

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 October 23, 1964

INVESTMENT COMPANY DATA PUBLISHED. The SEC Division of Corporate Regulation has prepared a 129-page report entitled "Classification, Assets and Location of Registered Investment Companies as of June 30, 1964." Of the 731 registered investment companies listed, 617 are active and 114 are inactive (companies in the process of being liquidated or merged, or which have otherwise gone out of existence, but remain registered until an order of deregistration is issued by the Commission). According to the study, 512 companies with assets of \$20 billion (at market value) were registered at June 30, 1959, 570 with assets of \$23.5 billion at June 30, 1960, 663 with assets of \$29 billion at June 30, 1961, 727 with assets of \$27.3 billion at June 30, 1962, 727 with assets of \$36 billion at June 30, 1963, and 731 with assets of \$41.6 billion at June 30, 1964.

Copies of the report are available for inspection at the Washington office of the Commission and in its several Regional and Branch Offices. Copies may be purchased at a cost of \$10.32 plus postage.

KANE-MILLER PROPOSES OFFERING. Kane-Miller Corp., 81 Clinton St., Yonkers, N. Y., filed a registration statement (File 2-22863) with the SEC on October 21 seeking registration of 135,000 shares of common stock, to be offered for public sale through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a wholesaler and distributor of canned and similarly processed foods to institutional customers within a radius of 100 miles of New York City. It also sells fresh and frozen produce, specialty foods and some non-food products, including soaps, detergents, cleaning agents and paper products. Of the net proceeds from its stock sale, approximately \$950,000 will be used to reduce \$1,200,000 of bank indebtedness and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 338,900 common shares, of which management officials as a group own 63% (including 30% owned by Stanley B. Kane, board chairman, and 30% by Daniel Kane, president).

ESS-KAY ENTERPRISES PROPOSES OFFERING. Ess-Kay Enterprises, Inc., Bank of Georgia Bldg., Atlanta, filed a registration statement (File 2-22865) with the SEC on October 21 seeking registration of 30,000 shares of common stock, to be offered for public sale at \$15 per share through company officials.

The company is engaged in the business of purchasing and holding commercial building and apartment houses, and developing acreage and other types of real estate located in the Atlanta area. Net proceeds from its stock sale will be used for such real-estate investment purposes, as opportunities arise. In addition to indebtedness, the company has outstanding 18,561 common shares, of which management officials as a group own approximately 38.6% (purchased for \$61,040). The balance of the outstanding stock was sold for \$119,472. Howard E. Klein is president of the company and owner of its real estate agent, Howard E. Klein & Associates, Inc.

TRANS CONTINENTAL LIFE INS. FILES RIGHTS OFFERING. Trans Continental Life Insurance Company, 1633 Central St., Evanston, Ill., filed a registration statement (File 2-22866) with the SEC on October 22 seeking registration of 173,767 shares of common stock. The shares are to be offered to its stockholders at the rate of two new shares for each five shares held on October 31, 1964. The offering is to be made through Cantor, Fitzgerald & Co., Inc., 232 N. Canon Dr., Beverly Hills, Calif., which will receive 6% of the purchase price of shares for which rights are exercised by November 15, 1964 and 10% of the purchase price of the remaining shares. In addition, the underwriter has been granted a 5-year option to purchase 15,000 common shares, exercisable initially at \$8 per share.

The company sells life insurance and accident and health insurance. The prospectus indicates that the company has incurred operating deficits aggregating \$1,114,874 from its inception in 1958 through 1963. An additional operating loss of \$366,518 was incurred between January 1 and July 31, 1964. Net proceeds from the stock sale will be added to the company's capital and surplus and used to conduct its business. The company has outstanding 434,418½ common shares, of which management officials as a group own 29.82%. Anthony A. Varese is board chairman and Allen A. Freeman is president.

CALLERY-KNIGHT GROVES PROPOSES OFFERING. Callery-Knight Groves, 375 Park Ave., New York, filed a registration statement (File 2-22867) with the SEC on October 22 seeking registration of 125 units of interests in its Limited Partnership. The offering at \$140,000 per unit is to be made to selected persons on a best-efforts basis through the General Partners and employees of the Partnership. Units may also be offered through certain registered security dealers, who will receive a maximum commission of \$2,500 per unit. The offering is conditional upon the subscription for 60 units by March 1, 1965. The Partnership was organized in October 1964 under New York law for the purposes of acquiring certain property in Palm Beach County, Fla., and developing and operating it as a commercial citrus grove. Francis A. Callery, Harry W. Knight, Grant E. Judge and Citrus Management, Inc., a Delaware corporation, are the General Partners. Judge, the Managing Partner, will manage the operations of the Partnership.

TROY PAUL ODOM ENJOINED. The SEC Atlanta Regional Office announced October 19 (LR-3057) the entry of a Federal court order (USDC MD Fla.) permanently enjoining Troy Paul Odom, dba Paul Odom & Associates, Orlando, Fla., from violating the Securities Exchange Act broker-dealer registration provisions. Odom consented to the order.

OVER

PARROTT, BREHMER, OTHERS ENJOINED. The SEC Denver Regional Office announced October 19 (LR-3058) the entry of a Federal court order (USDC Col.) enjoining Forrest Parrott, Donald Parrott, A. L. Parrott, Alfred O. Brehmer, J. A. Brehmer (aka J. A. Adamson), National Bond and Share Corp., Leland S. Vance, Frank J. Thelen and Ampet Corp., from further violating Sections 5(a) and (c) and 17(a) of the Securities Act in the sale of stock of Ampet Corp. and Petron Corp. The defendants consented to the order.

COMPLAINT CITES LORDS BANK AND TRUST, OTHERS. The SEC Atlanta Regional Office announced October 19 (LR-3059) the filing of a complaint (USDC SD Fla.) seeking to enjoin Lords Bank and Trust Co., Ltd., a Bahamian corporation, Joseph Ryan Missett and Stephen James Dinneen, of Miami, and John B. Sanders, of Lake Charles, La., from further violations of the Securities Act registration and anti-fraud provisions in the sale of certificates of deposit of Lords Bank. A temporary restraining order was issued.

RICHARD S. WEIL ENJOINED. The SEC Washington Regional Office announced October 20 (LR-3060) the entry of a Federal court order (USDC DC) permanently enjoining Richard S. Weil from further violations of the anti-fraud provisions, and financial-reporting, bookkeeping and other requirements of the Federal securities laws. Weil consented to the injunction.

BATTEN CONVICTIONS AFFIRMED. The SEC Washington Regional Office announced October 20 (LR-3061) that the U. S. Court of Appeals affirmed the convictions of Franklin L. Batten on counts of obstruction of justice and subornation of perjury in connection with an SEC investigation of Batten & Co.

DIVERSIFIED SECURITIES, OTHERS ENJOINED. The SEC San Francisco Regional Office announced October 20 (LR-3062) the entry of a Federal court order (USDC SD Calif.) permanently enjoining Diversified Securities Corporation, Leon Kimel, Donald A. Forsblade (officers of Diversified Securities), Assurance Investment Company and Harold M. Pelton from further violating the Securities Act registration requirements in the sale of Kramer-American Corp. securities. The injunction was entered with the consent of Assurance Investment and Pelton, and by reason of default of the other defendants.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the October 2 News Digest.

8K Sept. 1964

Illinois Bell Tel. Co (13)
Silver Creek Precision Corp (3)
United Fruit Co (12)

Oxford Paper Co (12)

Canadian Industrial Gas Ltd (7)

Madison National Life Insur. Co of Wisconsin
(August 1964) (3,11,12,13)

International Silver Co (2,13)
Old Town Corp (6,12)
Spiegel Inc (7)
Terryphone Corp (2,11,13)

Premier Industrial Corp (2,4,7,13)
Rochester Gas & Electric Corp (7,13)

General Motors Corp (3)
Ryder System, Inc (12)

Mississippi River Fuel Corp (2,13)
Ohio Brass Co (3)
Peoples Gas Light & Coke Co (7,10,12)
Vernitron Corp (3)

L. S. Starrett Co (11,12,13)
Wabash Railroad Co (12,13)

H. L. Klion, Inc (N.Y.) (12,13)
Tandy Corp (13)

Collins Radio Co (12)
McCord Corp (July 1964) (4,7,13)

St. Joseph Lead Co (7)

General Elec. Co (3)

Texas & Pacific Railway Co (2,13)

Remco Ind, Inc (May 1963) (11)
(May 1964) (11)

Lynch Corp (1,4,7,8,9,11,12,13)

American M.A.R.C. Inc (3,11)

American Optical Co (7,10)

Calif. Financial Corp (12)

Diamond Alkali Co (11,13)

Becton, Dickinson & Co

Amend #1 to 8K for Juny 1964 (13)

McCulloch Oil Corp of Calif.

Amend #1 to 8K for Jan. 1964 (7,13)

Amend #2 to 8K for June 1964 (7,13)

Amend #2 to 1 8K for Dec. 1963 (7,13)

SECURITIES ACT REGISTRATIONS. Effective October 23: The Udyllite Corp. (File 2-22660).

*As estimated for purposes of computing the registration fee.