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03/11/91

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: MCDOWELL CLAY DEPOSIT

ALTERNATE NAMES:  
TIGER ENTERPRISES

MARICOPA COUNTY MILS NUMBER: 497

LOCATION: TOWNSHIP 4 N RANGE 6 E SECTION 22 QUARTER NE  
LATITUDE: N 33DEG 40MIN 54SEC LONGITUDE: W 111DEG 43MIN 18SEC  
TOPO MAP NAME: FORT MCDOWELL - 7.5 MIN

CURRENT STATUS: RAW PROSPECT

COMMODITY:  
CLAY

BIBLIOGRAPHY:  
ADMMR MCDOWELL CLAY DEPOSIT FILE

McDOWELL CLAY DEPOSIT

MARICOPA COUNTY

Murrell Smith, Arizona Development Board said that the New England Industries of New York City, were the group that were interested in erecting a ceramics plant in this area and were negotiating with Arizona Clay Products, Inc. (Old Tiger Enterprises).  
LAS WR 10-13-64

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Mr. Windes stated that Tiger Enterprises have raised \$1,000,000 for the erection of a tile pipe plant in the Phoenix area. This should be ready within 9-12 months. It will employ a large kiln and extrusion machines.

Tests reveal that 4,000,000 tons of clay are actually available. The blend found best by tests, is 20-25 per cent silica (as granite sand found on the property) 67-72 per cent clay and 8 per cent grout. Recent extrusion tests indicate that up to 10 foot lengths of pipe can be made. The pipe will not be glazed. Shrinkage tests indicate 8% compared to an annual average of 10 per cent.

The plant will have a yearly capacity of 30,000 tons on an 8 hour basis or 75,000 tons over a 3 shift operation. If all goes well, Tiger Enterprises plan to increase the capacity to 225,000 tons in 5 years. Market surveys indicate that the Arizona market is now around 90,000 tons of pipe annually.

LAS Memo 2-1962 Interview with H. Guildord Windes - Pres. Tiger Enterprises

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Bob Langguth of Fisher Contracting Co. stated that O. Lee Bennett, formerly Vice President of Gladding McBean Clay Co. and now an independent clay consultant in Denver, had conducted tests on the McDowell clay for Tiger Enterprise, Inc. of Phoenix. LAS Memo 3-3-62

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Mr. Turley reported that he now is handling the McDowell Clay Deposit, owned by Tiger Enterprises. He also stated that Pacific Clay Company's tests as reported by the Chief Engineer, indicated that the material was satisfactory for ceramic pipe. Turley seemed to feel that a deal could be culminated on this. LAS Memo 3-5-63 Interview with Eugene Turley

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Conference with Loyal Davis (a stockholder in Tiger Enterprises) and Dr. Stanley I. Blake, 49 N. Hibbert, Mesa (new agent for the reorganized company). A group of Mesa men and Jim Shahan, of Chandler have assumed control of Tiger Enterprises, Inc. They will continue the name of Tiger Enterprises, Inc. This group consists of:

Dr. Stanley I. Blake, 49 N. Hibbert, Mesa, Arizona  
Mr. Charles L. Flake, 1222 E. 1st Place, Mesa, Arizona  
Mr. Dale Riggins, 567 N. Alma Rd., Mesa, Arizona  
Mr. Tom Tkeda, 512 N. Mesa Drive, Mesa, Arizona  
Mr. James Shahan, N. E. of Chandler

Many original stockholders of Tiger Enterprises, Inc., retained their stock.

This group plans to erect a mill, in the Valley, that will have an annual capacity of 30,000 tons of ceramic tile. Construction of this plant, estimated to cost \$750,000, is slated to begin around July 1. According to Blake, recent tests have verified that the McDowell clay is satisfactory. However, should additional silica be needed it can be obtained from the White Peak silica deposit where there is considerable quartz that contains segregations and veinlets of feldspar. The feldspar would help in ceramic work but is considered deleterious for silica flux. The plant, as now planned, will include 2 kilns and extrusion machinery, among other equipment.

LAS Memo 4-11-63

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DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine McDowell Clay Deposit

Date June 13, 1961

District Pinnacle Peak Dist., Maricopa Co.

Engineer Lewis A. Smith

Subject: Interview with Gilford Windes of Tiger Enterprises Corp.

Property: 2 leased 20 acre claims (State land), 6 - 20 acre lease claims applied for, 16 unpatented placer claims (160 acre association type ~~2560~~ <sup>2720</sup> acres) Total contemplated holdings will be ~~3360~~ <sup>2720</sup> acres. (Some claims were recently won from Gladding McBean in a suit.)

Owner: Tiger Enterprises Corp., 2943 N. 33 St., Phoenix (AM 6-1359), <sup>Gilford</sup> ~~Gilford~~ Windes, Agent.

Mineral: Clay

Location: SW $\frac{1}{4}$ , S. 22, T. 4 N., R. 6 E. (initial work area), centering land holdings in several surrounding sections. Section 22 was tested.

Work: Several cuts and pits for location and test purposes. Most work was accomplished by bulldozer. Two natural cuts by streams reached more than 55 feet in depth on three sides of the test area.

Geology: Donald P. McCarthy, Consulting Geologist, 551 W. 2nd Place, Mesa, reported a reserve of 7,497,000 tons of workable clay to a depth of 56 feet, and he postulated that the total depth, based on a nearby well log, could reach up to 500 feet. He stated that the clay was deposited in a Late Pliocene to late Pliocene lake. This checks with the age of the rest of the Verde River Valley lake deposits (L.A.S.). The clay is brown in color and well compacted. \$6,000 of testing at Missouri School of Mines, Gladding McBean Co. and at Arizona Bureau of Mines indicate that the clay is suitable for tile pipe with the addition of a few percent of silica sand. A market survey was made which indicates that the potential for tile pipe needs within a 200 mile radius of Phoenix, would eventually reach 99,000 tons per year.

Status: Tiger Enterprises Corp. plans to raise about \$1,500,000 to finance a 30,000 ton plant (annual capacity) and mining equipment. This plant would thus meet 30 percent of the potential demand. This pipe is now imported from California, but according to Windes, California clay deposits are depleting rapidly and the producers in the Los Angeles area are having increased difficulty in obtaining suitable clays. This has necessitated much blending. The Tiger Enterprises Corp. estimate that they would have a large freight differential which they believe would help their cost position by as much as 25 percent, compared to the cost of delivery of California pipe into this area.

*Tiger Enterprises Corp.  
Gilford Windes - 2943 N 33 St Phoenix  
or 1522 E San Juan Phoenix 16  
Claims NW of Ft. McDowell*

*Site Area, 160 acres (18 claims)  
Reported by engineers to have 8,000,000 tons*

**DEPARTMENT OF MINERAL RESOURCES**

**STATE OF ARIZONA  
FIELD ENGINEERS REPORT**

Mine	McDowell Clay	Date	January 11, 1961
District	McDowell Mtns. (Pinnacle Peak Dist.) Maricopa Co.	Engineer	Lewis A. Smith
Subject:			

Letter from Gladding McBean & Co., 2901 Los Feliz Blvd., Los Angeles 39, Calif. (Arthur C. Moore, Director, Mining & Raw Materials Development Division).

They state that they no longer have interest in the deposits which lie in T 4 N, R 6 E, S 14, 15 and 23.

DEPARTMENT OF MINERAL RESOURCES  
STATE OF ARIZONA  
FIELD ENGINEERS REPORT

Mine McDowell Group

Date October 20, 1960

District Pinnacle Peak Dist., Maricopa Co.

Engineer Lewis A. Smith

Subject: Interview with Douglas L. McCullough

Location: S 14-15, 22-23, T 4 N, R 6 E.

Owners: Gladding McBean and Co., 2901 Los Feliz Blvd., Los Angeles 39, California,  
(Arthur G. Moore, Director of Mining & Raw Materials).

Property: 14 unpatented placer claims.

Mineral: Clay

Work: Several bulldozer trenches, 10-12 feet deep.

Geology: The clays are in stratified Tertiary Lake beds. They locally contain fingers and lenses of arenaceous material (sand).

Source of data: Douglas L. McCullough, Bureau of Land Management, Phoenix. Mr. McCullough stated that the property lies within three sections that Maricopa County wants for a recreational area. The surface rights have now been signed over to the United States. The Bureau, however, will test the clays to see whether they might have future value for clay before turning them over to Maricopa County. They occupy part of four sections but are largely within one.

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Prospectus file  
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# PROSPECTUS

of

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original*

## TIGER ENTERPRISES

(Incorporated in Arizona February 15, 1961)

**\$100,000.00**

**100,000 Shares Common Stock**

(Par Value \$1.00 Per Share)

Offering 100,000 shares of non-assessable capital common stock of the corporation at par value of \$1.00 each share to bona fide residents of the State of Arizona.

	Offering Price	Commissions —Expenses*	Proceeds to the Corporation
Common Stock	\$1.00	.20	.80
Total	\$100,000.00	\$20,000.00	\$80,000.00

\* Commissions are payable to licensed dealers and salesmen at a maximum rate of 15% of the gross purchase price. Expenses of this issue are estimated to be not in excess of 5% of the gross purchase price.

THESE SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT OF ARIZONA, BUT THE FACT OF SUCH REGISTRATION IS NOT TO BE DEEMED A FINDING BY THE ARIZONA CORPORATION COMMISSION NOR BY THE DIRECTOR OF SECURITIES THAT THIS PROSPECTUS IS TRUE OR ACCURATE, NOR DOES SUCH REGISTRATION MEAN THAT THE COMMISSION OR THE DIRECTOR HAS PASSED UPON THE MERITS OF OR OTHERWISE APPROVED THE SECURITIES DESCRIBED HEREIN. THESE SECURITIES ARE NOT REQUIRED TO BE REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION SINCE THEY ARE BEING OFFERED SOLELY TO RESIDENTS OF THE STATE OF ARIZONA.

**CAVANAUGH, GECK SECURITIES, CORP.**

Underwriter  
Central Towers  
Phoenix, Arizona

**GORDON W. LEQUE**  
Reg. Representative

*The effective date of this offering is May 23, 1961*



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No person has been authorized to give any information or to make any representations not contained in this Circular in connection with the offering made hereby, and, if given or made, such information must not be relied upon as having been authorized by the Company or the Underwriter. This Circular does not constitute an offer by the Company or the Underwriter to sell shares of stock in any state to any person to whom it is unlawful to make such offer in such state.

# TIGER ENTERPRISES

Tiger Enterprises is an Arizona corporation incorporated on February 15, 1961. Its principal offices are located at 2943 North 33rd Street, Phoenix 18, Arizona.

The purpose of the corporation is to develop a clay deposit located approximately 35 miles north-east of Phoenix, the rights to which are held by the corporation in three ways:

- (a) State of Arizona Mineral Lease No. 1235 granting the right to remove mineral from approximately 40 acres of the deposit area until October, 1980, subject to a royalty payment to the State of 5% of the net value of minerals produced.
- (b) Eighteen Federal mining claims of 160 acres each surrounding the center of the deposit. These claims are presently unpatented but it is expected that with further exploration and development patent from the United States Government will be obtained. These claims were located as association placers and the corporation is obligated to pay the eight locators a total of 4% of the net value of clay produced therefrom.
- (c) Two mining claims have been located on land belonging to the State of Arizona adjacent to the State mineral lease lands referred to above. The Corporation is in the process of attempting to obtain State mineral leases on this approximately 40-acre area of the deposit.

The clay deposit is believed to be of a quality sufficient to produce most heavy clay manufactured articles such as brick, burned adobe, sewer pipe (vitrified clay pipe) and other vitrified conductors such as telephone conduit. The Corporation proposes to sufficiently explore and develop the deposit under federal land to obtain patent to the land. This deposit is believed to be unique in both quantity and quality. Certainly no similar deposit exists so near the market area for products produced from it.

## COMPETITION

It is a well known fact that the use of vitrified clay pipe for sewer lines is running into the millions of dollars annually in the State of Arizona alone. Also, it is a fact that none of this product is at present manufactured in the State of Arizona. It is only a matter of a very short time until some concern will be manufacturing this product within the State of Arizona and when this takes place this Corporation hopes to be in a position to profit handsomely from its assets.

The business in which Tiger Enterprises is engaged is speculative in nature, but it is believed that the assets of the corporation (namely, the clay deposits) are certain to be used eventually, and for this reason the venture should be profitable.

## METHOD OF OPERATION

The Corporation proposes to use the funds obtained through this issue to prove up and patent the federal mining claims held by it encompassing 2880 acres, to prove up and lease from the State of Arizona two additional mining claims on State land, and to build a market for the clay involved in the foregoing plus the two State leases now held by the Corporation. In order to insure the maximum possible market and profit for the Corporation it is anticipated that the Corporation will invest in industries that will use its raw material to manufacture its finished products. It is felt that this procedure will insure the maximum firm market and profit for this Corporation. Specifically the Corporation desires to encourage the promotion of and invest in manufacturing concerns in the area which will use the Corporation's clay for vitrified sewer pipe, clay brick, light weight building block, (after processing), light weight aggregate (after processing), and the many ceramic uses for which the clay is believed to be usable.

## USE OF PROCEEDS

Further exploration and development of the deposit .....	\$ 5,000.00
Building of access roads .....	5,000.00
Purchase of equipment .....	10,000.00
Engineering and legal fees .....	5,000.00
Market development .....	20,000.00
Further laboratory analysis and testing of clay .....	5,000.00
Working capital .....	30,000.00
	<hr/>
	\$80,000.00

## THE DEPOSIT

As before stated the clay deposit is located approximately 35 miles northeast of Phoenix. The six State of Arizona mining claims and State Mineral Lease No. 1235 are in the approximate geographical center of the deposit. The federal mining claims surround this area.

Mr. Donald P. McCarthy, professional geologist, registered as such with the State of Arizona, has examined the area covered by the State lease and has calculated the known quantity of clay within that area at 3,811,000 tons. He indicates, however, that the actual thickness of the clay is unknown and the actual quantity may far exceed the known quantity. A copy of Mr. McCarthy's report has been filed with the Securities Division of the Arizona Corporation Commission.

Samples of the deposit were taken by Mr. McCarthy and submitted by him to the School of Mines and Metallurgy of the University of Missouri. In the report of their analysis of these samples the University of Missouri indicates that the clay is suitable for the making of vitrified clay sewer pipe with the addition of 20% in volume of a non plastic substance such as sand. A copy of this report and laboratory analysis is on file with the Securities Division of the Arizona Corporation Commission.

## UNDERWRITING

The Corporation has entered into an exclusive best efforts underwriting agreement with Cavanaugh, Geck Securities Corp., d/b/a Cavanaugh, Geck & Co. Should the underwriter not sell 75,000 shares of stock within 90 days of this offering the Corporation has the right to cancel this agreement, and in that event the sale of stock may be undertaken by licensed salesmen appointed by the Corporation or by officers of the Corporation.

## CAPITAL STRUCTURE

The authorized stock of the Corporation consists of 1,000,000 shares of common stock having a par value of \$1.00 each share. All stock has voting rights and when issued shall be fully paid and non-assessable.

## OFFICERS AND DIRECTORS

The management of the Corporation is vested in the following persons as members of the Board of Directors, and the officers of the Corporation:

LOYAL L. DAVIS, President, Director, 1611 South 16th Street, Phoenix, Arizona.

Mr. Davis was educated in the public schools of Casper, Wyoming, Phoenix, Arizona, and Los Angeles. He has resided in Phoenix since 1932 and has had wide experience in sales, especially in the jewelry and trophy manufacturing and marketing business. As owner of Arizona Ceramics he manufactured ceramic dishes and vases and invented a unique ceramic kiln now in use in California. He now owns and manages Trophies Unlimited which manufactures metal figures by use of a unique rubber mold process. He also owns and manages the Arizona School of Watchmaking.

JAMES A. HENRY, Vice President, Director, Baseline Road, Tempe, Arizona.

Mr. Henry graduated from the Oregon State College in 1938, and is a retired Lt. Commander in the United States Navy. From 1950 to 1955 he was President of the Rincon Cattle Company. He has had wide experience in the investment field and is presently President of the Kiva Land Corporation. He is Director of the St. Augustine Episcopal Church, active in the Tempe Kiwanis Club and the Boy Scouts of America, having been a scoutmaster for eight years.

ESTELLE M. WINDES, Secretary, Director, 2943 North 33rd Street, Phoenix, Arizona.

Mrs. Windes was formerly the Supervisor of Student Training for Ohio Bell Telephone Co. She has wide secretarial and secretarial teaching experience, and from 1957 to 1959 she was Assistant Buyer for the Bing Furniture Co., an Ohio corporation operating a chain of 12 furniture stores.

H. GUILFORD WINDES, Director, 2943 North 33rd Street, Phoenix, Arizona.

Mr. Windes is a registered professional mechanical engineer, having graduated from the University of Washington with a B.S. in Mechanical Engineering in 1944. He was formerly employed by Arizona Public Service Co. and while with that company he designed and installed the gas transmission system in use in Prescott and also the steam transmission system being used in Flagstaff. From 1948 to 1960 he was employed by the Western Clay Products Co., an Arizona corporation, engaged in the manufacture of building brick. In 1952 he became Vice President of that corporation and in 1958 he was elected President. His experience in the manufacture of clay brick as General Manager of that corporation should be invaluable to Tiger Enterprises.

ANDREW A. CUPP, Director, 1401 South 16th Street, Arizona.

Mr. Cupp was born in Napoleon, Ohio, and educated in the public schools of that city. In 1923 he came to Arizona and started business as the A. A. Cupp Trucking Co. and has continued successfully in the trucking and transportation business since that time. Since 1946 he has been Arizona distributor for the Western Salt & Supply Corp., a California corporation, engaged in supplying salt to this area for industrial uses, manufacturing, and water softeners.

## PRESENT HOLDERS OF SECURITIES AND ESCROW

On March 12, 1961 the Corporation acquired the rights to the State lease and mining claims referred to above from Tiger Mining Company, a limited partnership composed of Loyal L. Davis, as general partner, and Estelle M. Lewis (now Mrs. H. Guilford Windes), as limited partner. In addition, the Corporation acquired the other assets and liabilities of that partnership. In exchange the Corporation has authorized and directed the issue of 260,000 shares of common stock to Tiger Mining Company or its nominees who contributed money, services or property to the partnership which resulted in the rights the Corporation now has in its principal asset, the clay deposit. The present record holders of stock are:

Andrew A. Cupp .....	17,500 shares
James A. Henry .....	17,500 shares
Tiger Mining Company (i.e., Loyal L. Davis and Estelle M. Windes) .....	225,000 shares
<b>Total</b> .....	<b>260,000</b>

All of the foregoing 260,000 shares of stock are subject to the following restrictions:

1. All of said shares shall be placed in escrow upon the effective date of this prospectus.
2. The escrow agent selected will be with the approval of the State Securities Director.
3. During the period of escrow the shares will not be encumbered, transferred or sold except by and upon approval of the Securities Director.
4. The securities so deposited shall not be withdrawn or the escrow terminated without approval of the Securities Director.
5. Only 30,000 of the shares owned by Mr. Cupp, Mr. Henry and Tiger Enterprises, a limited partnership, will be voted at Stockholders Meeting until further order of the Director of Securities.

## FINANCIAL STATEMENT

To the Stockholders and Board of Directors

Tiger Enterprises

Phoenix, Arizona

We have examined the Statement of Financial Position of Tiger Enterprises as of March 12, 1961. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary, except the following.

We were not present at the mine to test the inventory, but relied upon the report given by a registered geologist, Donald P. McCarthy. See Notes.

In our opinion, the Statement of Financial Position of Tiger Enterprises presents fairly its financial position at March 12, 1961, in conformity with generally accepted accounting principles.

ELMER S. GREEN

Certified Public Accountant

Phoenix, Arizona

May 15, 1961

**TIGER ENTERPRISES**  
**Statement of Financial Position**  
**March 12, 1961**

<i>Assets</i>		
Cash in Bank — Guaranty Bank .....	\$ 9,619.67	
— First National .....	107.36	\$9,727.03
Petty Cash .....		6.21
Supplies Inventory .....		26.00
Clay Deposit .....		1.00*
Total Assets .....		<u>\$9,760.24</u>
<i>Liabilities and Capital</i>		
Accounts payable .....		\$ 579.80
Notes Payable .....		8,000.00
Total Liabilities .....		<u>8,579.80</u>
Capital .....		
Capital Stock 260,000 shares \$1 par value .....	\$260,000.00	
Discount on Stock .....	(258,819.56)**	1,180.44
Total Liabilities and Capital .....		<u>\$9,760.24</u>

**TIGER ENTERPRISES — NOTES TO STATEMENT OF FINANCIAL POSITION**  
**MARCH 12, 1961**

\*The clay reserves on the leased land were calculated at 3,811,000 tons per report of Donald P. McCarthy, a registered geologist. The market value ranges from \$.50 to \$3.00 a ton, depending upon the quality and accessibility of the clay and the market for it. At the market price, the total value of this reserve of clay ranges from \$1,905,500.00 to \$11,433,000.00.

The land on which the federal claims are located was appraised by Lillian Retzloff, broker, of Retzloff Realty, 3833 East Indian School Road, Phoenix, Arizona, from the standpoint of land sales and not mining claims. This land, located from eleven to fifteen miles northeast of Scottsdale, contains 2,880 acres with an estimated market value of \$500 per acre or a total market value of \$1,440,000.00.

\*\*Two of the organizers, Loyal L. Davis and H. Guilford Windes, have expended their time and personal monies since August, 1960, and April, 1959, respectively in researching and developing the mining claims. The time and money out of pocket by these two men has been computed by them conservatively at \$40,000.00.

The amount of the above time and monies plus promotional efforts would be a part of the amount shown as discount on stock instead of being capitalized separately.

### **IMPOUNDMENT OF PROCEEDS**

The Corporation has arranged to deposit \$0.80 of the proceeds of each \$1.00 of stock sold with The Guaranty Bank, Phoenix, Arizona to be held by it and refunded to the purchasers unless the Director of Securities of the Arizona Corporation Commission releases such funds to the Corporation. In that event the proceeds will be turned over to the Corporation for the operation of its business and for the purposes stated in the preceding sections.

### **LEGAL OPINIONS**

Legal matters in connection with the shares offered hereby are being passed upon by Messrs. Tognoni, Parsons, Birchett & Gooding, First National Bank Building, Phoenix, Arizona, as counsel for the Company.

### **LITIGATION**

There is no litigation pending or threatened against the Company.