

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. 66-23)

FOR RELEASE February 3, 1966

MINERAL HOT SPRINGS ESTATES ENJOINED. The SEC Denver Regional Office announced January 27 (LR-3415) the entry of a Federal court order (USDC, Colo.) enjoining Mineral Hot Springs Estates, Inc., and R. J. Wright (a/k/a Ray Wright) of Denver from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of common stock of Mineral Hot Springs Estates, Inc., and Mineral Hot Springs Development Corp.

COHAN, SCHWARTZ, OTHERS ENJOINED. The SEC Denver Regional Office announced January 31 (LR-3416) the entry of Federal court orders (USDC, Colo.) enjoining Jay Cohan, Sidney Schwartz, Philip Shaiman and Sam Zuckerman, all of Denver, from further violations of the Securities Act registration requirements in the sale of securities of Harwyn Publishing Corp.

MECHANICS FINANCE SUSPENSION PERMANENT. Mechanics Finance Co., 586 Newark Ave., Jersey City, N. J., has withdrawn its request for a hearing upon the October 1965 order of the Commission temporarily suspending an exemption from Securities Act registration with respect to its proposed public offering of securities. The suspension thus becomes permanent; and the hearing scheduled for February 9 has been cancelled.

MICRODOT FILES STOCK PLAN. Microdot Inc., 220 Pasadena Ave., South Pasadena, Calif. 91030, filed a registration statement (File 2-24461) with the SEC on January 28 seeking registration of 30,000 shares of capital stock, to be offered pursuant to its 1964 Qualified Stock Option Plan.

CHICAGO MUSICAL INSTRUMENT PROPOSES OFFERING. Chicago Musical Instrument Co., 7373 N. Cicero Ave., Lincolnwood, Chicago, Ill. 60646, filed a registration statement (File 2-24462) with the SEC on February 1 seeking registration of \$10,000,000 of convertible subordinated debentures, due 1986. The debentures are to be offered for public sale through underwriters headed by Smith, Barney & Co. Inc., 20 Broad St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company is a manufacturer and distributor of musical instruments and accessories. Of the net proceeds of its debenture sale, approximately \$5,000,000 will be used to repay short-term bank loans, approximately \$1,000,000 will be expended to purchase additional machinery and equipment, and the balance will be added to working capital. The prospectus states that since June 1964 the company had made additions to its property and equipment at a cost of over \$4,500,000 and that in January 1966 it purchased for approximately \$2,500,000 the organ production facilities and related inventories of The Hallicrafters Co. In addition to indebtedness, the company has outstanding 1,633,637 common shares, of which management officials and certain members of their families own 21.3%. M. H. Berlin is board chairman and Arnold M. Berlin is president.

LEXINGTON CORPORATE LEADERS FUND PROPOSES OFFERING. Lexington Corporate Leaders Fund, Inc., 163 Engle St., Englewood, N. J. 07631, filed a registration statement (File 2-24463) with the SEC on January 24 seeking registration of 1,000,000 shares of capital stock, to be offered for public sale at net asset value plus a maximum sales charge of 8.5% (\$10.93 per share maximum*). Lexington Security Managers, Inc., of the above address, is the Fund's investment adviser and principal distributor. Lexington Security Managers is a subsidiary of Lexington Research and Management Corp.

Organized under Delaware law in October 1965, the investment objective of the Fund is "long-term capital growth, having due regard also for both income and safety of capital." According to the prospectus, the Fund proposed to issue in January 10,000 of its shares at \$10 per share to Templeton, Dobbrow & Vance, Inc., also a subsidiary of Lexington Research and Management. Samuel L. Ross is board chairman of the Fund, and John L. Schroeder is president of the Fund and its investment adviser, as well as Lexington Research and Management.

WILCOX ELECTRIC EXEMPTED. The SEC has issued an order granting an application of Wilcox Electric Company, Inc., Fourteenth & Chestnut, Kansas City, Mo., for exemption from the registration provisions of Section 12(g) of the Securities Exchange Act. According to the application, as of December 3, 1965, 134 public shareholders held 2,954 shares of the outstanding common stock of the company, the balance having been acquired by Melpar Inc., a subsidiary of Westinghouse Air Brake Company, pursuant to an exchange offer. Granting of the exemption also exempts Wilcox Electric from the reporting and proxy provisions of Sections 13 and 14 of the Act, and its "insiders" from the provisions of Section 16 thereof.

BAYSTATE CORP. FILES EXCHANGE PROPOSAL. Baystate Corporation, 77 Franklin St., Boston, Mass. 02110, filed a registration statement (File 2-24465) with the SEC on February 2 seeking registration of 51,000 shares of common stock. The stock is to be offered in exchange for the 3,000 outstanding capital shares of Lynn Safe Deposit and Trust Co., on the basis of 17 company shares for each outstanding Trust Co. share. The offer is conditioned upon the acceptance thereof by holders of not less than 2,400 shares (80%) of Trust Co. stock. The company owns a majority of the voting shares of four national banks and six trust companies. The Trust Co. conducts a general commercial banking and trust business in Lynn, Mass. The company has outstanding 1,675,032 common shares, of which management officials own 11,510 shares. Philip Eiseman is president.

OVER

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

<u>File</u>	<u>No.</u>	<u>O-Registrant</u>	<u>Location</u>
2008		General Life of Iowa Invst. Co	Bettendorf, Iowa
2009		Windsor Raceway Holdings Ltd	Toronto, Canada
2010		Harley-Davidson Motor Co	Milwaukee, Wis.
2011		Agway, Inc	Syracuse, N.Y.
2012		Republic Invstrs. Life Insur. Co	East Moline, Ill.

CORRECTION RE ROOSEVELT NATIONAL INVESTMENT FILING. In the SEC News Digest of January 25 reporting the proposed offering of securities by Roosevelt National Investment Co., the address of Lincoln Securities Corp. should have read "514 Ridgely Building, Springfield, Ill. 62701", instead of "4101 Massachusetts Ave., Indianapolis, Ind."

SECURITIES ACT REGISTRATIONS. Effective February 3: Manhattan Fund, Inc., 2-24373; Northern Rockies Minerals Corp., 2-23888 (40 days).
Withdrawn February 2: Palco Corp., 2-23820; Polrized Corp. of America, 2-23867.

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.

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