

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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DELMARVA POWER (MD.) RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16135) authorizing Delmarva Power & Light Company of Maryland ("Maryland"), a wholly-owned subsidiary of Delmarva Power & Light Company ("Delmarva"), to issue and sell from time to time prior to August 31, 1970, up to \$5,500,000 principal amount of promissory notes, due 1973, to Delmarva. Maryland intends to use the net proceeds of its note sale to reimburse its treasury for moneys previously expended for construction requirements and to provide funds for future construction expenditures. Construction expenditures are estimated at \$5,710,609 for 1968, \$6,506,902 for 1969 and \$5,268,000 for 1970.

LIFE INSURANCE CO. OF N.A. SEPARATE ACCOUNT RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5465) exempting Life Insurance Company of North America Separate A, Philadelphia unit investment trust, from certain provisions of the Act. Life Insurance Company of North America established Separate Account A to offer contracts which qualify as tax-deferred annuities under Section 403(b) of the Internal Revenue Code.

EDUCATORS LIFE SEPARATE ACCOUNT RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5466) exempting Educators Life Separate Account A, North Hollywood, Calif., unit investment trust, from certain provisions of the Act. Educators Life Insurance Company of America established Separate Account A to offer contracts which qualify as tax-deferred annuities under Section 403(b) of the Internal Revenue Code.

HORACE MANN LIFE INSURANCE SEPARATE ACCOUNT RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5467) exempting Horace Mann Life Insurance Company Separate Account B, Springfield, Ill., unit investment trust, from certain provisions of the Act. Horace Mann Life Insurance Company established Account B to offer contracts which qualify as tax-deferred annuities under Section 403(b) of the Internal Revenue Code.

SEC COMPLAINT NAMES ALSCOPE, ZIMOCO, OTHERS. The SEC New York Regional Office announced August 5 (LR-4090) the filing of a complaint in the U. S. District Court in New York, seeking to enjoin violations of the anti-fraud provisions of the Federal securities laws by the following in connection with their purchase and sale of stock of Alscope Consolidated, Ltd. and Zimoco Petroleum Corporation: the issuing corporations as well as Monarch Chemical & Mining Corp., Nicholas Martini, president of Alscope, New Jersey Loan Company, and Sidney Zimet. Alscope, Martini and V. M. Prescott, secretary of Alscope, was charged with violating the reporting provisions of the Exchange Act.

SEC COMPLAINT NAMES SPECIALIZED INS. SERVICE. The SEC Atlanta Regional Office announced August 9 (LR-4091) the filing of a complaint in the U. S. District Court in Orlando, Fla., seeking to enjoin violations of the Securities Act registration and anti-fraud provisions by the following in the sale of securities of Specialized Insurance Service, Inc.: the issuing corporation as well as Diversified Insurance Services, Inc., a Tennessee corporation, Kenneth N. Young, Albert Harold Steil, James C. Young, Larry B. Lawrence and Samuel F. Sparks.

ARMIN POLY FILM PROPOSES OFFERING. Armin Poly Film Corporation, 301 West Side Ave., Jersey City, N. J. 07305, filed a registration statement (File 2-29809) with the SEC on August 7 seeking registration of 128,750 shares of common stock, to be offered for public sale at \$7 per share. The offering is to be made through underwriters headed by William Norton & Company, 120 Wall St., New York 10005, which will receive a 56¢ per share commission. The company has agreed to pay the Norton firm \$12,500 for expenses, to retain that firm as financial consultant for two years at \$2,000 per month, and to grant it, for \$128.75, five-year warrants to purchase 12,875 common shares, exercisable initially at \$7.50 per year. In addition, the company has agreed to sell to Abraham Seif and Eugene Friedman 2,000 common shares each at 5¢ per share in consideration for their services as finders.

Organized under New Jersey law in June 1967, the company is engaged, generally, in the design, manufacture and sale of polyethylene flexible packaging. Of the net proceeds of its stock sale, the company will use \$350,000 for the purchase of additional machinery, including three large extruding machines and twelve bag machines, \$80,000 for installing an automatic bulk handling system for use in connection with the transport of polyethylene resin, and \$180,000 to discharge existing obligations incurred in connection with financing fixed assets; the balance will be added to the company's general funds and used for working capital. In addition to indebtedness, the company has outstanding 305,500 common shares (with an 82¢ per share book value), of which Armin Kaufman, president, owns 50% and Mrs. Armin Kaufman 50%. Upon completion of this offering, the present shareholders will own 69.7% of the outstanding common stock, with a \$250,828.63 book value, while the purchasers of the shares being registered will own 29.4%, for which they will have paid \$901,250.

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LOGICON PROPOSES OFFERING. Logicon, Inc., 255 West Fifth St., San Pedro, Calif. 90731, filed a registration statement (File 2-29812) with the SEC on August 2 seeking registration of 3,000 shares of common stock. The shares are to be offered for sale to the company's employees at \$75 per share payable in equal bi-weekly installments over 12 months with 7% interest.

The company specializes in the application, engineering, and programming of digital computers and computer related systems. The company will add the net proceeds of its stock sale to its working capital to be used for general corporate purposes. The company has outstanding 55,127 common shares, of which Claude F. King, president, owns 12.7% and management officials as a group 45.5%.

NPG GROWTH FUND PROPOSES OFFERING. NPG Growth Fund, Inc., 1200 Stewart Ave., Garden City, L.I., New York 11530, filed a registration statement (File 2-29813) with the SEC on August 5 seeking registration of 300,000 shares of capital stock. The shares are to be offered for sale at net asset value (\$10 per share maximum*) to regular and associate members of the Nassau Physicians Guild, Inc., and retirement plans of which one of such persons is a beneficiary, and who are residents of New York State. The Fund was organized in July 1968 upon the initiation of member physicians of the Nassau Physicians Guild, Inc. Argus Investors' Counsel, Inc., will act as investment adviser. The Fund has outstanding 12,000 shares, of which management officials as a group own 41.67%. Sidney J. Kohle is president.

WINN'S STORES FILES FOR OFFERING AND SECONDARY. Winn's Stores, Incorporated, 1235 Gambler Road, San Antonio, Texas 78219, filed a registration statement (File 2-29816) with the SEC on August 8 seeking registration of 196,730 shares of common stock. Of this stock, 54,706 shares are to be offered for public sale by the company and 142,024 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by First Southwest Company, Mercantile Bank Bldg., Dallas, Texas 75201. The offering price (\$23.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates a chain of retail variety stores in Texas. Of the net proceeds of its sale of additional stock, the company will use \$500,000 to repay short-term bank debt, the proceeds of which have been used to open and stock four new stores and as working capital and \$150,000 to construct an addition to the company's general offices; the balance will be added to the company's general funds and used for general corporate purposes, primarily as additional working capital. In addition to indebtedness, the company has outstanding 445,294 common shares, of which Roy D. Spears, president, owns 15.34%, J. M. Warren, Jr., secretary-treasurer, 10.36% and management officials as a group 50.55%. J. M. Warren, Margaret J. Warren, John S. Redditt and Hazel Redditt propose to sell all of their holdings of 46,144, 10,312, 30,168 and 12,192 shares, respectively, and Roy D. Spears and A. J. Thompson, vice presidents, 10,000 shares each of 68,306 and 36,344 shares held, respectively. Four others propose to sell the remaining shares being registered.

JOHN WOODS COMMUNICATION CORP. PROPOSES OFFERING. John Woods Communication Corp., 950 Midtown Tower, Rochester, New York 14604, filed a registration statement (File 2-29817) with the SEC on August 8 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through company officials without compensation and possibly through NASD members, who will receive a 35¢ per share commission.

Organized under New York law in June 1968, the company proposes to acquire and operate radio and television broadcasting stations and cable television systems. The company will use the net proceeds of its stock sale to acquire at least one broadcast facility in the nature of a radio or television station or cable television system (CATV). The company has outstanding 166,500 common shares (with a 54¢ per share book value), of which John Woods, president, owns 75,000, Harry Turner and Guy W. Numann, directors, 22,000 and 10,000, respectively. Management officials as a group own 120,500 shares. Upon completion of this offering, the founders will own 36% of the outstanding common shares, for which they paid (in cash and marketable securities) \$90,500, while the public purchasers will own 64%, for which they will have paid \$1,500,000.

NATIONAL GENERAL PROPOSES EXCHANGE OFFER. National General Corporation, One Carthay Plaza, Los Angeles, Calif. 90048, filed a registration statement (File 2-29818) with the SEC on August 8 seeking registration of \$282,000,000 of 4% convertible subordinated debentures, due 1993, and 5,640,000 common stock purchase warrants. It is proposed to offer these securities in exchange for shares of common stock of Great American Holding Corporation, at the rate of \$50 principal amount debentures and a warrant to purchase one common share for each share of Holding Corporation. Allen & Company Incorporated, 30 Broad St., New York 10004, Kleiner Bell & Co. Inc., 9756 Wilshire Blvd., Beverly Hills, Calif. 90212, and Carter, Berlind & Weill, Inc., 55 Broad St., New York 10004, will solicit acceptances of the exchange offer. National has agreed to pay the Carter-Berlind firm \$1,000,000 as a consultant's fee. In June 1968, National purchased some 400,000 (7%) of the 6,043,780 outstanding shares of Holding Corporation for \$20,000,000. It is National's desire to acquire at least majority ownership of Holding Corporation. Holding Corporation was organized in April 1967 for the purpose of making an exchange offer and becoming the parent of Great American Insurance Company and its subsidiaries, and it subsequently acquired 97.75% of the outstanding capital stock of Great American.

National through subsidiaries is engaged principally in the operation of a motion picture theatre circuit; it is also engaged in the production and distribution of feature motion pictures and the production and distribution of television program material, and in the publishing and savings and loan businesses. In addition to indebtedness and preferred stock, it has outstanding 3,627,998 common shares, of which management officials own 15%. Eugene V. Klein is board chairman and president.

DEARBORN COMPUTER FILES FOR OFFERING AND SECONDARY. Dearborn Computer Corporation, 100 West Monroe St., Chicago, Ill. 60603, filed a registration statement (File 2-29819) with the SEC on August 8 seeking registration of \$12,500,000 of convertible subordinated debentures, due 1988, and 50,000 shares of common stock, to be offered for public sale by the company, and 125,624 outstanding shares to be offered by the present holders thereof. The offering is to be made through underwriters headed by Ladenburg, Thalmann & Co., 25 Broad St., and Oppenheimer & Co., 5 Hanover Square, both of New York 10004. The offering prices (\$60 per share maximum*),

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conversion rate and underwriting terms are to be supplied by amendment. The statement also relates to 92,105 common shares issuable upon conversion of the \$3,500,000 of 5½% junior subordinated convertible notes, due 1978, and resales by American National Insurance Company of 25,000 additional shares. The recipients of such shares may offer them for sale from time to time at prices current at the time of sale.

Organized under Delaware law in May 1967, the company is engaged in the business of purchasing and leasing electronic data processing equipment and, through subsidiaries, in the business of owning and operating four mobile drilling platforms and rigs used in offshore drilling of oil and gas for oil companies in the Gulf of Mexico off the coasts of Texas and Louisiana. Of the net proceeds of its financing, the company will use the major portion to finance the purchase of computer equipment and an unspecified amount to finance additional drilling equipment for two wholly-owned subsidiaries, Storm Drilling Company and Storm Marine Drilling Company, acquired in June 1968, and a portion in connection with possible future acquisitions. In addition to indebtedness, the company has outstanding 796,386 common shares, of which management officials as a group own 16.8% and American National Insurance Co. 12.6%. The University of Chicago proposes to sell all of its holdings of 50,000 shares and IIT (an International Investment Trust) and Arthur Weiss, president, 12,500 shares each of 50,000 and 40,000 shares held, respectively; thirty-eight others propose to sell the remaining shares being registered.

PERFECT FIT INDUSTRIES TO SELL DEBENTURES. Perfect Fit Industries, Inc., 303 Fifth Ave., New York 10016, filed a registration statement (File 2-29820) with the SEC on August 8 seeking registration of \$1,500,000 of 7% convertible subordinated debentures, due 1978, to be offered for public sale at 100% of principal amount. The offering is to be made through underwriters headed by Packer, Wilbur & Co., Inc., 26 Broadway, New York. The conversion rate and underwriting terms are to be supplied by amendment. The company has agreed to pay the Packer-Wilbur firm \$25,000 for expenses and to issue it five-year warrants to purchase 25,000 common shares, initially exercisable at 110% of the conversion price of the debentures.

The company's operations cover four products or services: manufacture and sale of bedroom and bathroom furnishings, the leasing of background music equipment, operation of a data processing center and the manufacture and sale of an automated telephone alarm device. The company will use the net proceeds of its debenture sale to repay in full its indebtedness to National Acceptance Company of America, which was incurred during the past year for working capital purposes; the balance will be used for working capital and general corporate purposes. In addition to indebtedness, the company has outstanding 1,217,682 common and 151,341 Class A shares. Ephraim Bloch, president, owns 21.5% of the common and 57.6% of the Class A shares.

SEA CONTAINERS FILES FOR OFFERING AND SECONDARY. Sea Containers Inc., 284 State St., Albany, N. Y., filed a registration statement (File 2-29822) with the SEC on August 8 seeking registration of 457,142 shares of common stock. Of this stock, 228,571 shares are to be offered for public sale by the company and 28,500 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Burnham & Co., 60 Broad St., New York 10004. The offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of worldwide rental, primarily to steamship companies, of standardized cargo containers and related equipment. Of the net proceeds of its sale of additional stock, the company will use \$1,000,000 to purchase refrigerated containers, \$1,250,000 to purchase other types of containers, container chassis and cargo handling equipment, \$500,000 to purchase container ships for charter to others and \$500,000 for investment in containership and other transportation systems; the balance will be reserved for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 1,480,784 common shares, of which James B. Sherwood, president, owns 27.2%, Maurice E. Pinto, a director, 6.9%, Philip J. R. Schlee, vice president 14.8% and management officials as a group 75.8%; Windcrest Partners and Worldwide Special Fund N.V. own 10% each. Sherwood proposes to sell 57,143 shares of 402,680 shares held, Schlee 42,857 of 219,256 and Pinto 21,456 of 101,600; six others propose to sell the remaining shares being registered. Upon completion of this offering, and without regard to the shares being sold by the selling shareholders, the present shareholders will own 86.6% of the outstanding common stock, for which they paid \$1,215,439, while the purchasers of the shares being registered will own 13.4%, for which they will have paid \$8,742,834.*

NATIONAL INDUSTRIES TO SELL DEBENTURES. National Industries, Inc., 510 West Broadway, Louisville, Ky. 40202, filed a registration statement (File 2-29824) with the SEC on August 8 seeking registration of \$25,000,000 of convertible subordinated debentures, due 1988. The debentures are to be offered for public sale through Bear, Stearns & Co., 1 Wall St., New York. The conversion rate, offering price and underwriting terms are to be supplied by amendment.

The company, through its subsidiaries, is principally engaged in the operation of popular price department stores, the manufacture and sale of carbonated beverages and flavor concentrates, the production and marketing of food and dairy products, the manufacture and sale of laboratory furniture and equipment, the production, refining and distribution of petroleum products and the writing of fire and casualty insurance. In July 1968 in a private transaction, the company acquired 52% of the outstanding common stock of Hawthorn-Mellody, Inc., for \$13,728,000. Hawthorn is engaged in the processing and distributing of dairy products, ice cream, frozen baked goods and pickles. It is to be merged into National, subject to approval by stockholders of both companies at meetings scheduled for September 30. The company will apply the net proceeds of its debenture sale to the repayment of some \$15,000,000 of outstanding short term bank loans, of which \$13,000,000 was incurred in connection with the purchase of the Hawthorn stock; the balance will be added to general corporate funds and will be available for future possible acquisitions and for additional working capital requirements. In addition to indebtedness and preferred stock, the company has outstanding 5,378,012 common shares, of which Stanley R. Yarmuth, president, and family members own 9.4%, James F. Breuil, Sr., a director, 12.3% and management officials as a group 32.7%.

GULFSTREAM LAND & DEVELOPMENT PROPOSES OFFERING. Gulfstream Land & Development Corp., 7025 N. W. 4th St., Plantation, Fla., filed a registration statement (File 2-29825) with the SEC on August 8 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$10 per share. No underwriting is involved.

Organized under Delaware law in May 1968, the company is engaged in the acquisition, development, sale and leasing of real estate in Florida. Its present activities center around a tract of some 5,400 acres of land located in Broward County, Fla., near Fort Lauderdale. The company will use part of the net proceeds of its stock sale to pay a \$1,500,000 loan; the balance will be added to working capital to be used for planning purposes, installation of roads and utilities, other improvements to the land, building ventures, the possible acquisition of other properties and for release of optioned lands. The company has outstanding 600,000 common shares (with an 18¢ per share book value), of which Henry David Epstein, board chairman, owns 14.57% and Edgar Bronfman 29.17%. Upon completion of this offering, the original investors will own 66-2/3% of the outstanding common stock, for which they paid \$60,000, while the purchasers of the shares being registered will own 33-1/3%, for which they will have paid \$3,000,000.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the offer of stock under employee stock option and similar plans:

Woods Corporation, Oklahoma City, Okla. 73118 (File 2-29814) - 327,320 shares
 Informatics, Inc., Sherman Oaks, Calif. 91401 (File 2-29815) - 50,000 shares
 Pet Incorporated, St. Louis, Mo. 63101 (File 2-29821) - 100,000 shares
 The National Sugar Refining Company, New York 10001 (File 2-29823) - 50,000 shares

GOLDEN AGE MINES TRADING SUSPENSION CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in the common stock of Golden Age Mines, Ltd., for the further ten day period August 14-23, 1968, inclusive.

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 August 5 News Digest.

Ryerson & Haynes Inc June 68 (7,13) 1-2740-2
 Rust Craft Greeting Cards Inc

Jun 68 (11,12,13) 1-5524-2

"Shell" Transport & Trading Co Ltd
 (6K) July 68 1-4039-2

Silicon Transistor Corp
 May 68 (11,13) 1-4483-2

Recognition Equipment Inc
 Jun 68 (7) 0-2038-2

Roltec Inc Jun 68 (11,13) 0-2986-2

VTR Inc Jun 68 (2,13) 1-3393-2

The Standard of America Life Ins Co
 May 68 (11,13) 2-21240-2

Davis Food Serv Inc
 Jun 68 (2,13) 2-27945-2

Ramer Inds Inc Jun 68 (7) 1-4646-2

Schenuit Inds Inc Jun 68(9,11,13) 1-5410-2

Volt Technical Corp
 Jun 68 (2,7,12,13) 2-19724-2

Central Louisiana Elec Co Inc
 Jun 68 (12,13) 1-5663-2

Solutec Corp May 68 (1) 2-27339-2

Atlanta Internatl Raceway Inc
 Feb 68 (1) 0-1926-2

Southwest Forest Inds Inc
 Jun 68 (2,7,13) 0-1679-2

Borman Food Stores Inc
 Amd #1 to 8K for Dec 67 (13) 1-4305-2

Simplex Inds Inc
 Amd #1 to 8K for Jun 68 (13) 0-363-2

Amco Inds Inc
 Amd #2 to 8K for Jan 68 (8,13) 1-2866-2

Sierra Silver Mining Co
 Amd #1 to 8K for Apr 68(2,7,13) 2-27647-2

Telephone Utilities Inc
 Amd #1 to 8K for Jan 68 (2,13) 0-873-2

Alloys Unlimited Inc
 Amd #1 to 8K for Oct 67 (2,13) 1-4479-2
 Amd #1 to 8K for Nov 67 (2) 1-4479-2

Advanced Computer Techniques Corp
 Amd #1 to 8K for May 68(7,9,13) 2-28504-2

Big "C" Stores Inc
 Amd #1 to 8K for Mar 68(7,13) 0-14-2

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended August 8, 1968, 59 registration statements were filed, 73 became effective, and 834 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective August 12: The Cornelius Co., 2-28517; The Dikewood Fund, Inc., 2-28153; House of Fabrics, Inc., 2-29195; New York Sugar Industries, Inc., 2-29236 (90 days); Pennzoil United, Inc., 2-29719 (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.