

# 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 November 25, 1969

**CORPORATE OFFERINGS REPORTED.** The SEC today reported that new corporate securities offered for cash sale in the United States totaled \$6.4 billion during the third quarter of 1969. This compares with \$7.4 billion offered in the preceding quarter and is the second highest third quarter on record, exceeded only by the \$6.8 billion offered in the same period in 1967. For the first nine months of this year security offerings totaled \$20 billion, 25 percent more than in the similar 1968 period. For further details, see Stat. Release No. 2401.

**CONNECTICUT L&P RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16529) authorizing Connecticut Light & Power Company, Berlin subsidiary of Northeast Utilities, to increase the amount of its short-term borrowings from \$54,000,000 to \$55,600,000.

**MISSISSIPPI POWER RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16530) authorizing Mississippi Power & Light Company, Jackson subsidiary of Middle South Utilities, Inc., to issue and sell \$20,000,000 of first mortgage bonds, due 1999, at competitive bidding. The company will use the net proceeds of its bond sale for its 1969-1970 construction program, estimated at \$21,687,000 and \$46,593,000, respectively, and for other corporate purposes, including payment of short-term bank notes and commercial paper. As of August 31, the earned surplus of Mississippi P&L amounted to \$15,081,000 and the common stock capital account amounted to \$62,000,000. Mississippi P&L also was authorized to transfer \$3,100,000 of its earned surplus to its common stock capital account, thus increasing the stated value of its common stock from \$20 to \$21 per share and thereby permanently capitalizing such account.

**BANGOR HYDRO-ELECTRIC, OTHERS RECEIVE ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16533) authorizing Bangor Hydro-Electric Company ("Bangor"), Bangor, Me., Central Maine Power Company ("Central Maine"), Augusta, and Maine Public Service Company ("Maine Public"), Presque Isle, to acquire common shares of Maine Electric Power Company ("MEPCO"). Pursuant to an agreement with The New Brunswick Electric Power Commission, MEPCO and New Brunswick will build, maintain and operate a 345 kv transmission line from Keswick, New Brunswick, to Wiscasset, Maine, which will there interconnect with the New England transmission grid. MEPCO will pay New Brunswick for blocks of power to be delivered at the border and will be reimbursed at cost by the electric utilities in the New England region which have contracted to take power at the border. Five Maine electric utility companies have agreed to purchase 20,000 MEPCO common shares (\$100 par) for an aggregate of \$2,000,000, as follows: Central Maine, 15,587 shares (17.938%); Bangor, 2,838 shares (14.188%); Maine Public, 1,498 shares (7.49%); Rangeley Power Company, 43 shares (.216%); and Woodland Water & Electric Company, 34 shares (.168%). Three additional electric utility companies in Maine have only expressed an interest; should they decide to purchase common stock in MEPCO, there will be a reallocation of shares among the purchasers. Proceeds of MEPCO's stock sale will be used for initial expenses such as land acquisition, engineering, and preliminary construction. MEPCO expects to finance its remaining capital requirements, estimated at \$18,000,000, by an interim line of credit with banks for \$8,200,000 and later by a public sale of long term debt of up to \$18,000,000 to repay the bank loans and to provide the funds for the balance of the construction.

**WORTH FUND SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5894) giving interested persons until December 15 to request a hearing upon an application of Worth Fund, Inc., New York mutual fund, and Ranger Securities Corp. of New York, its principal underwriter, for an exemption from the provisions of Section 22(d) of the Act to permit the sale of Fund shares at net asset value without any sales charge to officers, directors and full-time employees of the Fund, Ranger, Educators & Executive Company ("E & E"), the parent of Bangor, and E & E subsidiaries and affiliates; to any trust, pension, profit sharing, deferred compensation, stock purchase and savings or other benefit plan for such persons; and to E & E, its subsidiaries and affiliates.

**HOME LIFE SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5895) giving interested persons until December 9 to request a hearing upon an application of Home Life Insurance Company for an order exempting it and its Separate Account B from Rule 22c-1 of the Act to the extent said rule requires that the value of accumulation units be determined on the day payments are received under variable annuity contracts offered by Home Life. Home Life desires to permit the value of accumulation units to be determined once a week as of the close of trading on the NYSE, until such time as the weekly average number of purchase payments received by Home Life totals 15 or more during any consecutive 8-week period ending on a valuation date, whichever shall first occur.

**TRADING SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Pacific Fidelity Corporation for the further ten-day period November 26 to December 5, 1969, inclusive.

OVER

**FLINTLOCK LAND INVESTMENT OFFERING SUSPENDED.** The SEC has issued an order temporarily suspending a Regulation A exemption from the registration requirements of the Securities Act of 1933 with respect to a proposed public offering of stock of Flintlock Land Investment Corporation ("Flintlock"), of Silver Spring, Md. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed in January 1969, Flintlock proposed the public offering of 100,000 common shares at \$3 per share to finance the purchase of properties in Larimer Township, Somerset County, Pa., for "year-round recreational development," including land suited for residential resorts. Harry J. Donahue is president, George J. Cooper, vice president, and Carl E. Werner treasurer of Flintlock. The Commission's suspension order states that, on the basis of information reported by its staff, it has reasonable cause to believe that Flintlock's offering circular fails to disclose adequately and accurately certain material facts, particularly: possible conflicts of interest arising from the ownership by Donahue, Cooper and Werner of all of the stock of an affiliate corporation (Flintlock Corporation), which holds title to or options to acquire the majority of the tract of land proposed for development or sale as a recreational area, a portion of which is to be purchased by Flintlock; that the land owned or to be acquired by Flintlock is so situated that its ultimate appreciation in value is dependent upon the land to be retained by the affiliate; and that the value of property owned or to be acquired by Flintlock is dependent upon the affiliate's reacquisition of adjacent mountain property and that the affiliate may not have sufficient funds to purchase such property.

**SERVANCE SUSPENSION MADE PERMANENT.** The Commission's order of July 23, 1969, temporarily suspending a Regulation A exemption from registration with respect to a 1966 stock offering by Servance Corporation, of Indianapolis, Ind., has been made permanent. The suspension was based upon the company's failure to file reports of stock sales as required by Regulation A, despite repeated requests for such filings. No hearing thereon was requested.

**UNIVERSITY COMPUTING TO SELL DEBENTURES.** University Computing Company, 1300 Frito-Lay Tower, Dallas, Tex. 75235, filed a registration statement (File 2-35414) with the SEC on November 21 seeking registration of \$40,000,000 of convertible subordinated debentures, due 1994, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is primarily in the business of operating a computer utility network, providing data processing services, computer software services and other professional services relating to the use of computer equipment, and developing, manufacturing and selling peripheral equipment. Of the net proceeds of its debenture sale, \$25,000,000 will be used to reduce indebtedness to banks incurred primarily in connection with the purchase of computer equipment; the balance will be added to the company's working capital and will be available for general corporate purposes, including projected purchase in 1970 of additional Univac 1108 computer systems for some \$8,000,000. In addition to indebtedness, the company has outstanding 6,435,560 common shares, of which management officials as a group own 17.2%. Sam Wyly is board chairman and Charles J. Wyly, Jr., president.

**FORWARD FILMS TO SELL STOCK.** Forward Films, Inc., 1041 N. Formosa Ave., Los Angeles, Calif. 90046, filed a registration statement (File 2-35415) with the SEC on November 21 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by H. L. Federman & Co. Inc., 50 Broadway, New York 10004. The offering price (\$7 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell 10,000 shares to the Federman firm at 10¢ per share and to sell that firm, at 1¢ per warrant, six-year warrants to purchase 10,000 shares, exercisable initially (after one year) at 107% of the offering price.

Organized in September 1967, the company is engaged in the production of feature motion pictures. Of the net proceeds of its stock sale, \$600,000 will be used to finance the production of its proposed second feature motion picture, "The Victims"; the balance will be added to the company's working capital and used for general corporate purposes, including production of a third feature motion picture, "The Connivers." The company has outstanding 330,000 common shares (with a \$1.13 per share book value), of which Charles Martin, president, owns 47.9% and management officials as a group 62.5%.

**CENTRAL TELEPHONE & UTILITIES TO SELL DEBENTURES.** Central Telephone & Utilities Corporation, 233 S. 10th St., Lincoln, Nebr. 68508, filed a registration statement (File 2-35416) with the SEC on November 21 seeking registration of \$25,000,000 of sinking fund debentures, due 1994, to be offered for public sale through underwriters headed by Dean Witter & Co., 33 N. Dearborn St., Chicago, Ill. 60602, and Paine, Webber, Jackson & Curtis, 140 Broadway, New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will use the net proceeds of its debenture sale for construction purposes (\$4,450,000), advances to subsidiaries for construction purposes (\$16,000,000), purchases of common stock of its subsidiary, Lee Telephone Company \$5,100,000 and maturities of long term debt (\$1,400,000).

**GREAT WESTERN LAND AND CATTLE PROPOSES OFFERING.** Great Western Land and Cattle Company, 130 Jackson, N.E., Albuquerque, N. Mex. 87108, filed a registration statement (File 2-35417) with the SEC on November 21 seeking registration of \$3,200,000 of commercial cattle herd units and \$2,400,000 of maintenance contracts, to be offered for public sale in 400 herd and 400 maintenance units and at \$8,000 per herd and \$6,000 per maintenance unit. No underwriting is involved; company employees and independent sales representatives will receive a 6% selling commission. Each herd will consist of a minimum of 25 female cattle, Hereford, Angus or Charolais or crosses of any of these breeds, for use as breeding herds.

CONTINUED

The company was organized in October 1967 to engage in the general livestock business. Net proceeds of its sale of units will be added to the company's general funds for use as working capital and for the purchase of other cattle for the company or for resale. It has outstanding 240,985 common shares, of which Continental Livestock Corporation owns 41.49% and management officials as a group 7.19%. Ronald L. Wilder, president, Duncan C. Goodale, vice president, Elbert L. Roundy, vice president, and William W. Hollis, secretary, of Great Western, own 95% of the outstanding shares of Continental Livestock.

**OKLAHOMA GAS & ELECTRIC TO SELL BONDS.** Oklahoma Gas and Electric Company, 321 N. Harvey Ave., Oklahoma City, Okla. 73101, filed a registration statement (File 2-35419) with the SEC on November 21 seeking registration of \$30,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of its bond sale to pay part of the expenditures incurred and to be incurred for property additions and betterments. Construction expenditures are estimated at \$63 million in 1970, \$52 million in 1971 and \$53 million in 1972.

**LOEB RHOADES SEEKS ORDER.** Loeb Rhoades & Co., and Loeb, Rhoades Management Co., Inc., ("Management"), of New York City, have applied to the SEC for an order of exemption from Section 9(a)(2) and (3) of the Investment Company Act, to the extent that such Sections prevent Management from acting as investment adviser to and principal underwriter for Chelsea Fund, Inc. ("Chelsea"), a registered open-end management investment company, and prevents affiliated persons of Loeb Rhoades from acting as officers and directors of Chelsea because of an injunction imposed as a result of transactions in the securities of Lynbar Mining Corporation, Ltd. The Commission has issued an order giving interested persons until December 18 to request a hearing upon the exemption application (Release IC-5903).

**COMPLAINT NAMES TRIMATRIX.** The SEC New York Regional Office announced November 25 (LR-4479) the filing of a Federal court complaint seeking to enjoin violations of the Securities Act registration requirements in the offer and sale of stock of Trimatrix, Inc., by the issuing corporation and Michael Hellerman, of Rockville Centre, N. Y., president, promoter and principal stockholder of Trimatrix.

**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 November 12 News Digest.

8K Reports for Oct 1969

Genl. American Transportation Corp ( 7,13) 1-2328-2	Hodges William & Co Inc (11,13) 2-30191-2
Kirsch Co ( 4,11,13) 1-5908-2	Keller Ind., Inc (1,12) 1-4234-2
Marshall Electronics Co ( 11,12,13) 0-4060-2	Walter Kidde & Co Inc ( 2,13) 1-5794-2
Rogers Bros Co ( 7,11,13) 0-1920-2	Koss Electronics Inc (11,13) 0-3295-2
	Natl. Data Corp ( 7,12,13) 0-3966-2
Computer Systems Devel. Corp ( 2,11,13) 2-30211-2	Tassette Inc ( 7,8) 2-17595-2
Genesee Brewing Co Inc ( 11,13) 0-1653-3	Wilshira Oil Co of Texas ( 2,7,11) 1-4673-2
Western Microwave Lab., Inc ( 3,7,9,10) 0-3392-2	
Koppers Co Inc (8) 1-3224-2	Kane Miller Corp ( 11,13) 1-5014-2
Trans-Lux Corp(Del) (3) 1-2257-2	Keene Corp (Sept 1969) (12) 0-3567-2
	Meredith Corp ( 11,12,13) 1-5128-2
Caterpillar Tractor Co ( 4,8,13) 1-768-2	Parker Drilling Co (12) 0-3792-2
Fla. East Coast Railway Co (12) 1-2100-2	
NVF Co (2) 1-3290-2	Bemis Co Inc (11) 1-5277-2
	Budd Company ( 3,12,13) 1-2127-2
Superscope Inc (9) 1-5307-2	Digital Equipment Corp (11) 1-5296-2
	Sunlite Oil Co Ltd ( 2,11,13) 0-3418-2
Gamble Skogmo Inc (7) 1-3478-2	
	Kendall Co ( 7,8,13) 1-4193-2

## SK for Oct. 1969 Cont'd

Misc SK Reports

Proteus Foods & Industries Inc  
( 1,13) 0-3828-2

Big Three Industrial Gas &  
Equipment Co ( 2,7,13) 1-5357-2

Capital Reserve Corp  
( 2,3,7,8,9 11,13) 0-3551-2

The Dayton Power & Light Co  
( 7,12) 1-2385-2

General Research Corp  
( 11,13) 0-3226-2

Mirro Aluminum Co  
( 12,13) 1-5096-2

Transogram Co Inc  
( 1,4,7,11,13) 1-5216-2

WTC Air Freight  
( 2,7,13) 0-2748-2

Wang Lab.'s Inc  
(11) 1-5677-2

Washington Gas Light Co  
(7,13) 1-1483-2

Allis Chalmers Mfg. Co  
( 3,12) 1-2199-2

Great Lakes Recreation Co  
( 7,11,13) 1p4526-2

Great Western United Corp  
(3) 1-5443-2

Kearney & Trecker Corp  
(12,13) 0-62-2

Rite Aid Corp  
( 7,13) 1-5742-2

The Upjohn Co  
( 3,12,13) 1-4147-2

Wabash Consol. Corp  
(12,13) 0-3897-2

Air Products & Chemicals, Inc  
(12,13) 1-4534-2

Crown Hill Cemetery Corp  
(12,13) 0-940-2

Eckmar Corp(Del)  
( 2,7,12,13) 1-5405-2

Electromagnetic Ind., Inc  
( 9,11) 0-2719-2

Information Ind., Inc  
(11) 2-30228-2

Zenith Funding Corp  
Aug. 1969 ( 2,13) 0-3184-2

Servo Corp of America  
Sept. 1969( 7,8 ,12) 1-3925-2

Intl. Salt Co  
Sept. 1969 ( 1,12,13) 1-643-2

Transnation Inc  
Aug. 1969(11,13) 0-3905-2

Moog, Inc  
June 1969(3) 1-5129-2

Morrison-Knudsen Co Inc  
May 1969 (7,13) 0-880-2  
June 1969 (11,13) 0-880-2  
July 1968 ( 12,13) 0-880-2

Trico Oil & Gas Co  
Aug. 1969( 2,7,13) 1-4237-2

Alphanumeric Inc  
Sept. 1969( 12,13) 0-2578-2

Tower Products Inc  
Sept. 1969(7) 2-33999-2

Computer Equipment Corp  
Jan. 1969(3) 1-5970-2

Mammoth Mart, Inc  
May & June 1969( 7,8,11) 1-6027-2

The Pavelle Corp  
Dec. 1968(11,13) 0-2885-2

Revere Tennis & Sports Corp  
May 1969(2,13) 2-30590-2

Arizona Biochemical Co  
Jan 1969 (12) 0-2948-2  
Apr. 1969(2) 0-2948-2  
May 1969(2) 0-2948-2  
Oct. 1969( 2,3,9) 0-2948-2

SECURITIES ACT REGISTRATIONS. Effective November 24: Armour-Dial, Inc., 2-32875; Cambridge Computer Corp., 2-34045 (90 days); Campbell Soup Co., 2-35215; Cescio, Inc., 2-33778 (90 days); Emerson Electric Co., 2-35310; FML Equity Income Fund, Inc., 2-34549; General Science Corp., 2-33964 (90 days); Genesee Computer Center, Inc., 2-32729 (90 days); International Bank, 2-33851; L. A. Industries, Inc., 2-32516 (90 days); My-Toy Co., Inc., 2-34829 (90 days); National Computer Franchise Corp., 2-33971 (90 days); North Atlantic Marine Enterprises, Inc., 2-31544 (90 days); Recoton Corp., 2-34856 (Feb 22); Roanna Togs, Inc., 2-33429 (90 days); Sage Administrative Corp., 2-35235; The Trinity Management Co., Inc., 2-33952 (Feb 22); Welcome Aboard Vacation Centers, Inc., 2-34212 (90 days).

Withdrawn November 24: Computerized Natural Resources Exploration Fund 1969, 2-33157; James David Associates, Inc., 2-33559; Medic Home Enterprises, Inc., 2-33805.

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.