

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 July 26, 1960

A. J. RAIBLE PLEADS GUILTY. The SEC Chicago Regional Administrator announced July 25th that on July 22nd Arthur J. Raible withdrew his previous plea of not guilty and pleaded guilty to a Federal court indictment (USDC, Cincinnati) charging violations of anti-fraud provisions of Securities Act, mail fraud, and fraud by wire statutes in offer and sale of investment contracts and other securities relating to purported stock options granted by the Briggs Manufacturing Company (LR-1734).

INVESTORS SYNDICATE AMENDS DEPOSIT AGREEMENT. Investors Syndicate of America, Inc., Minneapolis face-amount certificate company, has applied to the SEC for approval of an amendment to a depositary agreement executed in connection with the proposed issuance and sale by Investors Syndicate of Single Payment Certificates, Series C; and the Commission has issued an order (Release 40-3081) giving interested persons until August 12, 1960, to request a hearing thereon. The Series C Certificates are being registered under the Securities Act of 1933. Under the amended depositary agreement, for which approval is being sought, Investors Syndicate undertakes to deposit and maintain with The Marquette National Bank qualified investments and reserves as required by Section 28 of the Act with the respect to the new Series C certificates upon the terms and conditions specified in said agreement.

YUSCARAN MINING HEARING POSTPONED. At the request of counsel for Yuscaran Mining Company, Inc., Coral Gables, Fla., the SEC has authorized a postponement from July 27 to August 29, 1960, of the hearing in proceedings under the Securities Act of 1933 to determine whether a stop order should be issued suspending the registration statement of said company which proposed the public offering of 1,000,000 common shares at \$1 per share.

IRVING FUND FILES FOR OFFERING. Irving Fund for Investment in United States Government Securities, Inc., 50 Broad St., New York, filed a registration statement (File 2-16833) with the SEC on July 22, 1960, seeking registration of 400,000 shares of common stock, to be offered for public sale at \$25 per share. The company was organized under Delaware law on June 22, 1960 as a diversified investment company. It will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. The purpose of the Fund is said to be to provide individuals and institutions with a complete program for investment in United States Government securities. Investments will be under the management of Capital Advisors, Inc., an affiliate. The prospectus names J. Irving Weiss as president of the Fund.

MICHIGAN BELL TELEPHONE PROPOSED DEBENTURE OFFERING. Michigan Bell Telephone Company, 1365 Cass Ave., Detroit, filed a registration statement (File 2-16836) with the SEC on July 25, 1960, seeking registration of \$35,000,000 of Thirty-six Year Debentures due 1996, to be offered for public sale at competitive bidding. Most of the net proceeds thereof will be used to repay outstanding advances from American Telephone and Telegraph Company, parent, which are expected to approximate \$32,000,000 at the time such proceeds are received. The remainder will be used for general corporate purposes, including property additions and improvements.

NATIONAL CONSOLIDATED DEVELOPMENT PROPOSES OFFERING. National Consolidated Development Corporation, South 1403 Grand Ave., Spokane, Wash., filed a registration statement (File 2-16832) with the SEC on July 25, 1960, seeking registration of 70,000 shares of Class B common (non-voting) stock, to be offered for public sale through authorized and qualified brokers at \$100 per share. Underwriting discounts and commissions will amount to \$20 per share.

The company was organized under Washington law in December 1959 for the primary purpose of acquiring business properties and operating, leasing or selling them for profit. Present plans call for the acquisition and building of shopping centers in Phoenix, Arizona, and elsewhere, and thereafter to manage and operate, or to lease them. The promoters, Herman Dennler, A. F. Canwell, and Harm H. Schlomer, president, vice-president, and secretary-treasurer, respectively, received the 10,001 outstanding shares of Class A (voting) stock for services rendered in organizing the company, investigation of properties in Arizona, and planning of the shopping center; and Dennler and Schlomer each hold options to acquire 10,000 additional Class A shares at \$1 per share.

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Net proceeds of the sale of the Class B shares are to be devoted mainly to the development of shopping centers. The cost of property sites is estimated at \$400,000 and of constructing each shopping center \$2,557,336.

KYSOR HEATER FILES STOCK PLAN. Kysor Heater Company, 1100 W. Wright St., Cadillac, Mich., filed a registration statement (File 2-16838) with the SEC on July 25, 1960, seeking registration of 24,200 shares of common stock, which shares are subject to the company's Stock Option and Bonus Plan.

HAWAIIAN ELECTRIC PROPOSES RIGHTS OFFERING. The Hawaiian Electric Company, Ltd., 900 Richards Street, Honolulu, Hawaii, filed a registration statement (File 2-16837) with the SEC on July 25, 1960, seeking registration of 116,463 shares of common stock, to be offered for subscription by holders of outstanding common stock in the ratio of one new share for each eight shares held. The record date and subscription price are to be supplied by amendment. No underwriting is involved.

Net proceeds of the stock sale will become part of the general funds of the company and will be applied toward the cost of capital expenditures. Following such sale the company proposes to retire short term bank loans obtained for temporary financing of its construction program. Further financing through issuance of 250,000 shares of \$20 par preferred stock is contemplated. Capital expenditures for the period 1960-64 are estimated at \$86,173,000, of which \$15,548,000 is expected to be expended in 1960.

GREAT ATLANTIC & PACIFIC TEA COMPANY FILES THRIFT PLAN. The Great Atlantic & Pacific Tea Company, Inc., 420 Lexington Avenue, New York, filed a registration statement (File 2-16834) with the SEC on July 22, 1960, seeking registration of 60,290 shares of common stock, to be offered to employees pursuant to its Employees' Thrift Plan.

TIMELY CLOTHES PROPOSES DEBENTURE OFFERING. Timely Clothes, Inc., 1415 Clinton Avenue North, Rochester, N. Y., filed a registration statement (File 2-16835) with the SEC on July 25, 1960, seeking registration of \$840,000 of Convertible Subordinated Debentures due 1980, to be offered at 100% of principal amount to holders of its common stock at the rate of \$100 principal amount of debentures for each 16-2/3 shares held of record. The underwriters, headed by Cartwright & Parmelee, will receive a 1 1/2% to 6% commission depending upon the number of stockholder subscriptions. The record date and interest rate are to be supplied by amendment.

The company is engaged in the manufacture and sale of men's clothing, and, through two wholly-owned subsidiaries, operates ten retail clothing stores. Of the net proceeds from the debenture sale, at least two-thirds will be used to reduce existing short term bank loans and the balance will be added to working capital.

In addition to certain indebtedness, the company has outstanding 140,000 common shares, of which 19,109 shares are owned by the company's officers and directors as a group. The prospectus lists Frederick G. Cartwright as board chairman and George N. Kaye as president.

PHOENIX SECURITIES TEMPORARILY ENJOINED. The SEC New York Regional Office announced July 22, 1960 (LR-1735) entry of a Federal court order (USDC NJ) preliminarily enjoining Charles E. Cohn and Henry S. Giannetti, Sr., a partnership doing business as Phoenix Securities, from further violations of the Commission's net capital and bookkeeping rules.

DEL ELECTRONICS PROPOSES OFFERING. Del Electronics Corp., 521 Homestead Ave., Mount Vernon, N. Y., today filed a registration statement (File 2-16839) with the SEC seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made on an all or none basis by a group of underwriters headed by Standard Securities Corporation and Bruno-Lenchner, Inc., who will receive a commission of 50¢ per share plus \$10,000 for expenses. The underwriters also may purchase 20,000 three-year stock purchase warrants at 1¢ per warrant, exercisable at \$4 per share. Standard Securities has purchased an additional 6,000 shares from other stockholders for \$600.

The company is principally engaged in the engineering, design, development, manufacture, assembly and sale of high voltage power supplies, transformers, chokes and reactors. In addition to certain indebtedness, it has outstanding 205,000 shares of common stock. Net proceeds of its sale of the additional 100,000 shares will be used as follows: \$25,000 to finance the removal and installation of machinery and equipment in larger quarters; \$50,000 to purchase and install new machinery and equipment required in an expansion program; and the \$250,000 balance for working capital.

The prospectus lists Joseph G. Delcau as president. He and two other officers, Hugo J. DiGiovanni and Raymond Kaufman, own 63,050 shares each of the outstanding stock.