

# 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 September 28, 1956

## Securities Act Release No. 3695

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to the public offering of 200,000 shares of common stock by Consolidated Fiberglass, Inc., of New York, pursuant to a Regulation A notification filed August 4, 1955. The order provides an opportunity for hearing, upon request, on the question whether the suspension order should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. One of the conditions of such exemption is a requirement that the issuer file reports with the Commission semi-annually after commencement of the offering setting forth the facts with respect to the number of shares sold, proceeds received, and application of the proceeds. The Commission's suspension order asserts that Consolidated Fiberglass has not filed the required reports.

The suspension order further asserts that the offering of Consolidated Fiberglass stock, if made or continued, would "operate as a fraud or deceit upon the purchasers" in that material changes have occurred in the condition of the issuer since September 14, 1955, not reflected in the Regulation A filing, with respect to (a) the financial condition of Alumin-Aire Luggage, Inc., a subsidiary of the issuer and its sole asset, and (b) the inactive status of Alumin-Aire Luggage, Inc., whose operations were discontinued in December 1955 and whose fixed assets were sold at public auction for non-payment of taxes.

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Temco Aircraft Corporation, Dallas, today filed a registration statement (File 2-12821) with the SEC seeking registration of \$5,000,000 of Convertible Subordinated Debentures, due 1971, to be offered for public sale through an underwriting group headed by A. C. Allyn and Company, Inc., and Keith Reed & Company, Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Net proceeds are to be added to the working capital of the company. According to the prospectus, the expansion of the company's sales over the past several years with the consequent increase in inventories of materials and work in process has created a need for additional working capital. It is anticipated that the increase in working capital provided by the sale of the debentures should substantially satisfy the company's needs for working capital at this time. Temco is engaged primarily in the manufacture of assemblies and subassemblies of military aircraft for major aircraft manufacturers; also overhaul, modification, reconditioning and repairing of military, commercial and personal aircraft and assemblies.

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

Standard Pressed Steel Co., Jenkintown, Pa., filed a registration statement (File 2-12820) with the SEC on September 27, 1956, seeking registration of 52,050 shares of its \$1 par Common Stock. The company proposed to offer 25,800 common shares for subscription by its common stockholders of record October 16, 1956, at the rate of one additional share for each 20 shares then held. The subscription price and underwriting terms are to be supplied by amendment. Kidder, Peabody & Co. is named as the underwriter. After completion of the offering to shareholders of the 25,800 shares, the additional 26,250 shares will be offered to employees at the then market value.

Standard is manufacturer of a wide variety of precision fasteners and related products, and steel shop equipment. Net proceeds of the sale of the common stock will be added to its working capital and may be used in connection with the company's program of plant expansion. It is anticipated that the company's program of property additions will involve expenditures of at least \$30,000,000 during the years 1956-1960.

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Continental Casualty Company, Chicago, today filed a registration statement (File 2-12822) with the SEC seeking registration of 625,000 shares of its \$5 par Capital Stock. Continental Casualty proposes to offer shares of its capital stock in exchange for issued and outstanding shares of the capital stock of National Fire Insurance Company of Hartford at the rate of  $1\frac{1}{4}$  shares of Continental Casualty stock for one share of National Fire stock. The purpose of the offer is to acquire a controlling interest in National Fire. The resulting affiliation of Continental Casualty and National Fire, according to the prospectus, would enable both companies, through their agencies and field organizations, to provide the insurance buyer with complete fire, casualty and surety coverage in an integrated program. Continental Casualty's management believes that the competitive position of both companies would be improved. The offer of exchange is conditional upon its acceptance by holders of at least 51% (255,000 shares) of the outstanding stock of National Fire (which condition may be waived by Continental Casualty at any time).

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