

# 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)



Washington 25, D.C.

FOR RELEASE June 9, 1960

**TWO STOCK OFFERINGS SUSPENDED.** The SEC has issued orders temporarily suspending Regulation A exemptions from registration under the Securities Act of 1933 with respect to stock offering proposals of the following, both of Las Vegas, Nevada:

(a) Great Basin Consolidated Mines, Inc.

Proposal for public offering of 300,000 common shares at \$1 per share pursuant to Regulation A notification filed May 5, 1960

(b) Marko Mining & Milling Co., Inc.

Offering pursuant to notification filed December 15, 1959, of 300,000 common shares at \$1 per share

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In its suspension orders, the Commission asserts that certain terms and conditions of the Regulation have not been complied with by the two named companies, in that the notification of each fails to disclose an affiliation with the other, and that a Regulation A exemption is not available to Great Basin Consolidated for the reason that Marko Mining became its affiliate within the past two years and is presently making an offering of \$300,000 of securities pursuant to such an exemption. Moreover, according to the orders, the offering circular of each company omits to state material facts, namely, the existence of the other, affiliated company organized by and having the same controlling persons and having the same business purposes; and it further asserts that the offering of the shares of each company would violate Section 17 (the anti-fraud provision) of the Act.

Each order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

**MUTUAL EMPLOYEES TRADEMART HEARING POSTPONED.** At the request of Mutual Employees Trademart, Inc., Hialeah, Fla., the Commission has authorized a postponement from June 13 to July 19, 1960, of the hearing to be held in the Commission's Atlanta Regional Office on the question whether to vacate or make permanent an order of the Commission temporarily suspending a Regulation A exemption with respect to that company's proposed public offering of 200,000 common shares at \$1.50 per share.

**MANAGED FUNDS STOP ORDER LIFTED.** The SEC has lifted its stop order of July 30, 1959, suspending the Securities Act registration statement of Managed Funds, Inc., St. Louis investment company, following the filing by the company of a series of amendments correcting the deficiencies which gave rise to the stop order (Release 33-4234).

**PRINCIPAL CERTIFICATE SERIES ORDER ISSUED.** The SEC has granted an application of Principal Certificate Series, Inc., New York, investment company, for approval of a depository agreement between it and Bankers Trust Company wherein the company undertakes to deposit and maintain with the bank qualified investments and reserves as required by Section 28 of the Investment Company Act with respect to its Series 6, 10, 15 and 20 and Single Payment certificates, upon terms and conditions specified in an agreement between the company and bank (Release 40-3041).

**CUBIC CORPORATION PROPOSES OFFERING.** Cubic Corporation, 5575 Kearny Villa Road, San Diego 11, Calif., filed a registration statement (File 2-16679) with the SEC on June 8, 1960, seeking registration of 50,000 shares of Capital Stock. Of the 50,000 shares offered, 25,000 shares are being offered for the account of the company and 19,000 and 6,000 shares for the respective accounts of Walter J. Zable and Robert V. Werner. The offering price will be related to the current market price of the outstanding stock at the time of offering. Underwriting terms will be supplied by amendment. Hayden, Stone & Co. heads the group of underwriters.

The company designs, develops and produces electronic devices and systems, primarily for the precision tracking of missiles, satellites and aircraft. A substantial portion of its business is research and development. It has outstanding 504,800 shares of stock. Net proceeds of the sale of 25,000 shares by the company will be used to provide additional working capital for anticipated further increases in its sales volume; and, in this connection, the company expects to use \$400,000 to build up inventories, \$400,000 to finance receivables, and \$200,000 to acquire additional electronic test and manufacturing equipment.

OVER

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

The prospectus lists Zable as president and owner of 293,302 shares of the outstanding stock and Werner as executive vice president and owner of 92,600 shares of the outstanding stock.

**NATIONAL PATENT DEVELOPMENT CORPORATION FILES FOR OFFERING.** National Patent Development Corporation, 68 William St., New York, filed a registration statement (File 2-16678) with the SEC on June 8, 1960, seeking registration of 150,000 shares of Common Stock, to be offered for public sale at \$1 per share through Globus, Inc. and Ross, Lyon & Co., Inc., who will receive \$.12 per share commission.

In addition, the company has sold to a limited group, including officers and directors of the company and officers, directors and stockholders of, and persons associated with, the underwriters, at \$1.10 per unit, 23,750 units consisting of one common share and one warrant each; and it has sold to officers, directors and stockholders of the underwriters at a price of \$1.90 per unit, 4500 units consisting of 1 common share and 9 warrants each. Included in this group are two directors designated by the underwriters and Martin M. Pollack and Jerome I. Feldman, promoters. The warrants are exercisable within 5 years at \$1 per share. The company has sold an additional 3,750 units (one share and one warrant) to Boenning & Co. and Hugo Kappler for \$4,125 and 3,750 warrants, and to Milton Rubin for \$.10 per warrant.

The company was organized under Delaware law in March 1959, for the purpose of acting as a service organization for corporations and individuals in connection with the commercial exploitation of patents and processes. The company itself does not own any patents or processes. The net proceeds of this offering will approximate \$123,000. This, in addition to \$47,557 cash on hand, will be used to finance its client and sales solicitation program and for other proper corporate purposes.

In addition to 72,000 shares of common stock, the company has outstanding 20,000 class B capital shares, \$.01 par value, and 100 shares of preferred stock, \$100 par value. The prospectus lists Jess Larson as board chairman and Jerome I. Feldman as president. Feldman owns 31% of common stock and 50% of class B capital stock; Pollack owns 31% of common stock and 50% of class B stock; and Betty Spiegel owns all of the preferred stock.

**COMPTOMETER SHARES IN REGISTRATION.** Comptometer Corporation, 5600 West Jarvis Ave., Chicago, today filed a registration statement (File 2-16680) with the SEC seeking registration of 551,843 shares of common stock, 4,500 shares of 6½% Cumulative convertible preferred stock, Series A, \$100 par, 2,000 shares of 6½% cumulative convertible preferred shares, Series B, \$100 par, and \$3,000,000 of 6½% ten-year subordinated convertible debentures due March 15, 1970. An aggregate of 186,290 common shares are issuable upon exercise of conversion rights in the Series A and Series B preferred stocks and the debentures. All the securities were issued since January 1, 1959, except 175,000 common shares which may be issued from time to time in the acquisition of additional businesses or to augment working capital and \$700,000 of the debentures, of which \$500,000 may be issued in exchange to holders of the Series A and B preferred stocks and \$200,000 will be sold to Television-Electronics Fund, Inc., of Chicago.

According to the prospectus, 78,661 common shares were issued for all the outstanding capital stock of Burke Golf Equipment Corporation and Burke Golf Sales, Inc.; 10,000 shares for the property and assets of Radiation Electronics Corporation; 32,000 shares to William Levine and others at \$16.50 per share; 58,462 shares for all the outstanding stock of Nebraska Salesbook Company; and 11,430 shares to Marvin B. Levy and others for U. S. Business Forms Co., a partnership. The 4,500 shares of Series A preferred were issued to Bernard B. Howard and others for \$450,000 and the 2,000 shares of Series B preferred to Ted Chanock and First Nevada Corp. of Beverly Hills for \$200,000. \$2,300,000 of the debentures were issued for \$2,300,000 cash to Sam Acker and others.

**ALLEGHENY PEPSI COLA BOTTLING COMPANY PROPOSES OFFERING.** Allegheny Pepsi Cola Bottling Company, Guilford Ave., Baltimore, Md., today filed a registration statement (File 2-16681) with the SEC seeking registration of 200,000 shares of common stock and \$500,000 of first mortgage bonds due 1963 through 1972. The stock is to be offered for public sale at \$5 per share and the bonds at 100% of principal amount. The offering is to be made by Weil & Company on a best efforts basis, for which it will receive a commission of 50¢ per share of stock and 7% on the bonds. In addition, the company will issue to the underwriter five-year options to purchase up to 30,000 shares of stock at \$5 per share. The underwriter will endeavor to sell the entire bond issue to a single purchaser. If successful, the underwriting discount will be 2½% rather than 7%.

The company was incorporated in April, 1960 to acquire the assets of the Cloverdale Spring Company, a Maryland corporation which has been engaged in the business of manufacturing and distributing Pepsi Cola and Pepsi Cola syrup. Cloverdale also manufactures and distributes non-cola soft drinks. Allegheny has entered into a contract to purchase all of the outstanding securities of Cloverdale for \$1,600,000. The net proceeds of this offering will be used to purchase the outstanding shares of Cloverdale. Any proceeds not needed for this purpose will become part of the company's general funds. The company has outstanding 85,715 shares of common stock, par value \$.50, owned by Joan E. and Morton M. Lapidés. Mr. Lapidés is president and board chairman.