

# 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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SEC

(Issue No. 67-240)

FOR RELEASE December 14, 1967

**COMMISSION AMENDS PROXY RULES.** The SEC announced today that it had amended its proxy rules under the Securities Exchange Act of 1934. These rules apply to companies having securities listed on a registered stock exchange and to companies whose equity securities are traded in the over-the-counter markets and are registered with the Commission under that Act. The rules also apply to holding companies registered under the Public Utilities Holding Company Act of 1935 and investment companies registered under the Investment Company Act of 1940.

The amendments to the rules are largely of a clarifying nature designed to make explicit the purpose and scope of the rules. In addition, a number of administrative practices heretofore followed by the staff in the processing of proxy material have been incorporated into the rules. However, certain substantive changes have also been made. For example, a security holder who wishes to submit proposals for inclusion in the management's proxy material must do so at least 60 days prior to a date corresponding to the date on which proxy material was mailed to security holders the preceding year; and such security holder need not be identified in the management's proxy statement if the issuer will provide such information upon request. Previously the 60-day period was not a definite cut-off date for the submission of such proposals and identification of the security holder was required. There is a new requirement for the disclosure of transactions between the issuer, or insiders of the issuer, and employee plans which provide benefits for employees of the issuer or its parents or subsidiaries.

Corresponding changes are also made in the rules which require that issuers which do not solicit proxies shall transmit comparable information to their security holders.

The amended rules apply to solicitations commenced, or informational material transmitted to security holders, after February 15, 1968. (Release 34-8206)

**SEC PROPOSES INSIDER TRADING RULE MODIFICATION.** The SEC today announced a proposal to adopt a new Rule 16b-11 under the Securities Exchange Act which would provide an exemption from the operation of Section 16(b) of the Act for the receipt and sale of certain short-term subscription rights distributed by an issuer to a class of its security holders pro rata in the course of an offering to such security holders of additional securities of the issuer. It invited the submission of views and comments upon the rule proposal not later than January 5, 1968 (Release 34-8204).

Section 16(b) provides that profits realized by owners of more than ten per cent of a class of equity securities of registered companies and by officers and directors thereof, from short-term trading in such securities (within a period of less than six months) inure to and are recoverable by or on behalf of the issuer. The exemption proposed to be afforded by the new rule would cover only the receipt of subscription rights from the issuer in the course of a pro rata distribution of such rights by the issuer without consideration to a class of its security holders, and the sale of the rights so received. Purchases of subscription rights for cash or other consideration, sales of subscription rights purchased for cash or other consideration, and the purchase of securities upon the exercise of subscription rights would not be exempted. Further, the exemptive provisions of the proposed rule would exclude a sale of subscription rights, by a person who has purchased subscription rights for cash or other consideration within the six month period preceding or following such sale, to the extent of any such purchase.

**DELISTING OF GENERAL CONTRACTING APPROVED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-8211) regarding the application of the Sale Lake Stock Exchange to strike from listing and registration the common stock of General Contracting Corporation ("GCC"), effective at the opening of trading session on December 15. Exchange trading in the stock has been suspended since January 1966 by action of the Exchange.

Under its rules, the Exchange is authorized to delist securities under specified circumstances, including the situation where in the opinion of its Board of Governors a company lacks the working capital to reasonably pursue its corporate objectives. According to the Commission's decision, GCC has had severe financial problems for several years. The surviving corporation of a merger of four companies in 1961, GCC has been engaged principally in the construction business as a subcontractor and sustained net losses in each of the years 1961 through 1965. Its balance sheet as of December 31, 1964, showed current liabilities totalling \$201,588 as against current assets of \$198,691; and the company's equity in its fixed assets was pledged to a bonding company. By the end of 1965 GCC's financial condition had further deteriorated. Its annual report for that year showed that it had become insolvent, with liabilities of \$335,704 as against assets of \$212,314; and its current liabilities of \$123,653 far exceeded current assets of \$78,685. GCC's efforts to remedy these problems and obtain the funds necessary to pursue its corporate objectives have been unsuccessful.

Under the circumstances, the Commission concluded that it was appropriate to grant the Exchange's delisting application. The application was opposed by GCC, whose request for hearing was denied by the Commission.

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TWO TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in securities of Interamerican Industries, Ltd. and Penrose Industries Corp., for the further ten-day period December 15-24, 1967, inclusive.

ZAPATA OFF-SHORE FILES FOR SECONDARY. Zapata Off-Shore Company, 2000 Southwest Tower, Houston, Texas 77002, filed a registration statement (File 2-27835) with the SEC on December 12 seeking registration of 140,250 outstanding shares of common stock (280,500 shares after a proposed two-for-one stock split). Of the 280,500 shares, 200,000 are to be offered for public sale by the present holders thereof through underwriters headed by Lehman Brothers, 1 William St., and Bache & Co., Inc., 36 Wall St., both of New York; the offering price (\$90.25 per share before, \$45.125 after the split, maximum\*) and underwriting terms are to be supplied by amendment. The additional 80,500 shares being registered may be sold by William H. Henderson, of Gretna, La., from time to time in regular brokerage transactions on the American Stock Exchange.

The company is engaged in offshore drilling of oil and gas wells, marine dredging and construction; furnishing cargo boat services for offshore contractors; and manufacturing of fish meal and oil. In addition to indebtedness and preferred stock, it has outstanding 3,049,974 common shares (after giving effect to the proposed stock split), of which management officials own about 12.4% (plus warrants to purchase 4,900 shares at \$15 per share). Of the stock being registered, 230,500 shares are owned by Henderson; of his holdings, 150,000 shares are to be sold to the underwriters and the balance may be sold over the Exchange. The remaining 40,000 shares are to be sold by trusts created by Henderson for his wife and children.

LIBERTY INVESTORS INSURANCE FILES. Liberty Investors Benefit Insurance Company Separate Account ("Separate Account"), P. O. Box 789, Wade Hampton Blvd., Greenville, S.C., filed a registration statement (File 2-27837) with the SEC on December 12, seeking registration of a maximum of \$10,000,000 of group variable annuity contracts. The group variable retirement annuity contracts offered are designed for group annuity purchase plans adopted by public school systems and certain tax exempt organizations, and for group pension and profit sharing plans qualified under Section 401 of the Internal Revenue Code, and for group annuity purchase plans adopted by professional and trade association plans qualified under the Self Employed Individuals' Tax Retirement Act of 1962 ("H.R. 10").

Liberty Investors Benefit Insurance Company ("LIBCO"), a stock life insurance company organized on November 27, 1967 under South Carolina law, and a wholly-owned subsidiary of Liberty Life Insurance Company, established Separate Account in connection with its variable annuity contracts. Variable annuities are designed to provide annuitants with lifetime annuity instalments which will tend to reflect changes in the cost of living. LIBCO seeks to accomplish this objective through Separate Account as a medium for equity investment, primarily common stocks, accompanied by life annuity guarantees. Separate Account is to be managed by a "Separate Account Committee." Frank H. Peirson is chairman of the Committee and president and a director of LIBCO; Francis M. Hipp is board chairman and president of Liberty Life Insurance Company, board chairman of LIBCO, and a member of the Committee.

CURTIS PUBLISHING FILES REVISED EXCHANGE OFFER. The Curtis Publishing Company, Independence Square, Philadelphia, Pa. 19105, filed a registration statement (File 2-27838) with the SEC on December 12 seeking registration of 1,085,098 shares of common stock and \$11,926,600 of 7% subordinated income debentures (Series of 1967), due 1986 (with 715,596 ten-year common stock purchase warrants attached, exercisable at \$11.00 per share). According to the prospectus, the company proposes to offer to holders of (1) its \$4.00 dividend prior preferred stock the right to exchange such shares, at the rate of one preferred share with arrearages of \$16.50 for 2.6 common shares and \$28.50 of debentures (with warrants attached for 1.71 common shares); and (2) its \$1.60 dividend prior preferred stock with arrearages of \$3.30 for 0.9 common share and \$10.00 of debentures (with warrants attached for 0.6 common share). White, Weld & Co., and Loeb, Rhoades & Co., as dealer managers, head the list of soliciting dealers. Each soliciting dealer will be paid 80¢ for each \$4.00 preferred share and 40¢ for each \$1.60 preferred share exchanged through its efforts; the dealer managers will receive 20¢ for each \$4 preferred share and 10¢ for each \$1.60 preferred share exchanged. Assuming 100% acceptance of the exchange offer, the company will pay to the soliciting dealers \$454,179 plus out-of-pocket expenses.

The company is principally engaged in the publishing business. In addition to indebtedness and preferred stock, it has outstanding 3,555,568 common shares, of which management officials own 1.11%. J. M. Clifford is president.

UNITED INTERNATIONAL FILES EXCHANGE PLAN. United International Corporation ("UNICO"), 510 Stemmons Towers East, Dallas, Texas 75207, filed a registration statement (File 2-27841) with the SEC on December 13 seeking registration of 706,469 shares of common stock. The company proposes to exchange such shares for outstanding common shares of United Savings Life Insurance Company ("United Savings"), on a share-for-share basis. The effectiveness of the exchange offer is conditional upon its acceptance by the holders of at least 80% of the United Savings' outstanding shares.

UNICO was organized on December 11, 1967 to acquire through this exchange offer no less than 80% of the outstanding shares of United Savings, and thereby become the parent of United Savings. The prospectus states that the exchange offer will be in the best interests of United Savings stockholders for the reasons that United Savings will be able to (a) expand the scope of its insurance operations by acquisition of other insurance subsidiaries, and (b) to diversify its activities by acquiring businesses outside the insurance field. UNICO has outstanding 100 common shares. John T. Sharpe is board chairman of UNICO (he owns 11% of the outstanding stock of United Savings) and Roger L. Roper is president of UNICO.

**STOCK PLANS FILED.** The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

Kerr-McGee Corporation, Oklahoma City, Okla. 73102 (File 2-27822) - 10,833 shares of convertible Series A preferred stock  
 Piasecki Aircraft Corporation, Philadelphia, Pa. 14142 (File 2-27823) - 15,400 common shares  
 United Greenfield Corporation, Northbrook, Ill. 60062 (File 2-27826) - 150,000 common shares  
 Tracor, Inc., Austin, Texas 78721 (File 2-27834) - 16,611 common shares  
 Dana Corporation, Toledo, Ohio 43601 (File 2-27836) - 277,370 common shares  
 Sanders Associates, Inc., Nashua, N. H. 03060 (File 2-27839) - 734,338 common shares  
 Traid Corporation, Glendale, Calif. 91201 (File 2-27843) - 44,000 common shares

**TRADING IN ROVER SHOE SUSPENDED.** The SEC on December 13 ordered the suspension of over-the-counter trading in the common stock and stock purchase warrants of Rover Shoe Company of Bushnell, Fla. for the ten-day period December 13, 1967 to December 22, 1967, inclusive.

The Commission has received information indicating that there are serious questions as to the accuracy and adequacy of reports filed by Rover with the Commission, particularly with respect to transactions of the company with insiders. The Commission also noted that its staff has been unsuccessful in its efforts to contact Frank Garcia who, according to the company's most recent filings, was president and director of Rover and owner of 26% of its common stock.

For additional pertinent information concerning Rover Shoe Company see Release 34-8205, dated December 13, 1967.

**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
2914	Brilund Mines Ltd	Toronto, Canada
2912	Dibrell Brothers, Inc.	Danville, Va.
2916	Doric Corp	Oklahoma City, Okla.
2922	Escon, Inc. **	Dallas, Texas
2920	Gilford Instrument Laboratories, Inc.**	Oberlin, Ohio
2907	Greater Kansas Corp, Inc.	Topeka, Kansas
2917	KMS Industries, Inc.	Ann Arbor, Mich.
2913	Keystone Discount Stores Inc.**	Township Lebanon, Pennsylvania
2911	Magic Marker Corp **	Glendale, N.Y.
2910	Sealcraft Corp	Salt Lake City, Utah
2918	Sherburne Corp	Killington, Vermont
2921	Sonex, Inc	Philadelphia, Pa.
2919	Sugarloaf Mountain Corp	Farmington, Me.
2915	Wang Laboratories, Inc**	Tewksbury, Mass.

**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's "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 December 4 News Digest.

Addressograph-Multigraph Corp Nov 67 (11,12,13)	1-683-2	Cummins Engine Co Inc Nov 67 (13)	1-4949-2
Agway Inc Employee Incentive Thrift Plan Nov 67 (7)	2-25865-2	Curtis Publishing Co Nov 67 (3)	1-69-2
Algemene Kunstzijde Unie NV June through Nov 67 (6K)	1-3774-2	Dalco Electronics Corp Nov 67 (12,13)	0-1852-2
Amer District Telegraph Co Nov 67 (3)	0-771-2	Datronic Rental Corp Nov 67 (9)	0-2868-2
The Amer Plan Corp Nov 67 (1)	2-25183-2	Denver & Rio Grande Western RR Co Nov 67 (9)	1-1129-2
Arvin Ind Inc Nov 67 (7)	1-302-2	Dial Finance Co Nov 67 (7,13)	0-714-2
Automatic Retailers of Amer Inc Nov 67 (7)	1-4762-2	Equitable Life Assurance Society of the U S Nov 67 (13)	2-26913-2
Bankers Trust Dec 67 (13)	0-1610-2	Equitable Real Estate Inv Trust Dec 67 (3,13)	0-1605-2
Berkshire Hathaway Inc Nov 67(7,12,13)	0-853-2	Executive House Inc Nov 67(4,7,12,13)	0-1665-2
Bro-Dart Ind Nov 67 (7,13)	0-2873-2	Felmont Oil Corp Nov 67 (7,13)	1-5092-2
Brooks & Perkins Inc Nov 67 (11)	1-5312-2	Fidelity Real Estate Invt Tr Dec 67 (3,13)	0-1929-2
Clinton Engines Corp Nov 67 (9,11)	0-1996-2	Fol-Tronics Inc Nov 67 (7)	0-1388-2
Commonwealth Edison Co Nov 67 (7,13)	1-1839-2	Four Star International Inc Sept 67 (11,13)	0-1815-2
Conchemco Inc Nov 67 (12)	1-5478-2	Oct 67 (12,13)	0-1815-2
Continental Baking Co Nov 67 (3)	1-786-2	Nov 67 (7,11,13)	0-1815-2

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Franklin Elec Co Inc Nov 67 (12)	0-362-2	Western Acceptance Corp Nov 67 (11)	0-1329-2
Julius Garfinckel & Co Inc Nov 67 (2,4,11,13)	0-2042-2	Williamhouse Regency Inc Nov 67 (7)	1-4559-2
Gray Drug Stores Inc Nov 67 (7)	1-1387-2	Wood Ind Inc Nov 67 (11)	1-3656-2
Alfred Hart Co Nov 67 (12)	1-1536-2	Fred Harvey	
Hoover Co Nov 67 (12)	0-2031-2	Amend #1 to 8K for Oct 67 (12,13)	0-2482-2
Jerrold Corp Nov 67 (11,13)	0-1462-2	Starcraft Corp	
Lin Broadcasting Corp Nov 67 (7,13)	0-2481-2	Amend #1 to 8K for Jun 67 (12)	0-36-2
Mem Co Inc Nov 67 (7)	1-5292-2	AVM Corp Nov 67 (2,4,7,12,13)	0-439-2
M R B Inc Nov 67 (8)	0-1895-2	Acme Electric Corp Nov 67 (4,7,8,13)	0-1835-2
MSL Ind Inc Nov 67 (7,13)	1-3205-2	Allied Artists Pictures Corp Aug 67(8) Jul 67 (8)	1-2965-2 1-2965-2
Joseph Magnin Co Inc Nov 67 (7,10)	0-2261-2	American Bank Note Co Nov 67 (8)	1-581-2
Marriott Corp Nov 67 (7,11)	0-23-2	Anadite Inc Oct 67 (2,7,13)	0-181-2
Masco Corp Nov 67 (12)	1-2736-2	Atico Financial Corp Nov 67 (7)	1-4666-2
Metro Inc Nov 67 (11)	2-13132-2	Avnet Inc Nov 67 (11,13)	1-4224-2
Michigan Carton Co Nov 67 (7,13)	0-2565-2	Bartell Media Corp Nov 67 (12)	1-4614-2
Michigan Consolidated Gas Co Nov 67 (7,13)	1-3071-2	Beech Aircraft Corp Nov 67(7,8,10,13)	1-2839-2
Mississippi River Corp Nov 67 (8)	1-3599-2	Besco Enterprises Inc Nov 67 (11)	2-19214-2
Molybdenum Corp of Amer Nov 67 (12,13)	1-1844-2	Bourns Inc Nov 67 (11)	1-5257-2
Moore Products Co Nov 67 (4,11,13)	0-545-2	Bristol-Myers Co Nov 67 (3,11,13)	1-1136-2
National Chemsearch Corp Nov 67 (3)	0-2219-2	Carpenter Steel Co Nov 67 (4,11,13)	1-2856-2
National Securities Inc Nov 67 (3)	0-1105-2	Central Telephone Co of Illinois Nov 67 (7,13)	0-750-2
Newark Electronics Corp Nov 67 (12,13)	1-5156-2	Chicago Helicopter Airways Inc Nov 67 (13)	0-809-2
Nicholson File Co Nov 67 (7,13)	0-650-2	Coastal States Gas Producing Co Nov 67 (11,12,13)	1-4718-2
Nytronics Inc Oct 67 (11)	1-5004-2	Consolidated Foods Corp Dec 67 (7,13)	1-3344-2
Oil Shale Corp Nov 67 (12,13)	0-877-2	Copperweld Steel Co Nov 67 (7)	1-2847-2
Pioneer Natural Gas Co Nov 67 (7)	0-525-2	Cott Corp Nov 67 (1,12,13)	1-4532-2
Portland General Elec Co Nov 67 (13)	0-986-2	Crown Ind Inc Sept 67 (4,7,13) Nov 67 (7)	0-2411-2 0-2411-2
Printing Corp of Amer Nov 67 (2,7,13)	1-4958-2	Cryogenic Engineering Co Nov 67 (2,7,8,13)	2-19267-2
Roblin Steel Corp Nov 67 (7,8,13)	1-5213-2	Culligan Inc Nov 67 (7)	1-5500-2
B F Saul Real Estate Inv Trust Nov 67 (7,12)	2-21825-2	Dan River Mills Inc Nov 67 (3)	1-3912-2
St Louis San Francisco RY Co Jun 67 (8)	1-3404-2	Decorator Ind Inc Nov 67 (7,11)	2-26440-2
Sangamo Elec Co Nov 67 (12,13)	1-4156-2	Denny's Restaurants Inc Nov 67 (4,8,11,13)	1-5124-2
Jos Schlitz Brewing Co Nov 67 (3)	1-4431-2	Eastern Air Lines Inc Nov 67 (7,12,13)	1-3049-2
Seaboard Life Ins Co Of Amer Nov 67(3)	2-20552-2	Equitable Leasing Corp Nov 67(4,11,13)	2-25208-2
Services Inv Co Sept 67 (11,13)	2-25569-2	Exolon Co Nov 67 (11,12,13)	1-5499-2
Southland Royalty Co Nov 67 (10)	1-495-2	Federal's Inc Nov 67 (4,7,11,13)	1-3337-2
UMC Ind Inc Nov 67 (3,12,13)	1-4202-2	Frontier Refining Co Nov 67 (1,11)	0-1986-2
Uniservices Inc Nov 67 (6,12,13)	0-77-2	General Tel Co of Florida Nov 67(7,13)	1-3090-2
United States Lumber Co Nov 67 (12)	0-601-2	General Tire & Rubber Co Nov 67 (4,7,13)	1-1520-2
Universal Amer Corp Nov 67 (1)	1-4607-2	The Gorton Corp Nov 67 (4,7,12,13)	0-2232-2
Virginia Commonwealth Bankshares Inc Nov 67 (7)	0-591-2		
Ward Foods Inc Nov 67 (3,8)	1-1042-2		
Weis Markets Inc Nov 67 (2,13)	1-5039-2		
West Penn Power Co Nov 67 (7,13)	1-255-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended December 7, 1967, 42 registration statements were filed, 57 became effective, 1 was withdrawn, 1 stop order was issued, and 488 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective December 13: American Medical Enterprises, Inc., 2-27453 (40 days); Del Laboratories, Inc., 2-27616; Economics Laboratory, Inc., 2-27587; Esterline Corp., 2-27529 (90 days); The Felsway Shoe Corp., 2-27495 (90 days); General Instrument Corp., 2-27807 (Jan 22); Ling-Temco-Vought, Inc., 2-27487 (40 days); Logic Corp., 2-27433 (90 days); Natural Gas Pipeline Co. of America, 2-27545; Northwest Natural Gas Co., 2-27727 (40 days); Photon, Inc., 2-27374 (40 days); Technical Operations, Inc., 2-27629 (40 days); Walter Kidde & Co., Inc., 2-27031.  
Withdrawn December 12: International Electronics Corp., 2-27202.

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.

CORRECTION RE AETNA LIFE ORDER. The SEC News Digest of December 11 should have listed IC-5194 (not IC-5914) as the release number for an order granting an application of Aetna Life Insurance Company and The Aetna Casualty and Surety Company.

\*As estimated for purposes of computing the registration fee.