

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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**FIDELITY TREND FUND SEEKS ORDER.** Fidelity Trend Fund, Inc., Boston open-end diversified management investment company, has applied to the SEC for an order under the Investment Company Act authorizing it to issue its shares at net asset value in exchange for assets of Reich Dress Co.; and the Commission has issued an order (Release IC-4767) giving interested persons until December 16 to request a hearing thereon. According to the application, Reich is a personal holding company whose assets amounted to \$404,272 on June 30, 1966.

**FIDELITY CAPITAL FUND SEEKS ORDERS.** Fidelity Capital Fund, Inc., Boston open-end diversified management investment company, has applied to the SEC for orders under the Investment Company Act authorizing it to issue its shares at net asset value in exchange for assets of Nancy-Beth Company and of Joy Sportswear, Inc.; and the Commission has issued orders (Releases IC-4768 and IC-4769) giving interested persons until December 16 to request a hearing thereon. According to the applications, Nancy-Beth and Joy are personal holding companies whose shares are owned by two and four individuals, respectively. On June 30, 1966, the value of Nancy Beth's assets amounted to \$59,068 and the assets of Joy amounted to \$90,093.

**MADISON FUND RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-4772) with respect to a joint arrangement whereby Madison Fund, Inc., New York closed-end management investment company, and National Industries, Inc., would purchase from Missouri-Kansas-Texas Railroad (Katy) certain amounts of the latter's convertible bonds. According to the application, Katy proposes to obtain \$4,041,000 to be applied toward payment of \$4,699,865 of 5% adjustment mortgage bonds, due 1967, by offering convertible bonds for subscription by its stockholders. Any unsubscribed bonds are to be offered for public sale. Madison and National have agreed that between them they will purchase up to a maximum of \$3,900,000 of bonds not purchased by others. The exemption is sought because of an interaffiliation of the companies by virtue of the ownership by Madison and National, respectively, of 13.3% and 16.8% of Katy's outstanding stock. The application further states that Bernard H. Barnett is board chairman of National and is also a director of Madison and of Katy.

**TOTAL AMERICAN RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4774) exempting Total American, Inc., New York subsidiary of Compagnie Francaise des Petroles (CFP), from all provisions of the Act, subject to certain conditions. The application states that CFP is a French corporation engaged in the oil business; Total American was organized to serve as a vehicle for carrying out CFP's intention to commence petroleum operations in the United States. Total American's principal assets consist of about 32% (403,638 shares) of the outstanding common stock of Leonard Refineries, Inc., an investment in its wholly-owned subsidiary Total Trading Qatar, Inc., and certain other oil interests. Total American obtained funds used in acquiring assets through the sale of common stock to CFP, the making of a short-term loan of \$4,000,000 from a United States bank, and by making a short-term loan of \$2,000,000 from an affiliate of CFP. It proposes to borrow \$6,000,000 from Aetna Life Insurance Company to be evidenced by its 6½% guaranteed notes, due 1986. CFP will unconditionally guarantee the notes, which will be secured by the pledge of 398,838 shares of Leonard stock.

**MASSACHUSETTS INVESTORS SEEKS ORDER.** Massachusetts Investors Trust, Boston open-end diversified investment company, has applied to the SEC for an order under the Investment Company Act authorizing it to issue its shares at net asset value for substantially all of the cash and securities of The de Laitre Company; and the Commission has issued an order (Release IC-4777) giving interested persons until December 19 to request a hearing thereon. According to the application, de Laitre is a personal holding company whose outstanding shares are held by 16 individuals and four trusts; its net assets as of October 14, 1966, amounted to \$3,546,776.

**PENNZOIL SEEKS ORDER.** Pennzoil Company, Houston, Tex., and its nonutility subsidiary, Wolf's Head Oil Refining Company, Inc., have applied to the SEC for an order under the Holding Company Act authorizing each company to sell to Bright Star Foundation, Inc., a non-affiliated Texas non-profit corporation, an oil and gas production payment in a primary sum not to exceed \$14,250,000 in the case of Pennzoil and \$750,000 in the case of Wolf's Head, plus certain other considerations. The Commission has issued an order (Release 35-15617) giving interested persons until December 21 to request a hearing thereon.

**UNLISTED TRADING SOUGHT.** The SEC has issued orders under the Securities Exchange Act (Release 34-7998) giving interested persons until December 16 to request a hearing on applications of (1) the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Chemetron Corporation, and (2) the Pittsburgh Stock Exchange for such privileges in the common stock of Pittsburgh Des Moines Steel Corporation.

**TRADING BANS CONTINUED.** The SEC has issued orders under the Securities Exchange Act suspending over-the-counter trading in securities of Pinal County Development Association and Underwater Storage, Inc., for a further 10-day period December 5-14, 1966, inclusive.

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**ASSOCIATES INVESTMENT PROPOSES NOTE OFFERING.** Associates Investment Company, Associates Bldg., South Bend, Ind. 46624, filed a registration statement (File 2-25757) with the SEC on December 1 seeking registration of \$35,000,000 of notes (due 1970). The notes are to be offered for public sale through underwriters headed by Lehman Brothers, 1 William St., and Salomon Brothers & Hutzler, 60 Wall Street, both of New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged primarily in financing sales of consumer and industrial products, in other types of financing, and in writing insurance. Net proceeds of its note sale will be added to general funds. In addition to indebtedness, the company has outstanding 7,522,396 common shares, of which management officials own 16.32% and First Bank and Trust Company of South Bend holds 14.36%. O. C. Carmichael, Jr., is board chairman and J. D. Barnette is president.

**AUSTRALIA PROPOSES OFFERING.** The Commonwealth of Australia today filed a registration statement (File 2-25756) with the SEC seeking registration of \$25,000,000 of ten-year 6½% bonds (due 1977). The bonds are to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York 10005. The public offering price and underwriting terms are to be supplied by amendment. Australia will use the net proceeds of its bond sale to finance public works projects.

**GEMINI FUND PROPOSES OFFERING.** Gemini Fund, Inc., 3001 Philadelphia Pike, Claymont, Del. 19703, filed a registration statement (File 2-25760) with the SEC on December 1 seeking registration of 1,000,000 income shares and 1,000,000 capital shares. The shares are to be offered for public sale at \$12 per share, through underwriters headed by Drexel Harriman Ripley Inc., 60 Broad St., and Bache & Co. Inc., 36 Wall St., both of New York, which will receive a \$1-per-share commission.

Organized under Delaware law in November 1966, the Fund's investment objectives "will be long-term growth of both income and capital." Wellington Management Company is its investment adviser. Walter L. Morgan and Joseph E. Welch are board chairman and president, respectively, of the Fund and the investment adviser.

**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 "\*\*"):

File No.	O-Registrants	Location
2302	Filigree Foods Inc **	Lynhurst, N.J.
2294	Gulf Resources Inc **	San Antonio, Tex.
2295	Mohawk Data Sciences Corp	Herkimer, N.Y.
2298	National Mercantile Corp **	Oceanside, N.Y.
2300	Silo Discount Centers Inc**	Philadelphia, Pa.
2293	Ward Leonard Electric Co	Mount Vernon, N.Y.

**SECURITIES ACT REGISTRATIONS.** Effective December 1: Kearney & Trecker Corp., 2-25697 (Jan 10); National Distillers and Chemical Corp., 2-25669; Southern California Gas Co., 2-25695.  
Effective December 2: Rohr Corp., 2-25683 (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.

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