

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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FOR RELEASE December 31, 1964

RESEARCH INVESTING-NUCLEONICS MERGER CLEARED. The SEC has issued an exemption order under the Investment Company Act (Release IC-4125) with respect to transactions involved in the proposed merger of Nucleonics, Chemistry & Electronics Shares, Inc., into Research Investment Corporation (both investment companies of Englewood, N. J.).

WORLDWIDE FUND ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4126) declaring that Worldwide Fund Limited, of New York, has ceased to be an investment company as defined in that Act.

CHAMBERLAIN ASSOCIATES ENJOINED. The SEC New York Regional Office announced December 23 (LR-3116) the entry of a Federal court order (USDC SDNY) permanently enjoining Chamberlain Associates, of New York, from further violations of the Securities Act registration and anti-fraud provisions in the sale of common stock of National Chemical and Minerals Corp.

WALL AND LUND INDICTED. The SEC Denver Regional Office announced December 22 (LR-3117) the return of a 14-count indictment (USDC Salt Lake City) charging Charles L. Wall, Woodland Hills, Calif.; Howard L. Lund, Tokyo; and Kenneth V. Lund, Houston, with violations of and conspiracy to violate the anti-fraud provisions of the Securities Act and the mail fraud statute in the sale of investment certificates issued by Guaranty Trust Deed Corporation.

NATIONAL INDUSTRIES RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4124) declaring that National Industries, Inc., Louisville, Ky., has ceased to be an investment company.

COLUMBIA GAS SYSTEM RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15170) authorizing The Columbia Gas System, Inc., New York registered holding company, to continue making open-account advances during the calendar year 1965 to 15 of its subsidiaries.

REPUBLIC OF THE PHILIPPINES PROPOSES BOND OFFERING. Republic of the Philippines filed a registration statement (File 2-23057) with the SEC on December 30 seeking registration of \$15,000,000 of 15-year External Loan Bonds of 1965. The bonds are to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., Inc., 30 Wall St., White, Weld & Co., 20 Broad St., and Lehman Brothers, One William St., all of New York. The public offering price, interest rate and underwriting terms are to be supplied by amendment. Net proceeds derived from the bond sale will be included in the capital revenues of the Republic and used for public works and economic development projects as determined by the Philippine Government.

TEXAS ELECTRIC SERVICE PROPOSES BOND OFFERING. Texas Electric Service Company, Seventh and Lamar Sts., Fort Worth, Tex., filed a registration statement (File 2-23056) with the SEC on December 30 seeking registration of \$16,000,000 of first mortgage bonds due 1995, to be offered for public sale at competitive bidding. The company, a subsidiary of Texas Utilities Co., is an electric utility engaged in the generation, purchase, transmission, distribution and sale of electricity wholly within the State of Texas. Net proceeds from its bond sale, together with a cash contribution of \$4,000,000 by Texas Utilities and funds derived from the company's operations, will be used to meet expenditures for its construction program and for other corporate purposes. The company's 1965 construction expenditures are estimated at \$48,900,000. Beeman Fisher is president of the company.

POCONO DOWNS FILES FINANCING PROPOSAL. Pocono Downs, Inc., 504 First National Bank Bldg., Wilkes-Barre, Pa., filed a registration statement (File 2-23055) with the SEC on December 29 seeking registration of \$1,250,000 of 6½% subordinated debentures due 1980 and 156,250 shares of non-voting common stock. The securities are to be offered for public sale in units of \$100 principal amount of debentures and 12½ shares of stock, and at \$150 per unit. The company has reserved a maximum of 7,500 units for offering to present stockholders of the company, their associates and other persons designated by them. The offering is to be made on a best-efforts basis through Ranger Securities Corp., 375 Great Neck Rd., Great Neck, N. Y., which will receive a \$3-per-unit selling commission on the units sold to present stockholders and a \$15-per-unit commission on the public offering. The company has issued to the underwriter 3-year warrants to purchase 2,000 shares of the company's non-voting common stock at \$4 per share and will issue additional warrants at the rate of one warrant for each two units sold, not to exceed 3,000 such warrants. In the event 10,000 or more units are sold, an additional 2,500 such warrants will be issued to the underwriter. The registration statement also includes \$786,715 principal amount of 16-year 5% deferred-interest subordinated notes, which the company will exchange for a like amount of outstanding non-interest bearing notes payable September 1966 and held by certain stockholders.

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Organized under Pennsylvania law in 1961, the company proposes to conduct harness horse racing meets with pari-mutuel betting in Luzerne County, Pa. It has acquired 400 acres on which it is now constructing a plant, with completion expected by July 1965. Net proceeds will be applied to the purchase cost of the land, construction costs and organizational expenses. In addition to indebtedness, the company has outstanding 300,000 shares of voting common stock and 500,000 shares of non-voting common, which were purchased for a total consideration of \$1,030,000. Management officials own 80.5% of the voting and 67.8% of the non-voting stock. James J. Durkin, Sr., is president.

FAMOUS ARTISTS SCHOOLS FILES FOR SECONDARY. Famous Artists Schools, Inc., 680 Fifth Ave., New York, filed a registration statement (File 2-23052) with the SEC on December 29 seeking registration of 19,900 outstanding shares of common stock and outstanding warrants to purchase 37,165 common shares at \$8.83 per share. According to the prospectus, the 19,900 shares were issued in exchange for certain stockholders' total interest in Famous Photographers School, Inc., and may be offered by the holders thereof from time to time on the American Stock Exchange, or otherwise, at prices prevailing at the time of sale (\$20 per share maximum*). The warrants were purchased in August 1961 by Bear, Stearns & Co. and affiliated persons; they propose to sell the warrants from time to time to securities dealers, who will agree to exercise them and make a public offering from time to time at prevailing market prices on the American Stock Exchange.

The company is in the business of providing home study courses by correspondence in the fields of art, writing and photography. Net proceeds received by the company from the exercise of warrants will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,175,500 common shares, of which management officials own 15.2%. The selling stockholders prior to October 1, 1964 held 19,900 shares of the outstanding 100,000 shares of Famous Photographers School, Inc. (the company held the remaining 80,100 shares). Albert Dorne is president of the company.

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. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the December 1 News Digest.

8-Ks for November 1964

Donaldson Co, Inc (11,13)
Interstate Life & Accident Insur. Co
(2,7,13)
Koehring Co (4,7,13)

Ceco Steel Products Corp Amend #1
to 8K for Nov. 1964 (12)

Phillips-Van Heusen Corp Amend #1 to
8K for Oct. 1964 (4,13)

Schultz Sav-O Stores, Inc Amend #1
to 8K for Aug. 1964 (13)

First Virginia Corp Amend #1 to 8K for
Oct. 1964 (2,12)

Phillips-Eckardt Electronic Corp Amend
#1 to 8K for March 1964 (13)

* As estimated for purposes of computing the registration fee.

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