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A brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE September 26, 1969

TRADING IN FEDERATED PURCHASER TO RESUME: REPORTS QUESTIONED. The SEC today announced (Release 34-8705) that over-the-counter trading in shares of Federated Purchaser, Inc., of New York, may be resumed on October 6. However, the American Stock Exchange, which halted trading in Federated shares on July 15, has advised the Commission that its suspension of exchange trading will remain in effect pending review of the continued listing status of Federated.

The Commission, which ordered the suspension of exchange and over-the-counter trading on August 6, cautioned that broker-dealers and investors should consider the facts and circumstances related in its announcement in connection with any future transactions in Federated shares. At the time of its August 6 suspension order, the Commission noted that financial statements filed with the Commission by Federated for the year ending October 31, 1968, were inaccurate and misleading.

Moreover, the Commission has instituted proceedings to determine whether Federated failed to comply with the disclosure provisions of Section 13 of the Act. In this action, the Commission's staff alleges that reports filed by Federated contain materially misleading statements and omit material information required to be stated or necessary to make statements therein not misleading. In particular, it is alleged that the assets of Federated as set forth in its balance sheet of October 31, 1968, are overstated in the amount of \$260,000 in view of the following: \$260,000 of registrant's assets are represented by a note receivable in the face amount of \$300,000. This note was taken by Federated in a non-arms length transaction from Computer Tools, Inc., an affiliated company having minimal net assets, in exchange for the stock of three of registrant's subsidiaries which had no net assets and which had been carried on registrant's balance sheet at no value.

A hearing has been scheduled for October 14 to take evidence on the staff allegations and to afford Federated an opportunity to offer any defenses thereto.

TRADING TO RESUME IN TELSTAR. The SEC today announced (Release 34-8706) that it would not continue the ban on over-the-counter trading in stock of Telstar, Inc., beyond October 1. Accordingly, trading therein may resume on October 2; but the Commission cautioned investors and broker-dealers to consider carefully the information related in its announcement in connection with future transactions in shares of Telstar, a Delaware corporation with offices formerly in Tucson, Arizona.

The company (known as Regal Factors, Inc., until December 1968) was organized in 1962 to engage in the factoring business; from its inception it was unsuccessful and was a corporate "shell". Its books and records showed only nominal assets as of May 1965; no entries have been made since that date. In November 1968 new management took over and reactivated the company; thereafter, on or about December 1968 and January 1969, the company reportedly acquired the assets of Telstar Athletic Club, Inc., and Transportation Charter, Inc. The company has been unable to make adequate disclosure of its financial condition and company officials are unable to report whether the company has had any earnings to date. In April and May, there were major changes in management officials, including the resignations of the president, vice-president and secretary-treasurer. Howard Buckner is now president; his last known address was 521 Fifth Avenue, New York, N.Y. Investors and broker-dealers should take into consideration the lack of adequate financial information concerning Telstar before engaging in any transactions in Telstar stock: broker-dealers also should be mindful of the fact that certain sales of Telstar stock may violate the Securities Act registration requirements.

INDICTMENT NAMES MESSITTE, STANGER, WERMAN. The SEC New York Regional Office announced September 24 (LR-4418) the return of an indictment in the Federal court in New York charging a conspiracy to violate the anti-fraud and anti-manipulative provisions of the Federal securities laws by the following, in connection with transactions in Alloys Unlimited, Inc., on the American Stock Exchange: Simon J. Messitte, Brooklyn, Bert E. Stanger, Oceanside, and Herbert Werman, Monsey, N.Y. Messitte and Stanger also were charged with violating such provisions.

NEES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16482) permitting New England Electric System ("NEES"), Boston holding company, to modify the terms and conditions of an Agreement and Supplemental Lease between John Hancock Mutual Life Insurance Company and New England Power Service Company ("NEPSCO"), a subsidiary company of NEES, relating to land and buildings to be constructed thereon, so that, among other things, (a) \$7,750,000 (instead of \$5,500,000) is the maximum basic cost to Hancock, as lessor, and (b) \$744,164 (instead of \$526,100) and \$381,550 (instead of \$292,900) are, respectively, the maximum annual rental payments to be made by NEPSCO, as lessee, and guaranteed by NEES during the initial 30-year term of the Agreement and during the three five-year optional renewal periods.

NEES SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16485) giving interested persons until October 16 to request a hearing upon an application of New England Electric System and eight subsidiaries to increase the maximum amount of short-term promissory notes of the subsidiaries to be outstanding from the \$40,885,000 authorized by the Commission on February 25 (Release 35-16292) to a maximum amount of \$44,210,000.

Over

AUSTRAL OIL PROPOSES OFFERING. Austral Oil and Gas Exploration Corporation, 2700 Humble Building, Houston, Texas 77002, filed a registration statement (File 2-34701) with the SEC on September 23 seeking registration of \$5,000,000 of interests under exploration agreements of Austral Oil and Gas Exploration Corp. ("Australrexco"), to be offered for public sale at \$50,000 per interest. Australrexco is a wholly-owned subsidiary of Austral Oil Company. The exploration agreements are for the purpose of its continuing general program of exploration for oil and gas. Through its general program, Australrexco provides facilities for investment by selected individuals and companies in oil and gas prospects, and in the exploration thereof through the drilling of wells. C.W. Leisk is board chairman and president of Australrexco and of its parent.

PALOMAR FINANCIAL TO SELL STOCK. Palomar Financial, 5348 University Ave., San Diego, Calif. 92105, filed a registration statement (File 2-34704) with the SEC on September 23 seeking registration of 500,000 shares of common stock, to be offered for public sale through underwriters headed by E.F. Hutton & Company Inc., 623 South Spring St., Los Angeles, Calif. 90014. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company provides a variety of financial services to institutional lenders and the public. Its principal business is servicing long-term real estate loans for institutional lenders. Of the net proceeds of its stock sale, \$2,656,000 will be used to repay the remaining balances of two bank loans, incurred to pay a portion of the construction costs of a motor hotel and a medical building being built by the company as part of its program to facilitate the disposition of its real estate holdings; the balance will be added to the company's working capital. In addition to indebtedness and preferred stock, the company has outstanding 1,777,846 common shares, of which Standard Life and Accident Insurance Company owns 17.61% and Southwestern Financial Corporation 5.51%. E.T. Gravette, Jr., is president.

DENNY'S RESTAURANTS FILES FOR SECONDARY. Denny's Restaurants, Inc., 14256 East Firestone Blvd., La Mirada, Calif. 90638, filed a registration statement (File 2-34702) with the SEC on September 23 seeking registration of 134,000 outstanding shares of common stock, which are to be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$30 per share maximum*).

The company is engaged in the development, management and operation of more than 500 restaurants and donut houses. In addition to indebtedness, and preferred stock, it has outstanding 5,939,639 common shares. Sam Gordon may sell 133,334 shares of 133,343 shares held and Jon E. Rodine all of 666.

AMICO PROPERTIES PROPOSES OFFERING. Amico Properties, 1100 Glendon Ave., Los Angeles, Calif. 90024, filed a registration statement (File 2-34703) with the SEC on September 23 seeking registration of 50,000 of \$6.60 Series A convertible cumulative preference shares of beneficial interest (\$100 par), to be offered for public sale in amounts of 10 or more shares and at \$100 per share. The offering is to be made through underwriters headed by Rutner, Jackson & Gray, Incorporated, 811 West 7th Street, Los Angeles, Calif., which will receive a \$6 per share commission. Also included in this statement are 250,000 common shares of beneficial interest, which may be issued from time to time under the Trust's continuing program of acquisition of real properties and 240,584 outstanding common shares of beneficial interest, which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$12 per share maximum*). Such outstanding shares were issued in connection with certain property acquisitions.

The Trust provides investors with an opportunity to invest, through ownership of its shares in a diversified portfolio of selected income producing real estate properties. Net proceeds of the Trust's sale of preferential shares will be added to its working capital and used for general corporate purposes. The Trust has outstanding 1,154,867 common shares of beneficial interest of which Ralph E. Loesch, president, owns 11.5%. Names of the selling shareholders and the numbers of shares to be sold are to be supplied by amendment.

TUCSON GAS & ELECTRIC TO SELL BONDS. Tucson Gas & Electric Company, 220 West Sixth St., Tucson, Ariz. 85702, filed a registration statement (File 2-34705) with the SEC on September 23 seeking registration of \$15,000,000 of first mortgage bonds, due 1999, to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall Street and The First Boston Corporation, 20 Exchange Place, both of New York, N.Y. 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will apply the net proceeds of its bond sale to some \$16,545,000 of bank loans outstanding, incurred to finance its construction program. Construction expenditures are estimated at \$15,500,000 for 1969, \$14,200,000 for 1970 and \$16,000,000 for 1971.

STANDARD-KNICKERBOCKER FILES FOR SECONDARY. Standard-Knickerbocker (U.S.) Ltd., 82 Hazel St., Glen Cove, N.Y. 11542, filed a registration statement (File 2-34706) with the SEC on September 23 seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the present holder thereof. The offering is to be made through Executive Securities Corp., 1175 N.E. 125th Street, Miami, Fla.; the offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment.

The company, through its wholly-owned Canadian subsidiary (Standard-Knickerbocker Ltd.) is engaged in the design, manufacture and sale of popular priced boy's and men's western jeans and casual slacks. It has outstanding 600,000 common shares, all of which are owned by Osrow Products Company, Inc.; upon completion of the offering, Osrow will own two-thirds of the outstanding shares. Harold Osrow is board chairman and president.

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the further suspension of over-the-counter trading in the securities of Federal Oil Company and Pacific Fidelity Corporation for the ten-day period September 27 to October 6, 1969, inclusive, in the securities of Commercial Finance Corporation of New Jersey and Liquid Optics Corporation for the period September 28 to October 7, 1969, inclusive, and in the securities of Continental Vending Machine Corporation for the period September 29 to October 8, 1969, inclusive.

Continued

MACINTOSH SERVICES FILES FOR SECONDARY. Mary MacIntosh Services, Inc., 800 N.W. 21st St., Miami, Fla., filed a registration statement (File 2-34709) with the SEC on September 23 seeking registration of 9,228 outstanding shares of common stock. These shares may be offered for sale from time to time by the present holder thereof at prices current at the time of sale (\$16 per share maximum*).

The company and its subsidiaries operate laundry and dry cleaning establishments in Florida, Pennsylvania and New Jersey. It has outstanding 219,171 common shares, of which W. Bruce MacIntosh, Sr., board chairman, owns 33.2% and management officials as a group 57.8%. Barrett F. Finn, executive vice president, may sell all of 9,228 shares held.

KILLEARN PROPERTIES TO SELL STOCK. Killearn Properties, Inc., Tallahassee Bank Building, Tallahassee, Fla. 32301, filed a registration statement (File 2-34710) with the SEC on September 23 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by A.G. Edwards & Sons, Inc., 409 North 8th St., St. Louis, Mo. 63101. The offering price (\$11 per share maximum*) and underwriting terms are to be supplied by amendment. The company has granted the Edwards firm a five-year non-transferable warrant to purchase 25,000 shares.

Organized in 1964, the company is engaged in acquiring unimproved land in North Florida and developing it for resale as single family residential homesites. Of the net proceeds of its stock sale, \$1,000,000 will be used for development of homesites, \$1,150,000 to repay long-term indebtedness, \$400,000 for payments for the purchase of land and \$100,000 for improvements to or development of lakes; the balance will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 700,200 common shares, of which Bill G. Cartee, president, owns 17.6%, Mallory E. Horne, board chairman, 14.1% and management officials as a group 67.8%.

ROBERT BRUCE, INC. FILES FOR OFFERING AND SECONDARY. Robert Bruce, Inc., C and Westmoreland Sts., Philadelphia, Pa. 19134, filed a registration statement (File 2-34713) with the SEC on September 24 seeking registration of 425,000 shares of common stock, of which 175,000 are to be offered for public sale by the company and 250,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Bache & Co., 36 Wall St., New York, N.Y. 10005; the offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and sells mens and boys sweaters, sweater shirts, knit shirts and swimwear. Net proceeds of its sale of additional stock will be used to construct an addition to and modernize the company's Philadelphia plant (\$1,500,000), for additional manufacturing equipment (\$350,000) and to repay long-term debt incurred for working capital purposes (\$700,000); the balance will be added to the company's working capital. The company has outstanding 1,100,000 common shares, of which Harold L. Neuman, president, and Sylvia Neuman own 42%, Joseph Specker, executive vice president, 20.9% and Doris Gordon 20.0%. The Neumans propose to sell 125,000 shares of 461,970 shares held, and Specker and Gordon 62,500 each of 229,787 and 219,863 shares held, respectively.

SEC COMMENTS ON TRADING-HOURS EXTENSION. SEC Chairman Hamer H. Budge has sent the following letter to the Presidents of the New York, American, Midwest and Pacific Coast Stock Exchanges as well as the President of the NASD, with respect to the proposed extension of trading hours for an additional 30 minutes, effective Monday, September 29, 1969:

Thank you for your information concerning recent developments in the conditions of your exchange and its members.

You have advised us that in your opinion conditions within the securities industry have continued to reflect improvements since we wrote you on August 28. Based upon your undertakings and representations that the industry is now in a position to handle additional trading volume under circumstances which will assure continued improvement of conditions, we understand the trading hours will be extended for an additional half-hour commencing Monday, September 29, 1969. Should there be any indication that such improvement is not continuing, you have assured us that prompt steps will be taken for appropriate remedial action, including restrictions on individual firms and a curtailment of trading hours.

In addition to the above the Commission believes that there is a need to obtain and improve the continuous flow of current information regarding the conditions of firms and their operational and financial capacities. To fully explore this matter and the development of new programs along these lines, the Commission has requested the staff to arrange a meeting next week with your staff and representatives of other self-regulated organizations.

The Commission appreciates your cooperation in keeping it informed of developments as they occur.

ST. PAUL COMPANIES PROPOSES OFFERING. The St. Paul Companies, Inc., 385 Washington St., St. Paul, Minn. 55102, filed a registration statement (File 2-34711) with the SEC on September 23 seeking registration of \$25,000,000 of notes, due 1974, to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York, N.Y. 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged through subsidiaries in writing fire, casualty, life, accident and health and other types of insurance and in providing various financial services. Of the net proceeds of its financing, \$23,000,000 will be used to retire the company's outstanding demand notes payable to banks, incurred in connection with the acquisition of Postal Finance Co.; the balance will be added to the company's general funds and used for working capital purposes. In addition to indebtedness, the company has outstanding 10,373,112 common shares. Archibald B. Jackson is board chairman and Ronald M. Hubbs president.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***");

File No.	O-Registrants	Location	File No.	O-Registrants	Location
3969	Baumritter Corp**	New York, NY	3900	McMillian Radiation Labs Inc**	Ipawich, Mass.
3940	Care Corporation**	Grand Rapids, Mich.	3964	Media General Inc	Richmond, Va
3903	Cinematation Industries Inc**	New York, NY	3916	Miner Industries Inc	New York, NY
3911	E L I Industries Incorporated**		3902	Open Road Industries Inc**	Redondo Beach, California
		E. Paterson, NJ	3907	Orbanco Inc	Portland, Ore.
3554	First Union National Bancorp Inc	Charlotte, NC	3936	Orbit Instrument Corp	Syosset, NY
3901	Interfinancial Inc	Atlanta, Ga.	3912	Petrol Industries Inc	Dallas, Tex.
3920	J B & T Co	Grand Junction, Colo.	3918	Pizza Hut Inc**	Wichita, Kansas
3935	King Bros Productions Inc		3960	Providence and Worcester Co	Providence, R.I.
		Culver City, Cal.	3908	Quaker City Industries Inc**	Carlstadt, NJ
			3942	Kosegold Corp	Mpls, Minn.
			3899	Space Ordnance Systems Inc**	Sangus, Calif.
			3906	Swift Industries Inc**	Pittsburgh, Pa.
			3913	Transocean Oil Inc	Houston, Tex.
			3915	Val D'OR Industries Inc	New York, NY

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 4 News Digest.

8K Reports

Wheelabrator Corporation June 69
(7,8,13) 1-2483-2

ECL Industries, Inc. July 69
(6K) 1-5114-2

Monogram Industries, Inc.
Jun 69(12,13) 1-4185-2

Sequoyah Industries, Inc.
July 69(2,7,13) 2-29571-2

Longines Wittnauer Watch Co., Inc.
July 69(1,7,11) 1-3386-2

S.M. Flickinger Co., Inc.(2,13)
May 1969 2-30166-2

Saucy Susan Products, Inc.
Apr 69(11) 1-5661-2

Amended 8K Reports

Magic Chef, Inc.
Amdt #1 to 8K for Nov 68(2) O-1907-2

Metropolitan Quarterback, Inc.
Amdt #1 to 8K for Apr 69(2,13) 2-30226-2

Applied Devices Corporation
Amdt #1 to 8K for June 69(13) 1-3882-2

SECURITIES ACT REGISTRATIONS. Effective September 25: Aeneid Equities, Inc., 2-32980 (90 days); Alliance Medical Inns, Inc., 2-33086 (90 days); Belvac International Industries Ltd., 2-33153 (90 days); Barnett Seric Exploration Company, 2-34535 (40 days); Chemetron Corporation, 2-34065; Cohen-Hatfield Industries, Inc., 2-34067 (90 days); Colonial Natural Gas Company, 2-33309; Commerce Bancshares, Inc., 2-33322; Components Corporation of America, 2-30389; Computer Micrographics, Inc., 2-33196 (Dec 24); Crest-Foam Corp., 2-34411 (90 days); General Acceptance Corporation, 2-34084 (40 days); The Intermountain Company, 2-33467 (90 days); Pioneer Nursing Centers, Inc., 2-33333 (90 days); Reuter, Inc., 2-33609 (90 days); A.O. Smith Corporation, 2-34166; The Synchronex Corporation, 2-32479 (90 days); Tectra Industries, Inc., 2-33119 (90 days); United Consolidated Industries Inc., 2-32883 (90 days); United Telephone Company of Ohio, 2-34454 (90 days); Unity Capital Corporation of America, 2-33395; Vanguard International, Inc., 2-34686 (90 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.