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 29, 1957

PEOPLES SECURITY INVESTMENT OFFERS INTERESTS IN INSURANCE COMPANY

Peoples Security Investment Company, Montgomery, Ala., filed a registration statement (File 2-13716) with the SEC on October 28, 1957, seeking registration of 1,000,000 preorganization subscriptions to Class-A Voting Common Stock and 250,000 preorganization subscriptions to Class-B Non-Voting Common Stock in a proposed insurance company to be named the Peoples Security and Endowment Insurance Company of America to be incorporated in Montgomery County, Alabama.

Each class of stock is to be offered for public sale at $2 per share. No underwriting is involved. There will be reserved 150,000 Class-A and 37,500 Class-B shares for issuance to officers, directors and employees. Subscriptions will be sold in units, consisting of 4 Class-A and 1 Class-B share, the purchaser agreeing to donate each Class-B share to the Peoples Security Foundation for Christian Education, to be incorporated in Montgomery County, Ala., as a non-profit corporation.

Peoples Security Investment was incorporated in Montgomery County, Ala., on August 14, 1957, by its president, T. J. Patterson, and other management officials. Of the proceeds of the sale of the preorganization subscriptions, 15% will be used for payment of expenses incurred in the sale of the securities. The balance will be used to provide capital and surplus to finance the Insurance Company.

PAN AMERICAN TOOL PROPOSES COMMON STOCK OFFERING

Pan American Tool Company, Houston, Texas, filed a registration statement (File 2-13717) with the SEC on October 28, 1957, seeking registration of 165,000 shares of its $1 par Common Stock. The company proposes to offer the stock for sale in blocks of not less than 3,000 shares. The subscription price is to be supplied by amendment. No underwriting is involved.

The company was organized under Texas law on October 21, 1957. Its business is owning and renting, to persons drilling and operating oil and gas wells, oil field pipe and equipment used in such operations. The company expects to organize a subsidiary under the laws of Venezuela to conduct an oil field equipment rental business in that country. The company was organized by John M. Sides, of New Orleans, and W. Frank Stone, of Houston, for the purpose of acquiring certain assets and operating the business of John Sides Pipe Rental Company, a partnership owned by Sides and Stone. The company will acquire the business and tangible property of the said partnership, and assume certain of its obligations. In exchange therefor, the company will issue 39,200 of its common shares to Sides and 9,800 to Stone. Sides and Stone are its only stockholders as of this date, Sides having purchased 800 shares and Stone 200 shares for cash at $1 per share. Sides is listed as president and Stone as vice president, treasurer and secretary.

Net proceeds of the public sale of stock will be added to the general funds of the company to be used from time to time for such corporate purposes as the management may determine. Part of the proceeds will be used to discharge trade accounts payable assumed by the company upon transfer to it of the business of the partnership; $800,000 will be used to finance the purchase of oil field tools needed for the equipment yards of the company's proposed Venezuelan subsidiary and approximately $50,000 to provide the latter with working capital; $90,000 will be used to purchase drill pipe and tools to be added to the company's supply maintained in its equipment yard at Venice, Louisiana; and any balance is expected to be used for working capital purposes.

SEC VACATES WILLIAM TELL PRODUCTIONS SUSPENSION ORDER

The Securities and Exchange Commission today announced that, at the request of William Tell Productions, Inc., of New York, it has vacated the September 5, 1956, order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by the said company.

Lifting of the suspension order is to become effective upon the filing of necessary amendments to the company's Regulation A notification and offering circular disclosing William Tell's affiliation with W. T. Clemons Associates and prior sales of securities by Associates, and reducing the aggregate offering price of William Tell stock by the approximate amount of the securities sold by Associates so as not to exceed the $300,000 limitation prescribed by Regulation A.

In its Regulation A notification, filed on November 4, 1955, William Tell, which was organized to produce and sell packaged programs for television and to engage in other phases of the entertainment business, proposed the public offering of 295,000 common shares at $1 per share. William T. Clemons, its president and general manager, together with his wife, owned some 28% of the outstanding stock. Clemons and his wife also owned and operated Associates, which assigned to William Tell exclusive production rights for certain television presentations in consideration of royalty interests amounting to 10% of the gross revenue derived from such productions. Associates had sold $59,510 of fractional interests in the royalties without registration under the Securities Act of 1933, $26,560 within one year preceding the filing of William Tell's Regulation A notification.

The Commission ruled that Associates is an affiliate of William Tell and that such affiliation, as well as the sale of securities by Associates, should have been disclosed in its offering circular. Furthermore, the offering of $295,000 of stock by William Tell, taken together with the sale of the $26,560 of securities by Associates without prior registration, exceeded the $300,000 limitation prescribed by Regulation A by $21,560.

William Tell's initial offering circular stated that no underwriter had been employed. However, according to the Commission's decision, Rutledge, Irvine & Co., Inc., on April 9, 1956, was engaged as underwriter to sell the stock on a "best efforts" basis. An amendment to the offering circular was filed on April 11, 1956, setting forth the change in the method of distribution. However, on April 10th, prior to such filing and contrary to Regulation A, Rutledge accepted orders for 1,650 shares without delivering copies of an offering circular to the customers, although confirmations were sent to such purchasers and payments were received from some of them.

William Tell has undertaken to amend its notification and offering circular to make full disclosure as to Associates' affiliation and its sales of interests in the royalties, and to reduce the amount of its stock offering by $21,560. Failure to register the royalty interests was based on Clemons' befief that they were not securities. Furthermore, with respect to the stock sales by Rutledge, William Tell contends that it instructed Rutledge that no sales could be made until the amended offering circular had been filed and become effective, that Rutledge's sales were made without William Tell's knowledge, and that no shares were ever issued or delivered by William Tell on such orders (the orders were cancelled and payments thereon applied to the purchase of other securities by such customers). The underwriting agreement with Rutledge has been terminated.

Under all the circumstances, the Commission determined to lift the suspension order, conditioned upon the filing of the necessary amendments to William Tell's offering circular. (See Securities Act Release No. 3852.)

SOUTHERN ELECTRIC GENERATING PROPOSES FINANCING

The Southern Electric Generating Company, of Birgmingham, Ala., has applied to the SEC for authorization to issue and sell $2,500,000 of stock to its parent companies; and the Commission has issued an order (Holding Company Act Release No. 13576) giving interested persons until November 12, 1957, to request a hearing thereon.

All of Electric Generating's outstanding stock is held in equal amounts by Alabama Power Company and Georgia Power Company, subsidiaries of The Southern Company. Under the financing proposal, Southern will acquire $1,250,000 of additional stock (12,500 shares) of Alabama and Georgia, respectively; and Alabama and Georgia will use such funds to acquire, in equal proportions, 25,000 additional shares of Electric Generating's stock for $2,500,000. Electric Generating proposes to use the proceeds for the purchase of certain coal reserves, the purchase of a site for an additional generating plant, the construction of certain coal facilities, and for the continuation of the construction of its generating station now under construction.

ATOMIC DEVELOPMENT MUTUAL FUND TO PURCHASE GENERAL TIRE DEBENTURES

The SEC has issued an order (Investment Company Act Release No. 2622) authorizing Atomic Development Mutual Fund, Inc., Washington, D. C., investment company, to purchase $500,000 principal amount of 6% Subordinated Debentures due October 1, 1982, with Common Stock Purchase Warrants attached, issued by The General Tire & Rubber Company. These debentures are part of an offering of $12,000,000 of debentures by General Tire at 100% of principal amount. One of the underwriters, Auchincloss, Parker and Redpath, is investment adviser for the Fund. Accordingly, the Fund's acquisition of the debentures is prohibited by the Investment Company Act in the absence of an exemption order issued by the Commission. Commissioner Hastings dissented from this action of the Commission.

AMERICAN ISRAELI PAPER MILLS FILES FOR STOCK OFFERING

American Israeli Paper Mills Limited, Hadera, Israel, today filed a registration statement (File 2-13718) with the SEC seeking registration of 6,000,000 Series B Ordinary Shares (par value 1 Israel pound per share). It is proposed to offer these

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shares for public sale at $1 per share. The subscription price may be paid either in cash or by transferring to the company certain bonds issued by the State of Israel. The company has entered into an agreement with Lee Higginson Corporation under which the latter has agreed to use its "best efforts" to sell the shares. The selling commission is to be 2½¢ per share.

The company is said to be the principal producer of paper in Israel. It intends to use the net proceeds of the sale of the Series B stock, together with $1,000,000 which it recently received from the sale for cash of 1,000,000 Ordinary Shares to several of its principal stockholders, in connection with its expansion program. The total estimated cost of the construction program, including sums needed for additional working capital, is $9,800,000. The company expects to obtain the necessary additional funds from future financing. The expansion program has two primary aims: (1) the construction of a pulp mill and (2) the expansion of its existing paper mill so as to increase the variety of grades of paper produced and to raise its annual productive capacity.

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Financial Industrial Fund, Inc., Denver, Colo., filed an amendment on October 28, 1957 to its registration statement (File 2-11236) seeking registration of an additional 10,000,000 Financial Industrial Fund Shares.

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Financial Industrial Fund, Inc., Denver, Colo., filed an amendment on October 28, 1957 to its registration statement (File 2-11237) seeking registration of an additional 83,334 Systematic (Periodic Payment) Investment Plans and 6,000 Cumulative (Full-Paid) Investment Certificates.

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