

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 August 11, 1958

Statistical Release No. 1547

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks, the week ended August 8, 1958, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1958, is as follows:

| | 1939 = 100 | | Percent Change | 1958 | |
|--------------------------|------------|--------|-------------------|-------|-------|
| | 8/8/58 | 8/1/58 | | High | Low |
| Composite | 354.1* | 350.4 | +1.1 | 354.1 | 299.0 |
| Manufacturing | 446.1* | 440.1 | +1.4 | 446.1 | 373.3 |
| Durable Goods | 401.6* | 399.2 | +0.6 | 401.6 | 332.2 |
| Non-Durable Goods | 478.6* | 469.4 | +2.0 | 478.6 | 402.2 |
| Transportation | 285.6* | 281.8 | + .13 | 285.6 | 219.7 |
| Utility | 173.8 | 174.8 | -0.6 | 174.8 | 155.5 |
| Trade, Finance & Service | 320.5* | 317.2 | +1.0 | 320.5 | 263.2 |
| Mining | 346.2* | 339.7 | +1.9 | 346.2 | 261.3 |

*New High

SEC CHALLENGES FILING BY FUNERAL DIRECTORS MANUFACTURING AND SUPPLY COMPANY

The Securities and Exchange Commission has ordered "stop order" proceedings under the Securities Act of 1933 against a registration statement filed by Funeral Directors Manufacturing and Supply Company, Louisville, Kentucky.

The Commission's order challenges the accuracy and adequacy of informational disclosures contained in the company's registration statement and prospectus and schedules a hearing in Washington on August 22, 1958, for the purpose of taking evidence with respect to the question whether the registration statement fails in material respects to comply with the disclosure requirements of the Securities Act and, if so, whether a stop order should be issued suspending its effectiveness.

The registration statement, filed in November 1954 and effective on March 24, 1955, proposed the public offering of 199,907* shares of \$100 par common stock at par. The company was organized in October 1954 by Stanley Maas (president) and a group of other Louisville funeral directors to manufacture and sell plastic grave vaults, plastic caskets, aluminum caskets and a combination plastic-aluminum casket. The plans and patent application rights to these products and the results of Maas' development work thereon had been acquired from Maas for a commission of 2% on the gross sales of all products.

OVER

* 80,212 shares sold

For further details, call ST. 3-7600, ext. 5526

At the hearing, inquiry will be conducted into the question of the adequacy and accuracy of statements in the company's prospectus (a) under the captions "Introductory Statement" and "Description of Products," with regard to molds for an adult-size plastic grave vault, development, engineering, preliminary tool investigation, tooling, mastering program and production procedures; and (b) under the caption "Transactions with Promoters," with regard to rent paid by registrant for its offices and expenditures made by registrant for meals furnished to its employees by its president.

PROFILE MINES STOCK OFFERING PERMANENTLY SUSPENDED

In a decision announced today, the Securities and Exchange Commission ordered the permanent suspension of a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Profile Mines, Inc., of Boise, Idaho, for violation of the anti-fraud and other provisions of the Federal Securities Laws.

The violations included material misrepresentations with respect to the speculative nature of the Profile Mines stock, the company's prospectus, and the status of its property.

Profile Mines was organized by William Schierding, its president. Its properties consist of three groups of mining claims located in Idaho. Under its Regulation A notification, filed in January 1957, the company proposed the public offering of 2,000,000 common shares at 10¢ per share.

In a letter mailed to some seven or eight thousand prospective investors in June, 1957, describing the offering and inviting requests for the offering circular, Profile Mines stated: "Here is the OPPORTUNITY FOR MONEY TO MAKE MONEY. Thousands of cautious investors are doing it successfully year after year." And further on, "Do not compare this with playing-the-stock-market, which is pure gambling and has nothing, whatsoever, to do with this Enterprise." The letter describes the company's properties as "already explored and partly developed by 3,000 ft. of tunnels, crosscuts, drifts, raises, shafts, etc. ..., which have proven the presence of Gold, Silver, Tungsten, Lead and various other minerals, some of high grade quality." It also declares that the properties "are located in one of Idaho's foremost and extensive mineral belts, with enormous productive possibilities."

These representations, the Commission ruled, were materially misleading. In fact, according to the decision, "as Schierding admitted," all the properties are in the exploratory stage, and represent only prospects. No ore of commercial value has been disclosed and there are no reports by a qualified mining engineer or geologist to indicate that Profile Mines' properties have any productive possibilities.

The Commission also ruled (1) that Profile Mines violated the provisions of Regulation A by distributing this letter without its prior filing with the Commission and without accompanying or preceding it by an offering circular and (2) that statements in its offering circular concerning Schierding's knowledge of and experience in the mining business and disclaiming his control of the company were misleading.

AMPAL-AMERICAN ISRAEL FILES FOR DEBENTURE OFFERING

Ampal-American Israel Corporation, New York, filed a registration statement (File 2-14291) with the SEC on August 8, 1958, seeking registration of \$3,289,100 of Ten Year Discount Debentures, Series E. The debentures are to be offered in, \$1000, \$500, and \$100 denominations (to be offered at \$610.27, \$305.14, and \$61.03, respectively). They will be priced to yield a return equal to compound interest at the rate of 5% per annum, compounded semi-annually. The price is payable in cash or in State of Israel Independence Issue or Development Issue bonds. Savings bonds will be accepted at their appreciated value on the date of subscription to the debentures. Coupon bonds will be accepted at their face value with all coupons unmaturred on the date of subscription attached. No underwriting is involved.

The primary purpose of the debenture offering is to obtain, and make available, funds for the development and expansion of agricultural, industrial and commercial enterprises in Israel. Substantial amounts of the company's funds are said to have been used to meet the current sinking fund requirements of the presently outstanding issues of debentures, as well as for the repurchase of large amounts of such debentures for future redemption. In the past funds have been made available to enterprises engaged in housing, agriculture, manufacturing of chemicals and fertilizers, foods, tires, shipping, oil drilling, water works and Irrigation, automotive transportation, fish canning, wallboard manufacturing and others. It is expected that the proceeds derived from the sale of the new debentures will be made available to enterprises engaged in similar activities basic to the Israel economy.

NATIONAL PROPANE SEEKS EXEMPTION

National Propane Corporation, New Hyde Park, Long Island, New York, has applied to the SEC for an order exempting it from all provisions of the Holding Company Act; and the Commission has issued an order giving interested persons until August 29, 1958, to request a hearing thereon. National Propane states that it is engaged in the distribution and sale of liquefied petroleum gas in portable containers and in bulk in four eastern states and nine middle western states. It has a small subsidiary company, Ware Gas Company, which distributes liquefied petroleum gas through underground mains at Ware, Massachusetts, such gas being supplied to it by National Propane. The latter contends that it is only incidentally a holding company, being primarily engaged or interested in one or more businesses other than that of a public-utility company.

EBASCO ACQUISITION APPROVED

The SEC has issued an order permitting Ebasco Services Incorporated, a subsidiary of Electric Bond and Share Company, to purchase 100 shares of the common stock of a newly-organized Ebasco Overseas Corporation at \$10 per share. Ebasco Overseas was formed by Ebasco Services to afford a vehicle through which to undertake contracts to perform engineering, general construction, construction supervision, and related services in countries of the Middle and Far East.

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