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

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Statistical Release No. 1968. The SEC Index of Stock Prices, based on the closing prices of 300 common stocks for the week ended April 10, 1964, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1964 is as follows:

	1957-59 = 100		Percent Change	1964	
	4/10/64	4/3/64		High	Low
Composite	162.6	162.9	-0.2	162.9	153.6
Manufacturing	154.9	155.1	-0.1	155.1	144.6
Durable Goods	152.3	152.7	-0.3	152.7	141.5
Non-Durable Goods	157.4	157.5	-0.1	157.5	147.7
Transportation	154.0	154.1	-0.1	154.1	138.3
Utility	193.4	195.1	-0.9	199.2	192.1
Trade, Finance & Service	188.2*	186.9	0.7	188.2	176.6
Mining	147.4*	143.8	2.5	147.4	139.2

*New High

SEC STOCK INDEX SERIES DISCONTINUED. The SEC today announced that, with the issue of June 1, 1964, it will discontinue its Indexes of Weekly Closing Prices of 300 common stocks on the New York Stock Exchange (Stat. Release No. 1968). The weekly statistical release containing volume of round-lot trading by members and customers' odd-lot transactions on the New York and American Stock Exchanges will continue to be published. However, in view of the availability of other stock price indexes, the Commission has concluded that its stock price indexes might appropriately be discontinued.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended April 9, 1964, 28 registration statements were filed, 20 became effective, and 322 were pending at the week-end.

RULE PROPOSAL RE VARIABLE ANNUITIES. The SEC has proposed an amendment to Rule 3c-3 under the Investment Company Act relating to certain group annuity contracts providing for administration of funds held by an insurance company in a segregated account in order to permit certain variable benefits; and it invited the submission of views and comments thereon not later than May 8th.

Rule 3c-3 now exempts from provisions of the Act transactions of insurance companies with respect to certain group annuity contracts which provide for the administration of funds held by an insurance company in a separate account established and maintained pursuant to legislation which permits the income, gains and losses whether or not realized, from assets allocated to such account to be credited to or charged against such account without regard to other income, gains or losses of the insurance company. An exemption from the Securities Act registration requirement is provided such transactions by Rule 156.

The Commission has had the field of group pension plans, including those utilizing variable funding media and those proposed to provide variable benefits to employees, under continuing study. As to group variable plans generally, the Commission in its Prudential Insurance decision in January 1963, announced its intention of dealing with the problems involved in its administrative capacity. In order to qualify for an exemption under Rule 3c-3, the group contract, among other things, must provide that the retirement benefits for covered employees be payable in fixed dollar amounts. The group contract may not permit retirement benefits payable to employees which are measured by the investment results of the assets allocated to the separate account. The Commission has been urged to modify this qualification in order to permit retirement benefits payable to employees to vary in accordance with investment results of assets in the segregated account representing the pro rata share of the employer's contributions thereto.

The effect of the proposed amendment would be to modify Rule 3c-3 in order to permit group contracts otherwise meeting the condition thereof to provide for retirement benefits payable to employees to be measured by the investment results of a segregated account established and maintained by an insurance company to the extent, and only to the extent, of the employer's contributions thereto. No variable benefits would be permitted in respect of employee contributions, and all other restrictions and conditions of Rule 3c-3 would remain intact. The employee would be subject to the risk of market fluctuations of equity and other securities in the segregated account in respect of his employer's contributions but not in respect of his own contributions, if any, under the group contract.

Although the insurance companies may not be acting as trustees, the arrangements for utilization by employers of such special accounts maintained by insurance companies would be similar to arrangements excepted from the definition of "investment company" pursuant to Section 3(c)(13) of the Act and maintained by bank trustees for the investment of funds which employers have set aside to meet their obligations under qualified pension plans.

The proposed amendment is not intended to exempt pension plans adopted pursuant to the provisions of the Self-Employed Individuals Tax Retirement Act of 1962. These so-called "Smathers-Keogh" plans are expected to be the subject of another proposed rule which will be noticed for public comment by the Commission in the near future.

OVER

CONTINENTAL VENDING AND TASTEE-FREEZ TRADING BAN CONTINUED. The SEC on April 10th issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corporation and Tastee Freez Industries, Inc., for a further ten-day period April 12-21, 1964, inclusive.

JACK VANDERBERGH ENTERS GUILTY PLEA. The SEC Seattle Regional Office announced March 26 (LR-2890) that Jack Vanderbergh of Helena, Mont., entered a plea of guilty to one count of securities fraud and one count of mail fraud of a ten-count indictment. Sentencing deferred, defendant placed on probation for five years.

HARWYN PUBLISHING ENJOINED. The SEC New York Regional Office announced April 8th (LR-2891) the entry of a Federal court (USDC SDNY) permanently enjoining Harwyn Publishing Corp., 850 Third Avenue, New York, and its president, Harvey R. Siegel, of Jericho, N. Y., and temporarily restraining seven Harwyn stockholders, of Denver, Colo., from further violations of the Securities Act registration requirements in the sale of Harwyn stock. The Denver defendants are Stanley Singer, John DeAndrea, Jay Cohan, Philip Shaiman, Chester Rudd, Sidney Schwartz and Samuel Zuckerman. Harwyn and Siegel consented to the court decree.

SEC COMPLAINT NAMES KRAMER-AMERICAN, OTHERS. The SEC San Francisco Regional Office announced April 8 (LR-2892) the filing of a complaint in Federal court (USDC, Los Angeles) seeking to enjoin violations of the Securities Act registration requirement in the sale of stock of Kramer-American Corp., of Los Angeles, by the issuing company, Diversified Securities Corporation, Assurance Investment Company, Vern Coggle, Raymond C. Moore, Leon Kimel, Donald A. Forsblade, Harold M. Pelton and Patrick Clements.

H. B. FRISBIE ENJOINED. The SEC Washington Regional Office announced April 7 (LR-2893) the entry of a Federal court order (USDC DC) permanently enjoining violations of the Securities Act registration requirement by Hallet B. Frisbie in the offer and sale of securities of Starco, Inc. (Sunrae Tower and Renewal Co.), and Housing Foundation Designed for Single People (Inc.). Frisbie consented to the court injunction; and the SEC consented to dismissal of fraud charges.

FRANKLIN L. BATTEN SENTENCED. The SEC Washington Regional Office announced April 9th (LR-2894) that Franklin L. Batten had received a prison sentence (USDC DC) of from 4 to 12 months on counts of obstruction of justice and subornation of perjury in connection with an SEC investigation of Batten & Co.

SUBPOENA ENFORCEMENT ORDERED. The SEC Seattle Regional Office announced April 8 (LR-2895) the issuance of a Federal court order (USDC, Seattle) directing Sound Mortgage Company, and its president, Manuel Lott, to appear and produce records pursuant to an SEC subpoena.

MERCK FILES STOCK PLAN. Merck & Co., Inc., Rahway, N. J., filed a registration statement (File 2-22278) with the SEC on April 9 seeking registration of 200,000 shares of common stock, to be offered under the company's Stock Option Plan.

REVLON FILES FOR SECONDARY. Revlon, Inc., 666 Fifth Ave., New York, N. Y., filed a registration statement (File 2-22279) with the SEC on April 10 seeking registration of 27,251 outstanding shares of common stock. The present holders thereof propose to make a public offering of the shares at the market price prevailing on the New York Stock Exchange at the time of sale.

The company is engaged in the manufacture and sale of cosmetics, toiletries, beauty shop equipment, proprietary and ethical drugs, artificial flowers and women's apparel. In addition to indebtedness, it has outstanding 4,017,822 shares of common stock and 1,531,880 shares of Class B common stock, of which management officials as a group own 19.46% and 100%, respectively. The prospectus lists eight selling stockholders. The selling stockholders are offering a portion of their holdings acquired through the company's acquisition of all outstanding capital stock of Royal Lynne, Ltd., in 1962 (representing 8,026 of the shares being offered) and the Belvedere corporation in 1964 (representing 19,225 of the shares being offered). Charles Revson is board chairman and George H. Murphy is president.

STANDARD OIL FILES STOCK PLAN. The Standard Oil Company, Midland Bldg., Cleveland, Ohio, filed a registration statement (File 2-22280) with the SEC on April 10 seeking registration of \$2,800,000 of interests in its Sohio Employees Investment Plan, together with 25,000 shares of common stock and 8,000 shares of cumulative preferred stock, Series A, 3-3/4%, which may be acquired pursuant thereto.

SECURITIES ACT REGISTRATIONS. Effective April 9: The Buckingham Corp. (File 2-22183); Pneumodynamics Corp. (File 2-22182). Effective April 10: Allen Industries, Inc. (File 2-22167); Champion Papers Inc. (File 2-22181); Interstate Department Stores, Inc. (File 2-22052); Xerox Corp. (File 2-22103). Effective April 13: American Bankers Life Assurance Co. of Florida (File 2-22143); The Cafe Crown Co. (File 2-22035); The Tremco Manufacturing Co. (File 2-22155).