

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE October 6, 1959

WALTER NORTH BECOMES SEC COUNSEL

Chairman Edward N. Gadsby of the Securities and Exchange Commission today announced the appointment of Mr. Walter P. North of Battle Creek, Michigan, as Associate General Counsel of the Commission. Mr. North succeeds Mr. Daniel J. McCauley who resigned August 13, 1959, to become General Counsel of the Federal Trade Commission.

Mr. North was born at Battle Creek, Michigan on July 12, 1907. He received his A.B. degree from the University of Michigan in 1928 and his J.D. degree from the University of Michigan Law School in 1930, being elected to Phi Beta Kappa and Order of the Coif. From 1929 to 1930 he was a member of the Board of Editors of the Michigan Law Review. He was admitted to the Michigan Bar in 1930.

Mr. North, a member of the firm of North, Allen and Scatterday of Battle Creek, has been engaged in the private practice of law since 1930, specializing in business and corporate affairs for financial institutions and industrial firms. He has had extensive trial and appellate experience in all Michigan Courts and in the Federal District Courts in the Michigan area. From 1933 to 1940 he served as City Attorney of Battle Creek.

For more than 20 years he has been a Director of the Peoples Savings and Loan Association, serving as Board President for the past five years. He also has served as General Counsel of the Association, as well as for other major financial institutions and business and industrial concerns in the Battle Creek area.

He is a past President of the Calhoun County Bar Association and has held Committee Chairmanships in the Michigan State Bar Association. From 1950 to 1957 he was a member of the Battle Creek School Board, serving as President of the Board for the four-year term ending June 30, 1957. He is married to the former Beula Bradford and they have three children.

AMERICAN HERITAGE INS. FILES FOR SECONDARY

American Heritage Life Insurance Company, 218 West Adams St., Jacksonville, Fla., filed a registration statement (File 2-15690) with the SEC on October 5, 1959, seeking registration of 360,000 shares of common stock. According to the prospectus, American Heritage proposes to issue stock (amount unspecified, to be supplied by amendment) to certain stockholders of Reliable Insurance Company in exchange for 57,492 of the 57,500 shares of Reliable Insurance stock outstanding. The number of shares of American to be exchanged for the Reliable Insurance stock multiplied by the per share price to the selling stockholders will equal \$4,139,424 plus certain expenses. The selling stockholders have agreed to sell to the underwriters not less than 90% of the shares received in exchange. The company proposes to operate Reliable Insurance as a subsidiary.

The selling stockholders are American Title Insurance Company, a Florida corporation, Swiss National Insurance Company, Ltd., a Swiss corporation, and Union Reinsurance Company, a Swiss corporation. The amount of their respective shares to be distributed is to be supplied by amendment. The prospectus lists Merrill Lynch, Pierce, Fenner & Smith, Inc., and Pierce, Carrison, Wulberg, Inc., as the principal underwriters; and the public offering price and underwriting terms are to be supplied by amendment.

The registration statement also includes 63,125 common shares reserved for issuance upon exercise of stock options granted or to be granted.

OVER

For further details, call ST. 3-7600, ext. 5526

KAYSER-ROTH CORP. FILES FOR SECONDARY

Kayser-Roth Corporation, 425 Fifth Ave., New York, filed a registration statement (File 2-15691) with the SEC seeking registration of 375,000 outstanding shares of its common stock, to be offered for public sale by the present holder thereof, Harrison Factors Corporation, through an underwriting group headed by Hemphill, Noyes & Co. The initial public offering price will be related to the market price of outstanding shares at the time of the commencement of the offering. Underwriting terms are to be supplied by amendment.

According to the prospectus, the company changed its name in 1958 from Julius Kayser & Co. to Kayser-Roth Corporation in connection with its acquisition of the business and principal operating assets of Chester H. Roth Co., Inc. Upon the sale of its business, Roth changed its name to Harrison Factors Corporation, and is the owner of 375,000 shares of \$1 Convertible Preferred Stock and 554,901 shares of the common stock, or an aggregate of 73% of the company's outstanding voting and capital stock. After its sale of the 375,000 common shares, Harrison Factors will continue to own 43% of the outstanding voting and capital stock.

The prospectus further indicates that the company was advised by the New York Stock Exchange, on which its common stock is listed, that to maintain that listing the company would have to increase the number of common shares in the hands of the public and increase the number of common stockholders. After consideration of various methods of complying with the Exchange's requirements, the company determined that rather than sell additional shares of common stock, it would request Harrison-Roth to make a public offering of 375,000 shares of stock owned by it. Harrison-Roth agreed.

SALE OF DEQUESNE STOCK APPROVED

The SEC has issued a supplemental order (Release 35-14069) permitting the sale of 420 shares of common stock of Duquesne Light Company and payment of the proceeds thereof over to Standard Gas and Electric Company, which is in the process of liquidation. Under the 1953 dissolution order, approved by the Commission and a Federal district court, Standard's outstanding \$4 Cumulative Preferred Stock was to be retired through the exchange of such stock for Duquesne common. The exchange period has expired, and the court has ordered that all remaining securities held by the Exchange Agent be converted into cash and that all funds be turned over to Standard as a capital contribution.

TEX-TUBE FILES FOR OFFERING AND SECONDARY

Tex-Tube, Inc., 1503 North Post Oak Road, Houston, Texas, today filed a registration statement (File 2-15692) with the SEC seeking registration of 150,000 shares of common stock, to be offered for public sale through an underwriting group headed by Moroney, Beissner & Co. Of these shares, 100,000 shares are to be offered for the account of the issuing company and 50,000, representing outstanding stock, for the account of the present holders thereof. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of steel tubular goods and in the warehousing and distribution of steel tubular goods manufactured by others. It now has outstanding 400,000 common shares, 50,000 shares of \$10 par 6% convertible preferred, and certain indebtedness. According to the prospectus, the company is in the process of installing three heat treating furnaces and straightening equipment at an estimated cost of \$100,000 and has contracted for the purchase and installation of an additional electric resistance weld tube mill and related building and equipment at an estimated cost of \$600,000. The company also is expending about \$225,000 on additional office and shop facilities. Net proceeds of the stock sale, together with funds realized from additional borrowings in the amount of \$300,000, will be used as follows: \$800,000 to discharge bank loans obtained to purchase inventories; and the balance, together with the proceeds of the subsequent increase of \$600,000 in long-term indebtedness, will be applied to the capital improvement program and to increase current working funds of the company.

The prospectus lists four selling stockholders, as follows: Charles A. Carter, president, 25,000 of 154,000 shares held; Kenneth C. Woolley, vice president, 15,000 of 94,000; William S. Beall, vice president, 7,500 of 42,200; and John B. Pitts, 2,500 of 18,000. Members of the Carter, Woolley and Beall families own additional shares in the amount of 21,000, 9,300 and 10,500, respectively.