

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington, D.C. 20549

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

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

(Issue No. 66-161)

FOR RELEASE August 23, 1966

HEARING EXAMINER DECISIONS TO BE PUBLISHED. The SEC has adopted procedures to make the initial decisions of its hearing examiners more readily available to the public (Release 34-7942). Copies will be available in the Commission's Public Reference Room in Washington and in its several regional and branch offices. Those decisions which become final (are not appealed to the Commission) and which are of "precedential significance" will be printed in the official SEC "Decisions and Reports."

ELVIN GULL SENTENCED. The SEC Denver Regional Office announced August 12 (LR-3565) that Elvin Gull of Denver, Colo., received a prison sentence not to exceed two years (USDC, Cheyenne, Wyo.), following his conviction of violating and conspiring to violate the Securities Act anti-fraud provisions in the sale of securities of American Health Credit Plan, Inc. of Wyoming.

AMERICAN INSTITUTIONAL DEVELOPERS PROPOSES OFFERING. American Institutional Developers, Inc., 300 East Lancaster Ave., Wynnewood, Pa. 19096, filed a registration statement (File 2-25428) with the SEC on August 19 seeking registration of 200,000 shares of common stock. The stock is to be offered for public sale on a best efforts basis by Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia National Bank Bldg., Broad & Chestnut Sts., Philadelphia. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged in the development, ownership, operation and management of extended care facilities for itself and others - to provide in-patient convalescent care after hospitalization, or care to the geriatric or to the long-term chronically ill, maintaining an open admittance policy to adult patients of all ages under the care of their own licensed physicians. Net proceeds of its sale of stock will be used to finance, in part, the land acquisitions and construction of additional company-owned units in three Pennsylvania locations and in six additional locations in five other states. The cost of this development program is estimated at \$5,500,000, and it is expected that \$1,200,000 of the net proceeds of this stock offering will be used therefor. The balance of the cost is expected to be provided by the proceeds of first mortgage loans. In addition to indebtedness, the company now has outstanding 440,203 common shares, of which E. Charles Conway, president, and Arthur J. Kania, secretary, own 45.5% and 45.4%, respectively.

GENISCO TECHNOLOGY FILES FOR OFFERING. Genisco Technology Corporation, 18435 Susana Road, Compton, Calif. 90221, filed a registration statement (File 2-25430) with the SEC on August 22 seeking registration of \$1,650,000 of subordinated debentures due 1978 and 60,000 stock purchase warrants. The debentures (with warrants) are to be offered for public sale through underwriters headed by Lester, Ryons & Co., 623 South Hope Street, Los Angeles, Calif. 90017. The interest rate, public offering price (\$100% of principal amount of the debentures maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the development and manufacture of test equipment, electronic components, tape recorders, and other products used primarily by the defense and aerospace industries. Net proceeds of this financing will be used to retire substantially all of the company's outstanding bank loans. In addition to indebtedness, the company has outstanding 437,109 common shares, of which some 30.9% is owned by management officials. Harold Koontz is board chairman and Paul M. Kuefler president.

BROWN & SHARPE MFG. FILES FINANCING PROPOSAL. Brown & Sharpe Manufacturing Company, P. O. Box 456, North Kingstown, R. I., 02853, filed a registration statement (File 2-25431) with the SEC on August 22 seeking registration of \$7,088,700 of convertible subordinated debentures due 1986. The debentures are to be offered for subscription by stockholders on the basis of \$100 principal amount of debentures for each 14 shares held of record at the close of business September 16. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Lehman Brothers, 1 William St., New York and Brown, Lisle & Marshall Inc., Turks Head Bldg., Providence, R. I., are the principal underwriters.

The company is a machine tool manufacturer; and it also manufactures machinists' precision measuring instruments, cutting tools, hydraulic valves and pumps. Net proceeds of this financing, together with internally generated funds, will be used to expand and modify buildings at, and purchase additional production equipment for, the company's Manchester, Michigan and Greystone plants at an estimated cost of \$1,600,000 and \$3,800,000, respectively, and to purchase additional production equipment for the North Kingstown and Plymouth plants at an estimated cost of \$3,400,000 and \$3,000,000, respectively. In addition to indebtedness, the company now has outstanding 988,925 shares of capital stock, of which management officials own 11.13%. Trustees under the will of Henry D. Sharpe - f/b/o Mary Elizabeth Sharpe and Henry D. Sharpe, Jr., hold 123,450 shares (12.48%); and Henry D. Sharpe, Jr., as trustee of "Louisa D. S. Metcalf Fund", f/b/o certain charities located in Providence, R. I., holds 103,096 shares (10.43%). Henry D. Sharpe, Jr., is company president.

ORDER BARS JACK PERLOW. The SEC today announced a decision under the Securities Exchange Act (Release 34-7939) barring Jack Perlow from further association with a broker-dealer firm for violations of the anti-fraud provisions of the Federal securities laws.

OVER

Perlow formerly was employed as a salesman by J. E. Marken & Co., Inc., whose broker-dealer registration was revoked in January 1966. In his initial decision, the Commission's Hearing Examiner had found that Perlow had violated or aided and abetted Marken & Co.'s violations of the said anti-fraud provisions in the sale of Alaska International Corp. stock in 1962 and 1963. Perlow appealed that decision to the Commission. The Commission ruled that Perlow participated in the firm's fraudulent sales campaign by making misleading representations and predictions regarding the future market price of the Alaska International stock as well as its financial condition, and by guaranteeing a customer against loss without intent to perform. According to the Commission's decision, there was "no reasonable basis" for Perlow's representations, and his predictions of price increases were "misleading and fraudulent." The Commission observed that Alaska International, which was engaged in the development of mining properties and owned interests in real estate, had sustained continuous losses from at least 1959 on, had an accumulated loss of over \$3 million by July 31, 1962, and continued to operate at a loss thereafter.

WINSLOW TELE-TRONICS PROPOSES DEBENTURE OFFERING. Winslow Tele-Tronics, Inc., 1005 First Ave., Asbury Park, N. J., filed a registration statement (File 2-25438) with the SEC on August 22 seeking registration of \$300,000 of 7% convertible subordinated debentures, due 1976. The debentures are to be offered for public sale at \$500 per debenture through company officers. The company will offer to exchange up to \$124,000 of the debentures for an equal principal amount of its 7% convertible subordinated debentures, Series of 1965.

The company is engaged in the design and manufacture of electronic, electrical, and mechanical equipment for military and industrial applications. According to the prospectus, in July 1962 the company (then known as The Tele-Tronics Co.) filed a petition for reorganization under Chapter X of the Federal Bankruptcy Act; an amended plan of reorganization was approved by the court and substantially consummated on November 19, 1963. At that time the company's name was changed to Winslow Tele-Tronics, Inc., and it acquired the assets of Winslow Electronics, Inc., in exchange for 1,160,870 of its common shares. Of the net proceeds of the company's debenture sale, \$125,000 will be applied to the retirement of a Non-Interest Bearing Fully Subordinated Debenture, Series of 1963, and the balance will be added to working capital. In addition to indebtedness, it has outstanding 1,548,625 common shares, of which management officials own 65% (including 42.3% owned by Louis J. Winslow, president, and 20.6% owned by Thomas P. Winslow, vice president).

DUNFEE SAVINGS ENJOINED. The SEC Chicago Regional Office announced August 17 (LR-3566) the entry of a Federal court order (USDC SD Mo.) preliminarily enjoining Thomas Dunfee, d/b/a Dunfee Savings & Lease, from violations of the Securities Act registration requirement in the sale of unregistered promissory notes.

SEC COMPLAINT NAMES ELDER OIL. The SEC Denver Regional Office announced August 19 (LR-3567) the filing of a Federal court complaint (USDC, Omaha) seeking to enjoin Elder Oil Company, Inc., and William F. Elder, both of Omaha, from violating the Securities Act registration and anti-fraud provisions in the sale of oil interests and the stock of Elder Oil.

QUEBEC ELECTRIC PROPOSES DEBENTURE OFFERING. Quebec Hydro-Electric Commission today filed a registration statement (File 2-25441) with the SEC seeking registration of \$40,000,000 of debentures, Series AX, due 1991. The debentures are to be unconditionally guaranteed as to principal, premium, if any, and interest by the Province of Quebec. They are to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York, and three other firms. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company is engaged in the generation and distribution of electric power in the Province of Quebec. Net proceeds of its debenture sale will be applied to the cost of its construction program. The prospectus states that capital expenditures for the five-year period ending December 31, 1970, amount to \$1.46 billion.

JACOBS INDICTED. The SEC announced August 19 (LR-3568) the return of an indictment by a Federal Grand Jury in Manhattan charging Richard C. Jacobs, former president of the Continental Growth Fund, with misappropriating \$69,900 from the Fund's shareholders through a series of "sham transactions during 1963." Jacobs was also charged with conspiracy with Martin Fabrikant, former president of Fabrikant Securities Corp. who is named as a co-conspirator and not as a defendant, to defraud the Fund by selling to it shares of companies which are now worthless.

SECURITIES ACT REGISTRATIONS. Effective August 22: W. R. Grace & Co., 2-25135 (40 days); The Great United Life Insurance Co., 2-24768 (90 days); Pilot Fund, Inc., 2-25053. Effective August 23: Desert Development Corp., 2-25230 (40 days); Wakefield Seafoods, Inc., 2-25146 (Nov 30);

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.