

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 12, 1960

SEC COMPLAINT NAMES C B WHITAKER, A J ZAPPA & CO. The SEC New York Regional Office announced October 1st (LR-1808) the filing of court action (USDC SDNY) seeking to enjoin C. B. Whitaker, A. J. Zappa & Co., Inc., 25 Broad St., New York, and Clarence B. Whitaker and Anthony J. Zappa, its president and secretary-treasurer, respectively, from further violations of the SEC net capital rule.

UNLISTED TRADING SOUGHT IN THREE STOCKS. The SEC has issued orders (Release 34-6393) giving interested persons until October 28, 1960, to request a hearing upon an application of the Cincinnati Stock Exchange for unlisted trading privileges in the common stock of McGraw Edison Company and upon applications of the Philadelphia-Baltimore Stock Exchange for such privileges in the common stocks of Continental Industries, Inc., and Lionel Corporation.

BELL ELECTRONIC FILES FOR OFFERING AND SECONDARY. Bell Electronic Corp., 306 E. Alondra Blvd., Gardena, Calif., today filed a registration statement (File 2-17168) with the SEC seeking registration of 136,000 shares of common stock, of which 86,000 shares are to be offered for public sale by the issuing company and 50,000 shares, being outstanding stock, by the present holder thereof. The public offering price and underwriting terms are to be supplied by amendment. Schwabacher & Co. is listed as the principal underwriter. The company has agreed to issue three-year options to Schwabacher & Co. for the purchase of an additional 12,500 shares at 110% of the public offering price.

The company is a distributor of electronic parts and equipment manufactured by others. It was organized in May 1959 as a successor to a partnership engaged in this business comprised of Edward Davis, Irving Davis and Rose Davis, sole shareholders of the company. In addition to certain indebtedness, the company now has outstanding 320,000 common shares; and the net proceeds of its sale of additional stock will be used as follows: \$360,000 to retire bank loans, \$190,000 for the purchase of additional inventories, and the balance for working capital. The proceeds of the loans to be retired were used to purchase additional inventory and to carry accounts receivable.

The prospectus lists Irving Davis as president, Edward Davis as secretary-treasurer, and Rose Davis as vice president. They also received \$165,765 of company notes in connection with its acquisition of subsidiaries of the predecessor partnership, of which \$100,229 is the unpaid balance; and the three stockholders are to receive additional shares in exchange for these notes at a price per share equal to the offering price of the stock. Rose Davis proposes to sell 50,000 shares of her holdings.

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For further details, call Worth 3-5526