

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 2, 1964

INVESTORS FUNDING CORP FILES FOR OFFERING AND SECONDARY. Investors Funding Corporation of New York, 630 Fifth Ave., New York, filed a registration statement (File 2-22825) with the SEC on September 30 seeking registration of \$300,000 of 8% registered subordinated debentures due 1966 and an aggregate of \$2,100,000 of 9% registered subordinated debentures in seven series of \$300,000 each, which mature 1969-75. The debentures are to be offered for public sale at \$1,000 per unit on a best-efforts basis through the company's wholly owned subsidiary, IFC Securities Corporation (of the New York address), which will receive a \$25-per-unit selling commission on the 8% debentures and a \$75 commission on the 9% debentures. The company is also registering 13,000 shares of Class A stock, to be offered to certain persons who have invested in debentures of the company or in affiliated partnerships and to certain company employees. Of this stock, 10,000 shares are to be offered through the said underwriter, which will receive a 7 1/2% selling commission. In addition, the registration statement includes 10,000 outstanding shares of Class A stock to be offered for public sale from time to time by the present holder thereof on the American Stock Exchange or otherwise, at prices current at the time of sale (\$12 per share maximum*).

The company's business is directed primarily toward the acquisition for investment purposes of unimproved real estate in the New York metropolitan area suitable for the construction of apartment houses. It intends to use the net proceeds from this financing to purchase and finance the development of real property and retire certain of its 10% debentures; however, no specific plans have been made concerning the use of such proceeds. In addition to indebtedness and preferred stock, the company has outstanding 225,002 Class A and 17,582 Class B shares, of which management officials as a group own 21.14% and 96.14%, respectively. The selling stockholder is listed as Abmorr Real Estate Corporation, which acquired 42,532 Class A shares in 1962 in exchange for substantially all of its assets. Upon successful completion of its offering, Abmorr Real Estate will own 13.4% of the outstanding Class A stock. Jerome Dansker is board chairman and president of the company.

CALVERT - MID-AMERICA PROPOSES OFFERING. Calvert - Mid-America, Inc., 1200 Petroleum Club Bldg., Oklahoma City, Okla., filed a registration statement (File 2-22826) with the SEC on September 30 seeking registration of 150 participating units in its 1965 Oil and Gas Fund. The units are to be offered for public sale at \$10,000 per unit on a best-efforts basis through company employees and by Midamco, Inc., a wholly owned subsidiary, as underwriter. Participants in the Fund will be subject to well-completion assessments up to \$2,000 per unit. The offering is conditional upon the subscription of at least 50 units by April 30, 1965. According to the prospectus, the company expects that the Fund's projects will be located in the Mid-Continent, Rocky Mountain and Gulf Coast areas.

Organized under Oklahoma law in 1963, the company is engaged generally in oil and gas exploration and development. It has outstanding 10,000 shares of common stock, of which management officials as a group own 59.3%. Officials of the company or of Mid-America Minerals, Inc. (holder of 50% of the company's outstanding stock), have agreed to subscribe to 15 units in the 1965 Fund. H. K. Calvert is company president.

HEINZ CO. FILES FOR SECONDARY. H. J. Heinz Company, P. O. Box 57, Pittsburgh, Penn., filed a registration statement (File 2-22827) with the SEC on October 1 seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the present holder thereof through underwriters headed by Morgan Stanley & Co., 2 Wall St., and Reynolds & Co., 120 Broadway, both of New York. The public offering price (\$52 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged principally in the manufacture, packaging and sale of food products, most of which are distributed under the Heinz label and the trademarks "57" and "57 Varieties." In addition to indebtedness and preferred stock, the company has outstanding 5,287,296 common shares, of which management officials as a group own 10.4%. The selling stockholder is listed as The Irene Heinz Given and John LaPorte Given Foundation, Inc. After successful completion of the proposed offering, the Foundation will own 217,156 common shares. Henry J. Heinz II is board chairman of the company and Frank Armour, Jr., is president.

ASSOCIATED INSURANCE INVESTORS FILES OFFERING. Associated Insurance Investors, Inc., 2785 N. Speer Blvd., Denver, filed a registration statement (File 2-22828) with the SEC on September 30 seeking registration of 2,000,000 shares of Class A common stock. Of this stock, 500,000 shares are to be offered for public sale at \$2 per share on a best efforts basis by company officials and salesmen, who will receive a 15% selling commission. The remaining 1,500,000 shares are to be exchanged for voting securities of insurance companies under arrangements enabling the company to acquire control of such companies by virtue of the exchange. The company is not presently engaged in any such exchange negotiations.

Organized under Nevada law in 1963, the company was formed for the purpose of owning and controlling life insurance companies. To date, it has obtained control of Alaska Western Life Insurance Company (organized in 1955) and Paragon Life Insurance Company (organized in 1962). Of the net proceeds from its cash sale of stock, \$250,000 will be added to working capital; approximately \$100,000 will be used to purchase electronic data processing equipment and other equipment to facilitate administrative functions of insurance companies; \$200,000 and \$150,000, respectively, will be used to increase the capital and surplus of Alaska

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Western and Paragon by purchasing capital stock of said companies; and \$150,000 will be loaned to subsidiaries to enable them to purchase seasoned in-force life insurance from other companies. The company has outstanding 5 Class A shares and 6,202,616 Class B shares, of which management officials own 80% and 99.827, respectively. Upon incorporation of the company, Phil B. Duncan, president, transferred to the company 50,796 shares of Alaska Western voting stock and 250 shares of Anchorage Trading Company, Inc. (dissolved in 1963), in return for 2,893,080 of the company's Class B shares and one Class A share. Jack Labbee, vice president, transferred 13,870 shares of voting stock of Alaska Western and 2,750 shares of Anchorage Trading for 1,855,148 of the company's Class B shares and one Class A share. Duncan repurchased 25,000 shares of Alaska Western from the company in 1962 for \$3 per share.

MANAGED FUNDS INVESTMENT PLANS SEEKS ORDER. Managed Funds Personal Investment Plans (Electric Shares, Metal Shares, Paper Shares, Petroleum Shares, Special Investment Shares, and Transport Shares), New York unit investment trusts, have applied to the SEC for an order under the Investment Company Act declaring that they have ceased to be investment companies and the Commission has issued an order (Release IC-4058) giving interested persons until October 23 to request a hearing thereon. According to the application, Channing Investment Funds, Inc., a registered open-end diversified management investment company, as depositor, registered the Plans under the Act on October 28, 1958. Since that time the applicants have not offered or sold any securities to the public, have acquired no assets and have not transacted any business.

MARVIN HAYUTIN, ARMAND BILOTTI, OTHERS INDICTED. The SEC New York Regional Office announced (LR-3041) the return of a 48-count indictment (USDC SDNY) on September 29 charging violations of and conspiracy to violate the anti-fraud and registration provisions of the Securities Act and the mail and wire fraud statutes in the sale of Allied Entertainment Corporation of America stock, by the following: Marvin Hayutin, Rome, Italy; Armand Bilotti, Brooklyn, N. Y.; Klaus Fischer, Munich, Germany; Jay Gershkoff, Woodmere, L.I., N.Y.; Anthony Gravino, Brooklyn, N.Y.; Stephen Harris, Forest Hills, N.Y.; Michael La Marca, Freeport, L.I., N.Y.; Leon Nash, Bayside, N.Y.; Alexander Scheftel, New York, N.Y.; Stanley Scheftel, Massapequa, L.I., N.Y.; Harold Schreiber, Lynbrook, L.I., N.Y.; Stanley Shapiro, New York, N.Y.; Harry Wasser, Flushing, N.Y.; and Al Wasserman, Jericho, L.I., N.Y. Twenty-one additional individuals and firms were named as co-conspirators.

LEASON & CO. AND OTHERS INDICTED. The SEC Chicago Regional Office announced (LR-3042) the return of a 27-count indictment (USDC Chicago) on September 30 charging Harvey Leason, Hayden Leason and Leason & Co., Inc., of Chicago, and R. L. McLeod, William B. Robinson, E. Richard Verrill, Bala Williams, Jr., and William F. Robinson & Co., all of Texas, with violations of and conspiracy to violate the registration, anti-fraud and anti-manipulative provisions of the Federal securities laws in the sale of common stock of Amphibious Boats, Inc.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed.

EWA Plantation Co Aug. 1964 (11,13)

Celanese Corp of America Aug. 1964 (2,7,8, 13)

Union Rock & Materials Corp April 1964 (11)

Western Reserve Life Assurance Co of Ohio Aug. 1964 (11)

The New Western Underwriting Corp Jan. 1964 (2,7,13)

United Foods, Inc June 1964 (2,11)

Texota Oil Co July 1964 (7,9)

Toledo Scale Corp March 1963 (11,13)
April 1964 (11,13)

Republic Supply Co of Calif. Feb. 1964 (11,13) Sept. 1964 (2)

Scanlin Electronics, Inc Aug. 1964 (7,13)
B.S.F. Company Amend #1 to 8K for Mar. 1964 (13)

Chesapeake & Potomac Tel Co of Md. August 1964 (13)

Chesapeake & Potomac Tel. Co of West Va. August 1964 (13)

Curtis Ind, Inc August 1964 (1)

Home Oil Co., Ltd July, June & August 1964 (12,13)

A. G. Spalding & Brothers, Inc Nov. 1963 (12,13)

SECURITIES ACT REGISTRATIONS. Effective September 30: The Lincoln Telephone & Telegraph Co. (File 2-22708). **Effective October 1:** Federal-Mogul-Bower Bearings, Inc. (File 2-22700).

*As estimated for purposes of computing the registration fee.