

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 May 27, 1963

Statistical Release No. 1903. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended May 24, 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	
	5/24/63	5/17/63		High	Low
Composite	142.5	143.0	-0.3	143.7	130.6
Manufacturing	133.3	133.9	-0.4	135.0	121.1
Durable Goods	129.8	130.3	-0.4	131.7	116.2
Non-Durable Goods	136.7	137.4	-0.5	138.6	125.8
Transportation	126.7*	124.4	+1.8	126.7	106.4
Utility	180.0	180.6	-0.3	R181.4	170.3
Trade, Finance & Service	170.7	171.6	-0.5	171.6	R153.8
Mining	122.9	123.3	-0.3	123.3	104.2

*New High R - Revised

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 23, 1963, 23 registration statements were filed, 23 became effective, 6 were withdrawn, and 341 were pending at the week-end.

EXCHANGE FUND OF BOSTON RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3706) exempting The Exchange Fund of Boston, Inc., Boston open-end investment company, from the provision of Section 14(a) of the Act that no registered investment company shall make a public offering of its securities unless the company has a net worth of at least \$100,000 or unless certain provisions are made as a condition of the registration of its securities under the Securities Act. The company has filed a registration statement under the Securities Act for 1,100,000 common shares, to be offered to investors in exchange for securities having a minimum aggregate market value of \$30,000,000 (the deposited securities to be returned in the event such value is not realized).

PHILADELPHIA ELECTRIC POWER SEEKS ORDER. Philadelphia Electric Power Company, Philadelphia registered holding company (and subsidiary of Philadelphia Electric Company, an exempt holding company) and its subsidiary, The Susquehanna Power Company, have applied to the SEC for an order under the Holding Company Act authorizing Philadelphia Electric Power and Susquehanna to join with the other companies included in the consolidated tax returns filed by Philadelphia Electric and its other subsidiaries in utilizing a method of allocation which will give to each company the full investment credit that it contributes to the total investment credit allowed on the consolidated returns. The Commission has issued an order (Release 35-14878) giving interested persons until June 17, 1963 to request a hearing thereon.

BUSINESS AND PROFESSIONAL WOMENS HOLDING CO. ENJOINED. The SEC Chicago Regional Office announced May 20 (LR-2633) the entry of a Federal court order (USDC, Springfield, Ill.) preliminarily enjoining Business and Professional Womens Holding Company, and Harold A. Meyer, both of Springfield, Ill., from further violations of the Securities Act registration provisions.

SIX FOUND GUILTY IN INVESTORS MORTGAGE CASE. The SEC Atlanta Regional Office announced May 23 (LR-2634) that Joe H. Byrnes, B. B. Bratton, John D. George and Thurber Hilliker were found guilty by a jury (USDC, Miami) on 11 counts of an indictment charging them with violations of the Securities Act registration and anti-fraud provisions, and Raymond E. Hester and Charles H. High on 3 counts charging them with violations of the Securities Act registration provisions, all in the sale of investment contracts and interim notes and loan agreements of Investors Mortgage Corporation, a St. Petersburg, Florida firm. Sentencing was deferred until June 18, 1963.

TENNESSEE GAS TRANSMISSION PROPOSES DEBENTURE OFFERING. Tennessee Gas Transmission Company, Tennessee Building, Houston, Texas, filed a registration statement (File 2-21450) with the SEC on May 24 seeking registration of \$45,000,000 of debentures due 1983, to be offered for public sale through underwriters headed by Stone & Webster Securities Corporation, 90 Broad St., New York, and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company and two of its subsidiaries own and operate pipe line systems for the transmission and sale or delivery of natural gas for resale, and another subsidiary is engaged in the production, refining and marketing of petroleum and petroleum products and in certain other non-utility businesses. The net proceeds from the debenture sale will be added to general funds and, together with other funds from operations, used in connection with the expansion of the natural gas pipe line systems and in connection with domestic and

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foreign oil and gas development, exploratory drilling, acquisition and marketing activities of the company and its subsidiaries. In addition to certain indebtedness and preferred stock, the company has outstanding 40,231,125 shares of common stock, of which management officials as a group own 1.07%. Gardiner Symonds is board chairman and Harold Burrow is president.

LINK-BELT SHARES IN REGISTRATION. Link-Belt Company, Prudential Plaza, Chicago, filed a registration statement (File 2-21451) with the SEC on May 24 seeking registration of 28,046 shares of common stock, to be offered to a selected group of officers and employees of the company and its subsidiaries.

SEABOARD WORLD AIRLINES FILES STOCK PLAN. Seaboard World Airlines, Inc., New York International Airport, Jamaica, L. I., N.Y., filed a registration statement (File 2-21447) with the SEC on May 23 seeking registration of 200,000 shares of common stock, to be offered pursuant to its Incentive Stock Option Plan.

STATE LOAN AND FINANCE PROPOSES DEBENTURE OFFERING. State Loan and Finance Corporation, 1200 - 18th St., N. W., Washington, D. C. filed a registration statement (File 2-21448) with the SEC on May 24 seeking registration of \$15,000,000 of sinking fund debentures due 1983 and \$15,000,000 of capital debentures due 1983, to be offered for public sale through unddwriters headed by Johnston, Lemon & Co., Southern Bldg., Washington, D. C., and Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York. The interest rates, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the consumer finance (small loan) business operating 524 loan offices located in 29 states and in Ontario, Canada. The net proceeds from the debenture sale will be added to general funds and initially used to reduce outstanding short-term loans the proceeds of which were used primarily to provide subsidiaries with funds to carry on their respective businesses. According to the prospectus, the company in September 1963 will redeem and retire \$1,488,800 of outstanding 5-3/4% convertible sinking fund debentures due 1981 and \$922,850 of 6% sinking fund debentures due 1969. It will also call for redemption \$17,000 of 5% convertible capital debentures due 1969. In addition to various indebtedness and preferred stock, the company has outstanding 3,627,184 Class A and 321,300 Class B common shares, of which latter stock Davis Weir, president and board chairman (together with his wife), owns 47.43%. Management officials as a group own 21.31% of the outstanding Class A and 37.83% of the Class B shares.

PADDINGTON CORP. FILES FOR SECONDARY. The Paddington Corporation, 630 Fifth Avenue, New York, filed a registration statement (File 2-21449) with the SEC on May 24 seeking registration of 100,000 outstanding shares of Class A common stock, to be offered for public sale by the holders thereof through underwriters headed by Lee Higginson Corporation, 20 Broad St., New York. The public offering price (maximum \$70 per share*) and underwriting terms are to be supplied by amendment.

The company is engaged exclusively in selling alcoholic beverages under the brand name of Justerini & Brooks, Ltd. (an English firm established in 1749). It has outstanding 918,021 Class A and 380,007 Class B common shares, of which Charles Guttman, president, owns 17.08% and 43.39%, respectively, and management officials as a group 51.17% and 98.31% respectively. The latter holdings include 34.07% of the Class A and 54.92% of the Class B shares owned by Star Industries, Inc., of New York, which is 54% owned by a vice president and two directors of the company. Gutman proposes to sell 83,000 Class A shares, and the Stella and Charles Guttman Foundation, Inc., proposes to sell the remaining 17,000 shares (after such shares are donated to the Foundation by Guttman). After this offering, Guttman will own 17% of the company's outstanding voting securities (and the Foundation will own none).

SOUTHERN CALIFORNIA GAS PROPOSES BOND OFFERING. Southern California Gas Company, 810 South Flower St., Los Angeles, today filed a registration statement (File 2-21452) with the SEC seeking registration of \$40,000,000 of first mortgage bonds due 1988 (series E), to be offered for public sale at competitive bidding. Of the net proceeds from the bond sale, \$32,500,000 will be used to redeem outstanding 5-1/8% first mortgage bonds due 1983 (series C), \$5,000,000 to repay in full advances from the company's parent, Pacific Lighting Corporation (applied to construction costs), and the balance to finance in part the company's construction and expansion program (estimated at \$23,928,000 for 1963).

SECURITIES ACT REGISTRATIONS. Effective May 24: Sun Oil Co. (File 2-21364).
Withdrawn May 24: The Gas Machinery Co. (File 2-19589); Madway Main Line Homes Inc. (File 2-21084).

*As estimated for purposes of computing the registration fee.

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