

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.

(In ordering full text of Releases from Publications Unit, cite number)

(Issue No. 64-12-12)

FOR RELEASE December 16, 1964

MICHAELY NAMED DIVISION CHIEF COUNSEL. Chairman Manuel F. Cohen of the Securities and Exchange Commission today announced the appointment of George P. Michaely, Jr. as Chief Counsel of the Division of Corporation Finance. This position was held by Harold V. Lese until his recent appointment as Associate Director of the Division of Corporate Regulation. Mr. Michaely was born in Gary, Indiana in 1926. He is a graduate of the University of Notre Dame, holding a degree of Bachelor of Science in Mathematics. He obtained his LL.B. from the Notre Dame Law School in June 1956, and was admitted to the Bar of the Supreme Court of the State of Indiana in December of that year. From July 1956 until July 1957 he served as administrative assistant to the Dean of the Notre Dame Law School, during which time he taught a course in Contracts in addition to assisting the Dean in various administrative matters. Mr. Michaely joined the Commission's staff in July 1957 as an Attorney Adviser in the Office of the General Counsel, and, with the exception of one year during which he was employed as Tax Counsel by the Western and Southern Life Insurance Company of Cincinnati, Ohio, has been associated continuously with that office. He has been appointed to successively more responsible positions in that office and has been concerned primarily with appellate litigation and legislative matters. In November 1961 he was promoted to the position of Special Counsel. Mr. Michaely and his wife, the former Therese Reiter of South Bend, Indiana, reside with their eight children in Vienna, Virginia.

CANADIAN RESTRICTED LIST. The SEC has removed Kukatush Mining Corporation, Ltd., from its Canadian Restricted List. The list now comprises the names of 135 Canadian companies whose securities the Commission has reason to believe recently have been or currently are being distributed in the United States in violation of the registration requirements of the Securities Act of 1933, thus depriving investors of the financial and other information essential to an informed and realistic evaluation of the worth of the securities which registration would provide. The deletion of a security from this list does not mean that the Commission has in any way considered the investment merits of the security since the Commission has no jurisdiction to pass upon the merits of the securities.

AMERICAN NATURAL GAS SERVICE SEEKS ORDER. American Natural Gas Service Company and its parent company, American Natural Gas Company, both of Detroit, have applied to the SEC for an order under the Holding Company Act with respect to proposed modifications of the service company's organization and conduct of business and with respect to related sales and acquisitions of securities and other assets, and the Commission has issued an order (Release 35-15164) giving interested persons until January 8, 1965, to request a hearing thereon. The application requests authorization by the Commission of the proposed sale by the service company, which is a wholly-owned subsidiary of American Natural Gas Company, to the latter company, of 500 shares of the service company's authorized but unissued capital stock at the aggregate par value thereof of \$50,000 and long-term unsecured notes at the aggregate principal amount thereof of \$450,000. The application also requests authorization by the Commission of the proposed acquisition by the service company of electronic data-processing equipment from associate operating companies in the American Natural Gas system, the centralization of all data-processing functions of the system in the service company, and the inclusion in the service company's service charges to associate system companies of an overall return on its capitalization of 6-1/2 percent per annum after taxes.

WORLDWIDE FUND SEEKS ORDER. Worldwide Fund Limited, 60 Broad St., New York, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company, and the Commission has issued an order (Release IC-4100) giving interested persons until December 30 to request a hearing thereon. According to the application, Worldwide Fund does not presently propose a public offering of its securities and its 10,440 outstanding shares of common stock are owned beneficially by 48 persons.

UNITED CORP. RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4101) authorizing William G. Rector, Cleveland, to sell 17,987 shares of common stock of True Temper Corporation to The United Corporation, New York, at the market price current at the time of sale. According to the application, United owns 504,226 (44.22%) of the outstanding common shares of True Temper, and Rector owns 18,987 shares. Rector, a retired president of True Temper, now serves as a consultant to that company.

VERBRYCK, LAROS & CO. AND PRESIDENT RESTRAINED. The SEC San Francisco Regional Office announced December 10 (LR-3108) the entry of a Federal court order (USDC Los Angeles) temporarily restraining Verbruyck, Laros, and Co., Inc., of Long Beach, Calif., and George G. Verbruyck III, its president and sole stockholder, from further violations of provisions of the Securities Exchange Act.

OVER

WESTMORE OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Westmore, Inc., 137 South Ave., Fanwood, N. J. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed in December 1960, Westmore proposed the public offering of 150,000 shares of its common stock at \$2 per share. The Commission asserts in its suspension order that it has "reasonable cause to believe" that the offering circular and report of sales contained misrepresentations with respect to certain material facts, including the proposed use of proceeds from the offering, the company's line of business, its capital structure, proposed mergers and the listing of underwriters. The order also alleges that Westmore violated the terms and conditions of Regulation A by purchasing from a director non-exempted Westmore stock that was to be held in escrow for a period of one year from the date of the offering circular.

HEAD SKI CO. PROPOSES OFFERING. Head Ski Company, Inc., 15 W. Aylesbury Rd., Timonium, Md., filed a registration statement (File 2-23011) with the SEC on December 15 seeking registration of \$2,125,000 of convertible subordinated debentures, due 1985, and 42,500 shares of common stock. The securities are to be offered for public sale in units consisting of \$50 principal amount of debentures and one common share. W. E. Hutton & Co., 14 Wall St., New York, is listed as the principal underwriter. The interest rate, public offering price (\$87.25 per unit maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures metal skis under the name "Head Skis". It also fabricates and distributes a line of ski poles and certain service accessories. The net proceeds from this financing will be used to repay a bank loan in the principal amount of \$1,800,000 and will be added to general funds to support anticipated seasonal requirements for inventories and to carry accounts receivable. The company used the funds from the said loan to refinance its outstanding 5-7/8% subordinated note and 5-3/4% junior subordinated convertible note, and to retire a warrant for the purchase of 22,500 common shares. In addition to indebtedness, the company has outstanding 388,800 common shares, of which management officials as a group own 46.1% (including 42.4% owned by Howard Head, president).

A. B. CHANCE PROPOSES DEBENTURE OFFERING. A. B. Chance Company, 210 N. Allen St., Centralia, Mo., today filed a registration statement (File 2-23012) with the SEC seeking registration of \$3,000,000 of convertible subordinated debentures due 1985. Of the debentures, \$2,750,000 are to be offered for public sale through underwriters headed by Stifel, Nicolaus & Co., Inc., 314 North Broadway, St. Louis, and the remaining \$250,000 are to be offered pursuant to the company's Employees Savings and Profit Sharing Fund. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the business of supplying electrical, utility and communication companies with line-construction materials, line-maintenance equipment and electrical apparatus used in the transmission and distribution of electric energy. It also designs and constructs hydraulic lift equipment mounted on motorized truck bodies. Of the net proceeds from its debenture sale, the company expects that approximately \$1,000,000 will be used for the construction or purchase of additional assembly and distribution facilities for its subsidiary, Pitman Manufacturing Company; approximately \$500,000 will be used to construct an additional office building at Centralia, Mo.; and the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 1,240,638 common shares, of which management officials as a group own 21%. F. Gano Chance is board chairman and Nathan A. Tolson is president.

SECURITIES ACT REGISTRATIONS. Effective December 15: Amtel, Inc. (File 2-22935); Equity Funding Corp. of America (File 2-22954); Fred Meyer, Inc. (File 2-22909); Macco Realty Co. (File 2-22897); Northern Indiana Public Service Co. (File 2-22937).

Correction: Effective December 14: Mississippi River Fuel Corp. (File 2-22964) (not River Fuel Corp., as reported in the News Digest of December 15, 1964).

*As estimated for purposes of computing the registration fee.

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