

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 17, 1960

Statistical Release No. 1711. The SEC Index of Stock Prices, based on the closing price of 265 common stocks for the week ended October 14, 1960, for the composite and by major industry groups compared with the preceding week and with the high and lows for 1960, is as follows:

	1939 - 100		Percent Change	1960	
	10/14/60	10/7/60		High	Low
Composite	390.3	384.6	+1.5	432.5	380.8
Manufacturing	458.4	452.9	+1.2	538.9	447.8
Durable Goods	425.3	420.2	+1.2	521.6	417.4
Non-Durable Goods	479.5	473.8	+1.2	544.4	466.3
Transportation	271.7	267.7	+1.5	329.3	267.7
Utility	244.9	239.1	+2.4	252.6	216.1
Trade, Finance & Service	429.1	423.2	+1.4	471.8	414.7
Mining	266.8	267.7	-0.3	299.7	240.7

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended October 13th, 14 registration statements were filed, 22 became effective, 2 were withdrawn, and 344 were pending at the week end.

ALLOYS UNLIMITED FILES FOR OFFERING AND SECONDARY. Alloys Unlimited, Inc., 21-01 43rd Avenue, Long Island City, N. Y., filed a registration statement (File 2-17174) with the SEC on October 14, 1960, seeking registration of 236,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the company and 161,000 shares, being outstanding stock, by the present holders thereof. Of the outstanding shares to be offered, 101,000 shares may be sold from time to time directly by the holders thereof at the current market prices, such shares having been initially purchased at \$.038 per share in some cases and \$3.33-1/3 per share in other cases. The remaining outstanding shares and the 75,000 new shares are to be offered for public sale through Newberger, Loeb & Co. and C. E. Unterberg, Towbin Co. The public offering price and underwriting terms of such offering are to be supplied by amendment.

Organized in 1957, the company manufactures certain components for such semiconductor devices as silicon and germanium transistors, diodes and rectifiers. One of its subsidiaries produces small research quantities of certain intermetallic compounds, among which are materials for tunnel diodes and transistors; materials for solar cell applications; and materials for infra-red, thermoelectric and electro luminescence devices. The company plans to engage in the manufacture and distribution of production and testing equipment for semiconductor devices and the sale of beaded leads and first seals for glass diodes through a subsidiary and Transistor Automation Corp. ("TAC") whose stock the company has agreed to purchase in 1965.

TAC was organized in June 1960 to manufacture, sell and operate (a) automatic testing machinery for semiconductors and (b) glass-sealing machines made to manufacture diode parts, commonly known as beaded leads and first seals. The purchase agreement provides, among other things, for the financing of TAC by the company's purchase before January 1, 1961, of \$100,000 of 10-year 5% debentures, of which \$40,000 have been purchased on October 10, 1960. Under the agreement the company acquired the exclusive right to purchase glass sealing machines and to act as sole agent for the sale of TAC's testing equipment, as well as the right to acquire TAC stock in 1965 payable in stock of the company but not to exceed 37,500 shares thereof.

Of the net proceeds from the company's sale of additional stock, \$60,000 will be used to finance TAC pursuant to said agreement; \$300,000 will be allocated to Electric Glass and Ceramic Corp., a subsidiary, to finance its operation of TAC's glass sealing machines (of which \$125,000 will be used to purchase certain of the machinery and the balance for working capital); \$100,000 will be used by the company to acquire additional ultra-precise tooling facilities and automated production equipment; \$200,000 for a research and development program for new methods of manufacturing and refining metals and for development of new alloys; and \$150,000 to repay a bank loan, of which \$40,000 was used to purchase said debentures and \$50,000 to establish cladding operations, and \$60,000 for working capital.

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For further details, call WOrth 3-5526

In addition to bank loan indebtedness, the company has outstanding 450,003 shares of common stock, of which Marshall D. Butler, president, owns 118,680 shares and proposes to sell 40,000 shares (20,000 such shares through the underwriters); Gregory S. Coleman, vice-president, owns 102,000 shares and proposes to sell 22,000 shares (12,000 through the underwriters); and Hamburg Tang, secretary-treasurer, owns 120,000 shares and proposes to sell 40,000 shares (20,000 through the underwriters). The balance of the outstanding shares to be sold by 27 other stockholders, includes an aggregate of 10,000 shares to be sold through the underwriters by 5 of such holders.

WESTMINSTER FUND PROPOSES OFFERING. Westminster Fund, Inc., Westminster at Parker, Elizabeth, N. J., filed a registration statement (File 2-17175) with the SEC on October 14, 1960, seeking registration of 4,000,000 shares of capital stock. It proposes to offer holders of good quality common stocks an opportunity to exchange their securities with large unrealized appreciation for Fund shares, subject to the deposit of at least \$25,000 in securities by such holders. The basis of the exchange will be one share of Fund stock for each \$12.50 of market value of securities received by the Fund after deducting a 4% maximum commission. Kidder, Peabody and Co. is listed as the dealer manager. Investors Management Company, Inc., will serve as investment advisor to the Fund. The Fund's board chairman is Howard C. Sheperd and its president Hugh W. Long. They and other officers and directors hold the same offices in three other mutual funds to which Investors Management is advisor. The latter will acquire 8,000 shares of the Fund's stock for \$100,000 in cash, which will constitute all the initially outstanding shares of the Fund. All the stock of Investors Management is owned by Hugh W. Long and Co. Inc., principal underwriter for the three mutual funds referred to. Messrs. Long and Thomas F. Chalker, the Fund's vice-president, together own more than a majority of the Hugh W. Long & Co., Inc., stock.

FIRST AMERICAN INVESTMENT PROPOSES OFFERING. First American Investment Corp., 2222 North 16th St., Phoenix, Ariz., filed a registration statement (File 2-17180) with the SEC seeking registration of 2,500,000 shares of common stock, to be offered for public sale at \$2.00 per share. The offering is to be made by management officials and licensed securities salesmen employed by the company or by registered broker-dealers, who will receive a 30¢ per share commission. An additional 500,000 shares may be issued in connection with 5-year options granted or to be granted officers, directors and key employees of the company, said options being exercisable at \$2.20 per share.

The company was organized in April 1958 but has not actively engaged in business. It proposes, through the use of part of the proceeds of this stock offering, to secure majority control of Western Heritage Life Insurance Company of Phoenix and to organize, as subsidiaries, five new life insurance companies under the laws of Nevada, Utah, Idaho, Colorado and New Mexico and to organize in Arizona, First American Land & Development Corp., Western Heritage Fire & Casualty Company and First American Finance Company. Western Heritage Life is said to be controlled by First American Investment through the latter's ownership of 70,000 shares (30.06%) of the 233,892 common shares outstanding. June Wood, president of Western Heritage Life, is also president and controlling stockholder of First American Investment. He and his wife and son were the founders of First American Investment and were the sole owners of its outstanding stock until July 21, 1960, when ten associates became stockholders.

The first \$200,000 of proceeds of the stock sale will be used to acquire majority stock control of Western Heritage Life through the purchase of 100,000 additional shares of its stock along with warrants to purchase an additional 100,000 shares at \$2 per share, at the purchase price of \$2 per unit, under a stock purchase agreement entered into with Western Heritage. Funds thereafter received from the stock sale will be used to organize and establish the new subsidiaries through the purchase of stock interests in those companies ranging from \$300,000 to \$750,000. The company now has outstanding 231,000 common shares (plus options for the additional 500,000 shares). Management officials own 188,000 shares (including 78,000 shares owned by Mr. & Mrs. Wood). The present stockholders own options on 213,000 additional shares, and options for the balance of 287,000 shares are issuable under the company's stock option program for key personnel. According to the prospectus, if all these options are issued and exercised and all the 2,500,000 shares are sold to the public, promoters, management officials and key personnel will then own 731,000 shares (22.62%) for which they will have paid \$1,215,000 or 19.56% of the total consideration paid.

FEDERAL INSURANCE FILES EXCHANGE PLAN. Federal Insurance Company, 90 John St., New York, filed a registration statement (File 2-17176) with the SEC on October 14, 1960, seeking registration of 100,000 shares of capital stock. The company proposes to offer this stock in exchange for shares of the capital stock of Great Northern Insurance Company at the rate of one Federal share for one Great Northern share. Great Northern is a Minnesota company which operates in 12 states, including Minnesota, Montana and North Dakota. If the exchange offer is made effective, it is planned that Great Northern will continue to operate as a separate company under the direction of its own board of directors and with its own officers and staff.

ADIRONDACK INDUSTRIES FILES FOR OFFERING AND SECONDARY. Adirondack Industries, Inc., Dolgeville, N. Y., filed a registration statement (File 2-17177) with the SEC on October 14, 1960, seeking registration of 120,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 70,000 shares, being outstanding stock, by the present holder thereof. Shearson, Hammill & Co. is listed as the principal underwriter. The public offering price and underwriting terms are to be supplied by amendment.

The company is a manufacturer of baseball and softball bats, and it also manufactures bowling pins. It now has outstanding 200,060 shares of common stock. The net proceeds to be received from the company's sale of

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additional stock are said to be required for general corporate purposes due to increased needs of the business, including the financing of accounts receivable and inventories.

Of the outstanding stock, 105,420 shares are owned by the Estate of Edwin D. McLaughlin, which proposes to sell 70,000 shares to the underwriters. Beulah G. McLaughlin, who is executrix and sole beneficiary under the will of Edwin D. McLaughlin, owns the remaining 94,640 shares.

PHILADELPHIA AQUARIUM PROPOSES OFFERING. Philadelphia Aquarium, Inc., 2635 Fidelity-Philadelphia Trust Bldg., Philadelphia, Pa., filed a registration statement (File 2-17178) with the SEC on October 14, 1960, seeking registration of \$1,700,000 of 6% Debentures due 1975 and 170,000 shares of capital stock. It is proposed to offer these securities in units, each consisting of one \$100 debenture and 10 shares of stock, and at \$150 per unit. The prospectus lists Stroud & Co., Inc., as the principal underwriter. The underwriting commission is to be supplied by amendment.

The company was organized in March 1960 by Isaac D. Levy, its president, for the purpose of erecting and operating an Aquarium in Philadelphia or its vicinity. Of the net proceeds of this financing, \$292,000 is to be used to acquire the ground and \$1,500,000 to construct an aquarium building or buildings. It is estimated that about \$50,000 will be used to stock the Aquarium and \$204,000 will be reserved for the payment of interest on the debentures during construction. The remaining funds will be used for working capital purposes. The property to be acquired consists of 12 acres located at 20th and Pattison Streets in Philadelphia.

CLINTON MINING AND MILLING PROPOSES OFFERING. Clinton Mining and Milling Company, Clinton, Montana, filed a registration statement (File 2-17179) with the SEC on October 14, 1960, seeking registration of 700,000 shares of common stock, to be offered for public sale at 50¢ per share. The offering is to be made through officers and directors of the company, for which a 7.5¢ per share commission is to be paid.

The company was organized in 1956 and is said to be engaged in and proposes to engage further in milling and mining copper, silver, gold and lead ores and, if found advantageous, to enter into other mining and mineral operations. Its mine is located near Clinton. Net proceeds of the sale of stock will be used for various exploration and drilling work, the purchase of machinery and related activities.

The prospectus lists John Godley Robison of Thoteau, Montana, as president. Principal stockholders are Hera Exploration Company, 251,000 shares (8.367%), plus 240,000 shares contingent on payment of mill, Tom A. Wickes, a director, 183,350 shares, and A. A. Cragholm, 125,000 shares.

REAL ESTATE MUTUAL FUND FILES FOR OFFERING. Real Estate Mutual Fund, 606 Bank of America Bldg., San Diego, Calif., filed a registration statement (File 2-17181) with the SEC on October 14, 1960, seeking registration of 200,000 shares of beneficial interest in the Fund. The shares are to be offered for public sale initially at \$5 per share through Real Estate Mutual Distributors, Inc., which will receive a commission of \$.425 per share.

The Fund is an open end real estate investment trust specializing in investment in real estate. The prospectus refers to Public Law 86-779 signed September 14, 1960, by President Eisenhower, "which provides new and special tax advantages for real estate investment trusts," primarily the elimination of the corporate income tax of real estate investment trusts which qualify under the new law. The Fund proposes to select real estate properties for acquisition and to maintain a diversified position in income producing real estate.

The prospectus lists Byron F. White as president of the company and of the underwriter. The company has entered into a management agreement with Real Estate Mutual, Inc. The latter has retained the services of Coldwell Banker & Co. of Los Angeles and San Francisco and Cotton Management Company of San Diego as property management advisors to the Fund. White and two other company officers own all the stock of the underwriter.

PATRICIAN PAPER CO. PROPOSES OFFERING. Patrician Paper Company, Inc., 485 Lexington Ave., New York, filed a registration statement (File 2-17182) with the SEC on October 14, 1960, seeking registration of \$750,000 of 7% Unsecured Subordinated Notes due 1964 and 100,000 shares of common stock, to be offered in units each consisting of \$7.50 principal amount of notes and one share of common stock. The offering price and underwriting terms are to be supplied by amendment. Hill, Carlington & Grimm is listed as the principal underwriter.

The company was organized under Delaware law in September 1960 for the purpose of manufacturing and selling facial tissues and facial-type toilet tissues. It has contracted to acquire plant facilities for the manufacture of these products in South Glens Falls, N. Y. Of the net proceeds of the stock sale, \$50,000 will be used for acquisition of the property, \$467,300 to acquire machinery and equipment, \$428,000 for their installation and for remodeling and improvements, and \$122,000 for repayment of certain loans. The balance of the proceeds will be used for acquisition of raw material, working capital and other purposes.

The company now has or will have outstanding certain indebtedness and 80,000 common shares, which latter are to be issued to a group of investors at \$1.50 per share. An additional 20,000 shares will be issued in exchange for stock of a subsidiary. Edward B. Mallory is listed as president. The Hill, Darlington firm will own 25,000 shares and management officials 20,125 shares.

CAMPBELL CHIBOUGAMAU MINES SHARES IN REGISTRATION. Campbell Chibougamau Mines Ltd., 55 Yonge St., Toronto, Canada, filed a registration statement (File 2-17183) with the SEC on October 14, 1960, seeking registration of 305,392 shares of common stock. These shares are said to be reserved for issuance upon the exercise of outstanding stock purchase warrants issued by the company in 1953. The warrants entitle the holder thereof to purchase, on or before December 1, 1960, upon payment of \$4 per share, one common share of the company for each warrant held.

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Organized in 1950, the company has been engaged in the exploration, development and exploitation of its properties, said to contain copper-gold deposits together with some silver. In addition to certain indebtedness, it has outstanding 3,543,005 common shares. According to the prospectus, 350,000 warrants were issued in 1953 to the late A. M. Collings Henderson, then board chairman, in consideration of this agreement to purchase at the call of the company all of a 5% note issue of the company in the amount of \$750,000 maturing December 1, 1960. The commitment for \$750,000 was required by the Export-Import Bank as a condition to its credit for \$5,500,000. This loan was repaid in its entirety in 1956, and all the notes have been paid. At the time of the issuance of the warrants, the market price of the company's stock was \$2.50 per share. Proceeds which may be received by the company upon exercise of the warrants will be added to its general funds.

CENTRAL VERMONT PUBLIC SERVICE PROPOSES OFFERING. Central Vermont Public Service Corporation, 77 Grove St., Rutland, Vt., today filed a registration statement (File 2-17184) with the SEC seeking registration of 60,000 shares of Second Preferred Stock, \$50 par, Convertible Series A, to be offered for public sale through underwriters headed by Hallgarten & Co. The dividend rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the stock sale will be applied to the repayment of outstanding short-term borrowings, incurred for the interim financing of construction; and any balance will be used for other corporate purposes including construction requirements. The company's construction program is expected to result in expenditures of about \$2,600,000 in 1960 and of about \$14,000,000 in the following three years. In addition to certain indebtedness and 80,538 shares of \$100 par preferred, the company now has outstanding 1,016,141 shares of common stock.

PATHE EQUIPMENT FILES FOR OFFERING AND SECONDARY. Pathe Equipment Co., Inc., 16 Leliart's Land, East Paterson, N. J., today filed a registration statement (File 2-17185) with the SEC seeking registration of 125,000 shares of Class A stock, of which 42,500 shares are to be offered for public sale by the company and 72,500 shares, being outstanding stock, by the present holders thereof. The stock is to be offered at \$5 per share. The offering is to be made on a best efforts basis by Amos Treat & Co., Inc., and Wm. Stix Wasserman & Co., Inc., for which a \$625 selling commission is to be paid. Also included in the statement are 8,000 Class A shares of outstanding stock acquired by the underwriters from two officers of the company at one mil per share, and 2,000 shares similarly acquired by Hampstead Investing Corporation as a finder's fee.

The company is engaged principally in the business of developing and producing automatic multiple needle and specialized sewing equipment. It now has outstanding 82,500 Class A and 130,000 Class B shares. Net proceeds of the sale by the company of additional Class A shares, estimated at \$156,000, will be for general corporate purposes, including the employment of additional engineers and experimental tool makers for research and development.

The prospectus lists William V. Codos as president and Max Rotblit as vice president. Each owns 65,000 Class B shares. Codos and members of his family own 36,250 Class A shares and Rotblit 33,950 Class A shares, all of which shares are to be offered for public sale. The remaining 2,300 shares of Class A stock is to be offered for sale by Yvonne Frydel.

COURT ORDER ENJOINS OBELE SR., WADKINS & HECKMAN. The SEC Denver Regional Office announced October 11th (LR-1811) the entry of a court order (USDC Colo.) permanently enjoining Edward M. Obele, Sr., doing business as Obele Oil Company, T. Roy Wadkins, doing business as Wadkins Producing Company, and Warren Heckman from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of fractional undivided mineral interests in lands constituting the so-called Coal Dome Structure in Pitkin and Gunnison Counties, Colo.

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