

# 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 November 8, 1960

**IOWA POWER FILES FINANCING PROPOSAL.** Iowa Power and Light Company, 823 Walnut St., Des Moines, filed registration statements (Files 2-17273 and 2-17274) with the SEC on November 7, 1960, seeking registration of (a) 100,000 shares of common stock and (b) \$10,000,000 of First Mortgage Bonds due 1991. Both issues are to be offered for public sale at competitive bidding.

Net proceeds of this financing will be applied toward payment of short-term bank loans (estimated at \$10,000,000) incurred and to be incurred by the company as temporary financing for its construction program, with any balance being applied toward payment of other construction program costs incurred during 1960 and to be incurred during the early months of 1961. The company estimates that its construction program will involve expenditures of about \$9,500,000 for the year 1960 and \$11,000,000 for 1961.

In addition to various indebtedness and four series of preferred stock, the company now has outstanding 2,041,842 common shares, of which 10,148 shares are owned by management officials. The prospectus lists N. Bernard Gussett as board chairman and A. Paul Thompson as president.

**UNITED FUNDS SHARES IN REGISTRATION.** Waddell & Reed, Inc., Kansas City, Mo., depositor and sponsor, filed a registration statement (File 2-17275) with the SEC on November 7, 1960, seeking registration of \$50,000,000 of Periodic Investment Plans to acquire shares of United Science Fund issued by United Funds, Inc., and \$15,000,000 of Periodic Investment Plans, with insurance, to acquire such shares.

**CARL D. SCHAEFER FOUND GUILTY.** The SEC Chicago Regional Office announced November 3d (LR 1829) that Carl D. Schaefer had been found guilty (USDC ND Ill.) on all counts of a 12-count indictment charging violations of the registration and anti-fraud provisions of the Securities Act in the offer and sale of investment contracts and evidences of indebtedness relating to the completion and development of an alleged steam machine device for producing steam energy.

**INTERNATIONAL UTILITIES PROPOSES ACQUISITION.** International Utilities Corporation, New York City, has applied to the SEC under the Holding Company Act for an order authorizing its acquisition of stock of Canadian Industrial Gas Limited; and the Commission has issued an order (Release 35-14305) giving interested persons until November 21, 1960, to request a hearing thereon. Under the proposal, International will acquire 200,000 shares of the \$2.50 par common stock of Canadian Industrial at \$4 per share; and International also has an option to purchase until September 1, 1965, all or part of an additional 200,000 shares at a price of \$5 per share until March 1, 1963, and at \$6 per share thereafter and until September 1, 1965 (subject to adjustment). Canadian Industrial has outstanding 805,000 common shares. A total of 260,000 additional shares are issuable upon exercise of options by International, by another company, and by officers and employees of Canadian Industrial, at \$5.00 per share. In addition, 37,651 shares are issuable upon conversion of Canadian Industrial's 5% Convertible Debentures at a price of approximately \$20.00 per share. After International's initial purchase of 200,000 shares at \$4.00 per share, said debentures will become convertible into 44,776 shares at a price of approximately \$16.75 per share. Canadian Industrial, directly and through three wholly-owned subsidiaries, is engaged in the production, purchase, transmission and sale of natural gas, and the production and sale of gasoline and oil. Its direct operations and those of two subsidiaries are entirely in Canada. The remaining subsidiary is a Delaware corporation which produces and sells oil in Oklahoma and natural gas in Ohio.

**OHIO EDISON PROPOSES PENSION PLAN AMENDMENT.** Ohio Edison Company, Akron, Ohio, has filed a declaration with the SEC under the Holding Company Act with respect to the solicitation of proxies in connection with a proposal to amend its pension plan for employees; and the Commission has issued an order (Release 35-14306) giving interested persons until November 17, 1960, to request a hearing thereon.

**UTAHCAN HEARING SCHEDULED.** At the request of Utahcan, Inc., Spokane, Wash., the SEC has scheduled a hearing for November 29, 1960, in the Federal Building in Spokane to determine whether to vacate or make permanent a prior order of the Commission temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public stock offering by Utahcan. In its temporary suspension order, the Commission asserted among other things that Utahcan's offering circular was false and misleading in respect  
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For further details, call WOrth 3-5526

**EDSCO MANUFACTURING HEARING SCHEDULED.** At the request of Edsco Manufacturing Co., Inc., Vancouver, Wash., the Commission also has scheduled a hearing for December 5, 1960, in the Clark County Courthouse in Vancouver to determine whether an order temporarily suspending a Regulation A exemption from registration with respect to a stock offering by Edsco should be vacated or made permanent. The temporary suspension order asserted among other things that Edsco's offering circular was false and misleading in respect of certain material facts.

**CANADIAN RESTRICTED LIST.** The SEC has added Canford Explorations Ltd., Crusade Petroleum Corp. Ltd., and Success Mines Ltd., to its Canadian Restricted List. The list now comprises the names of 233 Canadian companies whose securities 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 (Release 33-4296).

**BOEING AIRPLANE CO. FILES STOCK PLAN.** Boeing Airplane Company, 7755 East Marginal Way, Seattle, Wash., filed a registration statement (File 2-17276) with the SEC on November 7, 1960, seeking registration of 234,315 shares of capital stock, to be offered to officers and key employees pursuant to the company's Stock Option Plan.

**SELECTED INSURANCE & FINANCIAL EQUITIES TRUST FUND FILES FOR OFFERING.** Selected Insurance and Financial Equities Trust Fund, 611 Bank of American Building, San Diego, Calif., filed a registration statement (File 2-17277) with the SEC on November 7, 1960, seeking registration of \$2,000,000 of participating agreements (Single Payment Plan and Accumulative Plan), to be offered for public sale through the Fund's management company, Selected Insurance and Financial Equities, of California. The Single Payment Plan will be available in standard certificates of \$5,000 or in smaller or larger certificates to suit the convenience of the individual investor, but with a minimum certificate of \$1,000. The Accumulative Plan will be available in standard certificates specifying an Investment Goal of \$5,000 or in certificates specifying smaller or larger goals with a minimum Goal of \$1,200. The minimum initial investment under the latter plan can be \$120 with monthly investments of \$20.

Organized under California law in September 1960, the Fund is an open-end, diversified, investment company, and is registered as such under the Investment Company Act of 1940. The initial board of directors for the Fund are also directors for the management company and include Byron F. White and Charles W. Froehlick, Jr.

**SEC TO PARTICIPATE IN FLEETWOOD MOTEL REORGANIZATION.** The SEC has filed a notice of appearance in the proceeding under Chapter X of the Bankruptcy Act for the reorganization of Fleetwood Motel Corporation, pending in the United States District Court for the District of New Jersey. Fleetwood Motel (the "debtor") filed a voluntary petition for reorganization on September 26, 1960 and Judge Thomas M. Madden entered an order approving the petition on September 27th. The debtor is a Pennsylvania corporation which owns and operates a six-story 125 unit hotel, known as the "La Concha", in Atlantic City, New Jersey. As of May 31, 1960, its assets were reported to be \$1,643,530 and its liabilities \$1,551,683, including \$274,700 principal amount of convertible 10-year 6% debentures held by 164 persons. The debtor has issued and outstanding 287,223 shares of Class A stock held by 471 persons and 72,416 shares of Class B stock held by 41 persons.

**HANOVER FUND OF BOSTON FILES FOR OFFERING.** The Hanover Fund of Boston, Inc., 75 Federal Street, Boston, Mass., filed a registration statement (File 2-17278) with the SEC on November 7, 1960, seeking registration of 150,000 shares of capital stock, to be offered for public sale through the Fund's Investment Adviser, Hanover Management Corp., of Boston. The purchase price of the shares will be their net asset value in effect at the time of purchase plus an underwriting commission ranging from 7-3/4% on purchase of less than \$7,500 to 2.5% on \$100,000 or more.

The Fund is an open end investment company. Michael A. Harris is listed as the Fund's president and owner of 77.6% of the outstanding stock of its investment adviser.

**DOW CHEMICAL FILES STOCK PLAN.** The Dow Chemical Company, Midland, Mich., filed a registration statement (File 2-17279) with the SEC on November 7, 1960, seeking registration of 21,826 shares of common stock, to be offered to certain employees of the company pursuant to its Substitute Restricted Stock Option Agreement.

**EL PASO NATURAL GAS FILES SAVINGS PLAN.** El Paso Natural Gas Company, 40 Wall Street, New York, filed a registration statement (File 2-17280) with the SEC on November 7, 1960, seeking registration of 250,552 shares of common stock, 60,776 shares of \$5 Convertible Second Preferred Stock, Series of 1957, no par value, \$4.875 Convertible Second Preferred Stock, Series 1958, no par value, and \$5,391,000 principal amount of 5 1/2% Convertible Debentures due September 1, 1977, to be offered to employees of the company, its subsidiary and affiliated companies pursuant to its Employees Savings Plan.

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