

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington 25, D.C.

FOR RELEASE October 11, 1957

North American Planning Corporation, New York investment company, filed an amendment on October 9, 1957 to its registration statement (File 2-12611) seeking registration of an additional (1) \$1,000,000 Single Payment Investment Plans, and (2) \$24,000,000 Systematic Investment Plans and Systematic Investment Plans with insurance, each for the accumulation of shares of Boston Fund, Inc.

## SIMPLICITY PATTERN FILES FOR SECONDARY OFFERING

The Simplicity Pattern Co., Inc., New York, filed a registration statement (File 2-13673) with the SEC on October 10, 1957, seeking registration of 155,000 outstanding shares of its \$1 par Common Stock. According to the prospectus, these shares are held by Joseph M. Shapiro and James J. Shapiro and are to be sold by them to the underwriters for resale to the public. The company will receive no part of the proceeds thereof. Merrill Lynch, Pierce, Fenner & Beane is listed as the principal underwriter. The public offering price and underwriting terms are to be supplied by amendment.

The company has outstanding 736,426 common shares. Joseph M. Shapiro is Board Chairman and principal stockholder, owning 178,210 shares of stock, representing 24.2% of the outstanding stock. James J. Shapiro, president and treasurer, owns 31,000 shares, or 4.2%. Joseph M. Shapiro will sell 150,000 shares and James J. Shapiro 5,000 shares to the underwriters.

## SOUTHERN UNION GAS PROPOSES DEBENTURE OFFERING

Southern Union Gas Company, Dallas, Texas, filed a registration statement (File 2-13674) with the SEC on October 10, 1957, seeking registration of \$9,000,000 of Sinking Fund Debentures due 1982, to be offered for public sale through an underwriting group headed by Snow, Sweeny & Co., Inc., and A. C. Allyn and Company, Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the financing will initially be added to the company's general funds. The company has sold at par 20,000 shares of its new 6½% Cumulative Preferred Stock, \$100 par, to two institutional purchasers and proposes soon to sell an additional 10,000 such shares; and the proceeds thereof also have been and will be added initially to general funds of the company. Out of such proceeds the company will apply \$5,000,000 to the discharge of long-term bank loans and \$2,000,000 to the discharge of short-term bank loans, which loans were incurred to finance a portion of the company's current program of property additions and improvements. The company has estimated that its gross expenditures for such purposes during 1957 will approximate \$11,750,000. The company will apply out of its

general funds sufficient sums to complete such 1957 construction program. Any net proceeds of the current financing remaining in such general funds will be applied to the company's anticipated 1958 construction program. Although the details of the 1958 construction program are not now available, the company does not expect the aggregate expenditures therefor to vary significantly from the 1957 program.

#### COMMERCIAL CREDIT FILES FOR \$50 NOTE OFFERING

Commercial Credit Company, Baltimore, filed a registration statement (File 2-13675) with the SEC on October 10, 1957, seeking registration of \$50,000,000 of Notes due November 1, 1977, to be offered for public sale through an underwriting group headed by The First Boston Corporation and Kidder, Peabody & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Net proceeds of this financing will be used to increase or maintain the working capital of the company. The additional working capital may be used for the purchase of receivables, advanced to or invested in subsidiaries, or applied to the reduction of short term notes.

#### EXEMPTIONS FOR OFFERINGS BY IDEX AND RAINBOW URANIUM SUSPENDED

The Securities and Exchange Commission has issued orders temporarily suspending Regulation A exemptions from registration under the Securities Act of 1933 with respect to public offerings of securities by the following:

##### Idex Corporation, Glens Ferry, Idaho

In a Regulation A notification filed July 26, 1955, Idex proposed the public offering of 49,000 shares at \$1 per share

##### Rainbow Uranium Corporation, Tonopah, Nevada

In its Regulation A notification, filed August 29, 1955, Rainbow Uranium proposed the public offering of 6,000,000 shares at 5¢ per share

Regulation A provides a conditional exemption from registration under the Securities Act with respect to public offerings of securities not exceeding \$300,000 in amount. One of the conditions of the exemption is a requirement for the subsequent filing of semi-annual reports showing the shares sold and the use of the proceeds.

In its orders suspending the exemption for offering by Idex and Rainbow Uranium, the Commission asserts that the respective companies failed to comply with such requirement and ignored requests of the Commission's staff for the filing of the reports. Each of the orders provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent. (See Securities Act Release No. 3848.)

#### CONTINENTAL INSURANCE TO ACQUIRE FIREMEN'S INSURANCE

The Continental Insurance Company, New York, filed a registration statement (File 2-13676) with the SEC seeking registration of 1,700,000 shares of its \$5 par Capital Stock. Continental proposes to offer this stock in exchange for shares of the capital stock (\$7.50 par) of Firemen's Insurance Company, Newark, N. J., at the rate of 17 shares of Continental for every 20 shares of Firemen's stock.

The exchange offer is conditioned upon acceptance thereof by the holders of not less than 90% of the outstanding shares of Firemen's stock, but Continental reserves the right to make the exchange offer effective upon acceptance thereof by the holders of not less than 80% of the Firemen's stock. The exchange offer will expire December 2, 1957, but may be extended to December 31, 1957.

The purpose of Continental in making the exchange offer is to acquire at least 90% of the outstanding shares of capital stock of Firemen's. If the offer is consummated it is contemplated that Firemen's will retain its corporate identity and will operate as a separate corporation with headquarters in Newark, and with its present officers and personnel. The exchange offer is to be voted upon by Continental's stockholders at a special meeting called for October 30, 1957.

#### TRADING IN BELLANCA STOCK SUSPENDED

The Securities and Exchange Commission today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934, suspending trading on the American Stock Exchange in the \$1 par Capital Stock of Bellanca Corporation, New Castle, Delaware, for a further ten-day period, October 12, 1957, to October 21, 1957, inclusive.

The action was based upon Bellanca's failure to comply with the reporting requirements of Section 13 of the Act and the disclosure requirements of the Commission's proxy rules under Section 14.

Upon the basis of a finding by the Commission that such suspension is necessary to prevent fraudulent, deceptive, or manipulative acts or practices in connection with trading in Bellanca stock, trading by brokers and dealers in such stock in the over-the-counter markets also is prohibited during the period of the suspension.

The Commission previously ordered a hearing pursuant to Section 19(a)(2) of the Act on the question whether the Bellanca stock should be suspended for a period not exceeding 12 months, or withdrawn, from listing and registration on the Exchange. These proceedings are in progress. (See Securities Exchange Act Releases Nos. 5500, 5544 and 5588.)

#### BAXTER LABORATORIES, INC., FILES EMPLOYEE STOCK PLAN

Baxter Laboratories, Inc., Morton Grove, Illinois, today filed a registration statement (File 2-13677) with the SEC seeking registration of 40,000 shares of its \$1 par Common Shares, to be offered pursuant to the terms of its Employees' Stock Purchase Plan to employees of Baxter Laboratories, Inc., and certain of its subsidiaries.

#### SMITH-CORONA PROPOSES DEBENTURE OFFERING

Smith-Corona Inc., Syracuse, N. Y., today filed a registration statement (File 2-13678) with the SEC seeking registration of \$6,050,900 of Convertible Subordinated Debentures, due May 1, 1978. The company proposes to offer the debentures for subscription by its common stockholders on the basis of \$100 of debentures for each 14 shares of common stock held. The record date, subscription price, and underwriting terms are to be supplied by amendment. Lehman Brothers is listed as the principal underwriter.

The larger portion of the net proceeds to be received by the company from the sale of the debentures will be added to working capital and used for general corporate purposes, including increased expenditures for research and development, improving production methods, and financing the introduction of printed communications and integrated data processing equipment into the commercial field. It is contemplated that the remaining proceeds will be used for capital expenditures incident to the development program and for the purchase of additional equipment and expansion of plant facilities.

For IMMEDIATE Release Friday, October 11, 1957

SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C.

Securities Exchange Act of 1934  
Release No. 5588

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