

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 August 15, 1963

KEYSTONE INTERNATIONAL FUND FILES FOR STOCK OFFERING. Keystone International Fund, Inc., 50 Congress St., Boston, filed a registration statement (File 2-21640) with the SEC on August 13 seeking registration of 200,000 shares of common stock, to be offered for public sale at net asset value plus a sales charge of 7.5%. The Keystone Company of Boston is principal underwriter of Fund shares.

Organized under Massachusetts law in 1963 as successor to Keystone International Fund, Ltd., a Canadian company, the Fund is an open-end diversified management investment company. Its purpose is to provide a convenient medium for investment in industries and resources of the Free World, and its object is to provide long-term growth of capital. Keystone Custodian Funds, Inc., of Boston, is the Fund's investment adviser (and owns the Fund's underwriter). S. L. Sholley is board chairman of the Fund and of its adviser and president of the underwriter. Wilfred Godfrey is president of the Fund and its adviser.

MONARCH MARKING SYSTEM PROPOSES DEBENTURE OFFERING. The Monarch Marking System Company, 216 South Torrence St., Dayton, Ohio, filed a registration statement (File 2-21641) with the SEC on August 14 seeking registration of \$2,500,000 of convertible subordinated debentures due 1983, to be offered for public sale through McDonald & Company, 1250 Union Commerce Bldg., Cleveland. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company manufactures and distributes, for retail and industrial uses, a wide variety of price-marking tickets, tags and labels, and machines for imprinting them and in some cases, for attaching them to merchandise. The net proceeds from the debenture sale, together with anticipated proceeds of additional borrowings from an insurance company, will be used to complete the acquisition of land in Dayton and to construct a new plant thereon, estimated at an aggregate cost of \$3,100,000 (including new office and production equipment). The balance of the proceeds will be used for engineering and architectural services, site preparation, moving expenses and other costs related to construction and initial operation of the new plant. In addition to certain indebtedness, the company has outstanding 949,386 shares of common stock, of which an aggregate of 41.41% is owned by the families of Edward L. Kohnle, board chairman, and Robert C. Kohnle (deceased), as well as the Rieger family. John E. Kohnle is president.

NEW ENGLAND ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-14925) authorizing Massachusetts Electric Company, utility subsidiary of New England Electric System, Boston registered holding company, to increase its authorized and outstanding common stock (all owned by NEES) from 1,966,294 to 2,073,436 shares and to sell the additional 107,142 shares to NEES for an aggregate of \$7,499,940. The proceeds will be applied by the subsidiary to pay short-term note indebtedness incurred in connection with the construction of extensions and additions to plant and property.

APPEALS COURT AFFIRMS CONVICTIONS IN LOS ANGELES TRUST DEED CASE. The SEC San Francisco Regional Office announced August 13 (LR-2714) that the United States Court of Appeals for the Ninth Circuit affirmed the convictions of David Farrell and Oliver J. Farrell, who were convicted by a jury (USDC, SD, Calif.) of violating the anti-fraud provisions of the Federal securities laws in the offer and sale of securities issued by Los Angeles Trust Deed & Mortgage Exchange and two affiliated corporations, Trust Deed & Mortgage Exchange and Trust Deed & Mortgage Markets. David Farrell, who was president and principal promoter of Los Angeles Trust Deed, was sentenced to a maximum prison term of 10 years and fined \$86,500, and Oliver J. Farrell, vice president of that company, was sentenced to a maximum prison term of 4 years and fined \$52,000, and the Appeals Court also affirmed those sentences.

MERIDIAN FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3753) exempting Meridian Fund, Inc., Maryland open-end investment company, from compliance with the provisions of Section 22(d) of the Act to permit Meridian to reinvest dividends paid on shares held by shareholders of Meridian under a Systematic Withdrawal Account at net asset value.

SECURITIES ACT REGISTRATIONS. Effective August 14: The Bajour Co. (File 2-21496).

Effective August 15: Belden & Blake & Company (File 2-21611); Goodale, Bertman & Co., Inc. (File 2-21498).

Withdrawn August 15: Compass Funds, Inc. (File 2-21047); Diversified Collateral Corp. (File 2-20464).

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