

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)
SEC

(Issue No. 67-187)

FOR RELEASE September 28, 1967

AMERICAN SCIENCE FILES FOR OFFERING AND SECONDARY. American Science and Engineering, Inc., 11 Carleton St., Cambridge, Mass. 02142, filed a registration statement (File 2-27345) with the SEC on September 26 seeking registration of 144,000 shares of common stock. Of this stock, 120,000 shares are to be offered for public sale by the company and 24,000 (being outstanding shares) by the present holders thereof. The public offering price (\$19.00 per share maximum*) and underwriting terms are to be supplied by amendment. Clark, Dodge & Co. Inc., 61 Wall St., New York 10005 is listed as the principal underwriter.

The company is engaged in research and engineering (primarily in space science) and in the fabrication of hardware for space research. It is also active in the field of education, designing and manufacturing teacher and individual student science instructional materials to accompany texts prepared by curriculum study groups and private publishers. Net proceeds of its sale of additional stock will be used to repay a portion of its short-term bank loans incurred for working capital (estimated at \$742,000) and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 251,205 common shares, of which management officials own 64.7%. Bruno B. Rossi is board chairman. The prospectus lists 13 selling shareholders. Carolus M. Cobb (a director) proposes to sell 7,500 of his holdings of 25,680 shares, Martin Annis (president), 4,495 of 50,095 shares, and Harold S. Richardson, Jr. (treasurer), 2,370 of 20,370 shares; the others propose to sell shares ranging in amount from 600 to 2,040 shares.

DYNASCIENCES CORP. FILES FOR OFFERING AND SECONDARY. Dynasciences Corporation, Township Line Road, Blue Bell, Pa., filed a registration statement (File 2-27348) with the SEC on September 26 seeking registration of 130,000 shares of Class A common stock. Of this stock, 40,000 shares are to be offered for public sale by the company and 90,000 (being outstanding shares) by the present holders thereof. The shares are to be offered at \$10.00 per share through underwriters headed by Butcher & Sherrerd and Suplee, Mosley, Close & Kerner, Inc., both of 1500 Walnut St., Philadelphia, Pa., which will receive an 80¢ per share selling commission. The company has agreed to pay up to \$3,500 to the underwriters for expenses. The prospectus also covers 31,000 A common shares to be issued pursuant to the exercise of warrants, 50,000 A common shares to be issued pursuant to the exercise of employee stock options, and 30,000 A common shares subject to the conversion privileges of B common shares.

The company is engaged primarily in the research, design, development, and production of electronic equipment for use in the television industry, military and space aircraft, and aeronautical and mechanical equipment for use in commercial and military aircraft. Net proceeds of its sale of additional stock will be used to increase working capital for general corporate purposes. In addition to indebtedness, the company has outstanding 410,001 A common shares and 30,000 B common shares; management officials own 71.1% of the A common shares. The prospectus lists three selling shareholders. Leonard Goland (president) and Adolf A. Perlmutter and Juan de la Cierva (senior vice presidents) each propose to sell 30,000 of their individual holdings of 136,667 shares.

WORLD LIFE & HEALTH PROPOSES OFFERING. World Life & Health Insurance Company of Penna., 550 W. DeKalb Pike, King of Prussia, Pa. 19406, filed a registration statement (File 2-27349) with the SEC on September 26, seeking registration of 150,000 common shares, to be offered for public sale at \$6.00 per share. The offering is to be made through company representatives; selling commissions and other expenses will not exceed 60¢ per share.

The company is engaged in the sale of life, accident and health insurance. It has sustained operating losses in four of its first nine full years of operation and had an accumulated deficit of \$47,901 as of June 30, 1967. The net proceeds of its stock sale will be used first to absorb the cost of writing new insurance, then to enable the company to expand its operations in the states where it is presently qualified and then to qualify in other states in which it may hereafter seek to do business. In addition to indebtedness, the company has outstanding 327,738 common shares, of which management officials own 35.2%. Blaine W. Scott, III is president. If all the 150,000 new shares are sold, the book value of the then outstanding shares will approximate \$2.62 per share, resulting in a \$3.35 per share dilution in the investment of the purchasers.

UNEXCELLED, INC. PROPOSES DEBENTURE OFFERING. Unexcelled, Inc., 375 Park Ave., New York 10022, filed a registration statement (File 2-27350) with the SEC on September 26 seeking registration of \$10,000,000 of convertible subordinated debentures, due 1982. The debentures are to be offered for public sale through underwriters headed by Kleiner, Bell & Co., Inc., 140 Broadway, New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the leasing and sale of meat weighing, measuring and related systems; the operation of department stores; the conversion and operation of aircraft for the transportation of outside cargo; the manufacture of iron castings; and the overhaul and maintenance of aircraft and aircraft engines. Of the net proceeds of its debenture sale, \$1,800,000 will be used to repay debt and to defray the development and construction costs of one or more new Guppy-type aircraft which may be built by Aero Spacelines (a subsidiary); the balance will be used for general corporate purposes including the purchase of inventory primarily intended to stock a department store now under construction. In addition to indebtedness, the company has outstanding 1,411,774 common shares, of which management officials own of record 15.05% and

OVER

ELECTRONIC MODULES FILES FOR OFFERING AND SECONDARY. Electronic Modules Corporation, P.O. Box 141, Timonium, Md. 21093, filed a registration statement (File 2-27351) with the SEC on September 26 seeking registration of 252,000 shares of common stock. Of this stock, 225,000 shares are to be offered for public sale by the company, and 27,000 (being outstanding shares) by the present holders thereof. The public offering price (\$11.00 per share maximum*) and underwriting terms are to be supplied by amendment. Auchincloss, Parker & Redpath, 1705 H St., N. W., Washington, D. C. is listed as the principal underwriter.

The company is engaged in the design, engineering, development, manufacture and marketing of electronic equipment used in data acquisition, handling and analysis and in process control systems. It is also engaged in research and development programs for the United States Government as well as the manufacture of electronic sub-assemblies for aerospace systems. Of the net proceeds of its sale of additional stock, \$200,000 will be used to retire bank indebtedness; \$396,000 for additions to its plant; \$600,000 for new product engineering and development; \$380,000 for expansion of its sales and marketing programs, including increased advertising and the expansion of its sales force and marketing staff; \$130,000 for additional manufacturing and testing equipment; \$20,000 for the installation of a technical publications facility; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 1,023,660 common shares, of which management officials own 59.6%. Nathan Posner is board chairman and Donald W. Ordun is president.

SCAN-DATA PROPOSES OFFERING. Scan-Data Corporation, 800 E. Main St., Norristown, Pa. 19401, filed a registration statement (File 2-27352) with the SEC on September 26 seeking registration of 100,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Milton D. Blauner & Co., Inc., 115 Broadway, New York 10006. The public offering price (\$7.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the underwriter and to Magnus & Co., Inc., for \$300, 15,000 five-year common stock purchase warrants. The underwriters have agreed to pay a finder's fee to Mr. Monroe Silver equal to 10% of the underwriting commissions and to sell to him, for \$30, 10% of the warrants which they will receive.

The company's business is to design, develop, manufacture and market a proprietary line of optical scanning systems. Net proceeds of its stock sale will be applied to continued research, development and production of optical scanning equipment; the balance will be applied to working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 484,156 common shares and 129,968 B common shares, of which management officials own 23.1% of the common and 88.68% of the B common (including 4.7% of the common and 42.3% of the B common owned by Alan I. Frank, president).

AARONSON BROS. FILES FOR SECONDARY. Aaronson Bros. Stores Corporation, 526 E. Overland Ave., El Paso, Texas 79901, filed a registration statement (File 2-27354) with the SEC on September 27 seeking registration of 191,020 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof through underwriters headed by Eppler, Guerin & Turner, Inc., 3900 First National Bank Bldg., Dallas, Texas 75202. The public offering price (\$11.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates a chain of retail clothing stores in Texas, New Mexico, Arizona, and California. In addition to indebtedness, it has outstanding 240,550 shares of common stock and 194,890 shares of Class A common stock, of which management officials own 76.9% of the common and 93.6% of the Class A common. The prospectus lists six selling shareholders. Joseph Aaronson (president), Abraham Aaronson and Meyer Aaronson (vice presidents), each propose to sell all of their holdings of 62,984, 54,904, and 62,984 shares, respectively, Gertrude A. Marcus and Melvin L. Potash, all of their holdings of 5,920 and 1,608 shares, and Philip A. Lincoln, 2,620 of 5,240 shares. All of these individuals (with the exception of Mr. Lincoln) also own an equal number of Class A shares which they will continue to hold.

BMA HOLDING CORP FILES EXCHANGE PLAN. BMA Holding Corporation ("BMA Holding"), BMA Tower, 700 Karnes Blvd., Kansas City, Mo. 64141, filed a registration statement (File 2-27355) with the SEC on September 27 seeking registration of 6,000,000 shares of common stock. These shares are to be offered on a share-for-share basis in exchange for the outstanding shares of common stock of Business Men's Assurance Company of America ("BMA"), a Missouri life insurance company.

BMA Holding was incorporated under Missouri law on August 25, 1967, for the purpose of making this exchange offer. If the exchange is consummated, it will become the parent of BMA and the stockholders of BMA and BMA Holding will together own all of the outstanding common stock of the corporation. BMA Holding has outstanding 250 common shares. BMA is engaged in the business of writing individual and group life insurance and annuities and individual and group accident and health insurance, both on a direct and reinsurance basis. BMA has outstanding 6,000,000 common shares, of which management officials own 17.29%. J. C. Hugdon is board chairman and W. D. Grant is president of both BMA Holding and BMA.

BRO-DART INDUSTRIES FILES FOR OFFERING AND SECONDARY. Bro-Dart Industries, 56 Earl St., Newark, N. J. 07114, filed a registration statement (File 2-27356) with the SEC on September 27 seeking registration of \$3,000,000 of convertible subordinated debentures, due 1987, to be offered for public sale by the company, and 100,000 shares of capital stock, to be offered for public sale by the present holder thereof. The interest rate on and offering price of the debentures, public offering price of the stock (\$45.00 per share maximum*) and underwriting terms for both issues are to be supplied by amendment. Shields & Company Inc., 44 Wall St., New York 10005 is listed as the principal underwriter.

The company offers a comprehensive range of services and products to elementary and secondary school, university, public and industrial libraries. Of the net proceeds of its debenture sale, \$1,500,000 will be used to retire outstanding bank borrowings, \$356,000 will be used to retire the company's 6% subordinated note held by Mr. Arthur Brody (president), and the balance will be used to purchase additional inventory and to carry accounts receivable. In addition to indebtedness, the company has outstanding 1,050,000 common shares, of which management officials own 72.0%. Arthur Brody, individually and as trustee, proposes to sell 50,000 shares of his holdings of 375,000 shares, and 50,000 of trust holdings of 369,800 shares.

TOLCHIN INSTRUMENTS PROPOSES OFFERING. Tolchin Instruments, Inc., 147 Scranton Ave., Lynbrook, N. Y., filed a registration statement (File 2-27357) with the SEC on September 27 seeking registration of 101,000 shares of common stock, to be offered for public sale at \$3.00 per share. The offering is to be made on a "best efforts", all or none basis through underwriters headed by M. A. Allan & Co., Inc., 1143 Main Ave., Clifton, N. J. and Economic Planning Corp., 4 East 46th St., New York, which will receive a \$.30 per share selling commission. The company has agreed to sell to the underwriters 8,500 five-year common stock purchase warrants, at one mill per warrant, to purchase a like number of common shares at \$3.125 per share. The company has also agreed to pay \$14,500 to the finder, Account Builders, Inc. and to sell an additional 7,500 warrants to it on the same terms as to the underwriter.

The company sells and leases musical instruments of all types to school districts and parents of school children. Of the net proceeds of its stock sale, \$133,000 will be used to repay indebtedness to a factor, which indebtedness had been personally guaranteed by Martin Tolchin (president), \$50,000 will be used to increase inventory of musical instruments, and \$56,200 will be added to working capital. In addition to indebtedness, the company has outstanding 151,500 common shares, all owned by Tolchin. If all of the shares are sold, Tolchin will own 60% of the outstanding stock of the company, for which he will have paid \$156,176; the public will own 40% of the outstanding stock for which it will have paid \$303,000. As a result, the public's equity will decrease from \$3.00 per share to \$1.56 per share and the present stockholder's equity will be increased from \$1.03 to \$1.56 per share.

HOUSEHOLD FINANCE TO SELL DEBENTURES. Household Finance Corporation, Prudential Plaza, Chicago, Ill. 60601, filed a registration statement (File 2-27323) with the SEC on September 25 seeking registration of \$100,000,000 of debentures due 1988, to be offered for public sale through underwriters headed by Dean Witter & Co., 14 Wall St., New York 10005, and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the consumer finance business. Net proceeds of its debenture sale will be used to reduce short-term bank and other loans made in connection with its operations and those of its subsidiaries. In addition to indebtedness and preferred stock, the company has outstanding 20,475,348 common shares, of which Popular Finance Corporation owns 10.4% and management officials 1.1%. H. E. MacDonald is president and board chairman.

J M D INDUSTRIES PROPOSES OFFERING. J M D Industries, Inc., 55 Magee Ave., Stamford, Conn. 06902, filed a registration statement (File 2-27358) with the SEC on September 27 seeking registration of 220,000 shares of common stock, to be offered for public sale at \$2.25 per share. The offering is to be made on an all or none basis through underwriters headed by Gianis & Co., Inc., 44 Wall St., New York 10005, which will receive a \$0.2475 per share commission. The company has agreed to issue to the underwriter, for \$200, 20,000 five-year common stock purchase warrants exercisable at the public offering price; in March the Gianis firm purchased 22,000 shares from the company's board chairman at 35¢ per share.

The company is engaged in research, design and development in the field of photo-optics and designs and produces specialized equipment for customers in that field. Of the net proceeds of its stock sale, \$142,000 will be used for the reduction of short-term bank indebtedness, \$50,000 for development expenses on optical sound projector, \$35,000 for expenses occasioned by moving of plant to Connecticut, \$35,000 for purchase of machinery and equipment, \$38,509 for elimination of certain loans owed to officers and employees, and the balance as working capital. In addition to indebtedness, the company has outstanding 306,715 common shares, of which Ross B. Macdonald (board chairman) owns 37.66% and Thomas H. McConnell, Jr. (president), 22.17%.

SAGE LABORATORIES FILES FOR OFFERING AND SECONDARY. Sage Laboratories, Inc., 3 Huron Drive, East Natick Industrial Park, Natick, Mass. 01760, filed a registration statement (File 2-27359) with the SEC on September 27 seeking registration of 100,000 shares of common stock. Of this stock, 85,000 shares are to be offered for public sale by the company and 6,000 (being outstanding shares) by the present holders thereof. The public offering price (\$12.00 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay to the underwriters up to \$7,000 for expenses. The prospectus also covers 9,000 shares to be issued by the company upon exercise (at \$2.50 a share) of common stock purchase warrants held by Massachusetts Small Business Investment Company.

The company is engaged in the design and production of microwave components, which are used primarily in communications systems and in radar. Of the net proceeds of its sale of additional stock, \$150,000 will be used to purchase machinery and equipment needed to expand production capacity and equip a plant addition; the balance will be added to working capital and used to finance anticipated expansion of its product line and its research and development programs. In addition to indebtedness, the company has outstanding 325,990 common shares, of which management officials own 35.6% (including 30.9% owned by Theodore S. Saad, president). The prospectus lists two selling stockholders. Mary Saad proposes to sell 5,000 of her holdings of 22,320 shares, and Donald T. and Mary A. Hadge, 1,000 of 10,170 shares.

SCHOLARSHIP CLUB FILES PLAN. The Scholarship Club, Inc., 15 E. Broward Blvd., Ft. Lauderdale, Fla. 33301, sponsor of "Trust Fund" for the accumulation of funds for college tuition and expenses, filed a registration statement (File 2-27353) with the SEC on September 26 seeking registration of \$10,000,000 of "scholarship plans." The plans are to be offered on a fully-paid or installment plan basis, and involve an investment in a savings account in a federally insured savings bank or loan association; a typical scholarship plan involves installment payments aggregating \$1,940, payable over a period of 15 years in amounts of \$20.50 per month for the first year and \$10 per month thereafter. Scholarship Services, Inc., is distributor. The sole business of Scholarship Club, a non-profit corporation, is the development of scholarship plans and the supervision of their sale and administration. Edgar D. Lee is president and board chairman.

MONITOR FUND PROPOSES OFFERING. Monitor Fund, Inc., 214 Fischer Bldg., Dubuque, Iowa, filed a registration statement (File 2-27360) with the SEC on September 27 seeking registration of 100,000 shares of common stock. The shares are to be offered for public sale at net asset value, plus a sales load of 3% on sales of less than \$25,000 (\$10.31 per share maximum*).

The company was organized under Maryland law on August 3, 1967, as an open-end diversified management investment company, with growth as a primary objective. Harold F. Miller & Co., 214 Fischer Bldg., Dubuque, Iowa is listed as the principal underwriter. Harold F. Miller, president of the fund, owns 94% of the outstanding voting stock of the underwriter, which purchased 100 shares of the fund upon its organization. The management functions usually vested in the investment adviser are provided for in the underwriting contract.

NCC LEASING PROPOSES OFFERING. NCC Leasing, Inc., 699 S. Mendenhall Rd., Memphis, Tenn. 38117 filed a registration statement (File 2-27361) with the SEC on September 27 seeking registration of 260,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Scheinman, Hochstin & Trotta, 111 Broadway, New York 10006. The public offering price (\$5.00 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the underwriter, for \$250, 25,000 five-year common stock purchase warrants.

The company is engaged in the areas of general equipment leasing and consumer and commercial financing. Net proceeds of its stock sale will be added to general funds, to be used as additional working capital. In addition to indebtedness, the company has outstanding 668,323 common shares, of which management officials own 13.8%. William Fenton is president.

TRADING IN STEEL CREST HOMES TO RESUME. The SEC has issued an order continuing the ban on trading in securities of Steel Crest Homes, Inc., King of Prussia, Pa. through October 4. Accordingly, over-the-counter trading in such securities may be resumed at the opening of business October 5. The Commission cautioned, however, that broker-dealers and investors should consider the facts and circumstances set forth below in connection with any transactions in such securities. Broker-dealers should be particularly mindful of their obligations under the Federal securities laws in recommending the purchase and sale of securities of Steel Crest Homes.

Trading in Steel Crest Homes securities has been suspended since May 12. Recently, the company filed a Form 10-K annual report reflecting a net loss from operations of \$1,202,555 for the year ended August 31, 1966, as of which date there was a stockholders equity of \$266,105; and an unaudited income statement for the nine months ended May 31, 1967, showed operating losses of \$358,166. The Form 10-K report and nine-month statement have been forwarded to company stockholders; the 10-K report contains other information, including a notation by the auditors that the continuation of the company in its present form is dependent upon the cessation of losses and the development of successful operations. For further details, see Release 34-8170 and the Form 10-K report.

ROTO AMERICAN TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Roto American Corp., for the further ten-day period September 29 through October 8.

NORTH AMERICAN RESEARCH, OTHERS NAMED IN SEC COMPLAINT. The SEC New York Regional Office announced September 26 (LR-3813) the filing of a complaint (USDC SDNY) seeking to enjoin 43 defendants from further violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of stock of North American Research and Development Corp., of Salt Lake City. Named as defendants along with the issuer were Edward White, board chairman, Lewis Dillman, president, and Robert A. Johnson, transfer agent; also named were numerous individuals as well as the firms of Wellington Hunter Associates, Dunhill Securities Corp., Lars Hagglof & Co., Ltd., Lindquist Securities Co., Bateman Eichler, Hill Richards, Inc., and Roberts, Scott & Co., Inc.

SECURITIES ACT REGISTRATIONS. Effective September 27: Allied Stores Corp., 2-27232 (40 days); C. R. Bard, Inc., 2-27189 (40 days); Colorado Central Mines Inc., 2-26970 (90 days); Duro-Test Corp., 2-27033 (40 days); Metropolitan Edison Co., 2-27099; Panacolor, Inc., 2-25176 (40 days); Restaurant & Waldorf Associates, Inc., 2-27192; Sprague Electric Co., 2-27201 (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.