

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 7, 1958

M. A. C. CREDIT FILES FOR OFFERING

M. A. C. Credit Co., Inc., Miami, Fla., filed a registration statement (File 2-14418) with the SEC on October 6, 1958, seeking registration of 100,000 shares of its Common Stock, to be offered for public sale at \$5 per share, with a 50¢ commission to the underwriter, Plymouth Bond and Share Corp.

The company and its subsidiaries are engaged in making small loans to individual borrowers in Florida and Georgia. Net proceeds of this financing, estimated at \$437,000, are to be placed in its general funds. It is the present intention of the company to use such proceeds to reduce its current indebtedness to Walter E. Heller & Co., incurred for the purpose of securing funds to lend to borrowers in the ordinary course of business.

KERR-McGEE OIL FILES THRIFT AND SAVINGS PLANS

Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla., filed a registration statement (File 2-14419) with the SEC on October 6, 1958, seeking registration of 2,260 participations in its Thrift Plan and 710 participations in its Savings Plan (together with 74,167 shares of Kerr-McGee common stock which may be purchased pursuant to such plans), to be offered for subscription by employees of Kerr-McGee and General Asphalts, Inc., and Lake Asphalt & Petroleum Co.

TRANS CARIBBEAN AIRWAYS FILES FINANCING PROPOSAL

Trans Caribbean Airways, Inc., New York, filed a registration statement (File 2-14420) with the SEC on October 6, 1958, seeking registration of \$1,100,000 of 5½% Convertible Subordinated Debentures, due October 1, 1968, to be offered for public sale at 100% of principal amount with a 6% commission to the underwriters. The prospectus lists Alfred Wohl and Sidney Kessler, of Roslyn, N. Y., and O. Roy Chalk of New York as the purchasing underwriters, Wohl and Kessler to purchase \$900,000 of debentures and Chalk \$200,000. Under the agreement, Trans Caribbean also has agreed to sell Wohl and Kessler 16,364 warrants and Chalk 3,636 warrants at 10¢ per warrant, entitling the holder of each warrant to purchase one share of Class A stock of Trans Carib at \$12 per share. Chalk is listed as president and board chairman; and he and his wife are listed as the owner of 111,399 shares (25.27%) of the outstanding Class A stock of the company and 754,073 shares (97.02%) of the Class B stock outstanding.

Net proceeds of the stock sale, estimated at \$1,000,000, will be added to the general funds of Trans Carib to replenish working capital expended in the acquisition of aircraft in connection with the company's operation as a regularly-scheduled airline. The fulfillment of the existing contract for the purchase of a DC-8 jet aircraft may be financed in part, according to the prospectus, through the creation of additional debt senior to the debentures.

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For further details, call ST. 3-7600, ext. 5526

United Funds Inc., Kansas City, Missouri investment company, filed an amendment on October 6, 1958 to its registration statement (File 2-11527) seeking registration of an additional \$20,000,000 of Periodic Investment Plans without insurance and an indeterminate number of underlying shares of United Accumulative Fund and \$1,000,000 of Periodic Investment Plans with insurance and an indeterminate number of underlying shares of United Accumulative Fund.

EASTERN STAINLESS STEEL PROPOSES DEBENTURE OFFERING

Eastern Stainless Steel Corporation, Colgale, Baltimore County, Md., filed a registration statement (File 2-14421) with the SEC on October 6, 1958, seeking registration of \$5,123,600 of Convertible Subordinate Debentures, due November 15, 1973. The company proposes to offer the debentures for subscription by common stockholders on the basis of \$100 principal amount of debentures for each 14 common shares held. The record date, interest rate, subscription price and underwriting terms are to be supplied by amendment. Hornblower & Weeks is listed as the principal underwriter.

Of the net proceeds of this financing, approximately \$4,000,000 will be used to retire the 4½% Notes to September 30, 1962. Concurrently with the sale of the new debentures, a new bank credit in the amount of \$4,000,000 will be established, providing a revolving credit to permit the company to borrow up to \$4,000,000 until 1960 with the option to convert all or any part of said \$4,000,000 into a term loan; the final installment thereof to mature in 1964. Of the moneys available to the company from these sources, it is estimated that some \$1,625,000 will be spent for the purchase and installation of additional plant facilities. Of the balance of funds available, approximately \$750,000 will be required to finance additional finished goods inventories.

CENTRAL SOYA COMPANY FILES FOR STOCK OFFERING

Central Soya Company, Inc., Fort Wayne, Ind., filed a registration statement (File 2-14422) with the SEC on October 6, 1958 seeking registration of 200,000 shares of Common Stock, to be offered for public sale through an underwriting group headed by Goldman, Sachs & Co. and Blyth & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is a processor of soybeans and a manufacturer and distributor of concentrate feeds for livestock and poultry. Net proceeds of the stock sale, together with any net proceeds to be derived from the issue of additional long term debt now being negotiated, will initially be added to the general funds of the company. A portion of such proceeds will be used to replenish working capital expended in September 1958 for the purchase of inventories and supplies of the Chemurgy Division of The Glidden Company (parts of which were leased recently by the Company) amounting to approximately \$3,760,000. The remainder of the proceeds will be used primarily to provide additional working capital for the Chemurgy Division and to provide increased working capital expected to be needed to carry larger inventories and receivables for the company's expanding grain merchandising program as well as other parts of its business.

GLIDDEN CO. PROPOSES DEBENTURE OFFERING

The Glidden Company, Cleveland, O., today filed a registration statement (File 2-14423) with the SEC seeking registration of \$30,000,000 of Sinking Fund Debentures, due 1983, to be offering for public sale through an underwriting group headed by Blyth & Co., Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Part of the net proceeds of the sale of the new debentures will be used to repay outstanding loans of \$15,000,000 under a \$20,000,000 revolving credit agreement (which will be terminated upon repayment of said loans). A part of the net proceeds will be used to retire \$6,000,000 of outstanding serial notes. The balance of the net proceeds will be used to reimburse the company treasury for funds used to repay \$5,000,000 of indebtedness under the revolving credit agreement and \$4,000,000 of short-term bank indebtedness.

Continued

CITIES SERVICE PLAN FOR ARKANSAS FUEL OIL SCHEDULED FOR HEARING

The SEC has issued an order scheduling for hearing on December 2, 1958, the plan filed by Cities Service Company under the Holding Company Act for compliance with the September 20, 1957, order of the Commission directing Cities and Arkansas Fuel to effect the elimination of the public minority stock interest in Arkansas Fuel or the disposition by Cities of its stock interest in that company.

Cities owns 1,958,190 shares (51.51%) of the outstanding 3,801,536 shares of Arkansas Fuel stock, the remaining 1,843,346 shares (48.49%) being publicly held. At December 31, 1957, the consolidated assets, per books, of Arkansas Fuel and its subsidiaries were stated at \$99,747,257 of which \$61,716,576 represented petroleum and natural gas and other properties, principally at cost, after deducting reserves for depletion and depreciation. For the year 1957, operating revenues of Arkansas Fuel and its subsidiaries aggregated \$187,519,560 and consolidated net income amounted to \$8,636,616, or \$2.25 per share.

Under the plan, Arkansas Fuel will transfer certain of its properties and assets to a new corporation, which latter will assume certain of Arkansas Fuel's liabilities and issue to Arkansas Fuel 1,000 shares of stock in exchange for the properties and assets transferred. Arkansas Fuel will then transfer the 1,000 shares of stock of the new corporation to Cities in exchange for all of the shares of Arkansas Fuel stock held by Cities.

Arkansas Fuel also would transfer its remaining properties and assets to a second new corporation, in exchange for which such second corporation would issue 1,843,346 shares of its stock to Arkansas Fuel and assume certain of its liabilities. These shares would be distributed on a share-for-share basis to the public holders of Arkansas Fuel stock in exchange for their holdings of the latter. Arkansas Fuel will thereupon be dissolved.

The Commission also announced that Cities previously had withdrawn its application for an order under the Holding Company Act declaring that it has ceased to be a holding company and terminating its registration as such.

REMO CORP. PROPOSES STOCK OFFERING

Remo Corporation, Orlando, Fla., filed a registration statement (File 2-14377) with the SEC on September 22, 1958, seeking registration of 100,000 shares of Class A common stock. The stock is to be offered for public sale on a best efforts basis by Citrus Securities Company, of Orlando, which will receive a selling commission of \$1.50 per share. Frank O. Omer, president, is president and one of two stockholders of the underwriter.

Remo was organized under Florida laws on August 7, 1958. It proposes to use the funds received from the sale of stock "in the operation of the business of factoring, purchase for leasing, and financing of commercial, industrial enterprises and homes. It will also attempt to qualify as a small business investment company under the provisions of Public Law 85-699, the "Small Business Investment Act of 1958" which became a law on August 21, 1958."

Omer and eight other incorporators own all of the 100,000 outstanding stock, for which they paid \$10,000.

ADVANCE: Following for Release in Morning Newspapers of 10/8/58

CANADIAN JAVELIN STOCK REMOVED FROM RESTRICTED LIST

The Securities and Exchange Commission today announced the deletion of the stock of Canadian Javelin Limited, of St. Johns, Newfoundland, from its Canadian Restricted List, effective at the close of business on October 7, 1958.

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The stock of Canadian Javelin was placed upon the Canadian Restricted List on July 25, 1958 because the Commission had reason to believe that the stock had been, and was being, distributed in the United States in violation of the registration requirements of the Securities Act of 1933. (See Securities Act Release 3949).

Subsequently, on September 25, 1958, in an action filed by the Commission, a permanent injunction by consent was entered in the Federal District Court for the Southern District of New York against Canadian Javelin Limited, all of the officers of that company who had been named as defendants and several of its agents, enjoining them, among other things, from offering to sell or selling the common capital stock of Canadian Javelin in violation of the registration requirements of the Securities Act of 1933. The said defendants also were enjoined in this action from further violation of the fraud prohibitions and anti-manipulative provisions of the Federal Securities Laws in the offer and sale of Canadian Javelin stock, as requested in the Commission's complaint. (For details as to the allegations in the Commission's complaint see Litigation Release No. 1332, and for details as to the provisions of the permanent injunction see Litigation Release No. 1336).

In view of the final judgment against the issuer, its controlling persons, officers and agents enjoining them from further offers and sales of Canadian Javelin stock in violations of the registration requirements of the Securities Act of 1933, the Commission concluded that it is proper to delete the stock of Canadian Javelin from the Canadian Restricted List.

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