

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington 25, D.C.

A brief summary of financial proposals filed with and actions by the S.E.C.

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

(Issue No. 63-12-17)

FOR RELEASE December 24, 1963

HAYDOCK FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3870) declaring that Haydock Fund, Inc., 1200 First National Bank Bldg., Cincinnati, has ceased to be an investment company.

SECOND CONGRESS STREET FUND SEEKS ORDER. Second Congress Street Fund, Inc., 35 Congress St., Boston, has applied to the SEC for an exemption order under the Investment Company Act with respect to the initial net worth requirements of that Act; and the Commission has issued an order (Release IC-3871) giving interested persons until January 9, 1964, to request a hearing thereon. The Fund has filed a Securities Act registration statement proposing the public offering of 400,000 shares of its common stock in exchange for securities holdings of individual investors of a specified character. It seeks an order granting an exemption from the requirement that a registered investment company shall not make a public offering of securities unless it has a net worth of at least \$100,000.

MIDWEST TECHNICAL SEEKS ORDER. Midwest Technical Development Corporation, 1615 First National Bank Bldg., Minneapolis, has applied to the SEC for an exemption order under the Investment Company Act with respect to the filing of director vacancies; and the Commission has issued an order (Release IC-3872) giving interested persons until January 3, 1964, to request a hearing thereon. The company seeks an exemption which would permit its three present directors to fill at least five of the vacancies on Midwest's board of directors so as to meet the quorum requirements, such directors to serve until the March 3, 1964, annual meeting of Midwest's stockholders. Midwest's charter provides for a 15-man board of directors. The number of directors had decreased to nine individuals on December 13, 1963, including six individuals who were defendants in a court action instituted by the Commission against Midwest, et al, in May 1962. On December 13, 1963, the court entered a final decree enjoining the individual defendants who were currently serving as directors and officers of Midwest from violating certain specified provisions of the Investment Company Act. Thereafter, the enjoined directors and officers resigned from their positions, including six of the nine remaining directors (leaving the three directors referred to). Consequently, there are insufficient directors to constitute a quorum and the present directors are unable to transact any business until at least five director vacancies are filled.

JERSEY CENTRAL POWER RECEIVES ORDER. The SEC today issued an order under the Holding Company Act (Release 35-14986) authorizing Jersey Central Power & Light Company, Morristown, N. J. to construct, own and operate dams and other hydroelectric facilities including pumped storage power facilities, and to use condemnation powers to acquire properties required for those purposes; and to amend its charter to authorize an increase in unsecured indebtedness to be outstanding at any one time. Such amendment is subject to shareholder approval thereof.

OHIO VALLEY GAS RECEIVES ORDER. The SEC today issued an order under the Holding Company Act (Release 35-14987) authorizing the acquisition by Ohio Valley Gas Company, Columbus, Ohio (subsidiary of The Columbia Gas System, Inc.) of the outstanding securities of Portsmouth Gas Company, the merger of Portsmouth into Ohio Valley, and related transactions.

EASTERN UTILITIES ASSOCIATES RECEIVES ORDER. The SEC today issued an order under the Holding Company Act (Release 35-14988) permitting the issuance of short-term notes to banks by three subsidiaries of Eastern Utilities Associates, Boston, as follows: Blackstone Valley Gas and Electric Company (\$5,500,000), Brockton Edison Company (\$1,800,000) and Valley Gas Company (\$1,000,000). The order also permits Blackstone to borrow approximately \$1,000,000 from the parent company. The proceeds will be used by Blackstone, Brockton, and Valley to pay outstanding short-term notes which are expected, on December 27, 1963, to aggregate, respectively \$5,800,000 (including \$1,000,000 due Eastern Utilities Associates), \$1,500,000, and \$650,000, and to finance temporarily their cash requirements during the period ending December 24, 1964.

'34 ACT DECISION NUMBERED. Securities Act Release No. 4658 carried the Commission's decision involving a Regulation A filing by Space Technology and Research Corporation and a consolidated matter under the Securities Exchange Act involving Preferred Securities, Inc. The decision has been reprinted to reflect the addition thereto of Securities Exchange Act Release No. 7198.

CANADIAN PETROFINA PREFERRED DELISTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7199) granting an application of Canadian Petrofina Limited to withdraw its participating preferred stock from listing on the American Stock Exchange, effective at the opening of business December 31st.

UNLISTED TRADING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7199) granting an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of American Photocopy Equipment, Household Finance, Syntex Corp., and Yale Express System.

DATA PRODUCTS FILES FOR RIGHTS OFFERING. Data Products Corporation, 8535 Warner Drive, Culver City, Calif., filed a registration statement (File 2-21968) with the SEC on December 23d seeking registration of 324,903 shares of common stock. The company proposes to offer 319,852 shares for subscription by its common stockholders at the rate of one new share for each eight shares held. The record date, subscription price (\$9 per share maximum*) and underwriting terms are to be supplied by amendment. Crowell, Weedon & Co., of 629 S. Spring St., Los Angeles, is named principal underwriter. The remaining 5,051 shares are being offered to The Telex Corporation in settlement of a dispute over the number of shares to which it is entitled upon conversion of certain convertible debt of the company.

The company designs, develops, manufactures and sells electro-mechanical and electronic equipment used for data output and storage in electronic computers and other data handling systems, sold primarily to original equipment and system manufacturers in the data processing industry. A subsidiary furnishes expert consultation, computer programming, system analysis and other services for fees. Net proceeds of the cash sale of additional stock will be used in the amount of \$500,000 for repayment of a like amount of convertible debentures and to pay bank indebtedness (amounting to \$836,451 on December 20th) and for working capital purposes. In addition to indebtedness, the company now has outstanding 2,558,822 common shares, of which management officials own 21.8% (Erwin Tomash, president, 12%).

CONNELLY CONTAINERS FILES STOCK PLAN. Connelly Containers, Inc., Bala-Cynwyd, Pa., filed a registration statement (File 2-21942) with the SEC on December 11th (inadvertently omitted from the News Digest of that date) seeking registration of 21,052 shares of common stock, to be offered pursuant to the company's Stock Purchase Plan for 1964.

AMPEX CORP. FILES EXCHANGE PROPOSAL. Ampex Corporation, 401 Broadway, Redwood City, Calif., filed a registration statement (File 2-21969) with the SEC on December 23d seeking registration of 1,511,230 shares of capital stock. Ampex proposes to offer this stock in exchange for 80% or more of the outstanding shares of capital stock of Mandrel Industries, Inc., in the ratio of 9 shares of Ampex for each 10 shares of Mandrel. The purpose of such proposal is to effect "a pooling of interests" of the businesses of the two companies. The principal business of Ampex is the production and sale of magnetic tape, magnetic ferrite cores and magnetic tape recorders for analog, digital, visual and sound memory applications; and the principal business of Mandrel (of 2727 Kirby Drive, Houston) is the furnishing of geophysical services, and it also is a producer of precision photoelectric color sorting machines for food processing. If the exchange is consummated, according to the prospectus, the combined companies should be in a strong position with respect to development of technologies for exploration and research of the earth and its oceans, through the combination of Ampex's skills in designing precise equipment to detect, record and process information with Mandrel's operating services in geophysical exploration.

Ampex now has outstanding (in addition to indebtedness) 7,827,442 shares of capital stock and Mandrel 1,550,044 shares. Management officials of Ampex own some 1.84% of its outstanding stock; and Alexander M. Poniatoff is listed as founder and board chairman and William E. Roberts president. Management officials of Mandrel own 38.7% of its outstanding stock, including 12.6% owned by James F. Coonan, board chairman and chief executive officer.

ISRAEL FILES FINANCING PROPOSAL. State of Israel filed a registration statement (File 2-21970) with the SEC on December 23d seeking registration of \$400,000,000 of (a) Interest Bearing Bonds, denominated Fifteen Year 4% Dollar Coupon Bonds and (b) Capital Appreciation Bonds, denominated Twelve Year Dollar Savings Bonds. The securities are to be offered for public sale at 100% of their principal amount; and the offering will be made through Development Corporation for Israel, 215 Park Avenue South, New York, which will receive a 6% commission. According to the prospectus, it is proposed to devote the proceeds of this financing to investment in various economic sectors of Israel, including agriculture, housing, industry and crafts, irrigation and road building and maintenance.

POLARAD ELECTRONICS FILES STOCK PLAN. Polarad Electronics Corporation, 43-20 34th Street, Long Island City, N. Y., today filed a registration statement (File 2-21971) with the SEC seeking registration of 130,574 shares of common stock, to be offered pursuant to its 1959 and 1963 Restricted Stock Option Plans.

SECURITIES ACT REGISTRATIONS. Effective December 20: Virginia Carolina Chemical and Socony Mobil Oil Co. (File 2-21921); Consumers Cooperative Assoc. (File 2-21859). Effective December 23: EBC Industries, Inc. (File 2-20988); Royal American Industries, Inc. (File 2-21457); Farmbest, Inc. (File 2-21890); Transportation Corporation of America (File 2-21538); Apollo Industries, Inc. (File 2-21788). Withdrawn December 23: Logos Options Ltd. (File 2-20232); Enterprise Securities Fund (File 2-18316).

*As estimated for purposes of computing the registration fee.