

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

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

(Issue No. 66-78)

FOR RELEASE April 22, 1966

**EMPLOYMENT OF E. R. D'ABRE DENIED.** The SEC announced a decision today under the Securities Exchange Act (Release 34-7865) disapproving an application of the NASD that a member firm be continued in membership with Edgar R. D'Abre, of East Dennis, Mass., in its employ.

In 1961 the NASD revoked D'Abre's registration as a registered representative, which created a "dis-qualification" barring his subsequent employment by a member firm without approval of the Commission. The Commission in 1964 rejected a similar application because of D'Abre's "unreliability and his lack of understanding of his obligations to his employer, to the ... NASD and to the securities industry." In denying the present application, the Commission concluded that the factors which caused it to deny the prior application still militate against reinstatement of D'Abre in the securities business and that the record "does not provide an adequate basis for finding that he can reasonably be expected to conform to the high standards of conduct required of persons engaged in the securities business."

**ASSOCIATED LIFE INVESTORS RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4574) exempting Associated Life Insurance Investors Corporation, Oakland, Calif., from certain provisions of the Act. According to the application, the company has outstanding 9,755 shares of its common stock and 210 shares have been subscribed for, all of which were sold to California residents at \$1 per share. The company proposes to sell an additional 89,035 shares to residents of California at \$1 per share. Section 6(d) of the Act provides that the Commission shall exempt a closed-end investment company from all provisions of the Act where the aggregate sums received by the company from the sale of all of its outstanding securities do not exceed \$100,000 and where no such securities will be publicly offered to any person who is not a resident of the state under the laws of which it is organized. The company will undertake to comply with certain provisions of the Act and SEC rules thereunder, including the filing of certain reports with the Commission.

**COMPLAINT CITES ROBERT S. CHAPPELL.** The SEC Chicago Regional Office announced April 20 (LR-3492) the filing of a criminal complaint (USDC, SD Ind.) charging Robert S. Chappell of Indianapolis, Ind., with violating the Securities Act anti-fraud provisions in the sale of stock of Air & Space Underwriters, Inc.

**MILTON BRADLEY CO. PROPOSES OFFERING.** Milton Bradley Company, 74 Park St., Springfield, Mass. 01101, filed a registration statement (File 2-24889) with the SEC on April 21 seeking registration of 150,000 shares of common stock to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York. The public offering price (\$28 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures games and puzzles and a line of educational materials and teaching aids and sells such products throughout the country. It also sells, primarily to schools in New England, a line of school supplies which it purchases mainly from others. Net proceeds of its stock sale, together with proposed bank borrowings and some working capital, will be applied to the cost of constructing a new plant in East Longmeadow, Mass., as the construction progresses. The new plant, when all portions are completed as scheduled in 1967, will contain completely integrated facilities for the design, manufacture, assembly and primary warehousing of all the company's products. In addition to indebtedness, the company now has outstanding 1,188,319 shares of common stock, of which management officials and members of their families own 20%. James J. Shea, president, owns 12.6%.

**CONTINENTAL CAN FILES STOCK PLAN.** Continental Can Company, Inc., 633 Third Ave., New York 10017, filed a registration statement (File 2-24890) with the SEC on April 21 seeking registration of 500,000 common shares, to be offered under its 1966 Employee Stock Purchase Plan and its 1960 Stock Purchase Plan.

**DENNY'S RESTAURANTS FILES FOR SECONDARY.** Denny's Restaurants, Inc., 14256 East Firestone Blvd., La Mirada, Calif. 90638, today filed a registration statement (File 2-24892) with the SEC seeking registration of 100,000 outstanding shares of common stock. The shares are to be offered for public sale by the present holder thereof through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York. The public offering price (\$31 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company and subsidiaries are engaged in the development, management and operation of Denny's restaurants, numbering 99 as of March 30. In addition to indebtedness, it has outstanding 798,392 common shares, of which management officials own 57.8%. Edward C. Field, board chairman, and Harold Butler, president, each owns 27.2% of the outstanding stock. Field proposes to offer 100,000 of his holdings of 221,627 shares. In addition, he has agreed to sell 50,000 shares to Butler and 5,000 shares to Robert W. Eberle, treasurer. Eberle also has agreed to purchase 5,000 shares from Butler.

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**ANOTHER SEC DIVISION MOVES.** The SEC Division of Corporation Finance will move into the Commission's new Headquarters Office at 500 North Capitol Street over the week-end. Its staff will occupy the fifth and sixth floors of the new building; and the Division's move is expected to be completed and its staff will be operating from their new offices commencing at the opening of business Monday, April 25, 1966.

**"CITY BANK" INVESTMENT ACCOUNT ITEM CLARIFIED.** In the April 21 News Digest report of the registration statement filed by the Commingled Investment Account of First National City Bank, it was stated that supervision of the Account will be in the hands of a committee of three officers of the Bank; inadvertently omitted was the fact that "two individuals who are not affiliated with the Bank" also would serve as members of the committee.

**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 in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the April 5 News Digest.

First Oklahoma Bancorporation, Inc. Mar 66 (11,12)	0-779-2	Buckeye Corp. Mar 66 (2,13)	0-1669-2
E. R. Moore, Co. Mar 66 (7,13)	0-661-2	Great Southwest Corp. Mar 66 (7,13)	0-100-2
Reliance Universal Inc. Apr 66 (11,13)	0-165-2	Indian Finance Corp. Mar 66 (7,13)	0-1472-2
Agway, Inc. Mar 66 (7)	0-2011-2	Veeco Instruments Inc. Mar 66 (2,7,12,13)	0-87-2
Alico Land Development Co. Mar 66 (12,13)	0-261-2	DPA, Inc. Feb 66 (1,7,8) Mar 66 (11,12)	0-2061-2 0-2061-2
Gyrodyne Co. of America, Inc. Mar 66 (8)	0-1684-2	Nathan Hale Life Insurance Co. Mar 66 (11)	2-22840-2
Tenney Corp. Mar 66 (13)	0-188-2	Panacolor, Inc. Mar 66 (3)	0-536-2
American Motors Corp. Mar 66 (4,13)	1-622-2	Airlift International Inc. Mar 66 (2,3,9,12,13)	0-1846-2
Hawkeye National Investment Co. Mar 66 (9,11,13)	2-24305-2	American Educational Life Ins. Co. Mar 66 (12,13)	2-15597-2
Sta-Rite Products, Inc. Mar 66 (11,13)	0-1058-2	Atlantic Co. Mar 66 (4,8,11,13)	0-1205-2
Interstate Hosts, Inc. Mar 66 (7)	0-1071-2	Calif. Water Service Co. Mar 66 (11)	0-464-2
Bostitch Inc. Mar 66 (11)	0-667-2	Levingston Shipbuilding Co. Mar 66 (7,8)	2-13343-2
Old Equity Life Insurance Co. Mar 66 (11,13)	2-23325-2	Northwestern Finance Co. Mar 66 (7)	0-1997-2
Trans-Texas Airways, Inc. Mar 66 (12,13)	0-334-2	Pioneer Finance Co. Mar 66 (6)	0-1564-2
W. S. Dickey Clay Mfg. Co. Mar 66 (11,13)	0-310-2	Albertson's Inc. Mar 66 (12,13)	0-1552-2
Lincoln Tel & Tel Co. Mar 65 & 66 (7,11,13)	0-301-2	Georgia Power Co. Mar 66 (3)	0-392-2
Magic Chef Inc. Mar 66 (7,8,13)	0-1907-2	Globe Life and Accident Insurance Co. Mar 66 (11)	2-23199-2
Scott Industries, Inc. Mar 66 (12,13)	0-1080-2	The Alfred Hart Co. Mar 66 (12)	0-1705-2
		Mississippi Power Co. Mar 66 (3)	0-393-2
		Networks Electronic Corp. Mar 66 (12)	0-1817-2
		Sierra Electric Corp. Mar 66 (8)	2-16355-2

**ORAL ARGUMENT - COMING WEEK.** April 28 - 3:30 P.M. - Jerome, Richard & Co., Inc., Kamen & Co., et al.

**SECURITIES ACT REGISTRATIONS.** Effective April 21: The Coleman Co., Inc., 2-24542; Equity Funding Corporation of America, 2-24647; Lone Star Gas Co., 2-24704; Mc Donald's Corp., 2-24701 (May 31); Premier Industrial Corp., 2-24668; Union Carbide Corp., 2-24711 & 2-24712; Xerox Corp., 2-24656 (40 days).

**NOTE TO DEALERS.** The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.