



or Income
and Growth

The Fully Administered Fund



... a *conservative* investment

Group Securities, Inc.

(EST. 1933)

A Mutual Fund

INSTITUTE OF
INDUSTRIAL RELATIONS

The Fully Administered Fund is a balanced fund designed for investors who are seeking a *complete* program in a single investment

Purpose

The purpose of The Fully Administered Fund is to provide complete investment management for investors who are seeking regular income at a reasonable rate, together with conservative long-term growth of principal.

Consistent with these objectives, the investment policy of the management is conservative at all times. The management does not seek speculative profits: it endeavors to *balance* the investments of the fund in accordance with the outlook, increasing the holdings of common stocks and other aggressive investments during favorable periods of relatively high earnings and dividends and, conversely, emphasizing bonds and other defensive investments for the protection of principal in less favorable periods of business activity.

This is the essence of a truly *balanced* fund: never to be in an extreme or extended position, but conservatively to reduce or increase the proportion of common stocks held for the fund toward the end of maintaining reasonable income, long-term growth of principal, and some degree of compensation for the changing value of the dollar. In striving for this goal, the management may choose

from the investment issues of all industries and may use bonds, preferred stocks, or common stocks when these different securities appear most suitable.

Characteristics

Shares of the Fund thus provide investors with a convenient and *complete* investment program — a conservative balance being maintained at all times between aggressive and defensive investments, reflecting the management's judgment of changing conditions. Broad diversification is also maintained as to industries and individual companies.

In keeping with these conservative investment objectives, the shares tend to advance or decline in market value at a relatively lesser rate than do many individual securities, and thus are suitable for investment rather than speculation.

Sponsor

Group Securities, Inc. is a mutual fund in its seventeenth year of operation, now serving some 37,000 shareholders. The Company's sponsor and investment adviser is Distributors Group, Incorporated — a relationship which has existed since the Fund was founded in 1933.

The Fully Administered Fund

The Balanced Fund of Group Securities, Inc.

... a complete, conservative program in a single investment

Through ownership of shares of The Fully Administered Fund, your money is invested in a broadly diversified list of stocks and bonds . . . selected,

supervised and administered by professional management. Investments held by the Fund are shown on the basis of market values October 2, 1950.

Common Stocks (53.23%)

Name of Issue	Percentage	Name of Issue	Percentage
Agricultural		Mining	
Allis-Chalmers Mfg. Co.	1.39	Kennecott Copper Corp.	1.22
Automobile		Petroleum	
Borg-Warner Corp.	1.33	Shell Oil Corp.	2.43
Briggs Mfg. Co.	0.63	Socony Vacuum Oil Co.	1.35
Firestone Tire & Rubber Co.	2.81	Standard Oil Co. (Indiana)	0.54
		Texas Co.	1.45
Aviation		Railroad Equipment	
American Airlines, Inc.	1.07	American Brake Shoe Co.	0.95
Douglas Aircraft Co., Inc.	1.32	General American Transportation Corp.	0.79
Building		General Railway Signal Co.	0.61
American Radiator & Std. San. Corp.	0.93	New York Air Brake Co.	0.66
Johns-Manville Corp.	0.92		
Chemical		Railroad Stocks	
American Cyanamid Co.	0.65	Atchison, Topeka & Santa Fe Rwy. Co.	1.55
Du Pont de Nemours (E. I.) & Co.	0.78	Atlantic Coast Line R.R. Co.	0.88
Union Carbide & Carbon Corp.	1.37	Chicago, Rock Island & Pacific Ry. Co.	0.86
Drugs		Great Northern \$6 Non. Cum. Pfd.	0.31
Parke, Davis & Co.	1.61	Southern Pacific Co.	1.76
		Southern Railway Co.	0.50
Electrical Equipment		Steel	
General Electric Co.	0.92	Bethlehem Steel Corp.	1.62
Food		National Steel Corp.	2.29
Continental Can Co., Inc.	0.71		
Corn Products Refining Co.	1.82	Utilities	
General Foods Corp.	0.93	American Tel. & Tel. Co.	1.45
Standard Brands, Inc.	0.89	Panhandle Eastern Pipe Line Co.	1.17
Wrigley (Wm.) Jr. Co.	0.75		
Industrial Machinery		Miscellaneous	
Fairbanks Morse & Co.	1.85	Celanese Corp. of America	0.74
Merchandising		Collins & Aikman Corp.	0.49
May Department Stores	2.19	Columbia Broadcasting System "A"	1.02
Montgomery Ward & Co.	1.21	Newport Industries, Inc.	0.45
Woolworth (F. W.) Co.	1.39	Sun Chemical Corp.	0.67

Cash, Government Bonds and Other Fixed Income Securities (46.77%)

Name of Issue	Percentage	Name of Issue	Percentage
Highest Investment Quality	39.93%	Other Bonds and Preferred Stocks	6.84%
GOVERNMENT BONDS AND CASH	29.61%	American Cyanamid Co. 3% Cum. "B" Pfd.	1.07
U. S. Treas. 2%, June 15, 1962/59	4.51	Baltimore & Ohio R.R. Co. Ref. & Gen. Mtge. "C" 2-5/1995	1.43
U. S. Treas. 2%, June 15, 1967/62	3.00	Kansas City Southern Rwy. Co. 4% Pfd.	0.77
U. S. Treas. 2%, Dec. 15, 1968/63	3.97	New York Central R.R. Co. Ref. & Imp. Mtge. "A" 4% 2013	1.36
U. S. Treas. 2%, June 15, 1969/64	7.89	N. Y. Chic. & St. Louis R.R. 6% Cum. Pfd. "A"	0.55
U. S. Treas. 2%, Dec. 15, 1969/64	9.06	West Shore Railroad 1st Mtge. 4/2361 (Cpn.)	1.14
Cash	1.18	West Shore Railroad 1st Mtge. 4/2361 (Reg.)	0.52
CORPORATE BONDS	10.32%		
Boston Edison Co. 1st "A" 2%, 1970	1.28		
Cincinnati Gas & El. 1st Mtge. 2%, 1975	2.17		
Illinois Bell Tel. Co. 1st Mtge. "A" 2%, 1981	2.46		
Kansas City Power & Light Co. 1st Mtge. 2%, 1976	2.47		
Philadelphia Elec. Co. 1st & Ref. Mtge. 2%, 1971	1.94		

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October 1950

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The Fully Administered Fund is a fund of Group Securities, Inc., one of the oldest and largest mutual investment companies in the United States

History

In the years since the Fund was launched, the proportions of its total assets have varied within different types of investments, as follows: from 35% to 65% in common stocks; from 1% to 30% in preferred stocks; and from 4% to 42% in bonds and cash.

Record

Shareholders receive each year's net investment income quarterly, as regular dividends, at the end of February, May, August, and November. Any net profits realized by the Fund from the sale of investments may be paid out as "extra distributions," ordinarily in the last quarter of the year.

An investment of \$10,000 at the offered price on January 2, 1940, would have been worth \$10,654 at asset value on December 31, 1949, just ten years later. During this 10 year period, which overall was one of generally rising prices, both market price and dividends changed from year to year as shown by the table below. Dividends paid from net investment income on the original \$10,000 investment aggregated \$4,062 and extra distributions from net realized security profits \$2,113. Had both been reinvested at asset value on the dates they were paid the total asset value at December 31, 1949 would have totalled \$19,640.

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DIVIDEND AND PRICE RECORD

Year	Regular Dividends (from net Investment Income)	Extra Distributions (from net security profits)	SALES PRICE		Year	Regular Dividends (from net Investment Income)	Extra Distributions (from net security profits)	SALES PRICE	
			Low	High				Low	High
1940	\$.20	\$.085	\$5.31	\$ 6.76	1946	\$.205	\$.175	\$7.97	\$10.37
1941	.305	—	4.99	6.16	1947	.215	.165	7.14	8.96
1942	.44	—	5.04	6.05	1948	.31	.11	7.38	8.74
1943	.33	.15	5.68	7.98	1949	.345	.025	6.89	7.85
1944	.20	.29	7.25	8.20	9 Mo. 1950	.24	—	7.60*	8.40*
1945	.18	.42	8.04	9.97				*To October 2	

DIVIDENDS BY QUARTERS FOR PAST 12 MONTHS:

NOVEMBER	FEBRUARY 1950	MAY 1950	AUGUST 1950	TOTAL
Reg. 6% Extra 2%	Reg. 8c -----	Reg. 8c -----	Reg. 8c -----	30% 2%

Some Advantages of Using

The Fully Administered Fund

The Balanced Fund of Group Securities, Inc.

as a conservative and *complete* investment program

◀ **Wide Diversification . . .**

an ownership interest in a broad list of better-grade stocks and bonds, diversified as to business and industry

◀ **Continuing Supervision . . .**

by professional management currently administering for some 37,000 shareholders more than \$75,000,000 of investment funds

◀ **Custody of Assets . . .**

the Fund's cash and securities are held by The First National Bank of the City of New York, as Custodian

◀ **Convenience . . .**

your participation in the ownership of many stocks and bonds requires but a single certificate; your share of the income from these many sources is paid to you quarterly in a single dividend check; complete tax information on these payments is sent to you annually; your ownership of the shares can be added to at any time

◀ **Marketability . . .**

shares may be resold to the Fund for cash. The repurchase or redemption price may be more — or it may be less — than the investor's cost, inasmuch as the redemption price depends on the market value of the securities held for the Fund at the time of redemption

This folder presents certain of the investment features and uses of The Fully Administered Fund. A more complete description of the Fund, and of the Company of which it is a part, is given in the Prospectus.

There is a sales charge to the investor included in the offering price of the shares of this Company. For details thereof and other material information, see the Prospectus.



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