

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE May 20, 1963

Statistical Release No. 1901. The SEC Index of Stock Prices, based on the closing prices of 300 common stocks for the week ended May 17, 1963, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1963 is as follows:

	1957-59 = 100		Percent Change	1963	
	5/17/63	5/10/63		High	Low
Composite	143.0	143.7	-0.5	143.7	130.6
Manufacturing	133.9	135.0	-0.8	135.0	121.1
Durable Goods	130.3	131.7	-1.1	131.7	116.2
Non-Durable Goods	137.4	138.1	-0.5	138.6	125.8
Transportation	124.4*	121.2	+2.6	124.4	106.4
Utility	180.6	R181.4*	-0.4	R181.4	170.3
Trade, Finance & Service	171.6*	R168.8	+1.7	171.6	R153.8
Mining	123.3*	123.2	+0.1	123.3	104.2

*New High R - Revised

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 16, 1963, 15 registration statements were filed, 26 became effective, 3 were withdrawn, and 347 were pending at the week-end.

SEC ORDER CITES LIFE SHARES TRADING CORP. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Life Shares Trading Corporation, 1141 Thirteenth St., Columbus, Ga., engaged in practices which operated as a "fraud and deceit" upon investors and, if so, whether its broker-dealer registration should be revoked.

The said company ("registrant") has been registered with the Commission as a broker-dealer since August 1959. John B. Amos is president and a principal stockholder. In its order, the Commission recites charges of its staff that information developed in an investigation tends to show that in the offer and sale of common stock of American Family Life Insurance Company ("AFLIC") from June 1962 to date, registrant and Amos "engaged in transactions, practices and a course of business which would and did operate as a fraud and deceit" upon investors in violation of the anti-fraud provisions of the Federal securities laws, in that they (1) solicited and encouraged the faith, trust and confidence of customers and created the impression that they were acting in the best interests of customers, and thereby induced the purchase and sale of AFLIC stock without disclosing that they were dealing for themselves or were otherwise financially interested in the distribution of the stock and were acting adversely to the interests of their customers, (2) used sales and promotional material containing misleading comparisons between AFLIC and certain large and long established insurance companies, (3) unilaterally fixed the prices at which AFLIC stock was bought and sold and regularly and arbitrarily raised the price of the stock to successively higher prices without disclosing such facts to customers, and sold the stock at prices far in excess of the contemporaneous price paid for it by registrant, thereby obtaining unreasonable and excessive profits which were not disclosed to customers, and (4) made false and misleading statements of material facts. The alleged misrepresentations related to the safety of an investment in AFLIC stock, the current and future price thereof, the reasons for and circumstances surrounding the steadily rising price of the stock, the growth and profit potential of such an investment, and the source, availability and supply of the stock.

A hearing will be held, at a time and place to be announced, for the purpose of taking evidence on the foregoing to determine whether the staff charges are true and, if so, whether the broker-dealer registration of Life Shares Trading Corp. should be revoked.

PAN AMERICAN PLANTATIONS ENJOINED. The SEC Fort Worth Regional Office announced May 9 (LR-2627) the entry of a Federal court order (USDC, WD, La.) permanently enjoining Pan American Plantations, Inc., a Shreveport, La. company, a subsidiary, Panama Coffee Growers, S.A., a Panamanian company (conducting business from Shreveport), and D. H. Whittington, president of both companies, from further violations of the Securities Act registration provisions in the offer and sale of common and preferred stock of Pan American and certain investment contracts involving the subsidiary.

HENRY O. AABERG GUILTY. The SEC Denver Regional Office announced May 16 (LR-2628) that Henry O. Aaberg, of Broomfield and Powderhorn, Colorado (and Minneapolis) entered a guilty plea (USDC, Cheyenne) to 7 counts of a 10-count indictment charging him and Stacey P. Humphries, of Wheat Ridge, Colorado, with violation of the Securities Act registration and anti-fraud provisions in the sale of securities of Titanol, Inc. Humphries had previously pleaded guilty to two counts of the indictment. Sentencing of both defendants was deferred pending a pre-sentence investigation and report.

OVER

STARCO ENJOINED. The SEC Washington Regional Office announced May 17 (LR-2629) the entry of a Federal court order (USDC, DC) granting the Commission's motion for a default judgment permanently enjoining Starco, Inc. (Sunrae Tower and Renewal Co.), a Delaware company, Housing Foundation Designed for Single People (Inc.), a Michigan company (both doing business in the District of Columbia), and Jency Price Houser, of Tucson, Ariz., from violations of the Securities Act registration and anti-fraud provisions in the offer and sale of certain securities of Starco and Housing Foundation. The proceedings are still pending with respect to A. Sherwood Vickers and Muriel Ellis Vickers, of Washington, D. C., and Hallet B. Frisbie, of Detroit.

EXEMPTIONS GRANTED IN I.D.S. CASE. The SEC has issued an order under the Investment Company Act (Release IC-3699) granting exemption applications filed by (1) Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., and Charles T. Ireland, Jr., on their own behalf and also on behalf of Murray D. Lincoln and/or companies controlled by or associated with him, and (2) John D. Murchison and Clint W. Murchison, Jr., doing business as Murchison Brothers, a partnership, and individually, so that the determinations sought in a prior application by Investors Diversified Services, Inc. with respect to the question of a control relationship between the named persons on the one hand and Alleghany Corporation and Investors Diversified Services, Inc. on the other hand, shall not be deemed to have been automatically granted by operation of the statute pending final Commission decision upon the I.D.S. application. The exemption is effective as of April 15, 1963 and is to remain in effect until final determination of the I.D.S. application, subject, however, to earlier termination by the Commission after appropriate notice to the parties. The Commission also extended for such period the exemption previously granted until May 18, 1963 to all persons named in an application previously filed by Randolph Phillips also seeking a determination of certain control questions with respect to Alleghany and I.D.S.

HIGH VOLTAGE ENGINEERING FILES STOCK PLAN. High Voltage Engineering Corporation, Burlington, Mass., filed a registration statement (File 2-21426) with the SEC on May 16 seeking registration of 127,936 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan for Executives and Other Employees.

BRENTWOOD FINANCIAL FILES FOR SECONDARY. Brentwood Financial Corp., 12001 San Vicente Blvd., Los Angeles, filed a registration statement (File 2-21427) with the SEC on May 17 seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Hayden, Stone & Co., Inc., 25 Broad St., New York. The public offering price (maximum \$15 per share*) and underwriting terms are to be supplied by amendment. The company owns all of the outstanding stock of Brentwood Savings and Loan Association (which is engaged in the savings and loan business in and around Monrovia, Calif.), and the company also conducts an escrow business, an insurance agency business (principally to assist the Association in making fire and other insurance available to its borrowers), and a trustee business under which it acts as trustee under trust deeds securing loans made by the Association. The company has outstanding 1,303,800 shares of common stock, of which management officials as a group own 40.3%. W. K. Glikbarg is board chairman and Jack J. Spitzer is president. The list of selling stockholders and amounts proposed to be sold are to be supplied by amendment.

INDIANA BELL TELEPHONE PROPOSES DEBENTURE OFFERING. Indiana Bell Telephone Company, Incorporated, 240 North Meridian St., Indianapolis, filed a registration statement (File 2-21428) with the SEC on May 17 seeking registration of \$20,000,000 of debentures due 2003, to be offered for public sale at competitive bidding. The net proceeds from the debenture sale will be used to repay advances from the company's parent, American Telephone and Telegraph Company (estimated at \$20,000,000) and for other corporate purposes. Such advances were obtained for general corporate purposes, including extensions, additions and improvements to its plant.

CENTRAL AND SOUTH WEST FILES STOCK PLAN. Central and South West Corporation, 902 Market St., Wilmington Del., filed a registration statement (File 2-21429) with the SEC on May 17 seeking registration of 175,000 shares of common stock, to be offered pursuant to its incentive stock option plan for key personnel.

PREFERRED SECURITIES - SPACE TECHNOLOGY HEARING CANCELLED. The SEC has cancelled the hearing scheduled for May 20, 1963 in the consolidated proceedings under the Securities Act of 1933 and the Securities Exchange Act of 1934 pending in respect of Preferred Securities, Inc., and Space Technology & Research Corporation. The parties to the proceedings entered into a stipulation providing, among other things, for a waiver of the hearing. The proceedings relate to (1) the Commission's order of November 26, 1962, reciting staff charges that Preferred Securities made false and misleading representations in the offer and sale of stock of Space Technology, and (2) its order of the same date temporarily suspending a Regulation A exemption from Securities Act registration with respect to a public offering of Space Technology stock by means of allegedly false and misleading statements.

SECURITIES ACT REGISTRATIONS. Effective May 17: Heublein, Inc. (File 2-21321).
Effective May 20: Consultant's Mutual Investments, Inc. (File 2-20962); Danac Real Estate Investment Corp. (File 2-21051); Virginia Electric and Power Co. (File 2-21325).
Withdrawn May 17: Geigher Pipe Supply Inc. (File 2-20784).

*As estimated for purposes of computing the registration fee.