

# 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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FOR RELEASE October 24, 1963

**AMPAL-AMERICAN ISRAEL CORP. PROPOSES OFFERING.** Ampal-American Israel Corporation, 17 East 71st Street, New York, filed a registration statement (File 2-21798) of October 14th (inadvertently omitted from an earlier News Digest), seeking registration of \$3,000,000 of Ten Year 6% Sinking Fund Debentures, Series K, due 1973, to be offered for public sale on a "best-efforts basis" by Israel Securities Corporation, of the 71st Street address. The debentures will be offered in units of \$500, \$1,000, \$5,000 and \$10,000; and the underwriter is to receive a 7% selling commission.

The company was organized in 1942 to develop trade between the United States and Israel and to participate in the economic development of Israel, principally by making funds available for commercial, banking, credit, industrial and agricultural enterprises, cooperative and otherwise, concerned with the development of Israel. It has been serving the foregoing objectives through financing existing agencies in and relating to Israel which, by reason of their experience and facilities, are considered appropriate agencies for carrying out the registrant's activities. However, in 1956 The Israel American Industrial Development Bank Ltd. was formed by the Corporation and Bank Hapoalim B.M., formerly The Workers' Bank Ltd., for the purpose of granting medium and long term credits to industries in Israel. The Corporation owns 50% of the Bank's outstanding voting stock. Hevrat Ovdim, Ltd. and Bank Hapoalim B.M., as owners together of 84.8% of the common stock and as owners and in control of all of the issued and outstanding Class "A" shares, control the Corporation and are parents thereof. Rudolf G. Sonneborn is board chairman and Abraham Dickenstein president.

The primary purpose of this issue is to obtain, and make available, funds for the development and expansion of agricultural, industrial and commercial enterprises in Israel. Substantial amounts of the Corporation's funds 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 securities offered hereunder will be made available to enterprises engaged in similar activities basic to the Israel economy.

**RUSS TOGS FILES FOR SECONDARY.** Russ Togs, Inc., 1372 Broadway, New York, filed a registration statement (File 2-21818) with the SEC on October 23d seeking registration of 141,035 outstanding shares of Class A stock, to be offered for public sale by the holders thereof through underwriters headed by Shearson, Hammill & Co., 14 Wall St., New York. The public offering price (maximum \$20 per share\*) and underwriting terms are to be supplied by amendment.

The company is a producer of a diversified line of Misses, Junior and Children's popular priced sportswear, about 75% of which is sold under the company's brand names "Russ Togs," "Russ", "Mister Russ" and "Russ for the Girl." It has outstanding 842,820 Class A and 645,429 Class B shares. Louis E. Rousso, board chairman, owns 52,471 Class A and 211,536 Class B shares, and he proposes to sell 47,971 Class A shares; Eli L. Rousso, president, owns 35,548 Class A and 143,847 Class B shares, and proposes to sell 32,048 Class A shares; and Irving L. Rousso, vice president and treasurer, owns 35,548 Class A and 143,847 Class B shares, and proposes to sell 32,048 Class A shares. Eight other selling shareholders propose to sell amounts ranging from 999 to 13,487 shares.

**CONN. WESTERN MUTUAL FUND FILES FOR OFFERING.** Connecticut Western Mutual Fund, Inc., One Atlantic St., Stamford, Conn., filed a registration statement (File 2-21819) with the SEC on October 22d seeking registration of 1,000 shares of \$100 par common stock, to be offered for public sale at net asset value (maximum \$1004 per share\*) without a sales load or commission or other charge. The Fund was organized under Delaware law on July 18, 1963. It proposes to invest a substantial portion of its assets in shares of the capital stock of insurance companies or companies having an indirect interest in the insurance business or companies whose activities are dependent upon or serve the insurance business. The Fund has outstanding 300 shares, of which management officials own 112 shares and Cartwright, Valteau & Co., an Illinois corporation, 100 shares. The latter is 100% owned by Levering Cartwright, a director of the Fund. The Fund's president is Philo Smith, who is also president and 86% owner of Philo Smith & Co., Inc., investment adviser and principal underwriter and distributor for the Fund (but it receives no direct compensation for its services as underwriter).

**TRANSATLANTIC FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-3801) granting Transatlantic Fund, Inc., 20 Exchange Place, New York, an exemption from the bank custody requirements of Section 17(f)(1) of the Act to the extent necessary to permit certain of its portfolio securities to be held by four foreign banks as agents of the proposed domestic bank custodian of its assets.

OVER

**CORPORATE OFFERINGS, THIRD QUARTER.** The SEC announces (for October 25th Newspapers) that new corporate securities offered for cash sale during the third quarter of 1963 amounted to \$2.4 billion according to estimates made public today by the SEC. For further details, see Stat. Release No. 1934.

**COURT ENJOINS ARKANSAS EDUCATION FOUNDATION.** The SEC Fort Worth Regional Office announced October 14 (LR-2766) the entry of a court order (USDC, Lafayette, La.) preliminarily enjoining violations of the Securities Act registration requirements by The American Foundation for Advanced Education of Arkansas; Huie H. Smith, its president; The Arkansas Enterprises, Inc.; Robert T. Shaw, its president; all of North Little Rock, Arkansas, and Haca Investments, Inc. of Baton Rouge, Louisiana, as well as violations of the Securities Exchange Act registration requirements by Haca Investments, Inc.

**SEC COMPLAINT NAMES COASTWIDE MOBILE PARKS, OTHERS.** The SEC Denver Regional Office announced October 17 (LR-2767) the filing of a complaint (USDC, Pocatello, Idaho) seeking to enjoin alleged violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of stock of Coastwide Mobile Parks, Inc., and World Wide Mobile City, Inc., as well as investment contracts issued by United Securance Real Estate Investment Trust, Coastwide Mobile Parks Real Estate Trust, and World Wide Mobile City Real Estate Trust. The defendants, in addition to the corporations and trusts, are Robert D. Sparrow of Colorado Springs, E. Eugene Whitworth of Pocatello, and Paul White of Phoenix. Judge Fred M. Taylor granted the Commission's motion for a temporary restraining order and scheduled a hearing for November 7th on its motion for preliminary injunction.

**CHAROLAIS CATTLE CO., WOODSON ENJOINED.** The SEC Atlanta Regional Office announced October 22 (LR-2768) the entry of a default judgment (USDC, ED N.Car.) permanently enjoining Charolais Cattle Company and Harry Ernest Woodson, of Fairfield, N. Car., from further sale of investment contracts entitled "Production Agreement" in violation of the Securities Act registration requirements.

**INS. SECURITIES (ALA.) PROPOSES OFFERING.** Insurance Securities, Inc., 19 Molton St., Montgomery, Ala., today filed a registration statement (File 2-21820) with the SEC seeking registration of 1,000,000 shares of Class A common stock. It is proposed to offer the Class A stock for public sale at \$5 per share. The offering is to be made on a best efforts basis by Investor Services, Inc., of the Molton St. address, for which an 80¢ per share selling commission will be paid. Promoters, officers and directors of the company and its insurance company subsidiary are also officers, directors and stockholders of the underwriter.

Insurance Securities was organized under Alabama law in July 1963. It has no business to date other than the ownership of its subsidiary, Universal Southern Life Insurance Company, which also was organized in July 1963. Universal has not as yet commenced an insurance business. Net proceeds of the sale of the Class A stock of Insurance Securities will be used as follows: \$90,000 to pay a short term note to a bank; \$3,000,000 will be contributed to the capital of Universal; and the balance will be invested in income producing properties. According to the prospectus, these funds and the income therefrom will be accumulated by the company and used to acquire and organize other life and accident and health insurance companies. Insurance Securities now has outstanding 50,000 Class B common shares, all owned by management officials. The Class A and Class B shares are identical in all respects except as to voting rights (Class A shares have one vote per share and Class B 20 votes per share). The prospectus lists B. F. Shamburger as board chairman and chief executive officer and Robert R. Turnage as president. Shamburger is president of Universal and Turnage executive vice president.

**WEYERHAEUSER FILES FOR SECONDARY.** Weyerhaeuser Company, Tacoma Bldg., Tacoma, Wash., today filed a registration statement (File 2-21821) with the SEC seeking registration of 400,000 outstanding shares of capital stock. These shares are part of 624,288 shares held by the Executor (Norton Clapp) of the Will of Mary Frances Pendleton, who proposes to offer the 400,000 shares for public sale through underwriters headed by Morgan Stanley & Co. The public offering price (maximum \$35 per share\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the growing and harvesting of timber and in the manufacture, distribution and sale of those products which best utilize the value of the wood supply. It has outstanding 30,617,797 shares, of which Norton Clapp (president) and other directors (together with family members and descendants of company founders or their spouses) own some 41%.

**I.D.S. RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-3802) with respect to the proposed sale to Investors Diversified Services, Inc., Minneapolis, by Frances K. Mahoney of all the latter's holdings of the common stock of The Roanoke Building Company.

**SECURITIES ACT REGISTRATIONS.** Effective October 23: Iowa Beef Packers, Inc. (File 2-21742).  
Effective October 24: Electronic Associates, Inc. (File 2-21771).  
Withdrawn October 23: National Security Life Insurance Co. of New Mexico (File 2-20033).

\*As estimated for purposes of computing the registration fee.

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