

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE September 30, 1959

## MIAMI WINDOW HEARING POSTPONED

Upon request of counsel for Miami Window Corporation, 950 S.E. 12th St., Hialeah, Fla., concurred in by SEC Staff counsel, the Commission has authorized a further postponement from October 1 to November 5, 1959, of the hearing in the proceedings under the Securities Act to determine whether a stop order should be issued suspending the effectiveness of the Miami Window registration statement, which proposed the public offering of debentures and preferred stock. (See Release 33-4136)

## SEC ORDER PERMITS MISSISSIPPI POWER SURPLUS TRANSFER

The SEC has issued an order (Release 35-14065) authorizing Mississippi Power & Light Company, Jackson, to transfer \$2,850,000 from its earned surplus account to its common capital stock account. The company's earned surplus at June 30, 1959, amounted to \$7,267,862; and the surplus transfer will increase the capital stock represented by its outstanding 2,850,000 common shares from \$34,200,000 to \$37,050,000.

## WASHINGTON MORTGAGE AND DEVELOPMENT PROPOSES OFFERING

Washington Mortgage and Development Company, Incorporated, 1028 Connecticut Ave., N. W. Washington, D. C., filed a registration statement (File 2-15666) with the SEC on September 29, 1959, seeking registration of 100,000 shares of 10¢ par common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by American Diversified Securities, Inc., and Gildar & Co., Inc., both of Washington, for which they will receive a selling commission of 50¢ per share. The underwriters also are to receive \$25,000 for expenses in the event all the stock is sold, plus an option to purchase an additional 5,000 shares at par.

The company was organized in July 1959 under Delaware law for the general purposes of investing in mortgage and deed of trust notes secured by real estate, principally second mortgage and deed of trust notes. Net proceeds of the stock sale will be added to the general funds of the company and used primarily for the continued purchase of additional mortgage and deed of trust notes.

The company now has outstanding 20,000 common shares sold to its board of directors for \$30,000, which are subject to subscriptions receivable in the amount of \$20,000. An additional 11,250 shares are issuable upon the exercise of warrants issued to directors and the executive vice president. The prospectus lists Ned Bord as board chairman, Sidney Haddad as president, and S. F. Feiker as executive vice president.

## ALLIED SMALL BUSINESS INVESTMENT PROPOSES STOCK OFFERING

Allied Small Business Investment Corporation, 1115 - 17th St., N. W., Washington, D. C., filed a registration statement (File 2-15667) with the SEC on September 29, 1959, seeking registration of 100,000 shares of common stock, to be offered for public sale at \$11 per share. The underwriter (whose name is to be supplied by amendment) will offer this stock on a best efforts basis and receive a selling commission of \$.825 per share.

Organized in October 1958, the company is a Federal Licensee under the Small Business Investment Act of 1958. It now has outstanding 29,504 common shares. It will use the net proceeds of the sale of additional stock to provide equity capital and long-term loans to small business concerns, and possibly to retire indebtedness to SBA.

For further details, call ST. 3-7600, ext. 6526

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The company's prospectus lists George W. DeFranceaux as president, Gus Levathes as executive vice president, and T. Murray Toomey as secretary and General Counsel.

#### CORNBELT INSURANCE PROPOSES STOCK OFFERING

Cornbelt Insurance Company, 12 North Galena Ave., Freeport, Ill., filed a registration statement (File 2-15668) with the SEC on September 29, 1959, seeking registration of 200,000 shares of common stock. The stock is to be offered for subscription at \$4 per share by common stockholders of record September 15, 1959, at the rate of 4 shares for each 10 shares then held. No underwriting is involved; but brokers and dealers who join in the distribution will receive a commission of 40¢ per share. Unsubscribed shares may be offered for public sale.

The company now has outstanding 500,000 common shares. Net proceeds will be credited to stated capital and paid-in surplus and will be available for the company's insurance business.

#### CORNBELT LIFE PROPOSES STOCK OFFERING

Cornbelt Life Company, 12 North Galena Ave., Freeport, Ill., filed a registration statement (File 2-15669) with the SEC on September 29, 1959, seeking registration of 100,000 shares of common stock. The stock is to be offered for subscription at \$4.50 per share by common stockholders of record September 15, 1959, at the rate of 1 share for each share held. No underwriting is involved; but brokers and dealers who join in the distribution will receive a commission of 45¢ per share. Unsubscribed shares may be offered for public sale.

The company now has outstanding 100,000 shares of common stock. Net proceeds of the sale of additional stock will be credited to stated capital and paid-in surplus and used in the company's business. Of the outstanding stock, 50.5% is owned by Cornbelt Insurance Company.

#### HILTON HOTELS FILES FINANCING PROPOSAL

Hilton Hotels Corporation, 720 South Michigan Ave., Chicago, filed a registration statement (File 2-15670) with the SEC on September 29, 1959, seeking registration of \$30,000,000 of Subordinated Sinking Fund Debentures due 1984, with warrants for the purchase of 360,000 common shares. The debentures (with warrants) are to be offered for public sale through an underwriting group headed by Carl M. Loeb, Rhoades & Co. and Merrill Lynch, Pierce, Fenner & Smith. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Hilton and its subsidiaries are said to be engaged in a program of capital additions involving expenditures through 1961 estimated at \$63,000,000 for the development of new domestic hotels and inns, of which about \$40,000,000 will be used for completing the development of downtown hotels in San Francisco, Denver, Pittsburgh and Portland and approximately \$23,000,000 for the development of Hilton Inns. The net proceeds of the sale of the debentures will be applied toward such capital expenditure program.

#### WISCONSIN MICHIGAN POWER PROPOSES BOND OFFERING

Wisconsin Michigan Power Company, 231 West Michigan St., Milwaukee, today filed a registration statement (File 2-15671) with the SEC seeking registration of \$3,000,000 of First Mortgage Bonds, Series due 1989, to be offered for public sale at competitive bidding. Net proceeds thereof will be used to retire short term bank loans aggregating \$1,600,000, to reimburse the company's treasury for capital expenditures previously made and to finance in part the cost of continuing additions and improvements to the company's utility properties. Construction expenditures are estimated at \$6,200,000 for the eighteen-month period ending December 31, 1960.

#### EXEMPTION ORDER GRANTED ONE WILLIAM STREET

The SEC has issued an exemption order under the Investment Company Act (Release 40-2914) permitting One William Street Fund to issue its shares at their net asset value in connection with its purchase of substantially all the cash and securities of Federated Building Corporation (See Release 40-2910 for details).

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## C.I.T. FINANCIAL FILES FOR EXEMPTION ORDER

C.I.T. Financial Corporation, New York, has made application to the SEC under the Trust Indenture Act for a finding that trusteeship of Chemical Bank New York Trust Company under two trust indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trust Company from acting as trustee under said indentures; and the Commission has issued an order (39-140) giving interested persons until October 14, 1959, to request a hearing thereon.

One of the indentures relates to the outstanding \$100,000,000 of 3-5/8% Debentures due September 1, 1970, which names The New York Trust Company as trustee. The other relates to \$75,000,000 of outstanding 4-5/8% Debentures due January 1, 1979, which names Chemical Corn Exchange Bank as trustee. The two trustee banks were merged on September 8, 1959.

## REVISION OF UNIFORM ACCOUNT SYSTEM FOR HOLDING COMPANIES PROPOSED

The SEC today announced that it has under consideration a proposal to revise the Uniform System of Accounts for Public Utility Holding Companies under the Public Utility Holding Company Act of 1935. The purpose of the proposed revision is to permit those registered holding companies which are not also operating companies to destroy voluminous records the retention of which is no longer necessary or appropriate in the public interest or for the protection of investors and consumers. The micro-filing of other records, which no longer need to be retained in their original form, would also be authorized.

The proposal is made pursuant to Sections 15 and 20(a) of the Public Utility Holding Company Act of 1935 and Rule 26 promulgated thereunder. Rule 26 prescribes the Uniform System of Accounts for Public Utility Holding Companies for those registered holding companies which do not also operate utility assets or other physical properties. Such registered holding companies presently are forbidden by General Instruction 3C of the Uniform System of Accounts to destroy any books or records without first having obtained the consent and approval of the Commission.

The proposed revision eliminates this prohibition and adds to the Uniform System of Accounts an Appendix which would prescribe fixed retention periods and microfilming privileges with respect to all of the books of account and other records of the companies which are subject to the Uniform System of Accounts. The proposed Appendix would be entitled "REGULATION TO GOVERN THE PRESERVATION AND DESTRUCTION OF BOOKS OF ACCOUNT AND OTHER RECORDS OF COMPANIES WHICH ARE SUBJECT TO THE UNIFORM SYSTEM OF ACCOUNTS FOR PUBLIC UTILITY HOLDING COMPANIES UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935."

Interested persons have been invited to submit views and comments on the proposed revision of the Uniform System of Accounts not later than October 30, 1959. Copies of Holding Company Act Release No. 14063, which contains the text of the proposed revision, may be obtained upon request.

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