Tuchinsky 49,000 shares (part of 69,000 shares originally issued to him by the Chickernoos in consideration of services rendered). The sale of new shares to the public at \$5 per share will increase the book value of outstanding stock from \$1.18 to \$3.14 per share with a corresponding dilution of \$1.86 per share in the book value of stock purchased by public investors. According to the prospectus, the company suffered a net loss for the nine months ended September 30, 1961 of \$13,474.

**NEW YORK TELEPHONE PROPOSES BOND OFFERING.** New York Telephone Company, 140 West Street, New York, today filed a registration statement (File 2-19461) with the SEC seeking registration of \$60,000,000 of refunding mortgage bonds, Series M, due 2002, to be offered for public sale at competitive bidding. A portion of the net proceeds from the bond sale will be used to repay some \$40,000,000 of bank borrowings incurred for general corporate purposes, including construction, extension and improvement of plant, and the balance for such construction purposes. Construction expenditures approximated \$293,000,000 for 1960 and \$222,000,000 for the nine months ended September 30, 1961, and are expected to exceed \$300,000,000 for 1961.

**ANDY GARD FILES FOR STOCK OFFERING.** Andy Gard Corporation, Leetsdale, Pa., today filed a registration statement (File 2-19463) with the SEC seeking registration of 200,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Van Alstyne, Noel & Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 15,000 outstanding shares sold to the principal underwriter by certain stockholders at 10¢ per share. The underwriter has agreed to sell to Anthony J. Barnish and Arthur R. Pasekoff 750 shares each at 10¢ per share as finders' fees.

The company (formerly General Molds and Plastics Corp.) is engaged principally in the design, manufacture and sale of molded plastic toys under the "Andy Gard" trade name, and has recently entered the field of plastic housewares with "Dolly Dell" buckets. It also conducts a custom molding business whereby certain plastics are molded to customer specifications and manufactures to customer specifications dies and molds for the production of plastic articles. Of the net proceeds from the stock sale, \$250,000 will be used for construction of additional plant, warehouse and shipping facilities, \$500,000 for purchase of additional molding machines and other equipment, and the balance for working capital.

In addition to certain indebtedness, the company has outstanding 415,939 shares of common stock, of which Anthony Mangretta, a director, Andrew N. Giardina, president, and Samuel R. and Vincent J. Giardina, vice presidents, own 22.3%, 12.1%, 11.3% and 11.2%, respectively.

**SEABOARD ASSOCIATES ACQUISITION CLEARED.** The SEC has issued an exemption order under the Investment Company Act (Release IC-3380) permitting Seaboard Associates, Inc., New York investment company, to acquire 12,360 shares of its stock at \$17 per share from an affiliate.

**TRADING IN APEX MINERALS SUSPENDED.** The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Apex Minerals Corporation on the San Francisco Mining Exchange and over-the-counter market for an additional ten-day period December 17 to 26, 1961, inclusive.

**DELISTING PROPOSED.** The SEC has issued an order (Release 34-6686) giving interested persons until December 29th to request a hearing upon an application of the Midwest Stock Exchange to delist the common stock of Gamble-Skogmo, Inc., which stock remains listed on the New York Stock Exchange.

**UNLISTED TRADING GRANTED.** The SEC has issued an order (Release 34-6686) granting an application of the Boston Stock Exchange for unlisted trading in the common stock of United States Rubber Company.

**PUTNAM PROGRAMS FILES FOR OFFERING.** The Putnam Programs Corporation, 60 Congress Street, Boston, depositor for The Putnam Growth Fund, filed a registration statement (File 2-19462) with the SEC on December 14th seeking registration of \$20,000,000 of Single Payment and Systematic Investment Programs.

**SECURITIES ACT REGISTRATIONS.** Effective December 15: California Water & Telephone Company (File 2-19329); Foods Plus, Inc. (File 2-18938); The Southwestern States Telephone Company (File 2-19328).

**SOUTH BAY INDUSTRIES HEARING POSTPONED.** The hearing in the "stop order" proceedings involving Securities Act registration statement filed by South Bay Industries, Inc., of Gardena, Calif., has been postponed from December 19 to January 22, 1962, in the SEC Los Angeles Branch Office.