

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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SEC

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FOR RELEASE September 25, 1968

"STOCK TRANSFER" RULE PROPOSED. The SEC today announced a proposal to adopt a new Rule 10b-14 under the Securities Exchange Act which "would impose upon issuers whose securities are publicly traded the duty to maintain facilities reasonably designed to effectuate the prompt issuance, registration, and registration of transfers of securities, and delivery of certificates." Views and comments upon the rule proposal (Release 34-8413) may be submitted not later than October 25.

Rule 10b-14 would make it unlawful for any issuer which has any publicly traded securities to fail to provide personnel and facilities which are reasonably designed to effectuate prompt issuance, transfer and registration of transfers of such securities, and delivery of certificates, in connection with the purchase or sale of any such security by any person. It would be adopted pursuant to Sections 10(b) and 23(a) of the Act. Section 10(b) makes it unlawful for any person, including an issuer, to engage in activities which the Commission defines as manipulative or deceptive, if they occur in connection with the purchase or sale of a security. Section 23(a) of the Act gives the Commission the power to make rules and regulations necessary for the execution of its functions under the Act. When an issuer issues securities purporting to be freely transferable it impliedly represents that they are and will continue to be freely transferable, and this representation is deceptive if, because of the absence or inadequacy of the transfer facilities provided by the issuer, security holders are not in a position to obtain prompt transfers. In addition, the Commission has found that in some cases the withholding of certificates can and may be used as a manipulative device.

In expressing its concern over the acute delivery backlogs confronting the securities industry, the Commission has noted that the problem is not confined to broker-dealers along, but involves other segments of the securities industry, including transfer agents and others who participate in the initiation, conduct or consummation of transactions in the securities markets (see Securities Exchange Act Release No. 8341, June 20, 1968); and one of the reasons broker-dealers have experienced delay in consummating securities transactions is that some issuers with publicly traded securities have not been maintaining adequate transfer facilities. The inability of purchasers of securities to obtain prompt delivery of certificates not only interferes with the maintenance of fair and orderly markets, it also impedes the Commission in fulfilling its regulatory functions in the maintenance of markets which are free of fraud and manipulation.

F & D CORP. FILES EXCHANGE PLAN. F & D Corporation, Charles and Lexington Streets, Baltimore, Md. 21203, filed a registration statement (File 2-30229) with the SEC on September 24 seeking registration of 2,074,004 shares of common stock. F & D proposes to offer its shares in exchange for outstanding shares of the capital stock of Fidelity and Deposit Company of Maryland ("Fidelity"), on a share for share basis, and in exchange for outstanding shares of capital stock of The Title Guarantee Company, at the rate of 1.25 shares of F & D common for each share of Title Guarantee stock.

F & D was organized on September 17 at the initiative of Fidelity. If all the outstanding shares of Fidelity and of Title Guarantee are exchanged for stock of F & D, the stockholders of Fidelity will become the owners of 93.2% and the stockholders of Title Guarantee will become owners of 6.8% of the then outstanding stock of F & D. Julian S. Neal, president of Fidelity, is president of F & D; Frederick R. Buck, executive vice president of Title Guarantee, is vice president of F & D.

WING AIRCRAFT PROPOSES RIGHTS OFFERING. Wing Aircraft Company, 2600 Skypark Drive, Torrance, Calif., filed a registration statement (File 2-30230) with the SEC on September 24 seeking registration of 258,043 shares of common stock. It is proposed to offer these shares for subscription by shareholders at \$20 per share, and at the rate of 17 new shares for each share held. No underwriting is involved. George S. Wing, president, has agreed to purchase at the subscription price 100,317 shares upon exercise of his original subscription warrants, and whatever number of additional shares which are not otherwise purchased so as to insure the sale of an aggregate of 125,000 shares.

The company is engaged in the business of manufacturing and selling a small, twin-engine aircraft known as the "Derringer." The net proceeds of the company's stock sale will be used to repay indebtedness to Wing (for advances to meet operating expenses and performance contracts, amounting to \$950,000 on August 31) and to provide additional operating capital for operating expenses and obligations under performance contracts. The company now has outstanding 15,179 common shares, of which Wing owns 5,901 and family members 783 shares.

INFORMATION SYSTEMS LEASING FILES. Information Systems Leasing Corporation, 222 South Easton Road, Glenside, Penna. 19038, filed a registration statement (File 2-30231) with the SEC on September 24 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through Mayflower Securities Co., Inc., 32 Broadway, New York, N. Y., which will receive a 50¢ per share commission plus \$15,000 for expenses. In addition, the company has agreed to sell the underwriter, for \$150, five-year warrants to purchase 15,000 shares, exercisable at \$5 per share after one year.

Organized in October 1967, the company is engaged in the design and development of a computer-based management information system. Of the net proceeds of its stock sale, \$250,000 is to be used to complete the development and testing of the company's initial management information system, to commence a marketing program and to meet other expenses; the balance will be used for repayment of loans of \$40,000 and for general corporate purposes. Mrs. Hawes and Donald C. Senges, Jr., co-promoter and vice president, own or will own 255,000 shares, for which they will have paid \$25,500, or 10¢ per share (this does not include any consideration for other contributions to the company).

OVER

RICHARD FRANCHISE INVESTMENT FILES. Richard Franchise Investment, Inc., 1523 North Concord, South St. Paul, Minn., filed a registration statement (File 2-30236) with the SEC on September 23 seeking registration of 2,000 units, each consisting of 40 common shares, \$250 principal amount of convertible debentures, and a warrant for the purchase of 25 common shares (\$500,000 of debentures, 80,000 shares and 50,000 warrants) to be offered for public sale at \$500 per unit. No underwriting is involved.

The company was organized in August by Richard Packing Co., which purchased the 400,000 outstanding shares at 1¢ per share. Milton J. Cohen, the company's president and only employee, and Harvey D. Cohen each own 187,500 shares of Richard Packing Co., or 375,000 of the 475,000 shares outstanding. The parent company intends to sell franchises for drive-in and walk-in restaurants in various areas of the United States (it has no franchise restaurants at this time). It is intended that Richard Franchise Investment will acquire land suitable for drive-in and walk-in restaurants, build restaurant buildings and lease the buildings to franchisees of the parent, as well as to assist the parent in financing their restaurant fixtures and equipment. Net proceeds of the company's stock sale will be used in part (\$20,000) to pay the president's salary and operating expenses of the company for the ensuing fiscal year; the balance will be added to its working capital and used for the purchase of land, the building of restaurants and other related purposes.

IMEX CORP. PROPOSES OFFERING. Imex Corp., 7630 Biscayne Blvd., Miami, Fla., 33138, filed a registration statement (File 2-30227) with the SEC on September 23 seeking registration of 240,000 shares of common stock, to be offered for public sale at \$5.50 per share. The offering is to be made through underwriters headed by Van Alstyne, Noel & Co., Four Albany St., New York, N. Y. 10006, which will receive a 47¢ per share commission.

Organized under Delaware law in April 1968 as IMEXCO, Inc., the company acquired the stock of, and now operates through, three wholly-owned subsidiaries. It is engaged in the business of the sale and distribution of wigs, wiglets, falls, toupees, false eyelashes and certain wig accessories, all of which are manufactured for it by others. Of the net proceeds of its stock sale, the company will use \$50,000 to expand its commercial mail order business, \$100,000 to open and develop additional distribution centers, \$500,000 to increase inventory, \$235,000 to retire short-term bank debt and \$75,000 to retire an obligation to Leo Kern, president; the balance will be added to working capital. The company has outstanding 360,000 common shares (with a 95¢ per share book value), of which Kern owns 31.7%, Mrs. Yvette Kern as custodian for the children of Herbert Kern 29.9%, Herbert Kern, board chairman, 11.7% and the partners of Van Alstyne, Noel & Co. 16.7%; management officials as a group own 68.3%. Upon completion of this offering, the present stockholders will own 60% of the outstanding common stock, for which they paid \$21,000, while the purchasers of the shares being registered will own 40%, for which they will have paid \$1,320,000.

PREXY'S PROPOSES OFFERING. Prexy's, Inc., Suite 2330, 245 Park Avenue, New York, N. Y., filed a registration statement (File 2-30228) with the SEC on September 24 seeking registration of 100,000 shares of common stock and 100,000 common stock purchase warrants, to be offered for public sale in units, each consisting of one common share and one warrant, and at \$5 per unit. The offering is to be made through Charles Plohn & Co., 200 Park Avenue, New York, which will receive a 50¢ per share commission plus \$10,000 for expenses. Upon completion of this offering, the company will sell to the underwriter 20,000 common shares for \$30,000 and will deliver to Joseph Silvestri (a registered representative of the underwriter) an option to purchase 2,000 common shares and pay him \$2,500, in consideration for his services as a finder. The company has also issued a three-year option to purchase 10,000 common shares at \$5 per share to Prexy's Food Service Corp., which will operate restaurants under franchise to Prexy's, Inc.

Organized under New York law in July 1968 for the purposes of establishing, owning and operating Prexy's fast food restaurants, and establishing national franchise programs for Prexy's restaurants and for food products cooked, packaged and dispensed utilizing Prexy's methods, the company has not yet commenced operations. Of the net proceeds of its stock sale, the company will apply \$180,000 toward the establishment of some five Prexy's restaurants to be owned and operated by the company, and \$100,000 toward the sale and promotion on a national basis of the franchise program and toward the acquisition of equipment and property to be sold and leased to various franchisees under the franchise agreements; the balance will be used as working capital for the initial operation of the new company owned restaurants and for general corporate purposes. The company has outstanding 125,000 common shares (with an 8¢ per share book value), all of which are owned by Ely Enterprises, Inc. John M. Ely, board chairman, and his wife own 78% of the outstanding capital stock of Ely Enterprises. Max Jaeger is president. Upon completion of this offering, the purchasers of the units being registered will own 41% of the outstanding common stock, for which they will have paid \$500,000, while the organizers of the company and the underwriter will own 59%, which had a net tangible book value of \$9,550 and for which they paid an average of 12¢ per share.

GORIN'S FILES FOR SECONDARY. Gorin's Inc., 1019 Commonwealth Avenue, Boston, Mass. 02215, filed a registration statement (File 2-30239) with the SEC on September 24 seeking registration of 380,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., One Wall St., New York 10005. The offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates twenty-three department stores and one warehouse store in the New England states. In addition to indebtedness, it has outstanding 380,000 Common and 620,000 Class B common shares. Of the Class B shares, a charitable trust under the will of Nehemias Gorin (father of William Gorin, president, and Bertha G. Fritz, a director) owns 22.5%, William Gorin 10.9%, Bertha G. Fritz, 15.6%, Ida G. Leckart 10% and Ruth G. Katz 9.6%. Of the Common shares, the Nehemias Gorin Trust owns and proposes to sell 43.5% (165,109 shares), William Gorin 12.7% (48,378 shares), and Bertha G. Fritz 8.8% (33,546 shares); 21 others own and propose to sell the remaining Common shares being registered.

INCENTIVE FUND TO SELL STOCK. Incentive Fund, Inc., 210 West Seventh St., Los Angeles, Calif., filed a registration statement (File 2-30237) with the SEC on September 23 seeking registration of 10,000 shares of common stock. An open-end investment company organized in July, the Fund will offer its shares at net asset value without a sales charge (\$50 per share maximum*). Incentive Group, Inc., is manager and investment adviser. Charles William Lawsadder, president, and two other Fund officers own 26-2/3% each of the outstanding stock of the manager, which also will act as principal underwriter of the Fund.

CORINTHIAN BROADCASTING FILES FOR SECONDARY. Corinthian Broadcasting Corporation, 110 West 51st St., Rockefeller Center, New York, N. Y. 10020, filed a registration statement (File 2-30238) with the SEC on September 24 seeking registration of 750,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Goldman, Sachs & Co, 55 Broad St., New York, N. Y. 10004. The offering price (\$38 per share maximum*) and underwriting terms are to be supplied by amendment.

The company through subsidiaries owns and operates five television stations in Tulsa, Houston, Indianapolis, Ft. Wayne and Sacramento; in February a subsidiary acquired the business of Renaissance Editions, Inc., a publisher of books sponsored by corporations and institutions; and in September another subsidiary acquired the business of Standard Reference Works Publishing Company, Inc., a publisher and distributor of encyclopedias and other home reference books. In addition to indebtedness, the company has outstanding 3,384,259 common shares, of which Whitcom Investment Company (formerly WCC Associates) owns 27.08% and John Hay Whitney (director) owns 40.72% (not including his indirect ownership of shares owned by Whitcom Investment, of which he is a partner). Whitcom Investment proposes to sell 445,000 of its holdings of 916,470 shares, and Whitney 241,460 of his holdings of 1,378,133 shares. Six others propose to sell the remaining shares being registered.

U. S. CENTRAL BANCOMMONS FILES. United States Central Bancommons, Inc., Clarksville, Ind., filed a registration statement (File 2-30240) with the SEC on September 19 seeking registration of 50,000 shares of common stock, to be offered for sale at \$50 per share (5,000 shares are held by officers, directors and affiliates). The company is a closed-end investment company. Joseph Marvin Harris is president and board chairman and Wilbur Curtis Houchins executive vice president.

STANWOOD OIL SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in securities of Stanwood Oil Corporation for the further ten-day period September 26 through October 5.

TWO ENTER GUILTY PLEAS. The Fort Worth Regional Office announced September 18 (LR-4116) that Louis J. Frederick and Gerald Rushing, both of Houston, entered pleas of guilty to two counts of a 30-count indictment charging violations of the anti-fraud provisions of the Federal securities laws, and Jerry C. Stedman, Jr., of Beaumont, to six counts of the indictment. The indictment charged that the three defendants, while serving as employees of E. F. Hutton & Co., Inc., had misappropriated customers' funds and securities and engaged in unauthorized securities and commodities transactions for their personal benefit.

VERMONT YANKEE BORROWINGS CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-16172) authorizing Vermont Yankee Nuclear Power Corporation (Rutland) to borrow an additional \$8,200,000 as interim financing of nuclear plant construction.

JERSEY CENTRAL P & L BOND OFFERING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-16173) authorizing Jersey Central Power & Light Company, Morristown subsidiary of General Public Utilities Corporation, to issue and sell \$26,000,000 of bonds at competitive bidding. Net proceeds will be used for construction and other purposes.

AMERICAN COMPUTER LEASING FILES FINANCING PROPOSAL. American Computer Leasing Corporation, 211 East Fourth St., Cincinnati, Ohio, filed a registration statement (File 2-30241) with the SEC on September 24 seeking registration of \$5,000,000 of convertible debentures, due 1988, and 300,000 shares of common stock, to be offered for public sale through underwriters headed by Shearson, Hammill & Co., 14 Wall St., New York 10005. The interest rate on the debentures, offering prices (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was organized in October 1967 by American Financial Corporation to succeed to AFC's American Financial Leasing Company division. Since 1961 this division has been engaged in leasing of commercial and industrial equipment; since 1967, in providing data processing services. In April 1968 the company began to concentrate its leasing activities in the computer field. Net proceeds of this financing will be used for the acquisition of additional computer systems and other equipment for lease. In addition to indebtedness, the company has outstanding 1,735,299 common shares, of which AFC owns 88.7%. Carl H. Linder, company president, is president and board chairman of AFC.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of shares issuable under employee stock purchase, option and related plans:

Federal-Mogul Corporation, Southfield, Mich. 48075 (File 2-30213) - 58,000 shares
 Henry I. Siegel Co., Inc., New York, N. Y. 10016 (File 2-30225) - 81,000 Class A shares
 Harris-Intertype Corp., Cleveland, Ohio 44113 (File 2-30232) - 35,000 shares
 Interchemical Corporation, New York, N. Y. 10036 (File 2-30233) - 220,000 shares
 Marion Laboratories, Inc., Kansas City, Mo. (File 2-30234) - 178,202 shares
 Hercules Galion Products, Inc., Galion, Ohio 44833 (File 2-30235) - 50,000 shares

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the September 3 News Digest.

Coastal Dynamics Corp Aug 68 (11)	0-2856-2	Albertson's Inc Aug 68 (7)	0-1552-2
Electronic Wholesalers Inc Sept 68 (1)	2-20473-2	American Cyanamid Co Aug 68 (3)	1-3426-2
Gulf & Western Inds Inc Jul 68 (2,7,11,13)	1-5404-2	Bankers Trust Jul 68 (3,13)	0-1610-2
Pa Life Co Aug 68 (7,13)	0-896-2	Denver & Rio Grande Western RR Co Aug 68 (9)	1-1129-2
Saladmaster Corp Aug 68 (12)	0-30-2	Equitable Leasing Corp Aug 68(2,13)	0-2963-2
The Sherwin-Williams Co Aug 68 (2,4,7,10,13)	1-4851-2	Fidelity Real Estate Invst Inc Jul 68 (3,13)	0-1929-2
Southwestern Invst Co Aug 68 (4,7,13)	0-47-2	Equitable Real Estate Invst Trust Jul 68 (3,13)	0-1605-2
Theil Inc Aug 68 (7)	0-3012-2	Steman Labs Inc Aug 68 (11,13)	0-2943-2
The Vernon Co Aug 68 (4,7,13)	0-2686-2	U S Lumber Co Aug 68 (12)	0-601-2
Hiram Walker-Gooderham & Worts Ltd Aug 68 (12,13)	1-2357-2	The Oakland Consol Corp Amd #1 to 8K for Mar 68 (12)	0-1535-2
Westmoreland Coal Co Aug68(12,13)	0-752-2	Royston Coalition Mines Ltd Amd #1 to 8K for Apr 68(1,2,7,13)	1-2879-2
Wisc Elec Power Co Aug 68 (7)	1-1245-2	Roanwell Corp Amd #1 to 8K for Feb 68 (13)	0-2811-2
Barton Distilling Co Aug 68 (13)	1-5193-2	Palomar Mortgage Co Amd #1 to 8K for Nov 67 (2,13)	0-1873-2
P. S. Co (Formerly Playskook Mfg Co) Aug 68 (2,11,13)	0-1382-2	Bloomfield Bldg Inds Inc Amd #1 to 8K for Jul 68 (12)	1-4608-2
Rollins Inc Aug 68 (11,12)	1-4422-2	Cleveland Trencher Co Amd #1 to 8K for Jun 68 (12,13)	2-8952-2
Quindar Electronics Inc Aug 68 (12)	2-27381-2	Rogers Bros Co Apr 68(7,13) Aug 68(12,13)	0-1920-2 0-1920-2
Scot Lads Foods Inc Aug 68(7,13)	1-5486-2	Sterling Communications Inc Aug 68(2,12)	2-26577-2
208 South La Salle St Corp Aug 68 (10)	1-2726-2	Unitec Inds Inc Aug 68(2,7,13)	2-27095-2
Commonwealth Oil Refining Co Inc Aug 68 (3)	1-4900-2	Will Ross Inc Aug 68(7)	0-1578-2
Decision Systems Inc Aug68(12,13)	2-22037-2	Simplex Inds Inc Amd #2 to 8K for Jun 68(13)	1-5710-2
Gilmore Inds Inc May68(2,7,13)	0-655-2		
Paterson Parchment Paper Co Aug 68 (2,7,13)	1-5295-2		
Ramer Inds Inc Aug 68 (7,13)	1-4646-2		
Southern Calif Edison Co Aug 68 (7,13)	1-2313-2		
Southern Ry Co Aug 68 (7,13)	1-743-2		
State Exploration Co Aug 68 (12)	0-2398-2		
Wright Air Lines Inc Aug 68 (2,13)	0-3145-2		
Elizabeth Gas Co Aug 68(7,13)	0-683-2		
Pa Elec Co Aug 68 (7,13)	1-3522-2		
Phillips Petroleum Co Aug68(7,13)	1-720-2		
Phoenix Steel Corp Aug 68 (1,8)	1-2908-2		
Rental Inds Inc & Nationwide Trailer System Inc Aug 68 (2)	2-24562-2		
Sheller-Globe Corp Aug 68(2)	1-4172-2		
Signode Corp Aug 68 (12)	1-1282-2		
Standard Milling Co Aug 68 (11)	2-6137-2		
Transistor Electronics Corp Aug 68 (9,11,13)	0-1668-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended September 19, 1968, 67 registration statements were filed, 52 became effective, 2 were withdrawn, and 912 were pending at the week end.

SECURITIES ACT REGISTRATIONS. Effective September 24: Brunswick Corporation, 2-30046; S Y S Associates, Inc., 2-28597 (90 days); Sherwood Leasing Corp., 2-29789 (40 days); Supermarkets General Corp., 2-29796 (40 days) and 2-29895 (40 days); Transvac Electronics, Inc., 2-29417 (90 days); Vacu-Blast Corp., 2-29386 (90 days); Wilson & Co., Inc., 2-29883 (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.

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