

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. 63-8-18)

FOR RELEASE August 26, 1963

**Statistical Release No. 1921.** The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended August 23, 1963, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1963 is as follows:

	1957-59 = 100		Percent Change	1963	
	8/23/63	8/16/63		High	Low
Composite	146.0*	145.4	0.4	146.0	130.6
Manufacturing	136.9*	136.1	0.6	136.9	121.1
Durable Goods	132.4	130.9	1.1	133.3	116.2
Non-Durable Goods	141.2*	141.1	0.1	141.2	125.8
Transportation	129.9	130.4	-0.4	130.4	106.4
Utility	182.1	182.7	-0.3	182.7	170.3
Trade, Finance & Service	176.2*	174.1	1.2	176.2	153.8
Mining	132.6	133.5	-0.7	133.5	104.2

\*New High

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended August 22, 1963, 11 registration statements were filed, 15 became effective, 3 were withdrawn, 1 suspended by stop order, and 265 were pending at the week-end.

**KENNETH R. CHILDS, TWO OTHERS INDICTED.** The SEC Fort Worth Regional Office announced August 19 (LR-2721) the return of a 32-count indictment (USDC, Kansas City) charging Kenneth R. Childs, of Wichita, Kansas, Donald Jacques Harper, of Phoenix, and Edwin W. James, of Kansas City, with violations of the Securities Act registration and anti-fraud provisions in the offer and sale of common stock of Bankers Mortgage Corporation, Inc., and common stock and options of Trans World Investments, Inc.

**CLEMENT G. CAFARELLI PROBATION TERMINATED.** The SEC Denver Regional Office announced August 21 (LR-2722) that the probation of Clement G. Cafarelli, of Kearns, Utah, has been terminated following a finding by the court (USDC, Utah) that he violated probation by offering to the public his personal notes and by offering and selling stock of Gold Acres Development Company, Ltd., a Canadian company, and Nevada Eastern Resources, Inc., a Nevada company, in violation of the Securities Act registration requirements. Cafarelli was sentenced to one year and one day in federal prison. He had originally been placed on probation in January 1960 following his guilty plea to charges of violating the Securities Act registration and anti-fraud provisions in the sale of stock of Comstock-Uranium and Tungsten Company, Inc.

**JOSEPH D. VETTRAINO PLEADS GUILTY.** The SEC Chicago Regional Office announced August 23 (LR-2723) that Joseph D. Vettraino, of Detroit, withdrew his previous plea of not guilty and pleaded guilty (USDC, Detroit) to charges of violating the Securities Act anti-fraud provisions while employed as a salesman and cashier by Manley, Bennett & Company, a Detroit broker-dealer.

**SUMMIT MUTUAL FUND SEEKS ORDER.** Summit Mutual Fund, Inc., Washington, D. C. open-end investment company, 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-3757) giving interested persons until September 11, 1963 to request a hearing thereon. According to the application, pursuant to a special stockholders meeting held in March 1961 the Fund has sold its portfolio of investments for cash and after payment and/or provision for outstanding liabilities and expenses incidental to liquidation and dissolution the remaining cash has been distributed to the shareholders.

**GREATER WASHINGTON INDUSTRIAL SEEKS ORDER.** Greater Washington Industrial Investments, Inc., Washington, D.C., closed-end investment company, has applied to the SEC for an order under the Investment Company Act authorizing it to exchange a \$400,000 convertible debenture of Mount Vernon Research Company, of Virginia, for 144,000 common shares of Mt. Vernon and a \$40,000 8% note secured by certain equipment owned by Mt. Vernon; and the Commission has issued an order (Release IC-3758) giving interested persons until September 11, 1963 to request a hearing thereon. The company also proposes to grant to Mt. Vernon a five-year option to purchase 24,000 shares of Mt. Vernon stock at \$1 per share, to enable Mt. Vernon to grant options to employees with respect to such shares from time to time. As a result of these transactions, the company will have an approximate 49% equity interest in Mt. Vernon. According to the application, the transactions are of major importance to Mt. Vernon in that it will be relieved of the debenture interest charges (\$32,000 per annum) and it will have a positive net worth which is said to be essential to Mt. Vernon's ability to obtain new business and its ability to negotiate new credit which is essential to its day-to-day operation.

OVER

**NEW FUND, INC. FILES FOR STOCK OFFERING.** The New Fund, Inc., 60 East 42nd St., New York, filed a registration statement (File 2-21657) with the SEC on August 22 seeking registration of 500,000 shares of common stock, to be offered for public sale at net asset value plus a maximum 8% sales charge.

**C.I.T. FINANCIAL PROPOSES DEBENTURE OFFERING.** C.I.T. Financial Corporation, 650 Madison Ave., New York, filed a registration statement (File 2-21658) with the SEC on August 23 seeking registration of \$100,000,000 of debentures due 1984, to be offered for public sale through underwriters headed by Dillon, Read & Co., Inc., 46 William St. and Kuhn, Loeb & Co., Inc., 30 Wall St., both of New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in specialized forms of financing of retail instalment sales of goods and related dealers' inventories of goods; consumer and other loans; leasing of automobiles, machinery and equipment; factoring; writing of life, health, accident and other types of insurance; and manufacture and sale of x-ray equipment and nuclear instrumentation. The net proceeds from the debenture sale will provide additional working funds for the company and its subsidiaries, to be used initially to reduce short-term borrowings which were incurred for the purpose of purchasing receivables in the ordinary course of business. In addition to certain indebtedness and preferred stock, the company has outstanding 19,593,654 shares of common stock, of which management officials as a group own 2.89%. Henry Ittleson, Jr. is board chairman and L. Walter Lundell is president.

**UNIVERSAL MOULDED FIBER GLASS FILES FOR RIGHTS OFFERING.** Universal Moulded Fiber Glass Corp., Commonwealth Ave., Bristol, Va., filed a registration statement (File 2-21659) with the SEC on August 23 seeking registration of 738,408 shares of common stock. It is proposed to offer such stock for subscription by stockholders at the rate of three-quarters of a share for each share held of record on September 19, 1963. The subscription price (maximum \$2.50 per share\*) is to be supplied by amendment.

The company is engaged in the production and molding of plastics or related materials reinforced primarily with fiber glass. According to the prospectus, the fiber glass reinforced plastics business acquired by the company at organization in 1960 consisted mainly of the production of fiber glass reinforced plastic shapes through various conventional processes and a research program aimed at the development of processes and machinery capable of continuous production of certain fiber glass reinforced plastic shapes. Machines capable of such production have been in operation since 1961, but sale of products and volume production by these new processes have been slower than anticipated. Also, according to the prospectus, the company has encountered production problems and unanticipated costs in some of its conventional process operations; and its accumulated losses through June 30, 1963 amount to \$2,370,607. The net proceeds from the stock sale will be used to repay bank loans and to improve the company's working capital so as to strengthen its marketing, research and production efforts. In addition to certain indebtedness, the company has outstanding 144,513 shares of preference common stock and 984,545 shares of common stock (after giving effect to a proposed recapitalization), of which The Pitcairn Company, of Wilmington, owns 65.9% in the aggregate. Pitcairn has agreed to purchase all unsubscribed shares. Lachlan Pitcairn is board chairman and Charles L. Meter is president.

**CANADIAN RESTRICTED LIST.** The SEC has added Bayonne Mine Limited to its Canadian Restricted List, thus bringing to 239 the number of 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.

**UNLISTED TRADING SOUGHT.** The SEC has issued an order (Release 34-7125) giving interested persons until September 6, 1963 to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Atlas Corporation.

**DELISTING APPROVED.** The SEC has granted an application of the Midwest Stock Exchange to delist the common stock of The Coleman Company, Inc., effective at the opening of business on August 30, 1963. (Release 34-7125)

**SECURITIES ACT REGISTRATIONS. Effective August 23:** Tourist Industry Development Corp. Ltd. (Issuer) & State of Israel (Guarantor) (File 2-21255).  
**Effective August 26:** Baker Street Co. (File 2-21642); Gulf States Utilities Co. (File 2-21594); Iowa Public Service Co. (File 2-21590); Noramco, Inc. (File 2-21554).  
**Withdrawn August 23:** Gary Capital Corp. (File 2-21629).

\*As estimated for purposes of computing the registration fee.

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