

# 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 October 29, 1962

Statistical Release No. 1861. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended October 26, 1962, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1962 is as follows:

	1957-59 = 100		Percent Change	1962	
	10/26/62	10/19/62		High	Low
Composite	111.2	113.2	-1.8	144.3	107.0
Manufacturing	103.0	104.3	-1.2	135.0	98.6
Durable Goods	100.2	100.7	-0.5	135.6	95.2
Non-Durable Goods	105.5	107.8	-2.1	134.4	101.8
Transportation	86.1	85.5	+0.7	111.0	85.5
Utility	149.4	153.6	-2.7	185.5	143.0
Trade, Finance & Service	129.8*	135.6	-4.3	178.2	129.8
Mining	89.2	90.1	-1.0	113.3	83.8

\*New Low

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended October 25, 1962, 16 registration statements were filed, 15 became effective, 7 were withdrawn, and 500 were pending at the week-end.

BAHAMAS SAVINGS AND LOAN FILES FOR OFFERING. Bahamas Savings and Loan Association Limited, Nassau, Bahamas, filed a registration statement (File 2-20844) with the SEC on October 26th seeking registration of \$1,000,000 of savings accounts. The Association is offering to borrow funds from persons opening accounts with it without underwriting, although the Association may also obtain deposits through brokers who will be paid a fee not exceeding 1 1/2% of the initial deposit.

The Association is engaged in the business of providing a savings medium for funds of investors, and of lending such funds to finance the construction and improvement by others of residential homes by making loans secured by first liens on said real estate and improvements in the form of mortgages. Funds representing savings accounts of the Association will be invested in insured mortgages on single-family residences in the Bahamas Islands. In addition to \$79,458 of savings accounts, the Association has outstanding 50,000 shares of capital stock (all but 5 partly paid), all of which are owned by Reddington Holdings Limited, a Bahamian company. The parent is wholly-owned by George R. Davis, president of the Association.

WELLINGTON ELECTRONICS FILES FOR OFFERING AND SECONDARY. Wellington Electronics, Inc., 65 Honeck St., Englewood, N. J., today filed a registration statement (File 2-20845) with the SEC seeking registration of 50,000 shares of common stock, of which 37,500 shares are to be offered for public sale by the company and 12,500 shares, being outstanding stock, by Baldwin-Montrose Chemical Company. The offering will be made at \$10 per share by Hemphill, Noyes & Co., 8 Hanover Street, New York, which will receive a 90¢ per share commission. The statement also includes (1) 25,000 shares to be offered for subscription at \$10 per share to present stockholders (except Wellington Industries, Inc. and the selling stockholder) in proportion to their holdings on the record date (to be supplied by amendment), and (2) 5,000 shares underlying 5-year options sold to the underwriter for \$100, exercisable at \$12.50 and \$17.50 per share. The underwriter will also receive a 20¢ per share commission in connection with the subscription offering.

The company is primarily engaged in the manufacture of etched aluminum foil for sale to manufacturers of aluminum electrolytic capacitors, and it also manufactures and has recently embarked upon the leasing of automatic winding machines for use in the manufacture of various types of capacitors. Of the net proceeds from the company's sale of additional stock, \$215,000 will be used to repay a bank loan and loans from shareholders, incurred to construct capacitor winding machinery and etching machines, \$100,000 to construct (and convert) additional processing equipment for etched foil production, and the balance to enlarge plant facilities and for working capital. In addition to certain indebtedness, the company has outstanding 480,800 shares of common stock, of which Wellington Industries, Inc., a Delaware company, owns 65% and management officials as a group 71%. Wellington is 95.5% owned by Cary L. Wellington, president of the company. Baldwin-Montrose proposes to sell 12,500 of 25,000 shares owned by it.

TWO ENJOINED IN GARDNER-STANLEY-HARRIS CASE. The SEC San Francisco Regional Office announced October 24th (LR-2408) the entry of a Federal court order (USDC, Los Angeles) permanently enjoining Deane Stanley and Richard Harris, two principal officers of Gardner, Stanley and Harris, Inc., Los Angeles broker-dealer, from participating with that firm in violations of the Securities Exchange Act and rules of the Commission. The firm and two other principal officers were enjoined on October 16, 1962 from violations of the Commission's net capital rule and from engaging in business while insolvent. Stanley and Harris consented to entry of the injunction.

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**CARTER-JONES DRILLING ORDER.** The SEC has issued an order granting an application filed by Carter-Jones Drilling Company, Inc., of Kilgore, Texas, pursuant to Rule 15d-20 under the Securities Exchange Act of 1934 for an exemption from the duty to file annual and other periodic reports as required by Section 15(d) of the Act. According to the order, all of the 493,963 outstanding shares of capital stock of the company are held of record by eight persons; and except for the holder of 200 shares, all stockholders are directors of the company.

**CANADIAN RESTRICTED LIST.** The SEC has removed Neeland Flin Flon Mining & Exploration Ltd. (now known as Silver Belle Mines Limited) from its Canadian Restricted List. The list is comprised of the names of 256 Canadian companies whose securities the Commission has reason to believe 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.

**SOUTHERN ELECTRIC GENERATING PROPOSES BOND OFFERING.** Southern Electric Generating Company, Birmingham subsidiary of The Southern Company, a registered holding company, has applied to the SEC for an order under the Holding Company Act authorizing its sale at competitive bidding of \$7,500,000 of first mortgage bonds due 1992; and the Commission has issued an order (Release 35-14729) giving interested persons until November 15, 1962 to request a hearing thereon. According to the application, the net proceeds from the bond sale will be used to meet expenditures and obligations incurred in connection with the acquisition or construction of a steam plant and related facilities and, together with treasury funds, to pay the remaining balance of \$13,000,000 of bank loans incurred for such purposes.

**CENTRAL MAINE RACEWAYS FILES FOR STOCK OFFERING.** Central Maine Raceways, Inc., 33 Court St., Auburn, Maine, filed a registration statement (File 2-20843) with the SEC on October 26th seeking registration of 450,000 shares of common stock, to be offered for public sale at \$1 per share. No underwriting is involved.

The company is engaged in the business of conducting commercial parimutuel harness racing meets at Lewiston Raceway in Lewiston, Maine and at Gorham Raceway in Gorham, Maine, which were acquired in 1962 for an aggregate of \$696,875 (principally by issuance of mortgage notes). Of the net proceeds from the stock sale, \$103,000 will be used to pay for the cost of various improvements made to the Lewiston Raceway (including notes and other obligations incurred therefor), \$225,000 to retire a second mortgage purchase money note incurred in connection with the purchase of Gorham Raceway, and the balance to pay for certain services and other costs and certain proposed additional improvements to Lewiston Raceway, to purchase land adjoining Lewiston Raceway, and to retire certain other outstanding notes. In addition to various mortgages and indebtedness, the company has outstanding (at November 1962) 159,603 shares of common stock, of which Howard L. Sanborn, a vice president, Gordon W. Drew, treasurer, and Harold C. Ralph, a director, own 15.6%, 11.3% and 10.3%, respectively. Management officials as a group own 59.5% (acquired in part at \$1 per share and in part in satisfaction of cash advances). Samuel A. Aceto is president.

**WESTERN POWER & GAS FILES EXCHANGE PLAN.** Western Power & Gas Company, 144 South 12th Street, Lincoln, Nebr., today filed a registration statement (File 2-20847) with the SEC seeking registration of 79,936 shares of common stock. It is proposed to offer such stock in exchange for 19,984 outstanding capital shares of Dixon Home Telephone Company, a New Jersey company, at the rate of 4 shares for each share of Dixon. The company owns and operates electric generating, transmission and distribution properties in Colorado and natural gas distribution properties in Nebraska and South Dakota; and subsidiaries own telephone properties and provide telephone service in various communities in some eight states. Dixon owns and operates telephone properties providing local exchange and toll service to Dixon, Ill. (west of Chicago). In addition to various indebtedness and preferred stock, the company has outstanding 2,765,742 shares of common stock, of which management officials as a group own 1.7%. Max McGraw is board chairman and Judson Large is president.

**SECURITIES ACT REGISTRATIONS.** Effective October 26: Allied Stores Corp. (File 2-20600); Pancoastal Petroleum Ltd. (File 2-20750). Withdrawn October 26: Magellan Sounds Corp. (File 2-19868).

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