

# 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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## HOLDING COMPANY ACT RELEASES

**NORTHEAST UTILITIES SYSTEM RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16850) authorizing the Rocky River Realty Company, Hartford, Conn., subsidiary of Northeast Utilities, to acquire a parcel of real property in Connecticut, to be conveyed within three months to Connecticut Light and Power, Hartford Electric Light Company and Western Massachusetts Company, also subsidiaries of Northeast Utilities, as tenants in common. The property will be used for an addition to an existing electric generating station. The utilities will advance between \$5,000,000 and \$5,500,000 to Rocky River to purchase the property, such advances to be repaid when the plant site is conveyed to them.

## INVESTMENT COMPANY ACT RELEASES

**MUTUAL LIFE INSURANCE SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6198) giving interested persons until October 20 to request a hearing upon an application by Mutual Life Insurance Co. of New York and Pooled Account No. 1, of New York, for exemption from certain provisions of the Act with respect to sales load deductions from deposit payments received on variable annuity contracts sold by Pooled Account No. 1. The latter was established by the Insurance Company to provide a funding medium for certain Group Deposit Administration Contracts for retirement or pension plans pursuant to the Self-Employed Individuals Tax Retirement Act of 1962.

**OPTIONS ASSOCIATES RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6199) declaring that Options Associates, Forest Hills, New York, has ceased to be an investment company as defined in the Act.

## COURT ENFORCEMENT ACTIONS

**TWO ENTER PLEAS, ONE CONVICTED OF OBSTRUCTING JUSTICE.** On September 22, Robert A. McCormick and Walter S. Endsley entered pleas of guilty (Middle District, Fla.) to a charge of obstructing justice by removing, withholding and destroying books and records of Leeds Shoes, Inc., in connection with an investigation of the adequacy and accuracy of information contained in a registration statement filed by Leeds Shoes (LR-4762). On September 26, a Federal court jury in New York City returned a verdict of guilty against Vincent Alo of New York and Hollywood, Fla., for obstructing justice and giving false and evasive answers in testifying in connection with a Commission investigation of the adequacy and accuracy of information contained in a registration statement filed by Tel-A-Sign, Inc. (LR-4763).

**KRUG, TEMP & BAWKS ENJOINED.** The SEC Fort Worth Regional Office announced September 23 (LR-4764) that Bernard T. Krug, of San Mateo, Robert Temp, of San Francisco, and Alvin L. Bawks, of Sherman Oaks, Calif., without admitting the allegations, consented to the entry of court orders of permanent injunction from violations of the registration and antifraud provisions of the Federal securities laws in the offer and sale of oil interests issued by Oil Field Drilling Company, Petroleum Equipment Leasing Company and Gas Transmission Organization, Inc., all of Tulsa, Okla.

## SECURITIES ACT REGISTRATIONS

**SPRINGER TO SELL STOCK.** Springer Corporation, 121 Tijeras, N. E., Albuquerque, New Mexico 87103, filed a registration statement (File 2-38457) with the SEC on Sept. 28 seeking registration of 600,000 shares of common stock, to be offered for public sale through underwriters headed by Quinn & Co., Inc., 200 Second St., N. W., Albuquerque, N. Mex. 87103. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Quinn firm five-year warrants to purchase 60,000 shares.

The company and subsidiaries are engaged in (1) contracting services and raw materials, (2) leased industrial building and commercial warehousing and moving and storage and transportation, (3) truck and construction equipment, sales and services, (4) operating a truck stop and restaurant and (5) management and brokerage of real estate and insurance business, and the leasing of computer time and data processing services. Of the net proceeds of its stock sale, \$750,000 will be used to purchase furniture and equipment for a proposed Hilton Inn Motor Hotel in Albuquerque, \$426,000 to retire indebtedness incurred in the construction of a new concrete batch plant, the purchase of new paving equipment and the acquisition of parts for construction equipment inventories, \$800,000 to construct an office building and an unspecified amount to retire short-term indebtedness to be incurred in the construction of the Hilton Inn; the balance will be used to finance inventories of materials and for general corporate purposes. In addition to indebtedness, the company has outstanding 1,547,000 common shares, of which Emmanuel Schifani, president, owns 22% and management officials as a group 38%. Purchasers of the shares being registered will acquire a 27.9% stock interest in the company for their investment of \$3,000,000\*; present shareholders will then own 72.1% for which they will have paid \$1,607,989 or \$1.04 per share.

OVER

**MERRILL BANKSHARES PROPOSES EXCHANGE OFFER.** Merrill Bankshares Company, 2 Hammond St., Bangor, Me. 04401, filed a registration statement (File 2-38459) with the SEC on September 28 seeking registration of 110,404 shares of common stock. It is proposed to offer these shares in exchange for all of the 92,004 outstanding shares of capital stock of Federal Trust Company, Waterville, Maine, at the rate of 1.2 shares for each Federal Trust share. The offering is contingent upon acceptance by holders of at least 80% of the outstanding shares of Federal Trust.

The company owns two Maine trust companies which are engaged in a general commercial banking business through 23 banking offices in six counties in Maine: The Merrill Trust Company of Bangor and Washburn Trust Company of Washburn, Maine. It has outstanding 168,750 common shares. John F. Grant is president and board chairman.

**CLEVELAND ELECTRIC ILLUMINATING CO. TO SELL BONDS.** The Cleveland Electric Illuminating Company, 55 Public Sq., P. O. Box 5000, Cleveland, Ohio 44101, filed a registration statement (File 2-38460) with the SEC on September 28 seeking registration of \$75,000,000 of first mortgage bonds, due 2005, to be offered for public sale at competitive bidding. An electric utility, the company will use the major portion of the net proceeds of its bond sale to repay outstanding short-term bank loans and commercial paper (which amounted to \$40,362,000 at September 15), made and issued to finance temporarily its construction program; the balance will be added to its general funds for ultimate use in paying a portion of its construction program costs. Construction expenditures are estimated at \$690,000,000 for the period of 1971 through 1975.

**FLORIDA NATIONAL BANKS PROPOSES EXCHANGE OFFER.** Florida National Banks of Florida, Inc., 214 Hogan St., Jacksonville, Fla. 32202, filed a registration statement (File 2-38461) with the SEC on September 28 seeking registration of 9,468,461 shares of common stock. It is proposed to offer these shares in exchange for all of the outstanding shares of capital stock of 30 Florida banks, including 2,588,036 for stock of Florida National Bank of Jacksonville (at the rate of 5.1761 shares for each Bank share) and 1,458,480 for stock of Florida National Bank & Trust Co. at Miami (at the rate of 5.0641 shares for each Bank share).

The company was organized in January for the purpose of making the exchange offers and becoming a bank holding company. Edward Ball is board chairman and president.

**OPPENHEIMER INDUSTRIES PROPOSES OFFERING.** Oppenheimer Industries, Inc., 1808 Main St., Kansas City, Mo. 64108, filed a registration statement (File 2-38462) with the SEC on September 28 seeking registration of agency services in connection with \$4,000,000 of breeder cattle herds and agency services in connection with \$8,000,000 of feeder cattle herds, to be offered for public sale in minimum amounts of \$10,000 and \$25,000, respectively. No underwriting is involved.

The company through subsidiaries acts as agent for owners of breeder and feeder cattle. It makes recommendations to the owner on type of contract and the name of a contractor who will handle the feeding, care, breeding and general management of his herd. H. L. Oppenheimer is board chairman and Ronald Jarvis, Jr. president.

**ARTEMIS FASHIONS FILES FOR OFFERING AND SECONDARY.** Artemis Fashions, Inc., 102 W. 38th St., New York, N. Y., filed a registration statement (File 2-38463) with the SEC on September 28 seeking registration of 145,000 shares of common stock, of which 120,000 are to be offered for public sale by the company and 25,000 (being outstanding shares) by the holders thereof. The offering is to be made on a "half or none, best efforts" basis by M. Berstein Securities, Inc., 1650 Broadway, New York, N. Y.; the offering price (\$3 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the underwriter warrants to purchase common shares at the rate of one warrant for each 10 shares sold.

Organized in May 1968, the company is primarily engaged in the design, manufacture and sale of medium-price, high-fashion women's dresses. Net proceeds of its sale of additional stock will be used for working capital purposes. The company has outstanding 405,000 common shares, of which Theodore Jacobowitz, president, Lionel Fuhrman, vice president, and Melvin Katz, director, own 20.1% each. Sixteen shareholders who own an aggregate of 50,000 shares, propose to sell the 25,000 outstanding shares being registered.

**ARCTIC ENTERPRISES SHARES IN REGISTRATION.** Arctic Enterprises, Inc., P. O. Box 635, Thief River Falls, Minn. 56701, filed a registration statement (File 2-38464) with the SEC on September 28 seeking registration of 29,532 outstanding shares of common stock, to be offered for public sale from time to time by the holders thereof at prices current at the time of sale.

The company is engaged in the development, production and sale of items for outdoor-recreational use, including snowmobiles. In addition to indebtedness, it has outstanding 2,571,488 common shares, of which Lowell T. Swenson, president, owns 33.9% and management officials as a group 43.7%. James Allen, who acquired 50,000 shares in April 1969 in connection with the company's acquisition of Allen Engineering Company, may sell 25,000 shares; the balance of the shares being registered may be sold by six other holders.

**PARIS ENTERPRISES TO SELL STOCK.** Paris Enterprises, Inc., 106 Market St., Newark, N. J., filed a registration statement (File 2-38465) with the SEC on September 28 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made on a "best efforts" basis by Parker, England & Co., Inc., 1700 Newbridge Road, North Bellmore, N. Y., which will receive up to 30¢ per share selling commission plus \$12,000 for expenses. The company has agreed to pay Joseph DiModica up to \$10,000 for his services as finder.

Organized in June 1969, the company operates four women's wig salons and one men's hair styling and hair-piece studio. Of the net proceeds of its stock sale, \$100,000 will be used to lease, furnish and equip premises for women's beauty and wig salons and the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 229,000 common shares (with a 22¢ per share book value), all owned by Joseph Paris, board chairman and president. Purchasers of the shares being registered will acquire a 40% stock interest in the company for their investment of \$450,000 (they will sustain an immediate dilution of \$2.03 in per share book value from the offering price).

**BASIC EARTH SCIENCE SYSTEMS PROPOSES OFFERING.** Basic Earth Science Systems, Inc., ("general partner"), 500 Gulf Bldg., 1780 South Bellaire, Denver, Colo. 80222, filed a registration statement (File 2-38466) with the SEC on September 28 seeking registration of \$25,000,000 of limited partnership interest to be offered for public sale at \$1,000 per unit with a minimum initial investment of five units. The offering is to be made on a best efforts basis by Basic Securities Corporation (of the same Denver address), which will receive an 8% selling commission; participating NASD members will be paid a 7% selling commission by Basic Securities. The Partnerships are to be formed for participation in projects for secondary recovery of oil and to a lesser degree the purchase of production and the drilling of oil and gas wells. Albert L. Solliday is board chairman and G. W. Breuer president of the general partner.

**INVESTMENT ANNUITY TO SELL STOCK.** Investment Annuity, Inc., 1845 Walnut St., Philadelphia, Pa. 19103, filed a registration statement (File 2-38467) with the SEC on September 28 seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Clark, Dodge & Co. Inc., 140 Broadway, New York 10005. The offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to issue the Clark, Dodge firm five-year warrants to purchase 20,000 shares.

The company is a holding company for the stock of First Investment Annuity Company of America ("FIAC"), an insurance company, and two other subsidiaries, with limited operations of its own. FIAC is engaged in the sale of "tax sheltered" annuities available to employees of public schools and other tax-exempt organizations as provided by Section 403(b) of the Internal Revenue Code. Of the net proceeds of the company's stock sale, \$350,000 will be invested in Accudata Corp. (which in turn will pay some \$200,000 thereof to FIAC in consideration for the transfer to it at substantially the cost of FIAC's electronic data processing system developed to handle its annuitants' custodial account and use the balance in further development of the acquired system); \$100,000 will be retained by the company for working capital purposes; and the balance will be contributed by the company to the paid-in surplus of FIAC. The company has outstanding 2,121,225 common shares (with a \$1.42 per share book value), of which W. Thomas Kelly, president, owns 11.4% and management officials as a group 16.6%.

**AMREP SECURITIES IN REGISTRATION.** AMREP Corporation, 16 W. 61st St., New York 10023, filed a registration statement (File 2-38468) with the SEC on September 28 seeking registration of \$9,550,000 of outstanding 6% convertible subordinated debentures, due 1984, 226,023 shares of common stock. Of the common stock, 31,613 are outstanding, 146,660 are issuable upon conversion of 1982 notes, and 47,750 are issuable upon exercise of purchase rights attaching to the debentures. These securities may be offered for sale from time to time by the holders or recipients thereof, at prices current at the time of sale (\$22-5/8 per share maximum\*).

The company is engaged in the operation of oil and gas properties in Oklahoma. In addition to indebtedness, it has outstanding 3,191,081 common shares. Irving W. Blum is board chairman and Howard W. Friedman president. Fleschner Becker Fund N.V. may sell all of \$2,000,000 of debentures held and 11 others the remaining debentures being registered; Peter J. Gellert proposes to sell 83,333 shares issuable upon conversion of notes and 13 others the remaining shares issuable upon conversion of notes being registered; and George B. Davis and Adele M. Davis each may sell all of 6,874 shares being registered and six others the remaining outstanding shares being registered.

**BIO-MEDICAL SCIENCES SHARES IN REGISTRATION.** Bio-Medical Sciences, Inc., 140 New Dutch Lane, Fairfield, N. J. 07006, filed a registration statement (File 2-38469) with the SEC on September 28 seeking registration of 14,441 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\$28 per share maximum\*).

Organized in 1967 as Computronic Sciences, Inc., the company intends to develop, manufacture and market five medical diagnostic and treatment products (including a disposable thermometer). It has outstanding 705,916 common shares, of which Berel Weinstein, president, owns 24%. Edmund F. Buryan is board chairman. Berstein-Macaulay Special Fund, Inc. may sell all of 9,165 shares held, Berstein-Macaulay Profit-Sharing Trust all of 2,500 shares held and 12 others the remaining shares being registered.

**KIRK LABORATORIES SHARES IN REGISTRATION.** C. F. Kirk Laboratories, Inc., 201 Route 22, Hillside, N. J. 07205, filed a registration statement (File 2-38470) with the SEC on September 28 seeking registration of 493,833 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\$1.50 per share maximum\*).

The company through a subsidiary markets a number of specialty pharmaceuticals (principally prescription drugs), primarily to dispensing physicians. It has outstanding 1,273,000 common shares, of which Raymond Spector, president and board chairman, owns 13.4% and Arnold Bradburd, a director, 11.1%. Bradburd may sell 30,000 of 141,000 shares held, The Johnathan S. Patrick Foundation, Inc., all of 51,000, Jerome I. Rosenberg all of 50,000 and 34 others the remaining shares being registered.

**REX CHAINBELT SHARES IN REGISTRATION.** Rex Chainbelt Inc., 111 East Wisconsin Ave., Milwaukee, Wisc. 53202, filed a registration statement (File 2-38471) with the SEC on September 28 seeking registration of 595,800 shares of common stock and 119,160 of \$2.50 convertible preferred (Series C) shares (\$1 par). These securities are part of the 811,225 common and 162,245 Series C preferred shares which are to be issued in connection with the proposed merger of Nordberg Manufacturing Company into Rex Chainbelt. The recipients of such shares may offer them for sale from time to time at prices current at the time of sale (\$30.375 per common and \$42 per preferred share maximum\*).

Rex Chainbelt is engaged in operations in four general product areas: power transmission components, conveyor equipment, construction equipment and environmental control equipment. In addition to indebtedness and preferred stock, it has outstanding 2,992,524 common shares. Neita O. Friend may sell 66,500 common and 13,300 preferred shares and 43 others the remaining common and preferred shares being registered.

#### MISCELLANEOUS

**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 (in ordering, please give month and year of report). 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.

#### 8K's for Jul 70

Consolidated Edison Co of NY(7,13)1-1217-2	Lafayette Funds Inc (7)	2-28620-2
Kaman Corp Jun & Jul 70(3,13) 0-1093-2	Microdot Inc(7,8,9,12)	1-4973-2
Sciencscope Inc(2,3,13) 0-4717-2	Mitsubishi Jukogyo Kabushiki Kaisha	
United Nuclear Corp(11,12,13) 1-5119-2	6K for Jun 70	2-20536-2
Washington Gas Light Co(7,13) 1-1483-2		
Phoenix Steel Corp(7) 1-2908-2	Lincoln Liberty Life Insur Co	
Computer Applications Inc(2,12,13) 1-5048-2	(2,12)	2-18894-2
Valle's Steak House(13) 1-5782-2	Udyco Industries Inc Jun 70	
	(2,13)	0-2821-2
DEI Industries Inc Amdt #1 for Dec 68(13) 0-725-2	Louisiana Gas Service Co(7,8,13)	1-4335-2
E T Darwick Industries Inc Amdt #1 for Sept 69(13) 0-3959-2	Niagara Frontier Services Inc Amended for Jul 70(8)	1-5915-2
Computing & Software Inc Amdt #1 for Apr 70(7) 1-5586-2	Peabody Galion Corp(7,12,13)	1-3593-2
American Plan Corp Amdt #1 for Apr 70(11) 2-25183-2	Rockwell Mfg Co Aug 70(7,8,13)	1-5726-2
Hemisphere Hotels Corp Amdt #1 for Jun 70(12,13) 2-31910-2	Wallichs Music & Entertainment Co Inc (12,13)	2-31080-2
Carolina Caribbean Corp Amdt #1 for May 69(13) 0-3895-2		

**SECURITIES ACT REGISTRATIONS.** Effective September 29: Automatic Service Co., 2-37135 (40 days); Carolina Telephone and Telegraph Co., 2-38292 (Nov 8); Central Telephone Co., 2-38371; Citizens and Southern Realty Investors, 2-38190 (90 days); DiFund, Inc., 2-36253; Electronic Tabulating Corp., 2-37998; Exchange Bancorporation, Inc., 2-36639 (Nov 8); Financial Concepts, Inc., 2-35809 (90 days); General Growth Properties, 2-37432 (Dec 27); Hewlett-Packard Co., 2-38361; Kaufman and Broad, Inc., 2-38443; Richford Industries, Inc., 2-37418 (Nov 9); Western Electric Co., Inc., 2-38303 (90 days); Wisconsin Power and Light Co., 2-38304.

**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.