

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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MIDDLE SOUTH UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15137) authorizing Arkansas Power & Light Company, a public-utility company of Middle South Utilities, Inc., to sell at competitive bidding 75,000 shares of \$100 par preferred stock, to transfer a portion (\$5,000,000) of its restricted earned surplus to its common stock account, and thereafter to sell to Middle South an additional 400,000 shares of common stock (aggregating \$5,000,000 in par value). According to the application, net proceeds from the subsidiary's preferred stock sale will be applied to its construction program (estimated at \$39,500,000 for 1964) and used for other corporate purposes. As of June 30, 1964 the earned surplus of the subsidiary amounted to \$19,442,733, of which \$6,039,443 was restricted earned surplus. The issuance of the additional common stock to Middle South will permit the subsidiary to convert into capital a portion of its restricted earned surplus which has heretofore been permanently invested in property improvements.

COMPLAINT CITES TROY PAUL ODOM. The SEC Atlanta Regional Office announced (LR-3051) the filing of a complaint (USDC MD Fla.) on October 8 seeking to enjoin Troy Paul Odom, dba Paul Odom & Associates, 4712 S. Orange Ave., Orlando, Fla., from further violations of the registration provisions of the Securities Exchange Act.

CROWELL AND CHEER SENTENCED. The SEC Atlanta Regional Office announced October 12 (LR-3052) that, following guilty pleas to an indictment (USDC - ED La.) charging fraud in the sale of oil interests in Barron County, Ky., Alec M. Crowell and Omar Cheer were each sentenced to one-year imprisonment.

BANKERS FINANCIAL PROPOSES RIGHTS OFFERING. Bankers Financial Corporation, 125 E. Wells St., Milwaukee, Wisc., filed a registration statement (File 2-22842) with the SEC on October 12 seeking registration of 107,000 shares of common stock, to be offered to stockholders at the rate of one new share for each four shares held. The record date and subscription price (\$7 per share maximum*) are to be supplied by amendment. The offering is not underwritten.

Organized under Wisconsin law in 1963, the company holds all of the stock of Mortgage Associates, Inc., and Mortgage Fiduciary, Inc. Net proceeds from its stock sale will be contributed to Mortgage Associates, which will use such funds for the origination and purchase of mortgage loans and to expand its credit financing. In addition to indebtedness, the company has outstanding 420,462 common shares, of which management officials as a group own 30,450 shares. During 1963 it issued 395,462 shares at \$2.70 per share. Virgil C. Sullivan is board chairman and Sheldon B. Lubar is president.

MODLIN, OTHERS NAMED IN COMPLAINT. The SEC Denver Regional Office announced October 9 (LR-3053) the filing of court action (USDC Albuquerque) seeking to restrain Murray Modlin, Gordon McMeen, William Rainey, Earl Johnston and Harvey Wallace, aka W. Harvey Wallace, from selling common stock of National Holding Corporation in violation of the Securities Act anti-fraud provisions.

REINSURANCE INVESTMENT PROPOSES OFFERING. Reinsurance Investment Company, Myers Bldg., Springfield, Ill., today filed a registration statement (File 2-22843) with the SEC seeking registration of 1,400,000 shares of Class A common stock, to be offered for public sale at \$3 per share. The offering is to be made on a best-efforts basis through Allied Development Companies Ltd., 220 E. State St., Jacksonville, Ill., and Master Securities Company, 412 Commerce Bldg., Sioux City, Iowa, which will receive a 45¢-per-share selling commission. The registration statement also includes 1,588,800 Class B shares, which are to be offered to Class B stockholders at the rate of three Class B shares for each share held, at 1¢ per share. The record date is to be supplied by amendment.

Organized under Illinois law in 1963, the company's business is that of an insurance holding company. It presently owns substantially all of the common stock of Reinsurance Company of America (RCA), an Illinois stock life insurance company. Net proceeds from its stock sale will be used to expand RCA's sales organization and to purchase investments, to acquire an additional insurance company or companies, and to increase the company's working capital. The company has outstanding 529,600 Class A common shares and 529,600 Class B shares, of which management officials as a group own 6,560 and 371,348 shares, respectively. At the inception of the company, the management officials and promoters purchased 79,600 Class A shares at \$1.70 per share and 529,600 Class B shares at 1/4¢ per share. In April 1963, the company sold 450,000 Class A shares at \$2 per share to residents of Illinois. Roy C. Dixon is president.

SECURITIES ACT REGISTRATIONS. Effective October 13: Omark Industries, Inc. (File 2-22750).

*As estimated for purposes of computing the registration fee.

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