

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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HONOLULU LIMITED FILES FOR EXCHANGE OFFER. Honolulu Limited, 1140 Alapai Street, Honolulu, Hawaii, filed a registration statement (File 2-16052) with the SEC on January 26, 1960, seeking registration of 172,830 shares of capital stock to be offered in exchange for common stock of Honolulu Rapid Transit Company, Limited, on a share for share basis. The offer is contingent upon its acceptance by the holders of not less than 80% of the outstanding shares of Honolulu Rapid Transit.

Honolulu Limited was formed in 1954 by the board of directors of Honolulu Rapid Transit for the purpose of holding and operating its properties not used in its public utility business. Such properties were transferred to Honolulu Limited in exchange for all of the latter's stock. The exchange of stock will result in a rearrangement of present corporate units whereby Rapid Transit will become a subsidiary of Honolulu Limited instead of its parent. Honolulu Limited also owns all the outstanding stock of American Sightseeing-Hawaii, Inc., and 70,224 shares of Dallas Transit Company common.

CERTIFIED INVESTMENT FILES FOR EXCHANGE OFFER. Certified Investment Corporation, 2100 Comer Bldg., Birmingham, Ala., filed a registration statement (File 2-16054) with the SEC on January 26, 1960, seeking registration of 311,482 shares of Class A common stock. The Class A stock is to be offered for outstanding common shares of Security Savings Life Insurance Company of Montgomery, Ala., on a share for share basis pursuant to a plan of reorganization dated October 23, 1959. The exchange offer is conditional upon its acceptance by the holders of at least 50% of the outstanding Security Savings stock, of which 233,482 shares are outstanding.

Certified Investment was organized under Alabama law in March 1959 for the purpose of acquiring and holding stock of operating insurance companies. The proposed purchase of Security Savings stock is the first such acquisition. The presently outstanding 40,000 shares of Class B common stock of Certified Investment was acquired at 5¢ per share and is owned by Certified Credit Corporation, of Columbus, O., which also holds an option for the purchase of 498,000 additional Class B shares at 5¢ per share. The prospectus lists Daniel E. Armel as president of both Certified Investment and Certified Credit.

CERTIFIED CREDIT AND THRIFT PROPOSES OFFERING. Certified Credit and Thrift Corporation, Thirty East Town St., Columbus, O., filed a registration statement (File 2-16053) with the SEC on January 26, 1960, seeking registration of 250,000 \$10 par Class A and 250,000 20¢ par Class B shares of its common stock. The stock is to be offered for public sale in units of one share of each class, and at \$20.20 per unit. The offering is to be made on a best efforts basis by Commonwealth Securities Corp. of Columbus, for which it will receive a selling commission of \$3.03 per unit.

The company was organized in September 1959 under Ohio law for the purpose of engaging in the consumer finance and small loan business and in the business of investing in special situations. As part of the latter program it has contracted for an option to purchase the Beggs Building, 21 East State Street in Columbus. Of the net proceeds of the sale of the units of Class A and Class B shares, estimated at \$4,292,500, \$1,610,500 will be applied to pay the unpaid balance of the cash purchase price of the Beggs Building and the balance will be used to pay the initial expenses of opening loan offices and to supply working capital for their business. The purchase option on the Beggs Building provides that 80% of the net proceeds of the stock sale shall be reserved for payment to the Beggs Building Company until the cash price of \$750,000 and the second mortgage of \$860,500, or a total of \$1,610,500, shall have been paid. The building is subject to a first mortgage in the amount of \$639,500.

Certified Credit Corporation of Columbus owns all of the 113,250 presently outstanding shares of Class B common; and it has an option to purchase 400,000 additional Class P shares at 20¢ per share. Daniel E. Armel is president of both companies.

CAPITAL AIRLINES FILES FOR STOCK OFFERING. Capital Airlines, Inc., Washington National Airport, Washington, D. C., filed a registration statement (File 2-16055) with the SEC on January 26, 1960, seeking registration of 909,659 shares of common stock to be offered to present holders of its common stock at

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the rate of one share for each share held. Any unsubscribed shares will be offered to the public by underwriters headed by Lehman Brothers and Smith, Barney & Co. The record date, subscription price and underwriting terms will be supplied by amendment.

Proceeds from the sale of the stock will be added to general funds; and it is estimated that approximately \$1,700,000 of these funds will be used in connection with the company's equipment program. According to the prospectus, the program will require approximately \$86,400,000 for financing the purchase of new aircraft and re-financing existing equipment obligations. Of this amount approximately \$84,700,000 will be supplied from the proceeds of debt financing. The equipment program includes the purchase of seven Convair 880 Turbo-Jet aircraft and five Lockheed Electra Jet-Prop aircraft at a total estimated cost of approximately \$51,200,000.

COURTESY FINANCE PROPOSES STOCK OFFERING. Courtesy Finance Corporation, 137 East 4th South, Salt Lake City, filed a registration statement (File 2-16056) with the SEC on January 26, 1960, seeking registration of 1,700,000 shares of common stock, to be offered for public sale at \$1.50 per share. The offering is to be made by company officials and agents; and the expenses of offering are estimated at \$.225 per share. Previously, the company made an offering of 300,000 shares at \$1 per share, of which 170,466 shares were sold and paid for and 129,534 shares have been subscribed for. The proposed increase in the current offering price is said to be "arbitrary and unrelated to any increase in book value or in market price as there is presently no market."

The company was organized under Utah law in December 1958 and is engaged in the small loan, industrial loan, and financing operations. It has one subsidiary, Courtesy Finance Company of Utah, Inc., organized in September 1958, in which the company has invested the sum of \$143,500 (\$100,000 by purchase of stock and \$43,500 as a loan). The subsidiary has engaged in the small and industrial loan business in Utah since January 30, 1959. Proceeds of the stock sale are to be utilized in the operation of the company's loan business.

According to the prospectus, the company now has outstanding 290,666 common shares. In addition, there are 155,334 shares subscribed for at \$1 per share and being paid on the installment plan. An additional 146,000 shares are under option at \$1 per share to management officials, promoters, and ten other persons. The prospectus lists Ray C. Brown as president and general manager.

BOWMAN PRODUCTS FILES FOR SECONDARY. The Bowman Products Co., 850 East 72nd St., Cleveland, today filed a registration statement (File 2-16057) with the SEC seeking registration of 290,000 outstanding common shares, to be offered for public sale by the present holders thereof through an underwriting group headed by Wertheim & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is a supplier of service parts directly to the automotive, industrial, hardware, marine and contracting trades. It now has outstanding 729,000 common shares. The prospectus lists sixteen stockholders, who own an aggregate of 615,720 shares. C. F. Devine, president, holds the largest block, 338,080 shares, and is selling the largest block, 173,600. A block of 20,700 is being sold by Elsie T. Devine, who holds 51,220 shares. The other blocks being sold range in size from 200 shares to 15,800 shares.

KEYSTONE PIPE PROPOSES STOCK DISTRIBUTION. Keystone Pipe and Supply Company, of Butler, Pa., has made application to the SEC under the Holding Company Act for distribution to stockholders of its stock interest in Public Service Corporation; and the Commission has issued an order (Release 35-14147) giving interested persons until February 10, 1960, to request a hearing thereon. Keystone also seeks an order declaring that, upon such distribution, it has ceased to be a holding company.

Keystone now owns 60,425 shares (about 92%) of the common stock of Public Service. It proposes to distribute these shares to its stockholders on the basis of 1.329 shares of Public Service stock for each share of Keystone stock.

NARRAGANSETT ELECTRIC PROPOSES STOCK ACQUISITION. The Narragansett Electric Company, Providence, R. I., has applied to the SEC under the Holding Company Act for permission to acquire securities of Business Development Company of Rhode Island; and the Commission has issued an order (Release 35-14148) giving interested persons until February 11, 1960, to request a hearing thereon. Under the proposal Narragansett Electric would acquire from an underwriter (G. H. Walker & Co.) 100 units of securities of Business Development Company of Rhode Island, each unit consisting of \$500 of 6% debentures and 6 shares of \$1 par common stock at a cost of \$550 per unit, or an aggregate of \$55,000. The stock interest would represent about 2.4% of the outstanding stock of the Development Company. The purpose of the investment is to help the Development Company promote, assist, encourage, develop and advance the prosperity and economic welfare of Rhode Island, in which state Narragansett Electric conducts its business and operations.

NORD PHOTOCOPY FILES FOR OFFERING AND SECONDARY. Nord Photocopy & Business Equipment Corporation, 300 Denton Ave., New Hyde Park, N. Y., today filed a registration statement (File 2-16058) with the SEC

seeking registration of 36,400 shares of common stock. Of this stock, 3,500 shares are to be offered for sale for the account of the issuing company; and the remaining 32,900 shares (now outstanding) are to be offered for sale by the present holders thereof. The initial public offering price will be related to the current market for outstanding shares at the time of the offering; and a commission of \$1 per share will be paid to the underwriter, Myron A. Lomasney & Co.

The company and its subsidiaries engage in the manufacture and sale of photocopy machines and the distribution and sale of sensitized photocopy paper and chemicals, and offer a complete line of accessories used in conjunction with the photocopy process. It now has outstanding 423,400 common shares. Net proceeds to the company from its sale of the additional 3,500 shares will be used to restore the cash position of the company by the amount recently expended (\$35,000) for the purchase of the outstanding shares of capital stock of Television Utilities Corporation, and the balance will be used for general corporate purposes.

Of the outstanding stock, 73.78% is owned by management officials, including Eugene Kron, president, (104,000 shares), David Sigler (101,550) and David Harris (104,450). They propose to sell 10,000 shares each of their present holdings. Two other persons are selling all of their holdings, aggregating 2,900 shares.

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