

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 May 10, 1965

LINCOLN SECURITIES REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7597) revoking the broker-dealer registration of Lincoln Securities Corporation, 712 Medical Arts Bldg., Oklahoma City, Okla., for violations of the anti-fraud provisions of the Federal securities laws in the sale of common stock of Medic Corp. Basil Sinclair, Charles Beardsley Benedict, Marion Claude Duncan and Thomas Edwin Bennett were each found to be a cause of the revocation order.

On the basis of offers of settlement and consents of the respondents, the Commission found that during the period from October 1, 1962, to July 27, 1964, Lincoln Securities falsely represented the capacity in which it was acting in the purchase and sale of Medic stock, failed to furnish confirmations disclosing its capacity and other required information, and did not inform purchasers that it was under common control with Medic and had a financial interest in the distribution of Medic stock. The firm also represented to customers that Medic securities were offered "at the market" when no market existed for such securities other than one created and controlled by Lincoln Securities. It effected securities transactions in Medic stock at prices that were not reasonably related to the firm's contemporaneous cost and sales prices, and falsely represented to customers the prices at which the firm had purchased or sold such securities for their accounts. Lincoln Securities further made untrue and misleading statements concerning the source and supply of Medic shares, their present and prospective value and the market for such securities. During the same period, the firm failed to file promptly amendments to its registration form to correct information with respect to its officials and principal stockholders, and violated the SEC net-capital and bookkeeping rules. In view of the foregoing, the Commission concluded that it was in the public interest to revoke the firm's registration and to bar the individual respondents from being associated with any broker-dealer.

INSIDER TRADING RULE MODIFIED. The SEC has adopted a new Rule 12h-3 under the Securities Exchange Act applicable to transactions by officers and directors of those issuers of over-the-counter securities which register under Section 12(g) of that Act. The new rule exempts from the recovery provisions of Section 16(b) of the Act for a temporary period, transactions by officers and directors of such issuers made prior to its first registration of an equity security under Section 12(g) on or prior to October 31, 1967. The courts in interpreting Section 16(b) have indicated that recovery may be allowed of profits realized by a director or officer in the purchase (sale) of an equity security before the effective date of the first registration of an equity security of the issuer under Section 12 and -- within less than six months thereafter -- a sale (purchase) is made after such effective date. The new rule will provide officers and directors of issuers registering under Section 12(g) with an opportunity to become familiar with the recovery provisions of Section 16(b). The exemption does not affect transactions subject to Section 16(b) liabilities arising from registration on a national securities exchange (nor, of course, the reporting requirements of Section 16(a)).

SEC JOINS NEWAL PROCEEDING. The SEC has filed notice of appearance and participation in Chapter X proceedings for the reorganization of Newal, Inc., pending in the Boston federal court. James W. Noonan serves as Trustee. The debtor is successor to Waltham Precision Instrument Company, Inc., whose business consisted primarily of the manufacture of watches and other timing devices. In 1957, the civilian watch business was transferred to a wholly-owned subsidiary whose stock was spun off, and since that time numerous acquisitions and investments in other companies have been made. Newal manufactures mechanical and electronic components for the Defense Department and commercial companies. The Debtor's major plants are located in New Milford, Connecticut and Waltham, Massachusetts.

According to an unaudited balance sheet attached to its petition, the Debtor's assets totaled approximately \$6,500,000, consisting principally of inventories of \$2,590,000, property, plant, and equipment of \$1,450,000, and investments in subsidiaries of about \$880,000. Liabilities totaled approximately \$2,660,000. There are over three million shares of \$1 par common stock outstanding, listed on the American Stock Exchange, which were held by about 8,500 persons.

CENTURY INDUSTRIES DELISTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7599) granting an application of the New York Stock Exchange to strike from listing and registration the common stock of Century Industries Co., Inc., effective at the opening of business on May 10. The application states that, in the opinion of said Exchange, the company's common stock is no longer suitable for continued listing and dealings thereon. This security was admitted to trading on the American Stock Exchange on May 4, 1965.

JERSEY CENTRAL P & L RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15237) authorizing Jersey Central Power & Light Company, Morristown, N. J., to sell part of its interest in a three-stage electric pumped storage development under construction in Warren County, N. J. The interest in the property, known as the Kittatinny Mountain Project, is to be sold to Public Service Electric and Gas Company, a non-affiliate. The ultimate generating capacity of the Project is estimated at 1,320,000 Kw., involving an ultimate aggregate expenditure estimated at more than \$100,000,000. At March 31, 1965, Jersey Central's expenditures amounted to \$25,850,000. A 65% interest is to be sold to Public Service Electric and Gas, which will pay an amount equal to the applicable portion of Jersey Central's total cost at the time of transfer.

OVER

OVERLAND CORP. SEEKS ORDER. The Overland Corporation, 500 Security Bldg., Toledo, Ohio, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company as defined in the Act; and the Commission has issued an order (Release IC-4241) giving interested persons until May 28 to request a hearing thereon. According to the application, the company's securities are beneficially owned by eleven persons, and it does not presently propose to make a public offering of its securities.

COLEMAN CO. FILES FOR SECONDARY. The Coleman Company, Inc., 250 N. St. Francis St., Wichita, Kansas 67201, filed a registration statement (File 2-23567) with the SEC on May 7 seeking registration of 52,254 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Goldman, Sachs & Co., 20 Broad St., New York, N. Y., is listed as the underwriter. The public offering price (\$37.375 per share maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells outing products (including "Coleman" lanterns, camp stoves, coolers and insulated jugs), water heaters and a line of products for the heating and air conditioning of dwellings and light commercial structures and for the mobile home industry. In addition to indebtedness, it has outstanding 1,266,700 common shares, of which management officials own 37.20%. The prospectus lists six selling stockholders, including Clarence W. Coleman (vice president), offering 40,000 of 62,784 shares held; and Mabel W. and Charles E. Weeber, 5,000 of 22,000. The remaining selling stockholders are offering shares ranging in amounts from 1,000 to 4,200. Sheldon Coleman is president.

GENERAL AMERICAN TRANSPORTATION RECEIVES ORDER. The SEC has issued an order under the Trust Indenture Act of 1939 (Release TI-221) finding that trusteeship of The United States Trust Company of New York under indentures with respect to four existing series of equipment trust certificates of General American Transportation Corporation, one of which is qualified under the Act, and its trusteeship under a new indenture to be qualified under the Act, are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trust Company from acting as trustee under the existing indentures or the new indenture.

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- Registrant	Location	File No.	O- Registrant	Location
658	Borne Chemical Co., Inc.	Elizabeth, N.J.	680	Nuclear-Chicago Corp.	Des Plaines, Ill.
667	Bostitch Inc.	E. Greenwich, R. I.	663	Oglebay Norton Co. **	Cleveland, Oh
675	Cumberland Associates Inc.	Chicago, Ill.	681	Prentice-Hall Inc.	Englewood Cliffs, N.J.
674	Dun & Bradstreet, Inc.	N. Y., N.Y.	677	Santa Anita Consolidated Inc.	Arcadia, Cal.
683	Elizabethtown Consolidated Gas Co.	Elizabeth, N.J.	676	Southland Corp.	Dallas, Tex.
666	Empire State Oil Co.	Thermopolis, Wyoming	654	Sprague Elec. Co. **	North Adams, Mass.
669	First National Bank Trustees	Louisville, Ky.	672	Standard Commercial Tobacco Co. Inc.	N. Y., N.Y.
659	Georgia Factors, Inc.	Atlanta, Ga.	668	Textiles Inc.	Gastonia, N.C.
655	Gilmore Industries Inc.	Cleveland, Ohio	679	Trailerancho Corp.	El Cajon, Cal.
684	Goulds Pumps Inc.	Seneca Falls, N.Y.	656	Transcontinental Gas Pipe Line Inc. **	Houston, Tex.
664	Husky Oil Co. **	Cody, Wyoming	652	Volunteer Natural Gas Co.	Johnson City, Tenn.
653	Investors Royalty Co. Inc.	Tulsa, Okla.	660	Volusia Jai-Alai Inc.	Volusia County, Fla.
657	Irvington Steel & Iron Works	New Brunswick, N.J.	678	Westgate-California Corp.	San Diego, Cal.
665	Macco Corp. **	Paramount, Cal.	682	Willcox & Gibbs Sewing Machine Co.	N. Y., N.Y.
673	Mankato Citizens Tel. Co.	Mankato, Minn.	670	Wood Conversion Co.	St. Paul, Minn.
661	E. R. Moore Co. **	Chicago, Ill.			
671	Motor Club of America	Newark, N.J.			
688	New England Gas & Elec. Assn. **	Cambridge, Mass.			

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 6, 1965, 30 registration statements, were filed, 38 became effective, 1 was withdrawn, and 315 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective May 7: Bridgeport Hydraulic Co., 2-23434 (June 19); Electronic Associates, Inc. (File 2-23463); The Magnavox Co. (File 2-23424); Metromedia, Inc., 2-23330 (40 days); John Nuveen & Co. (File 2-23341).
Effective May 10: Radio Corporation of America (File 2-23523).

NOTE TO DEALERS. The last date or 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.