

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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**MICRONETIC CORP. PROPOSES OFFERING.** Micronetic Corporation, P. O. Box 776, Carolina, Puerto Rico, filed a registration statement (File 2-25684) with the SEC on November 4 seeking registration of 150,000 shares of common stock. The stock is to be offered for public sale through underwriters headed Braun, Seidman & Co., 25 Broad St., New York, N. Y. The public offering price (\$4 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the underwriters 15,000 five-year warrants, at \$.01 per warrant, to purchase a like number of common shares.

Organized under Delaware law in 1964, the company's activities have been in the research, design and development of magnetic tape products and the design and acquisition of equipment, plant facilities and test equipment for use in production of magnetic tape. The prospectus states that as of August 31, 1966, it had a working capital deficit of \$161,220. Of the net proceeds of its stock sale, the company will use \$110,000 to repay certain indebtedness, \$15,000 for research and development, \$5,000 for leasehold improvements, and the balance for working capital. In addition to indebtedness, the company has outstanding 183,332 common shares (after giving effect to a proposed reclassification of its stock). Management officials own approximately 85% of the outstanding stock. H. Clifford Westcott is president and board chairman.

**EXCEL INVESTMENT FILES EXCHANGE PROPOSAL.** Excel Investment Company, P. O. Box 778, 2501 18th St., Bettendorf, Iowa, filed a registration statement (File 2-25686) with the SEC on November 7 seeking registration of 1,575,000 shares of common stock. The stock is to be offered in exchange for all of the common stock of Southern Mortgage Insurance Company at the rate of 25 Excel shares for each of the 63,000 outstanding shares of Southern Mortgage Insurance Company. The offer is conditioned upon acceptance thereof by the holders of at least 80% of the outstanding stock of Southern Mortgage.

Organized under Iowa law in 1963, Excel is engaged in the business of insuring lenders from loss on real estate loans secured by mortgages and in the life-insurance business. Southern Mortgage, which was organized under Louisiana law in 1962, is engaged in the mortgage loan insurance business. Royal American Corporation owns 79% of its outstanding stock. Excel has outstanding 2,851,043 common shares. If the exchange becomes effective, Royal American will own 28% of the then outstanding shares of Excel common. Walter A. Newport, Jr., is board chairman and Dean H. Fry is president of Excel.

**FIFTH PRESIDENTIAL FUND FILES PROPOSAL.** Fifth Presidential Fund, Inc., 719 Liberty Ave., Pittsburgh, Pa. 15222, filed a registration statement (File 2-25688) with the SEC on November 7 seeking registration of 300,000 shares of capital stock. The stock is to be offered in exchange for any of the one hundred corporate securities listed in the Fund's prospectus, or for U. S. Government securities. The basis of the exchange is to be one Fund share for each \$50 of market value of securities received by the Fund. Federated Investors, Inc., is the dealer manager.

Organized under Maryland law in 1966, the investment objective of the Fund is "to seek long-term growth of capital and of income." It has outstanding 2,000 capital shares, which were acquired by Federated Research for \$100,000. Federated Research is the Fund's investment adviser. John F. Donahue is president of the Fund and of Federated Investors; he is also chairman of the investment adviser.

**NUVEEN TAX-EXEMPT FUND FILES.** John Nuveen & Co., 135 S. LaSalle St., Chicago, Ill. 60603, depositor and sponsor of Nuveen Tax-Exempt Bond Fund, Series 13, filed a registration statement (File 2-25689) with the SEC on November 4 seeking registration of 50,000 units of interest in said Fund. The sponsor has deposited with the Fund's trustee, United States Trust Company of New York, interest-bearing obligations (the amount to be supplied by amendment) issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions. The interest from such obligations is "exempt from all Federal Income Taxes under existing law." Each unit represents a fractional undivided interest in the principal and net income of the Fund in the ratio of 10 units for each \$1,000 par value of bonds initially deposited in the Fund.

**BRANIFF AIRWAYS PROPOSES OFFERING.** Braniff Airways, Incorporated, Braniff Airways Bldg., Exchange Park, Dallas, Texas 75235, filed a registration statement (File 2-25691) with the SEC on November 7 seeking registration of \$60,000,000 of subordinated debentures (due 1986), with warrants to purchase common stock. The securities are to be offered for public sale through underwriters headed by Goldman, Sachs & Co., 20 Broad St., and Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., both of New York 10005. The interest rate, public offering price and underwriting terms, as well as the number of shares issuable upon the exercise of warrants to be attached to each \$1,000 debenture, are to be supplied by amendment.

The company is an air carrier engaged in the domestic and international air transportation of persons, property and mail. Of the net proceeds of its stock sale, \$30,000,000 will be used to purchase all of the capital stock of Pan American-Grace Airways, Inc., a South American company, and the balance (together with proceeds from the sale of the company's notes and internally generated funds) will be applied to the purchase of flight equipment. In addition to indebtedness, the company has outstanding 5,896,238 common shares, of which Greatamerica Corp. owns 80.9%. Harding L. Lawrence is president of the company.

OVER

**FIVE STOCK PLANS FILED.** Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

VSI Corporation, 739 E. Walnut St., Pasadena, Calif. 91101 (File 2-25676) (173,310 shares)  
 The Mosler Safe Company, 320 Park Ave., New York 10022 (File 2-25680) (122,308 shares)  
 Cook Coffee Company, 16501 Rockside Rd., Maple Heights, Ohio 44137 (File 2-25685) (112,550 shares)  
 Wallace-Murray Corporation, 600 Fifth Ave., New York 10020 (File 2-25690) (315,740 shares)  
 Heath Tecna Corporation, 19819 84th Ave. South, Kent, Wash. 98031 (File 2-25692) (90,000 shares)

**LOUISIANA P&L PROPOSES NOTE SALE.** Louisiana Power & Light Company, public-utility subsidiary of Middle South Utilities, Inc., has applied to the SEC for an order under the Holding Company Act authorizing it to sell its notes to a bank in amounts not to exceed an aggregate of \$16,000,000; and the Commission has issued an order (Release 35-15597) giving interested persons until November 28 to request a hearing thereon. The application states that the net proceeds of the company's sale will be used to pay certain outstanding short-term notes, to finance construction expenditures, and for other corporate purposes.

**BROAD STREET INVESTING RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4746) authorizing Broad Street Investing Corporation, New York, to issue its shares at net asset value, without sales charge, in exchange for the assets of Nichols Securities Corp. The application states that the value of cash and securities owned by Nichols approximates \$3,452,092.

**MIDWEST TECHNICAL SEEKS ORDER.** Midwest Technical Development Corporation, Minneapolis, Minn. has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company as defined in the Act; and the Commission has issued an order (Release IC-4744) giving interested persons until November 28 to request a hearing thereon. According to the application, the company has sold all of its assets (except for \$10,000 retained to pay the expenses of winding up its affairs) to Midtex Incorporated in exchange for Midtex shares, which were subsequently distributed to Midwest's shareholders in the form of a liquidating dividend.

**UNLISTED TRADING SOUGHT.** The SEC has issued orders (Release 34-7989) giving interested persons until November 17 to request a hearing on applications of (1) the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of The Lubrizol Corporation and (2) the Pittsburgh Stock Exchange for such privileges in the common stock of White Cross Stores Incorporated.

**UNLISTED TRADING GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-7989) granting an application of the Cincinnati Stock Exchange for unlisted trading privileges in the common stock of Consolidated Foods Corporation.

**DELISTING GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-7989) granting an application of the New York Stock Exchange to strike from listing and registration the common stock of United Electric Coal Companies, effective at the opening of business on November 9. According to the application there are less than 300,000 shares of common stock of United Electric publicly held, after taking into consideration the concentrated ownership of 66.2% of the company's outstanding common stock by General Dynamics Corp.

**TRADING BANS CONTINUED.** The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Lincoln Printing Company and over-the-counter trading in securities of United Security Life Insurance Company for the further 10-day period November 9-18, 1966 inclusive.

**FARMERS BUILDERS, OTHERS ENJOINED.** The SEC Denver Regional Office announced November 4 (LR-3608) the entry of a Federal court order (USDC, Phoenix) enjoining Farm Builders, Inc. (an Arizona Corporation), H. Jack Grover, E. Keith Grover, Morris L. Haderlie, and Kenneth E. Porter from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of securities of Farm Builders. The defendants consented to the entry of the order without admitting or denying the allegations of the complaint.

**PERMAGLASS PROPOSES DEBENTURE OFFERING.** Permaglass, Inc., 215 W. Main St., Woodville, Ohio, filed a registration statement (File 2-25693) with the SEC on November 7 seeking registration of \$1,500,000 of debentures (due 1981). The debentures are to be offered for public sale through underwriters headed by The Ohio Company, 51 N. High St., Columbus, Ohio 43215. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company has agreed to issue to The Ohio Co. an option to purchase 10,000 common shares.

The company is engaged primarily in the fabrication of plate and sheet glass. Net proceeds of its debenture sale will be used to retire \$1,000,000 of short-term bank notes and added to working capital. The prospectus states that the company is considering the construction within the next year of additional plant and production facilities which are estimated to cost \$1,000,000. In addition to indebtedness, it has outstanding 305,880 common shares, of which management officials own 37.55% (including 23.64% owned by Harold A. McMaster, president).

**SECURITIES ACT REGISTRATIONS.** Effective November 7: Colonial Equities, Inc., 2-25406; Columbian Life Insurance Co., 2-25356 (90 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.