

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 March 24, 1966

SEC ORDER CITES MASTER SECURITIES CO. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Master Securities Company, of Sioux City, Iowa. Also named as respondents are Joseph F. Winter, former president; Joe E. Foster, Jr., former director; Maurice D. Edwards, former officer and director; Robert W. Perrine, former officer; and James H. Solberg, president. The firm, which has been registered as a broker-dealer since April 1964, has requested withdrawal of such registration.

The proceedings are based upon staff charges that the said firm and individuals engaged in various activities violative of provisions of the Federal securities laws, including alleged violations of the anti-fraud provisions of those laws in the sale of stock of Master Securities as well as stocks of Circle Key Life Insurance Company (formerly Key Life Insurance Company of Iowa), Iowa Business Investment Corporation, and Floyd Valley Packing Company. These transactions are said to have occurred since April 1964 and to have involved the firm and all five individual respondents.

A hearing will be scheduled by further order to take evidence on the staff charges and to afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations in fact occurred and, if so, whether any action of a remedial nature is appropriate in the public interest.

NATIONAL AVIATION PROPOSES RIGHTS OFFERING. National Aviation Corporation, 111 Broadway, New York 10006, filed a registration statement (File 2-24685) with the SEC on March 22 seeking registration of 363,237 shares of capital stock. The stock is to be offered for subscription by stockholders at the rate of one new share for each five shares held on April 28. The subscription price is to be supplied by amendment.

The company is engaged in the investment business. Net proceeds of its stock sale will be added to general funds and used in the conduct of such business. The company has outstanding 1,816,183 shares of capital stock. Frank Russell is chairman of the executive committee, and Frederick F. Robinson is president.

HUGHES & HATCHER FILES STOCK PLAN. Hughes & Hatcher, Inc., 1300 12th St., Detroit, Mich. 48216, filed a registration statement (File 2-24686) with the SEC on March 22 seeking registration of 40,000 shares of common stock, to be offered pursuant to the 1966 Qualified Stock Option Plan of Hughes & Hatcher, Inc.

KAISER ALUMINUM FILES STOCK PLAN. Kaiser Aluminum & Chemical Corporation, 300 Lakeside Dr., Oakland, Calif. 94604, filed a registration statement (File 2-24687) with the SEC on March 22 seeking registration of 107,800 shares of common stock, to be offered under its 1956 Restricted Stock Option Plan.

KAISER STEEL FILES STOCK PLAN. Kaiser Steel Corporation, 300 Lakeside Dr., Oakland, Calif. 94604, filed a registration statement (File 2-24688) with the SEC on March 22 seeking registration of 27,190 shares of common stock, to be offered pursuant to its 1956 Restricted Stock Option Plan for Officers and Employees.

KAISER CEMENT FILES STOCK PLAN. Kaiser Cement & Gypsum Corporation, 300 Lakeside Dr., Oakland, Calif. 94604, filed a registration statement (File 2-24689) with the SEC on March 22 seeking registration of 64,600 shares of common stock, to be offered under its 1957 Restricted Stock Purchase and Option Plan of Permanente Cement Company.

LIFE STOCK EXCHANGE FUND FILES PROPOSAL. Life Stock Exchange Fund, Inc., 50 Broadway, New York, filed a registration statement (File 2-24690) with the SEC on March 22 seeking registration of 1,250,000 shares of capital stock. The stock is to be offered in exchange for life insurance securities acceptable to the Fund, on the basis of one Fund share for each \$20 of market value of securities after deducting a maximum sales charge of 4%. Ralph B. Leonard & Sons, Inc., 50 Broadway, New York, is the dealer manager.

Organized under Delaware law in January 1966, the Fund is an open-end diversified investment company whose investment objective is "to seek long-term growth of capital" through investment in stocks of life insurance companies and ^{other} corporations whose major business is the issuance of life insurance. Leonard Life Stock Management Corp. is its investment adviser. Ralph B. Leonard is president of the fund, as well as of the dealer manager and investment adviser.

CLINTON OIL PROPOSES OFFERING. Clinton Oil Company, 6810 W. Highway, U.S. 54, Wichita, Kana., filed a registration statement (File 2-24691) with the SEC on March 22 seeking registration of \$8,000,000 of participating interests in its 1966 Oil and Gas Program. The minimum participation to be offered in the program involves a commitment of \$10,000. The offering is to be made by the company and selected dealers, who will receive a \$600 commission per unit.

Organized under Delaware law in 1963, the company will manage the program and will undertake to evaluate and explore for oil and gas on at least 25 properties during the term of the agreement. R. P. Clinton is president.

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NATIONAL WESTERN LIFE FILES STOCK PLAN. National Western Life Insurance Company, 1302 Guadalupe St., Austin, Tex. 78764, filed a registration statement (File 2-24692) with the SEC on March 21 seeking registration of 439,107 shares of Class A common stock, to be offered pursuant to Stock Options. The company is also registering \$8,250,000 of interests of participants in its savings and Profit Sharing Pension Fund and \$3,262,500 of Class A common stock, which may be acquired thereunder.

W. T. GRANT CO. FILES STOCK PLAN. W. T. Grant Company, 1441 Broadway, New York 10018, filed a registration statement (File 2-24693) with the SEC on March 23 seeking registration of 600,000 shares of common stock, to be offered pursuant to its Employees Stock Purchase Plan.

ESSEX CHEMICAL FILES FOR SECONDARY. Essex Chemical Corporation, 1401 Broad St., Clifton, N. J., filed a registration statement (File 2-24695) with the SEC on March 23 seeking registration of 250,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by Bache & Co. Inc., 36 Wall St., New York 10005. The public offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a chemical producer. In addition to indebtedness and preferred stock, it has outstanding 1,655,114 common shares, of which management officials own 3.7%. The prospectus lists 24 selling stockholders, including Frank L. Stevens, Sr., offering 225,839 of 230,271 shares held. (Stevens originally received 265,000 company shares in September 1965 in exchange for The Webtex Company, a Massachusetts business trust). The remaining sellers are offering all their holdings, ranging in amounts from 100 to 1,818 shares. L. John Polite, Jr., is president.

UNIVERSAL MARION FILES FOR SECONDARY. Universal Marion Corporation, Universal Marion Bldg., Jacksonville, Fla. 32202, filed a registration statement (File 2-24696) with the SEC on March 23 seeking registration of 163,336 outstanding shares of common stock. The present holders thereof intend to offer the stock for public sale from time to time on the American Stock Exchange at prices current at the time of sale (\$15.50 per share maximum*).

The company is engaged primarily in the manufacture and sale of steel castings used as components parts in the manufacture of railroad freight cars and for other purposes. In addition to indebtedness, it has outstanding 1,880,000 common shares, of which management officials own 5.9%. The prospectus lists 11 selling stockholders, including Continental Enterprises, Inc., which is offering its entire holdings of 43,700 shares; Louis E. Wolfson, 40,833 of 165,833; and the estate of Sam W. Wolfson, deceased, 29,000 of 44,168. The remaining sellers are offering shares ranging in amounts from 1,000 to 20,000. According to the prospectus, Louis E. Wolfson, his brothers, and members of their immediate families and other associates owned as of February 1, 1966, about 29.5% of the company's outstanding stock. James Mullaney is president.

POTOMAC EDISON SEEKS ORDER. The Potomac Edison Company, an electric utility subsidiary of Allegheny Power System, Inc., has applied to the SEC for an order under the Holding Company Act authorizing it to sell at competitive bidding \$18,000,000 of first mortgage and collateral trust bonds (due 1996) and to sell to the parent company 250,000 additional shares of its common stock for \$5,000,000. The Commission has issued an order (Release 35-15431) giving interested persons until April 11 to request a hearing thereon. According to the application, Potomac will use the net proceeds of this financing for construction expenditures, estimated at \$70,000,000 for 1966-68, and to repay \$5,000,000 of borrowings from the parent company.

GEORGE HAMILTON FEWELL CONVICTED. The SEC Fort Worth Regional Office announced March 21 (LR-3466) that George Hamilton Fewell of Denton, Tex., was sentenced to a 5-year prison term and fined \$2,500, following his conviction of violating the Securities Act anti-fraud provisions (USDC, Memphis).

PAUL C. EDWARDS SENTENCED. The SEC Fort Worth Regional Office announced March 21 (LR-3467) that Paul C. Edwards was sentenced to a 4-year prison term and Edwards Enterprises, Inc., was fined \$1,000, following their conviction of violating the Securities Act registration and anti-fraud provisions.

GULF POWER SEEKS ORDER. Gulf Power Company, Pensacola, Fla., public-utility subsidiary of The Southern Co., has applied to the SEC for an order under the Holding Company Act authorizing it to issue \$620,000 principal amount of its first mortgage bonds (due 1984) for sinking fund purposes; and the Commission has issued an order (Release 35-15429) giving interested persons until April 11 to request a hearing thereon. Gulf Power proposes to issue such bonds under the provisions of its indenture dated September 1, 1941, between Gulf Power and The Chase Manhattan Bank and the Citizens & Peoples National Bank of Pensacola, as trustees, and to surrender the bonds to the trustees in accordance with the sinking fund provisions. The bonds are to be issued on the basis of property additions, thus making available for construction purposes cash which would otherwise be required to satisfy sinking fund provisions or to purchase bonds for such purpose.

MISSISSIPPI POWER SEEKS ORDER. Mississippi Power Company, Gulfport, Miss., public-utility subsidiary of The Southern Co., has applied to the SEC for an order under the Holding Company Act authorizing it to issue \$750,000 of its first mortgage bonds (due 1987) for sinking fund purposes; and the Commission has issued an order (Release 35-15430) giving interested persons until April 11 to request a hearing thereon. Mississippi Power proposes to issue such bonds under the provisions of its indenture dated September 1, 1941, between Mississippi Power and Morgan Guaranty Trust Co. of New York, as trustee, and to surrender such bonds to the trustee for cancellation in accordance with the sinking fund provisions. The bonds are to be issued on the basis of property additions, thus making available for construction purposes cash which would otherwise be required to satisfy sinking fund provisions or to purchase bonds for such purpose.

W. T. GRANT CO. PROPOSES OFFERING. W. T. Grant Company, 1441 Broadway, New York 10018, filed a registration statement (File 2-24694) with the SEC on March 23 seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Lehman Brothers, One William St., New York 10004. The public offering price (\$65 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the sale of popular-priced merchandise. Net proceeds of its stock sale will be used for additional inventory and other working capital requirements, including requirements resulting from further store expansion (the company expects to open 40 new stores during 1966). In addition to indebtedness and preferred stock, the company has outstanding 6,104,991 common shares, of which management officials own 15.2% (including 12.9% owned by William T. Grant, board chairman). Louis C. Lustenberger is 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.	Registrant	Location
0-2048	Capitol Indemnity Corp ***	Madison, Wisc. 53703
0-2047	Capitol Transamerica Corp ***	Madison, Wisc. 53703
0-2049	Carte Blanche Corp **	Los Angeles, Calif. 90005
0-2043	Dasa Corp **	Andover, Mass. 01810
0-2050	Dilberts Quality Supermarkets Inc **	Glendale, L.I., N.Y. 11127
0-2052	Goddard Industries Inc ***	Worcester, Mass. 01605
0-2044	Lane Wood Inc. **	Dallas, Texas 75202
0-2046	Midwestern Financial Corp of Kansas Inc. **	Wichita, Kansas 67218
2-2051	Thermal Power Co	S.F., Calif. 94103

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 caption of the several items of the form was included in the March 1 News Digest.

The B.V.D. Co., Feb 66, (2,13)	1-4620-2	Gateway Chemicals, Inc. Feb 66, (7)	0-347-2
Lockwood, Kessler & Bartlett, Inc., Nov 65 (13)	1-4293-2	General-Gilbert Corp., Jan 66, (4,7,13)	0-731-2
American Enka Corp., Mar 66, (11,12,13)	1-3901-2	A. C. Nielsen Co., Feb 66, (11)	0-24-2
Brite Universal, Inc., Mar 66, (12,13)	2-18612-2	Blackstone Cigar Co., Mar 66, (12)	1-3411-2
Hardee's Food Systems, Inc. Feb 66, (7,9,12,13)	2-24001-2	Seton Leather Co., Mar 66, (11,13)	1-1014-2
Moviematic Industries Corp. Feb 66, (11,13)	1-1739-2	All-State Credit Corp., Feb 66, (4,8)	0-1215-2
Cardinal Petroleum Co., Feb 66, (11,13)	2-15883-2	Texas Gulf Sulphur Co., Feb 66, (3)	1-1065-2
Leeds & Northrup Co., Feb 66, (7)	1-5192-2	John A. Denie's Sons Co., Dec 65 (10)	2-19635-2
Ortronix, Inc., Feb 66, (1,3,6,7,9,11,13)	0-1704-2		
Inland Credit Corp., Feb 66, (12,13)	1-4390-2		
Muskegon Piston Ring Co., Feb 66, (3)	1-2710-2		

Pantasote Co., Feb 66, (2,7,13)	1-4678-2	The Bastian-Blessing Co., Mar 66, (11,13)	1-850-2
United Western Life Insurance Co., Feb 66, (9)	2-23316-2	Controls Co. of America, Feb 66, (12)	1-4028-2
Rayette-Faberge, Inc., Feb 66, (8)	1-4342-2	Nunn Bush Shoe Co., Mar 66, (11,13)	0-154-2
Wyle Laboratories Feb 66, (12,13)	0-1282-2	Tokem Corp., Jan 66, (9,13)	0-238-2
Paddington Corp., Dec 65, (11,13)	1-4226-2	Seismograph Service Corp Amd #1 - 8K for Jan 66,(13)	0-852-2
Supreme Life Insurance Co. of America, Dec 65, (4,10,11,13)	2-21758-2	Seilon, Inc - Amd #1 - 8K for Jan 66, (13)	1-1497-2
Airlift Internatl, Inc., Feb 66, (12,13)	0-1864-2	Cavitron Ultrasonics, Inc Amd #1 - 8K for Jan 66 (8,10,11)	0-2022-2
American Photocopy Equipment Co., Jan 66, (12)	1-4055-2	Apache Corp Amd #1 - 8k for Dec 65 (13)	1-4300-2
Wisconsin Gas Co., Feb 66, (11,13)	2-8631-2		

SECURITIES ACT REGISTRATIONS. Effective March 23: Investors Equity Life Insurance Co. of Louisiana, 2-23432 (90 days); Town & Country Mobile Homes, Inc., 2-24447 (June 22).
Withdrawn March 23: Butler's Shoe Corp., 2-24615; The Merry Marriage Company, 2-23946.

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.

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