

# 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 August 24, 1962

**MILLION POUND CO. FILES FOR OFFERING.** The Million Pound Company, 1545 Broadway, New York, filed a registration statement (File 2-20668) with the SEC on August 22nd seeking registration of \$400,000 of limited partnership interests (pre-formation), to be offered for public sale at \$8,000 per interest (subject to 20% involuntary overcall). No underwriting is involved.

The partnership will be formed under New York law when \$400,000 has been raised as a result of this offering. Max Allentuck will be the general partner and together with Kermit Bloomgarden Productions, Inc. will produce the dramatico-musical play tentatively entitled "Cock of the Walk," which is an adaption of a short story by Mark Twain entitled "The Million Pound Bank Note." The estimated production budget for the play is \$340,000 and the net proceeds from the sale of partnership interests will be so applied. Allentuck will be entitled to receive 50% of the net profits of the partnership (for which he will make no cash contribution), and he has agreed to pay 90% of his share of such net profits to Kermit Bloomgarden Productions. Gwen Davis and Philip Springer will write the book, words and music for the play, and they will be entitled to receive 6% of the gross weekly box office receipts for each week of performances. Allentuck is an officer of the Production company but is not a stockholder therein.

**SECURITY CREDIT SEEKS ORDER.** Security Credit Corporation, Spokane, Wash., 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-3484) giving interested persons until September 5, 1962 to request a hearing thereon. According to the application, Security Credit registered under the said Act in 1957, thereafter attempting to qualify as a face-amount certificate company. Unable to so qualify, the company refunded all money invested in such certificates and it does not propose to engage in the business of issuing face-amount certificates in the future.

**UNLISTED TRADING GRANTED.** The SEC has granted an application of the Detroit Stock Exchange (Release 34-6890) for unlisted trading privileges in the common stock of Hooker Chemical Corporation.

**FOUR DELISTINGS APPROVED.** The SEC has granted applications of the Salt Lake Stock Exchange to delist the common stocks of Western Alloys, Inc., Miller Hill Mining Company, Park-Bingham Mining Company and Commonwealth Resources Corporation, effective at the close of business September 7, 1962 (Release 34-6890).

**BLACK BEAR INDUSTRIES TRADING BAN CONTINUED.** The SEC has issued an order under the Securities Exchange Act suspending trading on the San Francisco Mining Exchange and over-the-counter market in the common stock of Black Bear Industries, Inc., for an additional ten-day period August 26 to September 4, 1962, inclusive.

**ALLEN ROBERTS ARRESTED.** The SEC Seattle Regional Office announced August 14th (Lit-2353) the arrest in Seattle that day of Allen Roberts under an indictment returned in September 1961 in Littleton, N. H., against Roberts, Kenneth H. Gregory, Canam Investments, Ltd., et al., charging violations of the anti-fraud provisions of the Securities Act in the sale of stock of St. Stephen Nickel Mines Ltd.

**AMERICAN BERYLLIUM & OIL HEARING SCHEDULED.** The SEC has scheduled a hearing for October 17, 1962, in its Denver Regional Office, to determine whether to vacate or make permanent a Commission order of July 23, 1962, temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by American Beryllium & Oil Corp. (formerly Great Divide Oil Corp.) of Salt Lake City, Utah. The company had an offering of 300,000 common shares at \$1 per share pursuant to a notification filed in October 1957. The suspension order of July 23, 1962, asserted that its offering circular was false and misleading in respect of certain material facts.

**TWO REGULATION A HEARINGS POSTPONED.** The Commission also has issued orders postponing hearings with respect to the question of vacating or making permanent Regulation A suspension orders, as follows: Professional Insurers and Investors, Ltd., hearing in Denver postponed from September 17 to October 16, 1962; and Glas Foam Corporation, hearing in Atlanta postponed from August 28 to September 28, 1962.

**RAYMOND MOORE & CO. ENJOINED.** The SEC San Francisco Regional Office announced June 15th (Lit-2354) the entry of a Federal court order (USDC, Los Angeles) permanently enjoining Raymond Moore & Co., of Beverly Hills, Calif., and its president, Raymond C. Moore, from further violations of the SEC net capital rule.

**I.P.D. FINANCIAL CORP. FILES FOR STOCK OFFERING.** I.P.D. Financial Corp., 200 West 57th Street, New York, filed a registration statement (File 2-20669) with the SEC on August 23rd seeking registration of 300,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on a best efforts basis by J. J. LeCort Associates, Inc., 99 Wall St., and Harris, Clare & Co., Inc., 82 Beaver Street, both of New York, which will receive a 52¢ per share selling commission and \$24,000 for expenses. The company's president has agreed to sell to the underwriters 15,000 Class B shares at 5¢ per share.

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The company (formerly Public Development and Financial Corp.) was organized under Delaware law in May 1962 and proposes to furnish equity capital to business concerns and to make loans to such concerns and to individuals; assist, as principal or otherwise, in arranging corporate financing; assist in arranging purchases, sales and mergers of businesses as finder or broker; and supply management, financial and other services to business concerns on a fee basis. Of the \$997,000 estimated net proceeds from the stock sale, \$927,000 will be used as working capital and the balance for executive salaries, professional services and office and administrative overhead. The company has outstanding 300,000 Class B shares (convertible share-for-share into common), of which J. Roger Wallace, president, owns 18.3% and management officials as a group 33.2%. Sale of new stock to the public at \$4 per share will result in an increase in the book value of stock now outstanding from 5¢ to \$1.69 per share with a resulting dilution of \$2.31 per share in the book equity of stock purchased by the public.

**MIDWESTERN CORP. FILES FOR STOCK OFFERING.** Midwestern Corporation, 75 Public Square, Cleveland, Ohio, filed a registration statement (File 2-20670) with the SEC on August 23rd seeking registration of 180,000 shares of common stock and 15-year warrants to purchase an additional 36,000 common shares, to be offered for public sale in units consisting of one share and one-fifth warrant (one warrant required to purchase one share at \$18 per share). The offering will be made at \$12 per unit through underwriters headed by Westheimer & Co., 326 Walnut St., Cincinnati, and Hartzmark & Co., Inc., 1710 E. Ohio Bldg., Cleveland. The underwriting terms are to be supplied by amendment.

The company was organized under Ohio law in March 1962 primarily to hold the stock of Midwestern Life Insurance Company, a legal reserve life insurance company organized under Ohio law, and an application to engage in such business has been made with the Superintendent of Insurance of Ohio. Of the \$1,944,000 estimated net proceeds from the stock sale, \$1,843,062.50 will be used to purchase 3,985 shares of the insurance subsidiary (at \$462.50 per share), and the balance will be used for working capital. The company has outstanding 6,255 shares (acquired at \$12 per share) held in equal amounts by 15 management officials. John H. Blessing, Jr., is president.

**HAWAIIAN ELECTRIC PROPOSES RIGHTS OFFERING.** The Hawaiian Electric Company, Limited, 900 Richards St., Honolulu, filed a registration statement (File 2-20671) with the SEC on August 23rd seeking registration of 315,730 shares of common stock. It is proposed to offer such stock for subscription by common stockholders at the rate of one new share for each ten shares held on September 12, 1962. The subscription price is to be supplied by amendment. No underwriting is involved. The net proceeds from the stock sale will be applied toward cost of the company's capital expenditure program estimated at \$92,761,000 for the period 1962-66. In addition to various indebtedness and preferred stock, the company has outstanding 3,157,302 shares of common stock, of which management officials as a group own 3.7%. P. E. Spalding is board chairman and Ralph B. Johnson is president.

**SEC STATEMENT ON WHARTON SCHOOL MUTUAL FUND STUDY.** The SEC released the following statement today: "The Commission had planned on August 27 to deliver to the Committee on Interstate and Foreign Commerce, House of Representatives, a report of the Wharton School of Finance and Commerce of the University of Pennsylvania entitled "A Study of Mutual Funds." The Commission had intended on August 29 to release to the public the report together with the Commission's letter of transmittal and the letter of the Wharton School transmitting the report to the Commission. Further it had been planned to hold a press conference with respect to the report at the offices of the Commission at 2:00 p.m. on August 28.

"In view of the appearance in a newspaper this morning of a feature article commenting upon the study and the fact that the public may misconstrue the position of the Commission in this matter, the Commission has determined to make its position clear by the immediate release of its letter of transmittal. The letter from the Wharton School is also being released. It is expected so far as the Commission is concerned that the publication of the report and the holding of the press conference will proceed as previously scheduled."

Copies of the two letters of transmittal will be available to the general public on and after August 29th; and copies of the report, numbering some 600 pages, will be available for purchase on and after that date from the Superintendent of Documents, Washington 25, D. C., at \$1.50 per copy.

**SECURITIES ACT REGISTRATIONS.** Effective August 23: Hamilton Management Corp. (Hamilton Fund) (File No. 2-20603). Effective August 24: Lily Lynn, Inc. (File 2-19821); Ralston Purina Co. (File 2-20645); The Stanley Works (File 2-20469); Suburban Water Service, Inc. (File 2-20538). Withdrawn August 23: Abbey Automation Systems, Inc. (File 2-18254).

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