

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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PENNSYLVANIA P&L PROPOSES RIGHTS OFFERING. Pennsylvania Power & Light Company, 901 Hamilton St., Allentown, Pa. 18101, filed a registration statement (File 2-26170) with the SEC on March 23 seeking registration of 621,266 shares of common stock. The stock is to be offered for subscription by common stockholders at the rate of one new share for each 20 shares held on April 14. The company is also offering to each of its regular employees the privilege of subscribing (at the subscription price) for not more than 150 of any unsubscribed shares. Any remaining unsubscribed shares are to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York 10005, and Drexel Harriman Ripley, Inc., 60 Broad St., New York 10004. The offering price (\$35 per share maximum*) and underwriting terms are to be supplied by amendment.

An operating utility, the company will apply the net proceeds of its stock sale toward payment of its construction program (estimated at \$456 million in 1967-1971). In addition to indebtedness and preferred stock, the company has outstanding 12,425,330 common shares. Chas. E. Oakes is board chairman and Jack K. Busby is president.

CAPITOL INTERNATIONAL AIRWAYS FILES FOR SECONDARY. Capitol International Airways, Inc., Metropolitan Airport, Nashville, Tenn. 37217, filed a registration statement (File 2-26171) with the SEC on March 23 seeking registration of 610,000 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005, and J. C. Bradford & Co., Inc., 414 Union St., Nashville, Tenn. 37219. The public offering price (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the transportation of commercial passengers and cargo in the United States and certain international and overseas areas. In addition to indebtedness, it has outstanding 3,000,000 common shares. The prospectus lists three selling stockholders, as follows: Jesse F. Stallings (president and board chairman), who is offering 502,000 of 1,126,500 shares held; his wife, 48,000 of 1,438,500; and Rudolph S. Farrar (director), 50,000 of 375,000.

HOME BENEFICIAL LIFE FILES FOR OFFERING AND SECONDARY. Home Beneficial Life Insurance Company, 3901 W. Broad St., Richmond, Va. 23230, filed a registration statement (File 2-26172) with the SEC on March 23 seeking registration of 226,500 shares of Class B stock. Of this stock, 82,000 shares are to be offered for public sale by the company and 144,500 shares (being outstanding stock) by the present holders thereof. Alex. Brown & Sons, 135 E. Baltimore St., Baltimore, Md. 21202, and Wheat & Co., Inc., 801 E. Main St., Richmond, Va. 23211, are the principal underwriters. The public offering price (\$29 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the life and accident and health insurance business. Of the net proceeds of its sale of additional stock, \$1,558,897 will be used to replace funds expended in July 1966 to acquire previously outstanding shares of its capital stock; and the balance will be used in the conduct of its business. The company has outstanding 1,247,200 Class A and 1,870,800 Class B shares, of which management officials own 8.7% and 35.5%, respectively. Certain company officers, including W. E. Wiltshire (board chairman) and M. D. Nunnally, Jr. (president), are trustees under a voting trust which holds 67.8% of the outstanding Class A stock. The prospectus lists 19 selling stockholders, including Nunnally, who is offering 35,000 of 294,720 Class B shares held; Nina Mitchell Watkins, 20,000 of 53,328; and Wiltshire, his entire Class B holdings of 28,000 shares.

SIX 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:

The Dayton Power and Light Company, 25 N. Main St., Dayton, Ohio 45401 (File 2-26162) (200,000 shares)
Lone Star Gas Company, 301 S. Harwood St., Dallas, Tex. 75201 (File 2-26166) (common stock)
Chrysler Corporation, 341 Massachusetts Ave., Highland Park, Mich. (File 2-26167) (142,500 shares)
Central Illinois Light Company, 300 Liberty St., Peoria, Ill. 61602 (File 2-26169) (44,827 shares)
Newmont Mining Corporation, 300 Park Ave., New York 10022 (File 2-26174) (249,782 shares)

One additional stock plan was filed on Form S-1, as follows:

John Wiley & Sons, Inc., 605 Third Ave., New York 10016 (File 2-26175) (151,781 shares)

M. L. CARPENTER ENJOINED. The SEC Denver Regional Office announced March 20 (LR-3671) the entry of a Federal court order (USDC, Nebr.) permanently enjoining M. L. Carpenter of Scottsbluff, Nebr., from further violations of the Securities Act anti-fraud and registration provisions in the sale of interests in oil and gas leases on land situated in Custer County, S. D., and Converse County, Wyo. Carpenter consented to the judgement.

KENNETH E. SMITH ENJOINED. The SEC Denver Regional Office announced March 16 (LR-3670) the entry of a Federal court order (USDC, DC Utah) permanently enjoining Kenneth E. Smith of Salt Lake City, Utah, and Phoenix, Ariz., from further violations of the anti-fraud and registration provisions of the Federal securities laws in the sale of securities of Investment Management Corp. The defendant consented to the entry of the order without admitting or denying allegations of the Commission's complaint.

OVER

COMPLAINT CITES VICTOR MANEIKIS. The SEC Chicago Regional Office announced March 21 (LR-3672) the filing of a complaint (USDC, ED Mich.) seeking to enjoin Victor Maneikis, individually and d/b/a Independent Oil Investors, Gibraltar, Mich., from further violations of the Securities Act registration provisions in the sale of interests in oil and gas leaseholds located in Ohio. A hearing on the Commission's motion for preliminary injunction has been scheduled for April 3.

CONTINENTAL ASSURANCE COMPANY RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4896) permitting Continental Assurance Company Separate Account (B), Chicago investment company, to offer its group variable annuity contracts with a minimum initial payment of \$10. Section 27 (a)(4) of the Act requires that the first payment on any periodic payment plan certificate shall be not less than \$20 and any subsequent payment shall be not less than \$10. Applicant states that payroll deductions on its variable annuity contracts will frequently be made through electronic computer programs where a change between the first and second payment would be an unnecessary complication, increasing administrative expenses.

STOCKMAN NATIONAL LIFE VOTING TRUST FILES. Trustees under a voting trust agreement involving common stock of Stockman National Life Insurance Company (a South Dakota corporation) filed a registration statement (File 2-26165) with the SEC on March 22 seeking registration of voting trust certificates for 2,563,970 shares of such stock.

RAF CORP. PROPOSES OFFERING. R. A. F. Corporation, 767 N. Milwaukee Ave., Chicago, Ill. 60648, filed a registration statement (File 2-26164) with the SEC on March 22 seeking registration of 60,000 shares of common stock, to be offered for public sale at \$5 per share.

Organized under Illinois law in 1965, the company succeeded to the business of the M-E-C Company Division of Altamil Corp., which is engaged in manufacturing, engineering and installing dehydrators and feed mills for the animal feed industry, and in the design and assembly of hydrant cart aircraft refuelers for use at commercial airports. Of the net proceeds of its stock sale, approximately \$81,000 will be used to pay indebtedness owing to Altamil Corp. in connection with the acquisition of the MEC Company division, approximately \$100,000 will be used to pay certain indebtedness; \$26,500 will be used to redeem the 25 outstanding preferred shares of the company; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 148,900 common shares, of which management officials own 53.7% (including 26.1% owned by Osborn S. Andreas, board chairman and president).

R&E CO. FILES FOR OFFERING. The R & E Company, 234 W. 44th St., New York, filed a registration statement (File 2-26168) with the SEC on March 22 seeking registration of \$500,000 of interests in its limited partnership, to be offered for public sale in \$10,000 units (plus a possible 20% overcall). The offering is to be made through Slade Brown, of the New York address, the general partner.

The partnership is to be formed under New York law for the purpose of producing the dramatico-musical play presently entitled "Robert and Elizabeth," which is based upon an original dramatic play entitled "The Barretts of Wimpole Street" written by the late Rudolph Besier. The book and lyrics for the musical version were written by Ronald Millar, and the music was written by Ron Grainer. The general partner will produce the play.

SECURITIES ACT REGISTRATIONS. Effective March 23: Duke Power Co., 2-26067; Sanders and Thomas, Inc., 2-25971 (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.

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