

# 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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(Issue No. 66-65)

FOR RELEASE April 5, 1966

**SEC ORDER CITES PARKER-HAYES & CO.** The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 against the broker-dealer firm of Parker-Hayes & Co., of Billings, Mont., a member of the National Association of Securities Dealers, Inc. Also named as respondents are Charles E. Hayes, C. William Parker and Norman W. Leischner, officers and directors, James R. O'Brien, a director, Alfred N. Timberman, a former officer, and Albert Berndt, Jr., a salesman.

The proceedings are based upon staff charges that from November 1964 to June 1965 the Parker-Hayes firm and the individual respondents engaged in activities violative of certain provisions of the Federal securities laws, including the sale of securities of Idamont Oil and Mining Company in alleged violation of their registration and anti-fraud provisions. In 1965, the firm along with Hayes, Parker and Berndt were enjoined by Federal court order from violating provisions of the securities laws in the sale of such securities.

A hearing will be scheduled by further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations in fact occurred and, if so, whether any action of a remedial nature is necessary or appropriate in the public interest.

**NEW ORLEANS PUBLIC SERVICE FINANCING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-15439) authorizing New Orleans Public Service Inc., (1) to issue and sell \$23,250,000 of first mortgage bonds due 1996 at competitive bidding and (2) to issue and sell an additional 675,000 common shares to its parent, Middle South Utilities, Inc., for \$6,750,000. Net proceeds will be used for construction and related purposes (including retirement of some \$7,500,000 of bank borrowings therefor).

**MICHIGAN WISCONSIN PIPE LINE FINANCING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-15440) authorizing Michigan Wisconsin Pipe Line Company (Detroit) to issue and sell (1) \$45,000,000 of first mortgage pipe line bonds, due 1986, at competitive bidding and (2) an additional 100,000 common shares to its parent, American Natural Gas Company, for \$10,000,000. The subsidiary will use the funds to retire some \$34,500,000 of bank notes and to finance, in part, its 1966 construction program.

**STATE STREET INVESTMENT PURCHASE CLEARED.** The SEC has issued an exemption order under the Investment Company Act (Release IC-4562) authorizing State Street Investment Corporation, of Boston, to issue its shares at their net asset value for substantially all the cash and securities (about \$1,663,000) of Korrick Investment Company.

**AMERICAN HOSPITAL SUPPLY FILES FOR SECONDARY.** American Hospital Supply Corporation, 1740 Ridge Ave., Evanston, Ill. 60201, filed a registration statement (File 2-24799) with the SEC on April 1 seeking registration of 44,102 outstanding shares of common stock, to be offered for public sale by the holders thereof through Blyth & Co., Inc., 14 Wall St., New York 10005. The public offering price (\$44 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is a manufacturer and distributor of hospital, laboratories and related equipment and furnishings. In addition to indebtedness, it has outstanding 9,018,352 common shares, of which management officials own 12.5%. The prospectus lists seventeen selling stockholders, who own an aggregate of 222,226 and propose to sell 44,102 shares. Among these, M. Lowell Edwards owns the largest block, 89,744 shares, and proposes to sell 17,948 shares.

**BALTIMORE GAS PROPOSES BOND OFFERING.** Baltimore Gas and Electric Company, Baltimore, Md. 21203, filed a registration statement (File 2-24800) with the SEC on April 1 seeking registration of \$30,000,000 of First Refunding Mortgage Sinking Fund Bonds due 1996, to be offered for public sale at competitive bidding. Net proceeds of the bond sale will be used for general corporate purposes, including proposed construction expenditures, and to repay any short-term borrowings existing at the time of sale. Construction expenditures are expected to amount to between \$60 and \$65 million during 1966, and for the five-year period 1966-70 are estimated at \$300,000,000.

**PHYSICIANS UNDERWRITERS INS. CO. FILES FOR OFFERING AND SECONDARY.** Physicians and Surgeons Underwriters Insurance Company, 715 Physicians & Surgeons Bldg., Minneapolis, Minn. 55402, filed a registration statement (File 2-24801) with the SEC on March 31 seeking registration of 299,934 shares of capital stock. Of this stock, 249,999 shares are to be offered for public sale by the company and 49,935 shares (being outstanding stock) by the holder thereof. The offering is to be made at \$3.90 per share through company officials and employees and licensed agents; the latter will receive 40¢ per share for stock sold by them.

The company was organized in December 1964 and is engaged in the writing of casualty insurance in the field of medical malpractice and owners, landlords and tenants liability, is licensed to do business in Minnesota only, and "has no significant history of earnings or operations and has no truly established competitive position. . ." It expects to reinsure policies of medical malpractice insurance or similar risks in certain other states, and also to file for licensing as a casualty insurance company in certain states. Proceeds of its stock sale will be used, in part, to increase the company's capital so as to comply with the

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capital and reserve requirements of the states in which it may seek a license. The company now has outstanding 50,000 shares, of which all but 65 shares are owned by Physicians and Surgeons Underwriters Corporation, a majority of whose stock is owned by officials of the issuing company (including Robert D. Semsch, M.D., president).

**NUCLEAR CORP. FILES FOR OFFERING AND SECONDARY.** Nuclear Corporation of America, 3540 West Osborn Rd., Phoenix, Ariz. 85019, filed a registration statement (File 2-24802) with the SEC seeking registration of 1,476,316 common shares. Of this stock, 500,000 shares are to be offered for public sale by the company and 976,316 shares (being outstanding stock) by the holders thereof. The shares are to be offered for sale from time to time on the American Stock Exchange or in the over-the-counter market (at \$3 per share maximum\*).

The company's principal business is the manufacture and sale of steel joists. Net proceeds of its sale of additional stock will be applied to the reduction of indebtedness under its secured revolving credit agreement, which on February 28 amounted to \$1,540,000, and for working capital. In addition to indebtedness, the company has outstanding 6,714,471 common shares, of which management officials own some 24%. The prospectus lists three selling stockholders, as follows: Bear, Stearns & Co., selling all of its holdings of 698,218 shares; Donald C. Lillis, board chairman, selling 250,000 of 1,362,539 shares held; and Patrick J. Cummings, selling all of 28,098 shares held.

**BUELL INDUSTRIES FILES STOCK PLAN.** Buell Industries, Inc., Waterbury, Conn., filed a registration statement (File 2-24803) with the SEC on April 4 seeking registration of 10,000 common shares, to be offered under its Employees' Stock Purchase Plan.

**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. The caption of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

Amer-Internatl Aluminum Corp Sept 65 (2,4,7,13)	1-4357-2	Reichhhold Chemicals Inc Dec 65 (8)	1-4113-2
Colonial Life & Accident Insur Co Mar 66 (11)	2-22199-2	The Rowan Controller Co Feb 66 (7,13)	2-18216-2
Drake Associates Mar 66 (2,13)	2-15490-2	General Tel Co of Ky Mar 66 (11)	2-4052-2
Fulton Industries Inc Feb 66 (11)	1-4800-2	Products Research & Chem Co Mar 66 (2,3,8,12,13)	1-4852-2
Wm Wrigley Jr Co Mar 66 (11)	1-800-2	Jan 66 (11,13)	1-4852-2
Miss Power & Lt Co Mar 66 (11)	0-320-2	Century Properties Feb 66 (12)	0-306-2
Stephan Co Mar 66 (11,12,13)	1-4436-2	Franklin Electric Co Inc. Mar 66 (11,13)	0-362-2
Yuba Indust Inc Feb 66 (13)	0-885-2	Rath Packing Co Mar 66 (2,4,13)	1-1285-2
MPI Industries Inc Feb 66 (4,8)	1-582-2		

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended March 31, 1966, 98 registration statements were filed, 31 became effective, 2 were withdrawn, and 453 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS. Effective April 4:** The Black & Decker Manufacturing Co., 2-24559; Caterpillar Tractor Co., 2-24585 & 2-24586; Harley-Davidson Motor Co., 2-24633 (May 16); Industrial Electronics Associates, Inc., 2-24515 (90 days); Kaiser Steel Corp., 2-24688; Michigan Wisconsin Pipe Line Co., 2-24613; A. H. Robins Co., Inc., 2-24609 (40 days); United Utilities, Inc., 2-24439.  
**Effective April 5:** Becton, Dickinson & Co., 2-24592 (May 16); Carolina Power & Light Co., 2-24623 (May 16); Hawaiian Telephone Co., 2-24639 (May 16).

**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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