

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 October 5, 1956

Beneficial Standard Life Insurance Company, Los Angeles, filed a registration statement (File 2-12834) with the SEC on October 4, 1956, seeking registration of 290,000 shares of its \$1 par Common Stock. All of the 290,000 shares are owned by certain "selling stockholders" and are to be offered for public sale by them through an underwriting group headed by Lehman Brothers. The public offering price and underwriting terms are to be supplied by amendment. The company will not receive any of the proceeds of sale.

The prospectus lists five selling stockholders, as follows: Susanne Earle Morgan, of Honolulu, who is selling all of her holdings of 40,000 shares (2%); Marilew Earle, of Los Angeles, who is selling all of her holdings of 40,000 shares (2%); Steven Joy Earle, of Los Angeles, who is selling all of his holdings of 60,000 shares (3%); Cathy Lee Pattiz, of Beverly Hills, who is selling all but 40,360 of her holdings of 115,360 shares (5.768%); and Henry Alan Pattiz, of Beverly Hills, who is selling all but 40,520 of his holdings of 115,520 shares (5.776%). Susanne Earle Morgan is a daughter of Joy C. Earle, a director and executive vice president of the company. Marilew and Steven Joy Earle are also minor children of Joy C. Earle. Oscar S. Pattiz, president and director, is the father of Cathy Lee and Henry Alan Pattiz. All directors and officers of the company, as a group, own 266,200 shares, or 13.31% of the outstanding stock, none of which is the subject of this offering.

* * * *

F. L. Jacobs Co., Detroit, filed a registration statement (File 2-12835) with the SEC on October 3, 1956, seeking registration of \$3,000,000 of 6% Convertible Debentures, due November 1, 1966. The company proposes to offer these debentures for public sale at 100% of principal amount, through an underwriting group headed by McLaughlin, Cryan & Co. and Gearhart & Otis, Inc. The underwriters will offer the securities as agent for the issuer; and the selling commission is to be 12½%, plus \$28,500 for expenses.

Net proceeds of the financing are to be applied in payment of certain short term loans and the balance will be added to working capital.

* * * *

Ocean City Pier Corporation, Berlin, Worcester County, Md., filed a registration statement (File 2-12836) with the SEC on October 4, 1956, seeking registration of \$2,000,000 of 6% Debenture Bonds, due July 1, 1976, and 4,000,000 shares of its 1¢ par

\$6,000,000

OVER

Common Stock. The company proposes to offer these securities in units consisting of one \$100 bond and 200 common shares. The units are to be offered for public sale at \$300 per unit by Paul Kornis, of Johnstown, Pa., who will make the offering on a "best efforts" basis and receive a selling commission of \$23 per unit. Kornis is a promoter and director of the company.

The company was organized under Maryland law under the name of Pleasurama, Inc., on September 19, 1955, for the purpose of constructing and operating a large modern steel and concrete convention hall and amusement pier in Ocean City, Md. Its name was changed to Ocean City Pier Corporation on July 17, 1956. It has no operating history. It has received an option from Synepuxent Pier and Improvement Company, Inc., to acquire the latter's right, title and interest in and to certain rights or franchises and assets owned by that company, in particular the right to erect and maintain a combination amusement and fishing pier of a total frontage of not more than 160 feet on the Atlantic Avenue boardwalk, at the intersection of the boardwalk and Wicomico Street, in Ocean City, Md. The option price is \$192,000, and the option may be exercised at any time up to October 31, 1956. According to the prospectus, the Mayor and City Council of Ocean City have expressed written approval of this site for the construction and operation of a pier by Ocean City Pier Corporation.

Ocean City Pier Corporation plans to dismantle and remove the present wooden piling fishing and amusement pier and some wooden concession buildings now located at this site. It further proposes to use the proceeds of the sale of the securities above mentioned for the acquisition of the site and for the construction and commencement of the operation of an amusement pier at this site. Present plans contemplate that the pier shall be a modern steel and concrete structure 600 feet long, 180 feet wide, and 3 decks in height, containing a convention hall, ballroom, restaurant and night club, concessions, rooming facilities and various other facilities. The cost of construction of the facility is estimated to be \$4,500,000, plus \$175,000 for furnishings and equipment. The contract for the construction of the facilities is to be awarded to W. J. Barney Corporation. The first proceeds of the financing will be used for general organizational and administrative expenses, financing costs, fees, plant site, advertising and similar purposes.

The promoters are Lt. Col. James A. Grazier, USAR, Whaleysville and Ocean City, Md.; Leonard F. Grazier, Berlin; John W. Ennis, Berlin; Anthony Villani, Ocean City; Alan Fraser, Berlin; Charles Bubb, Reading, Pa.; Angelo Villani, Ocean City; and Paul Kornis. These promoters and George A. Hamid have purchased a total of 200,000 common shares at the par value thereof of 1¢ per share. An additional 400,000 shares are subject to options granted officers and directors, exercisable at \$1 per share for five years. The promoters have loaned the company \$12,392, to be repaid with 6% interest on or before August 18, 1957. Lt. Col. James A. Grazier is listed as Board Chairman and President.

* * * *

American & Foreign Power Company Inc., New York, today filed a registration statement (File 2-12837) with the SEC seeking registration of 185,000 shares of its no par Common Stock. These shares are presently outstanding, and are to be offered for public sale by the owner thereof, Electric Bond and Share Company. The principal underwriters are Lazard Freres & Co. and The First Boston Corporation. The initial public offering price will be a fixed price, related to the then current market for the stock on the New York Stock Exchange. Underwriting commissions are to be supplied by amendment.

The issuer is a holding company for foreign utility properties. The 185,000 shares are being sold by Bond and Share as contemplated by its Final Comprehensive Plan under the Public Utility Holding Company Act of 1935. Proceeds thereof will be received by Bond and Share, not by the issuer. After such sale, Bond and Share will own 3,856,985 shares (53.4%) of the outstanding stock of the issuer.

Securities Act Release No. 3703

The Securities and Exchange Commission has instituted "stop order" proceedings under the Securities Act of 1933 to determine whether a registration statement filed by Columbia Baking Company, of Atlanta, Ga., which proposed the public offering of \$669,200 of securities, is false and misleading in respect of material facts and, if so, whether a stop order should be issued suspending the effectiveness of the statement. The case is scheduled for hearing on October 15, 1956, in the Commission's Washington Office.

In its registration statement, filed August 17, 1956, and joined in by the Voting Trustees for Columbia Baking stock, the company and the Trustees proposed the sale of 26,768 Voting Trust Certificates, each representing the beneficial interest in one share of that company's common stock. The certificates were to be offered for subscription at \$25 per share by holders of outstanding common stock and Participating Preferred Stock of record September 3, 1956, on the basis of one certificate for each eight shares of either class of such stock then held. Robinson-Humphrey Company, Inc., and J. H. Hillsman & Co., Inc., were listed as the principal underwriters; and the underwriting commission was to be 85¢ per certificate. Net proceeds of the financing were to be applied in partial payment of a current bank loan payable to The First National Bank of Atlanta, which amounted to \$1,600,000 on July 25, 1956.

In its order authorizing the stop order proceedings, the Commission asserts that it has reasonable cause to believe that the registration statement and prospectus are inaccurate and incomplete in respect of various material facts. More particularly, and among other things, the Commission challenges the adequacy and accuracy of statements made in the prospectus in view of the failure to set forth in the forepart thereof statements to advise prospective purchasers concerning:

(a) The reasons for establishing the Voting Trust, and by whom it was established;

(b) Facts relating to the sale of Voting Trust Certificates to the registrant by Phoenix, Inc., including the price paid by Phoenix for the shares and the price at which Phoenix sold voting trust certificates to the Company;

(c) The market value of the Company's stock at the time of such transactions;

(d) Profits made by Phoenix on the transactions;

(e) The price that the voting trust certificates are proposed to be offered by the Company and the amount of the resulting loss to the Company from such sales;

(f) That the Voting Trust Agreement will perpetuate the present management and its controlling group, with little or no investment on their part;

(g) The effect of the sale of the Voting Trust Certificates to the Company and upon its working capital position, and the resulting working capital position of the Company as compared with comparable companies;

(h) The understanding or arrangement at the time Phoenix, Inc. purchased shares from Tracy C. Weltmer* that the Company would acquire all such shares not retained by Phoenix at the aggregate price paid by Phoenix to Weltmer;

(i) Whether under Delaware law, the Company legally could purchase voting trust certificates representing the beneficial interest in the Company's common stock; and

(j) Of the interests of officers and directors and their associates in material transactions or proposed transactions to which the Company is a party, including legal and insurance business done and to be done with the Company.

(*Weltmer became Board Chairman of the Company, Treasurer and Purchasing Agent in March, 1954. He resigned these positions in January, 1956, coincident with the sale to Phoenix, Inc., of all of the Columbia Baking common stock (27,231 shares) then held by the Weltmer family and an agreement by Phoenix to purchase an additional 536 shares at the same price.)

* * * *

Chairman J. Sinclair Armstrong of the Securities and Exchange Commission today announced the appointment by the Commission, effective October 5, 1956, of Daniel J. McCauley, Jr., of Philadelphia, Pennsylvania, as Associate General Counsel of the Commission. Mr. McCauley succeeds Bruce L. Garson, who resigned September 21, 1956.

Mr. McCauley has been serving as Regional Administrator of the Commission's Washington, D. C. Regional Office since March 19, 1956, and also served as Acting Regional Administrator of the Commission's New York Regional Office from June 29, 1956 to August 6, 1956. Prior to joining the Commission's staff, Mr. McCauley was engaged in the general practice of law in Philadelphia and also served as a lecturer at LaSalle College in business law.

For a year and a half, in 1954 and 1955, he served as Special Deputy Attorney General of the State of Pennsylvania, assigned as Counsel for the Pennsylvania Securities Commission. In this capacity, he was the Chief Enforcement Officer of the Blue Sky laws of the State of Pennsylvania, and supervised investigations of securities fraud, gave opinions to the Commission, and argued enforcement cases on appeal in the Superior and Supreme Courts of the State.

CONTINUED ON PAGE 5

He was born in Philadelphia in 1917, and holds degrees of Bachelor of Science from LaSalle College, Philadelphia, and Bachelor of Laws from the University of Pennsylvania Law School. He was admitted to the Pennsylvania bar in 1941.

Mr. McCauley entered the U. S. Army in 1942 and was separated in 1946 with the rank of Captain in the Corps of Military Police. The last year of his military service was with the Provost Marshall General's office.

Mr. McCauley has participated in Philadelphia community activities, particularly as President of LaSalle College Endowment Foundation, past Commander Philadelphia County Catholic War Veterans and member of Philadelphia County Board of Law Examiners. He is married to the former Rita Frances of Upper Darby, Pennsylvania, and they have three children.

Mr. James Duncan, Senior Trial Attorney in the Washington Regional Office for many years, has been appointed Acting Regional Administrator of the Washington Region.

* * * *

FOR RELEASE IN MORNING NEWSPAPERS, SATURDAY, OCTOBER 6, 1956

Securities Act Release No. 3704

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 a public offering of stock by Adirondack Uranium and Mineral Corporation, Village of Whitesboro, Oneida County, New York. The order provides an opportunity for hearing, upon request, on the question whether the suspension order should be vacated or made permanent.

Adirondack Uranium filed its Regulation A notification with the Commission on March 19, 1956, proposing the public offering of 300,000 shares of its 10¢ par Class "A" Stock at \$1 per share. The company was organized under New York laws on January 27, 1956, for the purpose of acquiring and dealing in mining properties. The president, Charles H. Stahl, of Vernon, N. Y., and three other officers and directors, each own 75,000 common shares, acquired in consideration for services rendered and options and properties transferred to the company. The company's properties under lease and option are located in Oneida, Lewis and Jefferson Counties, New York.

In its order, the Commission asserts that a news release issued by Adirondack Uranium and relating to the offering of its securities was not filed with the Commission (which was required as a condition to the availability of a Regulation A exemption); that such news release was false and misleading in respect of material facts; and that its use in connection with the offering and sale of Adirondack Uranium stock "would and did operate as a fraud or deceit upon the purchasers."

More particularly, the order alleges that the news release was false and misleading with respect to: (1) the failure to state that the representation concerning the alleged discovery of a \$400,000 uranium vein was made without the benefit of adequate supporting data and is, therefore, unjustified; (2) the estimates of ore reserves in the amount of \$400,000 based on X-ray Spectrographic and chemical analysis reports, which were made without sufficient supporting data; (3) the statement: "I believe we've struck pay dirt. We have been looking for a strike like this for a long time;" and (4) the failure to qualify the statement made concerning the results of an analysis of the mineralized material to show that such analysis affords no basis for assuming the results apply to any substantial tonnage of mineralized material.

The news release in question was published on August 6, 1956, in the Syracuse, New York, Post Standard and circulated by the wire services of the Associated Press, according to the Commission's order.

* * * * *