

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 November 12, 1958

PIONEER TRADING FILES FINANCING PROPOSAL

Pioneer Trading Corporation, Foot of East 22nd St., Bayonne, N. J., filed a registration statement (File 2-14517) with the SEC on November 10, 1958, seeking registration of 10,000 shares of 8 Cumulative Preferred Stock, Series A, \$100 par, and \$1,000,000 of 8% Subordinated Debentures, Series A due December 1, 1968. The company proposes to offer these securities for public sale in units, each unit to consist of \$500 of debentures and 5 shares of preferred stock. The offering price is to be \$1,000 per unit. No underwriting is involved.

The company was organized October 16, 1958, for the purpose of financing companies throughout the United States which are engaged in the business of rendering, processing, transporting, importing, exporting or distributing in the United States or abroad, vegetable and animal fats, oils and shortening of all types, crude as well as refined. Such financing will take the form of making direct loans to, or guaranteeing credit or obligations of, such companies and will be secured primarily by either accounts receivable, warehouse receipts, trust receipts, factor's liens, or other forms of inventory financing, and will not exceed periods of one year. Net proceeds of this financing will be added to the general funds of the company and will be used for its general corporate purposes. No allocation for particular purposes has been made.

The company has outstanding 750 shares of common stock. The prospectus lists Ben Rotello of Englewood, N. J., as president. He owns 150 common shares; an additional 200 shares are owned by A. James Comenzo of New York; and 150 shares are owned by Francisco Suarez of Palisades, N. J.

SEC SEEKS INJUNCTION ACTION AGAINST AMERICAN-HAWAIIAN STEAMSHIP

The Securities and Exchange Commission announced today that it has filed an action in the United States District Court for the Southern District of New York seeking to enjoin American-Hawaiian Steamship Company ("Company"), of New York City, from engaging, among other things, in any securities transactions and from engaging in any business in interstate commerce, unless and until the Company registers under the Investment Company Act of 1940. The Commission's complaint alleges that the company is an investment company subject to registration under the Investment Company Act, but that the Company has failed and refused to register.

Prior to 1953 the Company, either directly or through subsidiaries, was engaged in intercoastal and other shipping operations. Since then, the Company has suspended its intercoastal services, sold its four U. S.-flag vessels, closed its branch offices, cancelled its intercoast tariffs on file with the Interstate Commerce Commission, and abandoned its other shipping operations. It engaged in no shipping operations in 1957. As of December 31, 1957, the Company's physical facilities consisted of office and other equipment recorded on its books at about \$42,000. During 1957 the Company had 15 employees, consisting of 5 officers and 10 clerks.

Since 1953 the Company has been increasingly engaged in the purchase and sale of securities. In the years 1955 and 1956, and in some of the prior years, the Company incurred operating deficits in its shipping operations. Its principal income has been obtained from dividends and interest in its securities investments and from the purchase and sale of securities.

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As of December 31, 1957, the Company and its two wholly-owned subsidiaries had total consolidated assets of about \$30,000,000, of which about 74% consisted of investments in securities and 21% of cash.

The Commission is represented in the action by Thomas G. Meeker, General Counsel, and Aaron Levy, Special Counsel, Washington, D. C., and Andrew N. Grass, Jr., Attorney, of the Commission New York Regional Office.

FRAUD ALLEGED IN ACTION AGAINST SALE OF GENERAL ASSOCIATES STOCK

The SEC Seattle Regional Office announced on November 7, 1958 (Lit. Release 1362) the filing of an amended complaint alleging that General Associates, Inc., J. Alvin Hibbard, et al, violated the anti-fraud provisions (Section 17) of the Securities Act in the sale of General Associates stock. On October 29, 1958, the USDC in Seattle issued an order of preliminary injunction, on consent, enjoining the defendants from further sales of such stock in violation of the Securities Act registration requirements.

PERMANENT INJUNCTION ISSUED AGAINST HOLMES GREEN, JR.

The SEC Fort Worth Regional Office announced November 6, 1958 (Lit. Release 1360) the filing of an action in the USDC for ND of Texas, to enjoin Holmes Green, Jr., doing business as H. Green & Co., of Dallas, from further violations of the Commission's net capital and bookkeeping rules.

The Office also announced on November 7, 1958, (Lit. Release 1361) that Green had been permanently enjoined from further violating said net capital and bookkeeping rules.

SIRE PLAN FILES FINANCING PROPOSAL

Sire Plan of Elmsford, Inc., 115 Chambers St., New York, filed a registration statement (File 2-14519) with the SEC on November 10, 1958, seeking registration of \$250,000 of 6% Ten Year Debentures and \$250,000 of 6% Participating Preferred Stock. The company proposes to offer these securities for public sale in units, each consisting of one \$50 debenture and one share of the \$50 preferred stock, at the price of \$100 per unit. The underwriter is Sire Plan Portfolios, Inc., of New York, which will receive a commission of \$15 per unit.

Net proceeds of the sale of these securities are to be used for the acquisition of (a) title to a 31-room motel known by the name Elmsford Motel and (b) a long-term leasehold on two other motels containing 85 rooms, operated as one unit under the name Saw Mill River Motel. The properties are situated in the Village of Elmsford, County of Westchester, State of New York.

BRYAN KYGER JR. INDICTED FOR SECURITIES FRAUDS

The SEC fort Worth Regional Office announced November 5, 1958 (Lit. Release 1363) that an indictment had been returned in the USDC in Houston charging Bryan H. Kyger, Jr., with violating the anti-fraud provisions of the Federal Securities Laws in the conduct of securities business in Houston.

BOWL AMERICA CORP. PROPOSES STOCK OFFERING

Bowl America Corporation, 1047 North Irving St., Arlington, Va., filed a registration statement (File 2-14520) with the SEC on November 10, 1958, seeking registration of 310,000 shares of its 10¢ par Common Stock. The stock is to be offered for public sale at \$2 per share through an underwriting group headed by Auchincloss, Parker & Redpath, which will receive a commission of 20¢ per share.

Organized under Maryland law on July 22, 1958, the company proposes to engage in the business of operating bowling centers. It was formed at the instance and under the sponsorship of C. Edward Goldberg and his associates, Samuel F. Higger and Samuel Sobkov and Dr. Sollie Katzman.

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Of the net proceeds of the stock sale, \$243,236 will be used to retire current liabilities; an estimated \$80,000 will be used to drill a well on the B. W. Evans property; some \$20,000 to \$40,000 will be used to enlarge a secondary recovery program on the so-called Portwood lease; and the balance of proceeds will be retained as working capital.

AMBASSADOR OIL FILES FOR STOCK OFFERING

Ambassador Oil Corporation, 3101 Winthrop Ave., Fort Worth, Texas, today filed a registration statement (File 2-14523) with the SEC seeking registration of 705,000 shares of its \$1 par Common Stock. Of this stock, 700,000 shares are to be offered for public sale through an underwriting group headed by Dempsey-Tegeler & Company and 5,000 shares are to be offered for sale to company employees. The offering prices and underwriting terms are to be supplied by amendment.

Ambassador Oil was organized in 1955 to consolidate in a corporate enterprise under the control and management of F. Kirk Johnson of Fort Worth, certain undivided fractional interests in oil and mineral properties owned by Johnson, Brooks-Scanlon Oil Company of Minneapolis, James Stewart of Beverly Hills, Calif., and certain other individuals. It commenced operations on January 1, 1956, taking over the personnel and organization developed by Johnson in the conduct of his personal oil and gas ventures.

Net proceeds of the stock sale will be added to the company's general funds and will be available for such corporate uses as the management may determine. The net proceeds will be used as additional working capital, for acquisition of properties, and drilling and development, including possible wildcat drilling, principally in the United States. It is possible the company may expend some \$750,000 in connection with foreign operations in the next 12 months.

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Financial Industrial Fund Inc., Denver, Colo. investment company, filed an amendment on November 10, 1958 to its registration statement (File 2-11237) with the SEC seeking registration of an additional 8,000 Systematic (Periodic Payment) Investment Plans and 1,000 Cumulative (Full-Paid) Investment Certificates.

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Financial Industrial Fund Inc., Denver, Colo. investment company, filed an amendment on November 10, 1958 to its registration statement (File 2-11236) seeking registration of an additional 12,000,000 Financial Industrial Fund Shares.

BELOCK INSTRUMENT FILES FOR DEBENTURE OFFERING

Belock Instrument Corporation, 112-03 Fourteenth Avenue, College Point, New York, today filed a registration statement (File 2-14524) with the SEC seeking registration of \$1,000,000 of Convertible Subordinate Debentures due 1973, to be offered for public sale through an underwriting group headed by Carl M. Loeb, Rhoades & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Of the net proceeds, approximately one-half will be used for inventory and operating equipment for the manufacture of new products recently developed, particularly in the field of stereophonic equipment, tapes, and records. The balance will be added to the Company's working capital and will be available for any proper corporate purposes.

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Goldberg will serve as president. Through the acquisition of the assets and liabilities of Shirley Tenpin Bowl, Inc., the stock of which was owned by the organizers of the company and their families, the company is presently operating a bowling recreation center on Shirley Highway in Fairfax County, Va. The company's lease gives it the option to purchase the land, building and improvements in which the center is located at a cost of some \$400,000. The company also proposes to open additional bowling centers as suitable locations are available. It is at present negotiating an agreement with the property owner providing for the construction of a new bowling center in northern Virginia which is to be leased to the company.

Of the net proceeds of the sale of the common shares, approximately \$400,000 will be used to acquire the land, building and improvements in which the Shirley Tenpin Bowl center is located. The remaining proceeds will be added to working capital. To the extent available for such purpose, the working capital will be used for the opening of additional centers when appropriate sites become available. Initially the company plans expansion on a lease basis.

Of the 310,000 common shares, 10,000 shares are reserved for issuance at \$2 per share upon exercise of an option issued to the underwriter. The company now has outstanding 300,000 common shares. In exchange for the latter, the organizing group has invested \$100,000 cash in the company and exchanged the established business of Shirley Tenpin Bowl, Inc. The group's initial cash investment in that company, in August, 1957, aggregated \$21,000, plus their investment of initiative, time and effort. In addition, the company issued options to the organizers under which they may acquire an additional 20,000 shares at \$2.20 per share within a three-year period.

FLINTKOTE REGISTERS SHARES INVOLVED IN EXCHANGE

The Flintkote Company, 30 Rockefeller Plaza, New York, N. Y., filed a registration statement (File 2-14521) with the SEC on November 10, 1958, seeking registration of 132,416 shares of \$4.50 Series A Convertible Second Preferred Stock, \$100 par, together with 330,043 shares of its \$5 par Common Stock.

According to the prospectus, on December 1, 1958, The Hankins Container Company will be merged into Flintkote; and on the same date Flintkote will acquire all of the assets of Orangeburg Manufacturing Co., Inc., in exchange for shares of Flintkote \$4.50 Series A preferred stock. Under terms of the merger agreement with Hankins, each of its 267,458 outstanding common shares will be converted into 1,234 shares of Flintkote common, which will result in the issuance of 330,043 shares of Flintkote common, which, for the purposes of this transaction, was valued by Flintkote at approximately \$14,000,000. Under the plan for acquisition of Orangeburg Manufacturing, Flintkote will assume that company's liabilities and issue to it 132,416 shares of the new \$4.50 Series A preferred, with a par value of \$13,241,600. Orangeburg Manufacturing will be dissolved, and the Flintkote preferred shares will be distributed to certain of its shareholders. The prospectus further indicates that certain of the recipients of these preferred and common shares of Flintkote may offer for sale all or part of such shares.

SURREY OIL & GAS PROPOSES STOCK OFFERING

Surrey Oil & Gas Corp., Meadows Building, Dallas, Texas, today filed a registration statement (File 2-14522) with the SEC seeking registration of 300,000 shares of its \$1 par Common Stock. The stock is to be offered for public sale at \$3 per share on a best efforts basis by Peter Morgan & Company, New York, for which it will receive a selling commission of 45¢ per share.

The company was organized under Delaware law in January 1957 for the primary purpose of engaging in the exploration, acquisition, development and operating of oil and gas properties and prospects. On September 29, 1958, Arnold H. Bruner and Arnold H. Miers (president and executive vice-president, respectively) received 300,000 common shares in exchange for all of their right, title and interest in the B. W. Evans Lease, Gueydan Field, La., and 1,000 common shares were purchased by them for \$1000 cash. These shares constitute all the outstanding shares of the company. Messrs Bruner and Miers have sold certain other properties to the company, in consideration for which the company agreed to pay them the sum of \$165,000 plus the assumption of \$64,805 in charges owed on the properties for equipment. An additional \$240,353 is owed on certain of the producing properties, the company assuming no obligation to pay said amount except from production of the properties.

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