

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



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D. C. TRANSIT FILES FOR SECONDARY

D. C. Transit System, Inc. (a Delaware corporation), of 3600 M St., N. W., Washington, filed a registration statement with the SEC on March 23, 1959, seeking registration of 350,000 outstanding shares of its Class A Common Stock. The Delaware corporation owns all of the outstanding stock of D. C. Transit System, Inc. (a District of Columbia corporation), which operates the transit system in Washington, D. C. All of the 350,000 Class A shares of the Delaware corporation are owned by Trans Caribbean Airways, Inc., and are to be offered for sale by it. No part of the proceeds thereof will be received by the Delaware corporation or the D. C. Transit System of Washington.

Trans Caribbean proposes to give the holders of its outstanding Class A stock, and holders of its outstanding 5½% Convertible Subordinated Debentures, transferable Warrants, which evidence (a) the right to purchase shares of the Class A stock on the basis of one share of the Class A stock for each three shares of the Class A stock of Trans Caribbean which such holders either hold as stockholders or to which they are entitled upon conversion of their debentures and (b) the privilege of purchasing additional shares, subject to allotment. The purchase price, as well as the record date, is to be supplied by amendment. The principal and controlling stockholder of Trans Caribbean is O. Roy Chalk, president and board chairman of each of the two "Transit" companies.

Trans Caribbean also proposes to give to certain officers and employees of Trans Caribbean and its wholly-owned subsidiaries, D. C. Transit (of D. C.) and Transportation Corporation of America, the right to purchase up to 100,000 shares of the Class A stock of the Delaware corporation.

The Delaware corporation has outstanding 500,000 Class A and 2,000,000 Class B shares. It is a wholly-owned subsidiary of Trans Caribbean.

TENNESSEE GAS TRANSMISSION FILES STOCK OPTION PLAN

Tennessee Gas Transmission Company, Tennessee Building, Houston, Texas, filed a registration statement (File 2-14860) with the SEC on March 23, 1959, seeking registration of 500,000 shares of Common Stock, to be offered to officers and employees of the company and its subsidiaries pursuant to the company's restricted stock option plan.

SCHJELDAHL CO. PROPOSES STOCK OFFERING

G. T. Schjeldahl Company, 202 South Division St., Northfield, Minn., filed a registration statement (File 2-14862) with the SEC on March 23, 1959, seeking registration of 42,500 shares of common stock, to be offered for public sale through Craig-Hallum, Inc., the underwriter. The stock is to be offered and sold first to present shareholders of the company at the rate of 1 share for each 8 shares held April 1, 1959. The offering price is to be \$10 per share, with an underwriting commission of from 40¢ to \$1 per share.

The company is engaged in research, development and production of plastics, plastic compounds, and machines for applying and working with plastics. It has outstanding 339,900 shares of common stock. Expanding operations are said to have brought about an increasing need for additional plant and working capital, including principally a permanent building which will house integrated office and plant facilities and provide room for an enlarged and modern machine shop. It is

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

anticipated that from \$100,000 to \$150,000 of the proceeds of the stock offering will be used for that purpose. Some \$75,000 to \$100,000 will be used for the staff and equipment necessary to complete present research and development of a polyethylene overwrap packaging machine, high-speed machinery for converting plastic films, and a stacker for use in the present bag-making machine. An estimated \$150,000 will be used to expand the company's activities in the development of additional specialized plastic products and expansion of the marketing organization for them.

GODFREY COMPANY PROPOSES STOCK OFFERING

Godfrey Company, 4160 North Port Washington Rd., Milwaukee, filed a registration statement (File 2-14858) with the SEC seeking registration of 100,000 Common Shares, to be offered for public sale through an underwriting group headed by Taylor, Rogers & Tracy, Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the distribution of food products to retailers and consumers in the Milwaukee area. Net proceeds of the sale of the additional shares, estimated at \$1,105,625 will be used to provide inventory and working capital for four new supermarkets in the amount of some \$309,400, and to provide fixtures and equipment with respect thereto in the amount of \$635,000. Some \$30,000 will be used to provide equipment and improvements for Crestwood Bakery, a subsidiary; and the balance will be used for investments in controlling stock in retailer-franchised Sentry Markets and in interim investments in sites and developments prior to resale.

The company now has outstanding 188,216 common shares, of which Mrs. Florence S. Godfrey owns 18% and officers and directors as a group 23%. James E. Godfrey is listed as president.

GILLETTE FILES EMPLOYEE PLAN

The Gillette Company, Gillette Park, Boston, filed a registration statement (File 2-14859) with the SEC on March 23, 1959, seeking registration of 80,000 shares of Common Stock, to be offered pursuant to the company's Employees' Savings Plan to eligible employees of Gillette and other affiliated companies.

ORDER ISSUED ON EQUITY FUND INVESTMENT ADVISER CONTRACT

The SEC has issued an order (Release 40-2846) under the Investment Company Act granting an exemption from provisions of that Act with respect to the transfer of a controlling block of stock of United Pacific Corporation on August 12, 1958. United owns all the outstanding stock of Pacific Northwest Company, which serves as Equity Fund's investment adviser pursuant to contract. On August 12, 1958, Ben B. Ehrlichman sold 14,061 shares of United common stock of the 21,500 shares outstanding to a group of persons, all of whom were then, and now are, directors of United, at \$42.50 per share.

AMERICAN-HAWAIIAN STEAMSHIP REGISTERS

On February 24, 1959, American-Hawaiian Steamship Company filed a notification of registration under the Investment Company Act of 1940, and thereby became, by the terms of the Act, a registered investment company.

In November, 1958, the Commission instituted an action in the United States District Court for the Southern District of New York (see Litigation Release No. 1359) seeking to enjoin the Company from engaging, among other things, in any securities transactions and from engaging in any business in interstate commerce, unless and until the Company registers under the Investment Company Act of 1940.

The object of the Commission's action being achieved by the Company's registration, a stipulation was entered into discontinuing the action. The stipulation was filed with the Court on February 25, 1959.

AGRICULTURAL INSURANCE CO. FILES EXCHANGE OFFER

Agricultural Insurance Company, 215 Washington St., Watertown, N. Y., filed a registration statement (File 2-14863) with the SEC on March 23, 1959, seeking registration of 132,000 shares of \$10 par Capital Stock. The company proposes to offer its shares in exchange for shares of stock of

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Anchor Casualty Company at the rate of one share of Agricultural stock for one share of Anchor common stock (\$10 par) and one and one-tenth Agricultural shares for one share of Anchor \$1.75 Cumulative Convertible Preferred Stock (\$10 par).

Agricultural is principally engaged in the business of writing fire, extended coverage, automobile and aircraft physical damage and ocean and inland marine insurance. Effective December 31, 1958, Empire State Insurance Company, whose business was similar to and whose stock was owned by Agricultural, was merged with and into the latter.

Anchor was organized under Minnesota law in 1926. It owns all the outstanding shares of capital stock of Queen City Insurance Company, of South Dakota. The two companies are principally engaged in writing such casualty insurance as automobile liability, other liability insurance, automobile property damage and physical damage insurance, workmen's compensation, fidelity and surety bonds, and certain property insurance.

If the exchange offer is made effective, it is planned that Anchor will continue to operate as a separate company under direction of its own board of directors. Its principal office will continue to be located in St. Paul, Minn., and its present management and personnel will be retained. The managements of the two companies believe that integration of their managements and underwriting operations will enable them to offer full multiple line insurance facilities on a national scale.

MISSISSIPPI POWER PROPOSES SINKING FUND BOND ISSUE

Mississippi Power Company, Gulfport, has applied to the SEC for an order under the Holding Company Act authorizing its issuance of \$368,000 of First Mortgage Bonds, 4-5/8% Series due 1987; and the Commission has issued an order (Release 35-13958) giving interested persons until April 6, 1959, to request a hearing thereon. The bonds are to be surrendered to the trustee under the company's mortgage indenture, in accordance with the sinking fund provisions thereof.

HEARING SCHEDULED ON URAN MINING SUSPENSION

The Securities and Exchange Commission has scheduled a hearing for June 29, 1959, in its Washington office on the question whether to vacate, or make permanent, its February 12, 1959, order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of Class A and B shares of Uran Mining Corporation, of Rochester, New York.

At the hearing, inquiry will be conducted into questions raised by the earlier order, in particular whether the Uran Mining stock offering was made in such manner "as to operate as a fraud or deceit upon the purchaser" by reason of false and misleading representations made with respect, among other things, to the ore reserves on the issuer's properties and the uranium content thereof (for details, see Release 33-4035). These and related matters are also the subject of a criminal action in the U. S. District Court for the Western District of New York and injunctive proceedings in the Supreme Court of the State of New York, Monroe County, Rochester, N. Y.

The Commission's order for hearing also raises additional issues to be considered at the hearing, including questions as to whether certain written communications used in the offer and sale of Uran Mining stock contained false and misleading representations and whether the company's offering circular also was false and misleading in respect of disclosures concerning the issuer's interest, contracts, obligations and expenditures with respect to its "Wild Horse Canyon" properties, compensation paid and/or owing to officers and directors, and the offer and sale of options by the issuer and the terms thereof.

AMICAN PETROLEUM FILES FOR OFFERING AND SECONDARY

Amican Petroleum & Natural Gas Corporation Ltd., 2100 Scarth St., Regina, Saskatchewan, Canada, filed a registration statement (File 2-14864) with the SEC on March 23, 1959, seeking registration of 745,000 shares of stock. Of this stock, 500,000 shares are to be offered for public sale by the issuing company and 245,000 outstanding shares to be offered for sale by the holders thereof. The initial public offering price is to be 30¢ per share, with a 15¢ per share commission to the underwriter, Cumberland Securities, Ltd. The prospectus indicates that the stock is to be offered for sale at stepped-up prices, ranging from 30¢ to 90¢ per share, with a 50% commission to
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the underwriter. The selling stockholders are John W. MacKenzie, of Saskatoon, and Morris C. Shumiatcher of Regina.

Organized under Saskatchewan law in May 1957, Amican Petroleum is said to be a speculative company intending to carry on business in the exploration and development of petroleum and natural gas. It has outstanding 1,500,004 shares of stock. In July 1958 it acquired an interest in acreage comprised in a petroleum exploratory permit issued under authority of the Petroleum and Natural Gas Regulations promulgated under The Mineral Resources Act (Saskatchewan) and designated as "Permit P. 963." The consideration paid for this agreement to Trans-Continental Pipelines, Ltd., was \$4,000 and the reservation to Trans-Continental of a gross overriding royalty of 2½%. MacKenzie and one Alfred H. Bence of Saskatoon own the Trans-Continental stock. Net proceeds of the stock sale are to be expended for the exploration and development of the lands comprised in Permit P. 963 and for the acquisition of further petroleum and natural gas interests from time to time and, if thought fit, the exploration and development thereof.

ADDITIONAL INVESTMENT FUND SHARES REGISTERED

T. Rowe Price Growth Stock Fund, Inc., Baltimore, and Winfield Growth Industries Fund, Inc., San Francisco, filed amendments on March 23, 1959, to their registration statements (Files 2-10780 and 2-10103), seeking registration of 250,000 additional Rowe shares and 1,100,000 additional Winfield shares.

GENERAL TELEPHONE AND ELECTRONICS FILES STOCK OPTION PLAN

General Telephone & Electronics Corporation, 260 Madison Avenue, New York, today filed a registration statement (File 2-14865) with the SEC seeking registration of 572,301 shares of Common Stock, being stock issuable under (i) General's Restricted Stock Option Plan, (ii) options heretofore granted under that Plan, and (iii) options heretofore granted under the Executive Stock Option Plan and the Employees' Stock Purchase Plan of Sylvania Electric Products, Inc. and the Stock Option Incentive Plan of Argus Cameras, Inc., which were assumed by General upon the merger of Sylvania into General on March 5, 1959, and converted into options to purchase shares of General common.

SIMCA PROPOSES OFFERING

SIMCA Societe Anonyme, of France, today filed a registration statement (File 2-14866) with the SEC seeking registration of 1,000,000 Capital Shares, Par Value 5,000 French Francs (U. S. \$10.12) per share, and equivalent 2,000,000 American Shares representing such 1,000,000 Capital Shares (Two American Shares represent one Capital Share).

SIMCA proposes to offer holders of its American Shares on April 13, 1959, and holders of its Capital Shares in the United States, its territories and possessions, the right to subscribe for (a) one additional American Share for each American Share held, or (b) one additional Capital Share for each Capital Share held, together with an additional subscription privilege. The offering price is to be supplied by amendment. No underwriting is involved.

The company is also offering to holders of its Capital Shares outside the United States, its territories and possessions, similar rights to subscribe for additional Capital Shares. Banking institutions in France have guaranteed the subscription of certain of such shares.

SIMCA is engaged in the production and sale of passenger automobiles and related equipment, the production and sale of heavy trucks, tractors and other products, and through a subsidiary, in the installment financing of products of the company. Net proceeds to be received from the sale of the entire 3,360,000 Capital Shares being offered are estimated at Frs. 18,059,286,112 (\$36,557,260). Such proceeds will be added to the general funds of the company and used from time to time for such corporate purposes as the management may determine. It is the present intention of the company to use such proceeds, in large part, to finance a program of expansion and improvement of the company's facilities, including particularly further expansion of production facilities at Poissy. The net proceeds may also be used, in part, for engineering and styling of passenger automobiles to be manufactured by the company, or added to working capital.

Substantially all of the company's Capital Shares are in bearer form, and the company does not have exact knowledge as to the number of its stockholder or as to the amount of their respective holdings. However, on information furnished the company, the principal stockholders of the company

as follows on March 20, 1959: Credit Suisse, Zurich, Switzerland, 703,000 Capital Shares, and
Sler Corporation 735,115 Capital Shares (constituting approximately 21% and 22% of the total
outstanding.)

RIORDAN, SANDS AND WISHNER FILE FOR OFFERING

Michael R. Riordan, Ira Sands and Jerome Wishner, 49 West 32d St., New York, filed a registration statement (File 2-14867) with the SEC on March 24, 1959, seeking registration of \$500,000 of Co-Ownership Participations in the Fairfax Building, Kansas City, Mo., to be offered in units of \$5,000 each.

The three individuals propose to purchase the 12-story Fairfax Building on Baltimore Avenue and 11th Street, in Kansas City, together with the equipment used therein, subject to a ground lease. The purchase price is \$1,439,775 payable \$500,000 in cash and the balance by taking title subject to a first mortgage of \$589,773 and a second mortgage of \$350,000. Title will be held by them, as Trustees, under a trust agreement for the sole benefit of the purchasers of participations, who will become equal Co-Owners of the Fairfax Building as Tenants in Common. Supervisory management of the building will be conducted by Messrs. Riordan, Sands and Wishner at no expense to the Co-Owners. They will receive \$200,000 in Subordinated Participations as the agreed value of certain services and of property contributed by them, including their individual interest in the contract of sale.

SEC PARTICIPATION IN CHAPTER X REORGANIZATIONS NOTED

The SEC has filed notice of appearance in proceedings pursuant to Chapter X of the Bankruptcy Act for the reorganization of the following debtor corporations: (1) Brookwood Country Club, of Addison, Ill. (USDC, ND, Ill.); and (2) El-Tronics, Inc., of Philadelphia (USDC, ED, Pa.) (SEC Release CR-114).

The Commission also has entered an appearance in the Chapter X proceedings for the reorganization of F. L. Jacobs Co. pending in the United States District Court in Detroit (Release CR-115).

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