

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 October 8, 1959

FUTTERMAN CORP. FILES FOR EXCHANGE OFFER

The Futterman Corporation, 580 Fifth Ave., New York, filed a registration statement (File 2-15698) with the SEC on October 7, 1959, seeking registration of 1,701,234 shares of Class A stock, 150,000 shares of Class B stock, and Non-Interest Bearing Convertible Debentures and 83,482 shares of Class A stock issuable upon conversion.

Futterman was organized under Delaware law on September 22, 1959, and proposes to engage in the general real estate business, including leasing, purchasing or otherwise acquiring, owning, developing, using, holding, selling, mortgaging and financing real and personal property. Its basic plan of formation was originated by Robert A. Futterman. The company intends to acquire from the partners, or the members of the joint ventures, or their assignees, or the assignees of such assignees, their interests in certain limited partnerships and joint ventures, consisting of various properties and assets, in exchange for a maximum of 1,453,102 shares of Class A stock of Futterman Corp. and \$834,820 convertible debentures. The company has reserved for issuance 83,482 shares of Class A stock to be issued upon conversion of the debentures; and an additional 106,250 Class A shares are reserved for issuance pursuant to subscription agreements by partners accepting the offer to subscribe for a number of shares of Class A stock at \$10 per share to provide the company with a sum equal to the amount necessary to pay the obligations of such partners to one of the companies being acquired. The company also will offer to sell to Robert A. Futterman 149,900 Class B shares for \$149,000, and to purchase from Rye Colony Inc. certain property in exchange for 58,000 Class A shares. Futterman has a capital interest in each of the partnerships and has an interest in all the joint ventures except two, and intends to remain as a general partner in each partnership. He and Mrs. Futterman will beneficially own 181,464 shares of Class A stock, 150,000 shares of Class B stock, and \$211,360 of the debentures. Futterman is listed as president and board chairman. The properties include the Dupont Plaza Hotel in Washington.

INTERCONTINENTAL MOTELS FILES FOR OFFERING

Intercontinental Motels, Ltd., filed a registration statement (File 2-15699) with the SEC on October 7, 1959, seeking registration of 133,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made on a best efforts basis by G. Everett Parks & Co., Inc., of New York, for which a 45¢ per share selling commission is to be paid. Five-year warrants for the purchase of 50,000 common shares at \$3 per share will be sold to the underwriter at 1¢ a warrant; and an additional 40,000 warrants have been reserved for management. Options for 10,000 shares have been sold to William Jaeger.

The company was organized under Delaware law on September 10, 1959, and acquired on September 15 all the stock of Towne House Motor Lodge, Ltd., which owns and operates a 60 unit motor lodge with restaurant and swimming pool in Martinsville, Henry County, Virginia, completed in the spring of 1959. Net proceeds of the sale of Intercontinental stock will be added to the general funds of the company. This increase in working capital will enable Intercontinental to exercise certain options which it may obtain on certain parcels of land, or purchase other land with a view to building other motels. While a portion of the proceeds will initially be used for acquisition, it is planned to finance the construction of additional units or the purchase of existing units through long term mortgage financing.

The prospectus lists William P. McPhilly, Jr., as board chairman and president and William P. McPhilly, Sr., as treasurer. They now own 142,000 shares and 50,000 common shares, respectively (65.5% and 23.15%, respectively, of the outstanding stock).

OVER

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

BAKER OIL TOOLS FILES FOR SECONDARY

Baker Oil Tools, Inc., 7400 East Slauson Ave., Los Angeles, filed a registration statement (File 2-15700) with the SEC on October 7, 1959, seeking registration of 550,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through an underwriting group headed by Lehman Brothers and Lester, Ryons & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company makes various products and other items of equipment used in connection with the drilling and production of oil and gas wells. It has outstanding 3,149,957 common shares in addition to certain indebtedness. Of this stock, 2,060,334 shares are owned by 247 selling stockholders, of whom 235 are employees. The largest individual block, 436,067 shares, are owned by R. C. Baker Foundation, a trust established by the late R. C. Baker, the founder of the company. The Foundation proposes to sell 109,017 shares. R. C. Baker, Jr., vice president, proposes to sell 47,016 of his holdings of 188,065 shares; Theodore Sutter, president, 40,000 of 156,633; and Aaron A. Baker, 32,300 of 128,887.

THE T TRANSPORTATION PLAN FILES FOR OFFERING

The T Transportation Plan, Inc., 120 Broadway, New York, filed a registration statement (File 2-15701) with the SEC on October 7, 1959, seeking registration of \$600,000 of 7% Convertible Subordinated Debentures, due November 1969, 60,000 shares of common stock, and 30,000 common stock purchase warrants. It is proposed to offer the securities for public sale at \$150 per unit, each unit to consist of \$100 of debentures, 10 common shares, and 5 warrants. The offering is to be underwritten by Ross, Lyon & Co., Inc., which will receive a commission of \$15 per unit. The company has sold 10,000 units, consisting of one share of common stock and three warrants, to a limited group including officers and stockholders of the underwriter, at a price of 10¢ per unit, which warrants and underlying shares are also included in the registration statement. In addition, the company has sold \$250,000 of 6% Convertible Notes (convertible into 50,000 common shares) and 48,000 warrants to a limited group, including officers and stockholders of the underwriter, which also are included in the registration statement.

Organized in March 1959 under Delaware law, the company proposes primarily to engage in the business of developing and establishing a prepaid freight transportation system whereby subscribers to the T Plan will be able to prepay freight charges by affixing T Plan stamps or meter tapes to their shipping documents and whereby air, truck, rail and water carriers and freight forwarders participating in the T Plan would accept such prepaid freight for forwarding and carriage. It has a contract with The National Cash Register Company whereby NCR has agreed to use its best efforts to manufacture and produce a stamp registering meter which it has undertaken to develop and whereby NCR has agreed to use and make available its organization in the marketing, distributing and leasing of the meters to shippers. The company also intends to engage in the business of leasing business machines and equipment. Louis R. Kurtin was responsible for the organization of the company; and he transferred to the company the NCR contract and received from the company therefor 240,000 common shares and the right to purchase 45,000 warrants at 1¢ per warrant (which warrants are to be made available to company employees). The company now has outstanding 270,000 common shares, warrants for 123,000 shares, and certain indebtedness (the \$250,000 of debentures). Net proceeds of this financing will approximate \$750,000 which, together with other company funds, will be available for various corporate expenditures and other purposes, including an initial reserve of \$225,000 of initial reserve for stamps and meter tapes redemptions and \$472,000 for T Plan working capital. The prospectus lists Maxwell I. Schultz as president.

ADDITIONAL GROWTH INDUSTRY SHARES IN REGISTRATION

Growth Industry Shares, Inc., Chicago investment company, filed an amendment on October 7, 1959, to its registration statement (File 2-11148) seeking registration of 400,000 shares of capital stock.

ADDITIONAL NEES INVESTMENTS IN SUBSIDIARIES APPROVED

The SEC has issued an order (Rel. 35-14072) authorizing New England Electric System, Boston holding company, to purchase 14,000 additional shares of the capital stock of Central Massachusetts Gas Company for \$350,000, and 5,455 additional shares of the capital stock of Northampton Gas Light

CONT INUED

Company for \$300,025. Central will apply the proceeds to the reduction of bank notes from \$1,100,000 to \$750,000; and Northampton will apply the proceeds of its stock sale to the reduction of notes payable to NEES from \$690,000 to \$389,975.

AMERICAN ELECTRIC POWER STOCK SALE CLEARED

The SEC has issued an order (Rel. 35-14073) authorizing American Electric Power Company, Inc., New York holding company, to issue and sell at competitive bidding an additional 1,200,000 shares of common stock. Proceeds of the stock sale are to be used, to the extent available, for the payment, at or prior to maturity, of \$52,000,000 of outstanding bank notes due November 25, 1959, and for the prepayment of \$10,000,000 of short-term bank loans. Any remaining balance will be used for general corporate purposes.

JACOBS CO. STOCK SUSPENDED

The SEC has issued an order (Rel. 34-6087) suspending trading in the common stock of F. L. Jacobs Co. on the New York and Detroit Stock Exchanges and in the over-the-counter market for a further ten-day period, October 9 to 18, 1959, inclusive.

U. S. FIDELITY & GUARANTY PROPOSES RIGHTS OFFERING

United States Fidelity and Guaranty Company, Calvert & Redwood Sts., Baltimore, today filed a registration statement (File 2-15702) with the SEC seeking registration of 910,743 shares of capital stock, to be offered for subscription by stockholders at the rate of one new share for each five shares held. The record date, subscription price and underwriting terms are to be supplied by amendment. Alex. Brown & Sons, Baker, Watts & Co., John C. Legg & Company, and Stein Bros. & Boyce are listed as the principal underwriters.

The purpose of the sale of additional stock is to provide the company with additional capital and surplus which will support a continuing growth in volume of net premiums written, according to the prospectus. In addition, the formation of a company to write contracts of life insurance, annuities and related lines will require supporting funds. The management has authorized the organization of such a company and it expected that the initial investment in the life insurance company will approximate \$10,000,000.

---ooo0ooo---