

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington, D.C. 20549

(In ordering full text of Releases from Publications Unit, cite number)

(Issue No. 66-171)

FOR RELEASE September 8, 1966

INVESTMENT COMPANY RULES MODIFIED. The SEC has adopted a new Rule 17a-7 under the Investment Company Act (Release IC-4697) the basic purpose of which is to eliminate the necessity for the filing and processing of applications for exemption from the prohibitions of Section 17(a) of the Act (with respect to transactions with affiliates) where there appears to be no likelihood that the statutory finding (that the terms of the transaction are fair and no overreaching is involved) for a specific exemption which may be requested under Section 17(b) could not be made. In addition, it appears that the interests of investors will be served by the rule in that it permits affiliated investment companies which heretofore may have chosen to avoid the application procedures of Section 17(b) of the Act by purchasing or selling securities on the open market, thereby incurring duplicate brokerage charges, to avoid the payment of brokerage by effecting such transactions with each other.

CONTINENTAL ASSURANCE FILES PROPOSAL. Continental Assurance Company Separate Account (B) (Separate Account), 310 S. Michigan Ave., Chicago, Ill. 60604, filed a registration statement (File 2-25483) with the SEC on September 6 seeking registration of \$10,000,000 of group variable retirement annuity contracts. Separate Account was organized by Continental Assurance Co. (a stock life insurance company) in June 1966. Continental Assurance will serve as its manager and investment adviser. David G. Scott is chairman of the committee for the Separate Account and is president of the insurance company.

WHITE SHIELD OIL AND GAS PROPOSES OFFERING. White Shield Oil and Gas Corp., 902 First National Bldg., Tulsa, Okla., filed a registration statement (File 2-25485) with the SEC on September 6 seeking registration of 200 units of participation in its 1966 Year End Drilling Fund. The units are to be offered for public sale at \$10,000,000 per unit through company officials.

Organized under Delaware law in 1965, the company is engaged in the business of acquiring producing and non-producing leases, drilling exploratory and development wells and operating oil and gas properties. The fund, which is being created to conduct in the last quarter of 1966 an oil and gas exploration and development program, will be managed by the company. In addition to indebtedness, the company has outstanding 900 common shares, all owned by White Shield Corp. Management officials of the company own 72.65% of the outstanding stock of the parent. John W. Little II is board chairman and J. W. Whitney, Jr., is president.

SOUTHERN BELL T&T PROPOSES DEBENTURE OFFERING. Southern Bell Telephone and Telegraph Company, 67 Edgewood Ave., S. E., Atlanta, Ga. 30303, filed a registration statement (File 2-25487) with the SEC on September 7 seeking registration of \$100,000,000 of debentures (due 2004), to be offered for public sale at competitive bidding. A subsidiary of the American Telephone and Telegraph Company, the company will apply the proceeds of its debenture sale toward the repayment of some \$137,000,000 of advances from the parent. The subsidiary expended \$494,000,000 for construction purposes in 1965, and it is expected that such expenditures in 1966 will be somewhat higher.

HAMILTON WATCH PROPOSES OFFERING. Hamilton Watch Company, 901 Columbia Ave., Lancaster, Pa. 17604, filed a registration statement (File 2-25491) with the SEC on September 7 seeking registration of 475,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The public offering price (\$16 per share maximum*) and underwriting terms are to be supplied by amendment.

The company's primary business is the manufacture and sale of watches. Net proceeds of its stock sale will be used to reduce short-term borrowings. In addition to indebtedness, the company has outstanding 1,967,068 common shares, of which management officials own 3.57% and Bush Terminal Co. 50.84%. Arthur B. Sinkler is president and board chairman of the company.

CONTINENTAL VENDING TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in securities of Continental Vending Machine Corporation for the 10-day period September 9-18, 1966, inclusive.

NEES SEEKS ORDER. New England Electric System, Boston, Mass., has applied to the SEC for an order under the Holding Company Act authorizing its extension of credit under an agreement and supplemented lease between John Hancock Mutual Life Insurance Co. and New England Power Service Co., a subsidiary service company; and the Commission has issued an order (Release 35-15556) giving interested persons until September 28 to request a hearing thereon. The agreement relates to land and improvements to be constructed thereon in Westborough, Mass. According to the application, the proposed extension of credit by NEES is intended to assure or guaranty the payment of all amounts payable by the subsidiary to the insurance company under the agreement.

OVER

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. The caption of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

| | | |
|--|--------------------------------------|-----------|
| Internatl Salt Co | Grow Chemical Corp | |
| Amd #1 to 8K for Jun 66 (2,13) 1-643-2 | Jul 66 (7,12,13) | 1-4596-2 |
| Amd #1 to 8K for Jul 66 (7) 1-643-2 | Fathe Inds Inc Jul 66 (11,12) | 0-1441-2 |
| Huber Corp | Western Racing Inc Nov 65 (3) | 0-2222-2 |
| Amd #1 to 8K for May 66 (1,7) 0-808-2 | Dec 65 (2,3,12) | 0-2222-2 |
| Pakco Companies Inc | Feb 66 (2) | 0-2222-2 |
| Amd #1 to 8K for Jul 65 (2) 0-592-2 | Jun 66 (2,13) | 0-2222-2 |
| Trans-Beacon Corp | Southland Royalty Co Aug 66 (12) | 1-495-2 |
| Amd #1 to 8K for Mar 66 (2,13) 1-2342-2 | Ozite Corp May 66(1) | 0-2138-2 |
| W H Nicholson & Co | Nytronics Inc July 66(11) | 1-5004-2 |
| Amd #1 to 8K for Jul 65 (2,13) 2-12205-2 | Avien Inc Mar 66(3,12) | 1-4190-2 |
| Herman & Appley Inc | General Binding Corp June 66(7,8,13) | 2-24614-2 |
| Amd #1 to 8K for Jun 66 (4) 2-19232-2 | Kelly Services Inc | |
| Webcor Inc, & Subsidiary Co | Amd #1 for Feb 66(13) | 0-1088-2 |
| Amd #1 to 8K for Jan 66 (13) 1-3897-2 | Grumman Allied Industries Inc | |
| Computer Equipmt Corp | Amd #1 for Nov 65(7) | 0-1344-2 |
| Amd #1 to 8K for May 66 (7) 0-625-2 | Ojibway Press Inc | |
| Elizabethtown Gas Co | Amd #1 for Dec 65(13) | 2-19027-2 |
| Amd #1 to 8K for Jul 66 (4,13) 0-683-2 | Aluminum Specialty Co Aug 66 (12) | 0-829-2 |
| U S Polymeric Inc | Castle & Cooke Inc Aug 66 (11) | 1-4455-2 |
| Amd #1 to 8K for Jun 66 (7,9) 1-5138-2 | Straus-Duparquet Inc Jul 65 (6) | 2-17118-2 |
| Wehr Corp | Mar 65 (3,13) | 2-17118-2 |
| Amd #1 to 8K for Apr 66 (13) 0-119-2 | Aug 65 (3) | 2-17118-2 |
| Sunset Internatl Petroleum Corp (Del) | Raymond Eng Laboratory Inc | |
| Amd #1 to 8K for Feb 66 (7,13) 1-2733-2 | Aug 66 (7) | 0-551-2 |

SECURITIES ACT REGISTRATIONS. Effective September 6: The 1776 Company, 2-25296 (90 days).
 Effective September 7: Arkansas-Missouri Power Co., 2-25348 (Oct 18); Ashland Oil & Refining Co., 2-25261 (40 days); Diamond Alkali Co., 2-25358; Elgin National Watch Co., 2-25066 (40 days); Pike Corp. of America, 2-25335.

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.