

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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REAL ESTATE REPORTING MODIFIED. The SEC today announced the adoption of amendments to Rules 13a-15 and 15d-15 under the Securities Exchange Act (Release 34-7576) so as to provide that the Form 7-K quarterly reports filed (1) by certain real estate companies which have securities listed and registered on a national securities exchange pursuant to Section 12(b) of the Act and (2) by over-the-counter real estate companies having securities registered pursuant to the new Section 12(g), shall be due 60 days after the end of each quarter (they previously were due within 45 days) -- except that reports for the final quarter of a fiscal year may be filed within 120 days after the end of the fiscal year.

SEC JOINS LIBERTY MORTGAGE CASE. The SEC has filed notice of appearance in Chapter X proceedings for the reorganization of Liberty Mortgage Corporation pending in the Federal court in Cleveland. The debtor filed its Chapter X petition after the court had granted a Commission motion to dismiss prior Chapter XI arrangement proceedings. The debtor is engaged in the real estate business and owns approximately one thousand properties located in the Cleveland metropolitan area. According to the balance sheet attached to the Chapter X petition, its assets as at December 31, 1964 totaled \$11,789,000, including mortgages and land contracts receivable of \$9,149,000 and investment property of \$1,300,000. The liabilities totaled \$11,103,000, including mortgages payable of \$7,581,000 and investment notes payable of \$2,024,000. The mortgages payable are held by banks and savings and loan institutions in the Cleveland metropolitan area. Substantially all the investment notes were sold within the last two years to approximately nine hundred investors. They bear interest rates varying from 5-1/4% to 8% and are payable within one to five years. The Debtor's common stock is closely held.

CORPORATE WORKING CAPITAL UP. The SEC announced (for April 15th newspapers) that the net working capital of U. S. corporations, excluding banks and insurance companies, rose \$9.9 billion in 1964 and at year-end amounted to \$161.1 billion. The gain in working capital in 1964 compares with an increase of \$8.4 billion in 1963 and \$7.2 billion in 1962. The rise last year reflected a gain of \$21.1 billion in current assets partly offset by an increase of \$11.1 billion in current liabilities.

CANADA GENERAL FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4220) declaring that Canada General Fund, Limited, Boston, Mass., has ceased to be an investment company.

CHARTERS & CO. ENJOINED. The SEC Atlanta Regional Office announced April 5 (LR-3189) the entry of a Federal court order (USDC Miami) permanently enjoining Charters & Co. of Miami, Inc., from further violations of the net capital rule of the Securities Exchange Act.

LORDS BANK AND TRUST, OFFICERS ENJOINED. The SEC Atlanta Regional Office announced April 7 (LR-3190) the entry of a Federal court order (USDC Miami) permanently enjoining, be default, Lords Bank and Trust Company, Ltd. (a Bahamian bank), Joseph Ryan Missett (board chairman) of Golden Beach, Fla., and Stephen James Dinneen (managing director) of Miami, Fla., from further violations of the Securities Act registration and anti-fraud provisions in the sale of certificates of deposit of Lords Bank and Trust Co.

BASIN OIL DEVELOPMENT, OTHERS ENJOINED. The SEC Chicago Regional Office announced April 9 (LR-3191) the entry of a Federal court order (USDC ED Ill.) permanently enjoining Basin Oil Development Co., Clay City, Ill., Leonard S. Rister, Olney, Ill., and Robert H. Billingsley, Clay City, Ill., from further violations of the Securities Act registration provisions in the sale of interests in oil and gas leases located in Ohio and Illinois.

EQUITY FUNDING OF AMERICA FILES FOR SECONDARY. Equity Funding Corporation of America, 9601 Wilshire Blvd., Beverly Hills, Calif. 90210, filed a registration statement (File 2-23456) with the SEC on April 12 seeking registration of 86,888 outstanding shares of common stock, to be offered for public sale by the present holders thereof. New York Securities Co., 52 Wall St., New York 10005, is listed as the principal underwriter. The public offering price (\$9 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Delaware law in 1960, the company is primarily engaged in the sale of mutual fund shares and life insurance, either separately or in coordinated acquisition plans. Such plans involve the payment of insurance premiums with the proceeds of loans which are secured by the pledge of mutual fund shares purchased by the investor. In addition to indebtedness, it has outstanding 850,355 common shares, of which management officials own 47%. The prospectus lists 26 selling stockholders, including Pierce Rosenberg and National Industries, Inc., offering their entire stock holdings of 9,000 and 33,334 shares, respectively. The remaining selling stockholders are offering stock ranging in amounts from 75 to 4,667 shares. Stanley Goldblum is president.

OVER

STANDARD OIL FILES STOCK PLAN. Standard Oil Company, 30 Rockefeller Plaza, New York, filed a registration statement (File 2-23458) with the SEC on April 12 seeking registration of \$69,000,000 of participation in the Thrift Plans of Standard Oil Company and Participating Companies, together with 877,583 shares of capital stock that may be acquired under said plan.

ABERDEEN MFG. PROPOSES OFFERING. Aberdeen Manufacturing Corporation, 1 Park Ave., New York 10016, filed a registration statement (File 2-23459) with the SEC on April 13 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by New York Hanseatic Corp., 60 Broad St., New York 10004. The public offering price (\$11.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was organized in April 1965 under New York law to acquire the assets of Finkel Outdoor Products, Inc., and Louis Hand Inc. It designs, manufactures and sells lawn and beach umbrellas, aluminum outdoor and casual furniture, and related accessories, as well as rain umbrella frames, and curtains and drapes. The company will use approximately \$4,200,000 of the net proceeds from its stock sale, together with funds from a proposed \$2,500,000 loan, to repay interim short-term bank loans and defray costs incurred in connection with the acquisition of Hand, which was purchased for approximately \$4,125,000. The balance will be used for equipment at a new plant in Conway, S. C., and for working capital. In addition to indebtedness, the company has outstanding 364,530 common shares, of which 311,800 were exchanged for the outstanding stock of Finkel Outdoor Products and 52,730 were sold pursuant to employment contracts to six employees of Hand at \$5.50 per share. Management officials own 56.3% of the company's outstanding stock. Leonard E. Finkel is president.

DOW CHEMICAL FILES STOCK PLANS. The Dow Chemical Company, Midland, Mich. 48640, filed registration statements with the SEC on April 12 seeking registration of securities, as follows: (1) File 2-23460 - 1,000 shares of common stock to be offered under the company's 1965-66 Dow Badische Employees' Stock Purchase Plan; (2) File 2-23461 - 1,000 common shares to be offered pursuant to its 1965-66 Ethyl-Dow Employees' Stock Purchase Plan; and (3) File 2-23462 - 15,000 common shares to be offered under the 1965-66 Dow Corning Employees' Stock Purchase Plan.

ELECTRONIC ASSOCIATES FILES STOCK PLANS. Electronic Associates, Inc., West Long Branch, N. J., filed a registration statement (File 2-23463) with the SEC on April 12 seeking registration of 60,344 shares of capital stock, to be offered pursuant to the company's Qualified Stock Option Plan and Officer and Key Associate Options.

AMERICAN MUTUAL FUNDS SERVICE REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7573) revoking the broker-dealer registration of American Mutual Funds Service, Inc. ("registrant," now known as E. H. Jansen Co.) of Mercantile National Bank Bldg., Miami Beach, Fla., for violations of the anti-fraud, net capital, registration and reporting provisions of the Federal securities laws. Benjamin J. Merkle, Edward H. Jansen, William R. Bowman, and Louis Vernell were each found a cause of the revocation order.

According to the decision, the registrant's operations which had been dormant since July 1959 were re-activated by Vernell in September 1961, at which time he acquired without consideration the stock holdings of Gerald M. Menaker and Stanford Pierce (president and secretary-treasurer, respectively) and became the registrant's sole stockholder and president. He engaged Merkle and Bowman to establish an office for such business. The Commission found that during the period September 14 - October 31, 1961, the firm, aided and abetted by Merkle, effected securities transactions while insolvent and in violation of the minimum net capital requirements and failed to maintain required records. Vernell, asserting that he was unaware of the registrant's activities during this period, resigned as president on October 31, 1961, and transferred his stock to Jansen in exchange for funds to pay amounts owed to customers. Bowman then became president and Jansen, as secretary-treasurer and a director, assumed full charge of the firm. Although still insolvent as of November 26, 1961, registrant (aided and abetted by Jansen and Bowman) continued to effect securities transactions. No amendments to registrant's registration were filed to indicate that the firm had been inactive from 1959 until Vernell resumed its business, or to reflect the changes in company officials and the change in the firm's name. Additionally, no financial reports were filed for the years 1960 and 1961.

LOUIS JESSOP BARLOW REGISTRATION DENIED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7574) denying an application of Louis Jessop Barlow, doing business as Louis J. Barlow & Co., for broker-dealer registration. The order also barred him from being associated with any broker or dealer.

The Commission's actions were based upon staff charges that between May 1963 and February 1964 Barlow sold unregistered common stock of National Land Corporation and made false and misleading statements in a report of sales of such stock filed with the Commission pursuant to a Regulation A exemption under the Securities Act. Barlow entered into a stipulation, in which, without admitting or denying the allegations in the order for proceedings, he consented to the entry of the order which would bar him from being associated with or becoming a broker or dealer.

SECURITIES ACT REGISTRATIONS. Effective April 13: Clinton Oil Co., 2-23263 (May 24).
Effective April 14: Capital Bancshares, Inc., 2-23067 (90 days); Globe Life and Accident Insurance Co., 2-23199 (July 14); Haven Life Insurance Co., 2-23192 (July 14); Jackes - Evans Manufacturing Co., 2-23213 (90 days); James Talcott, Inc., (File 2-23223).

NOTE TO DEALERS. The last date or the period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.