

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 February 20, 1969

INVESTORS SYNDICATE LIFE RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5611) exempting Investors Syndicate Life Insurance and Annuity Company, Minneapolis stock life insurance company, and ISL Variable Annuity Fund A, from certain provisions of the Act. Fund A was established as a separate account in May 1968 to offer individual variable annuity contracts of three types, The Individual Installment Purchase Payment Deferred Annuity Contract, The Individual Single Purchase Payment Deferred Annuity Contract and The Individual Single Purchase Payment Immediate Annuity Contract.

INVESTORS SYNDICATE LIFE RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5612) exempting Investors Syndicate Life Insurance and Annuity Company, Minneapolis stock life insurance company, and ISL Variable Annuity Fund B, from certain provisions of the Act. Fund B was established as a separate account in June 1968 to offer individual variable annuity contracts designed for use in retirement programs qualifying for special tax treatment under Section 401 or 403 of the Internal Revenue Code.

DREYFUS FUND RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5613) with respect to the proposed acquisition by The Dreyfus Fund Incorporated, New York mutual fund, of substantially all the assets of The Thomas Crellin Estate Company. Crellin, a California corporation, is a personal holding company all of whose outstanding stock is owned by 24 persons. Dreyfus proposes to issue its shares at their net asset value for Crellin's assets, which had a value of approximately \$3,143,100 on November 7, 1968. Had the transaction been consummated on that date, Crellin would have received 193,969 shares of Dreyfus stock. The Dreyfus shares are to be distributed to Crellin stockholders on liquidation of Crellin.

AMERICAN PACIFIC FUND SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5614) giving interested persons until March 12 to request a hearing upon an application of American Pacific Fund, Inc., Honolulu mutual fund, for exemption from the provisions of Section 22(d) of the Act so as to permit the sale of its shares to owners of certain existing life insurance policies issued by American Pacific Life Insurance Company, Ltd. or American Pacific Life Insurance Co. of California at a net asset value.

HEARING SCHEDULED ON EQUITY APPLICATION. The SEC has scheduled a hearing for March 10 on the application of The Equity Corporation, New York, for an order under the Investment Company Act declaring that it has ceased to be an investment company (Release IC-5615). The hearing was requested by certain shareholders. Equity requested the order on the basis that it does not engage primarily in the business of investing, reinvesting or trading in securities but, instead, takes a dominant part in operating its majority-owned and wholly-owned subsidiary companies.

IDS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5616) declaring that Investors Diversified Services, Inc., Minneapolis investment company, has ceased to be an investment company as defined in the Act. On April 23 its stockholders by a vote of 11,778,607 to 126,098 adopted a resolution authorizing IDS to cease to be an investment company. IDS asserts that it is primarily engaged in the business of underwriting and distributing securities issued by other persons and that its gross income normally is derived from such business and that it is not therefore an "investment company" within the meaning of the Act.

MUTUAL LIFE SEEKS ORDER. The Mutual Life Insurance Company of New York and The MONY Variable Account A, both of New York, have joined in the filing of an application with the SEC for exemption from certain provisions of the Investment Company Act; and the Commission has issued an order (Release IC-5617) giving interested persons until March 10 to request a hearing thereon. Account A was established by Mutual Life for the purpose of providing an investment medium for certain variable annuity contracts to be issued by Mutual Life and Account A. The contracts are designed to provide fixed and variable retirement benefits pursuant to plans qualifying under Sections 401, 403(a) or 403(b) of the Internal Revenue Code, and to individuals under Contracts not issued under any such tax benefited plans. Account A is an open-end, diversified management investment company registered under the Act.

OHIO POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16289) authorizing Ohio Power Company, Canton subsidiary of American Electric Power Company, Inc., to issue and sell \$70,000,000 of first mortgage bonds and \$15,000,000 of sinking fund debentures, both due 1999, at competitive bidding. Net proceeds of its financing will be applied to pay Ohio Power's commercial paper and to pay all but \$16,950,000 of its notes payable to banks (expected to aggregate \$68,400,000 at the time of issuance of the bonds and debentures); the balance will be added to the company's general funds and used for construction and other corporate purposes.

OVER

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act (Release 34-8528) giving interested persons until March 6 to request a hearing upon applications (i) of the Cincinnati Stock Exchange for unlisted trading privileges in Clorox common stock, (ii) of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stocks of Travelers and Pioneer Systems, and (iii) of the Spokane Stock Exchange for such privileges in Gulf Resources common.

NINE TRADING BANS CONTINUED. The SEC has ordered the further suspension of trading in securities of Continental Vending Machine Corporation and Westec Corporation for the period February 21 through March 2; in securities of Mill Factors Corporation and Top Notch Uranium and Mining Corporation for the period February 22 through March 3; in securities of Texas Uranium Corporation for the period February 23 through March 4; and in securities of BSF Company, Capitol Holding Corporation, Mountain States Development Company and Telstar, Inc., for the period February 24 through March 5, 1969.

WILKINSON COMPUTER FILES FOR OFFERING AND SECONDARY. Wilkinson Computer Sciences, Inc., 200 Sweetwater Ave., Bedford, Mass. 01730, filed a registration statement (File 2-31729) with the SEC on February 14 seeking registration of 285,000 shares of common stock, of which 155,000 are to be offered for public sale by the company and 130,000 (being outstanding shares) by the present holder thereof. The offering is to be made at \$10 per share through underwriters headed by S. D. Fuller & Co., Inc., 26 Broadway, New York 10004, which will receive a \$1 per share commission plus \$12,000 for expenses. Associates of the Fuller firm own 10,000 shares, recently acquired at a cost of \$1 per share.

Organized under Massachusetts law in March 1968 as a wholly-owned subsidiary of Semicon, Inc., the company proposes to engage primarily in the development, manufacture and marketing of a small scale scientific control general purpose digital computer. Of the net proceeds of its sale of additional stock, \$80,000 will be used for the purchase and preparation of basic programming and other software, \$100,000 for support of recruitment and training of personnel, \$150,000 for purchase and preparation of basic programming and other software sales materials, and operating and maintenance manuals and \$95,000 for design and development of certain basic peripherals; the balance will be used to support operations while cash deficits continue and for general corporate purposes. The company has outstanding 266,667 common shares (with a 19¢ per share book value), of which Semicon, Inc. owns 81.3% and management officials as a group 10.2%. Semicon proposes to sell 130,000 of 216,667 shares held, for which it paid \$130,039, or 60¢ per share. Upon completion of this offering, Semicon will own 21% of the then outstanding common stock and will have recovered in cash its total investment in the company plus approximately \$1,020,000. The present shareholders (other than Semicon) will own 12%, for which they paid \$50,000 or \$1 per share, and the purchasers of the shares being registered will own 68%, for which they will have paid \$2,850,000 or \$10 per share. H. Malcolm Wilkinson is president.

PLASMA CHEMICAL SYSTEMS FILES FOR OFFERING AND SECONDARY. Plasma Chemical Systems, Inc., 13909 Lee-Jackson Highway, Chantilly, Va., filed a registration statement (File 2-31730) with the SEC on February 14 seeking registration of 135,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 10,000 (being outstanding shares) by the present holder thereof. The offering is to be made at \$6 per share on a "best efforts, all or none" basis through Roth and Co., Inc., 632 Land Title Bldg., Philadelphia, which will receive a 60¢ per share selling commission plus \$20,000 for expenses. The company has agreed to sell the underwriter, for \$13.50, five-year warrants to purchase 13,500 common shares, exercisable initially (after one year) at \$6.42 per share.

Organized under Delaware law in November 1967 as Plasmofalt Industries, Inc., the company proposes to engage in the development and marketing of synthetic base materials used in building, roofing, and paving. Of the net proceeds of its sale of additional stock, \$100,000 will be applied to the establishment of production facilities relating to its "Magna Bond" line, \$200,000 to market research, marketing and sales promotion of said line, \$150,000 toward marketing new polymer base materials and \$75,000 for further new polymer product expansion; the balance will be added to the company's general funds and used for working capital. The company has outstanding 318,100 common shares (with a 21¢ per share book value), of which Edwin B. Greene, board chairman, owns 11.6% and management officials as a group 68.4%. Samuel F. Kerns, who owns 25,000 shares, proposes to sell 10,000. Upon completion of this offering, the present shareholders will own 69.5% of the then outstanding shares, for which they paid \$145,400 in cash, rendered services and transferred certain rights, and the public investors will own 30.5%, for which they will have paid \$810,000.

ELECTRONICS CAPITAL CORP. SHARES IN REGISTRATION. Electronics Capital Corporation ("ECC"), 111 E. 38th St., New York 10016, filed a registration statement (File 2-31731) with the SEC on February 14 seeking registration of 5,133 shares of common stock. These represent additional shares to be issued in exchange for 3,949 common shares of Capital Bancorporation, which latter shares were issued upon exercise of an option. Pursuant to an exchange offer, ECC acquired all of Capital's outstanding 373,468 common shares in exchange for 485,467 ECC common shares (not including the 5,133 shares issuable upon exercise of the option).

MORAN BROS. FILES FOR OFFERING AND SECONDARY. Moran Bros., Inc., 1200 Oil & Gas Bldg., Wichita Falls, Tex. 76301, filed a registration statement (File 2-31732) with the SEC on February 17 seeking registration of \$2,200,000 of subordinated convertible debentures, due 1984, and 220,000 shares of common stock. Of these securities, the debentures and 157,000 shares are to be offered for public sale by the company; the remaining 63,000 shares are outstanding and are to be offered by the present holders thereof. The offering is to be made through underwriters headed by Eppler, Guerin & Turner, Inc., 3900 First National Bank Bldg., Dallas, Tex. 75202; the interest rate on the debentures, offering prices (\$17.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has sold the Eppler firm, for \$75, five-year warrants to purchase 7,500 shares.

The company is principally engaged in contract drilling of oil and gas wells for others, including offshore drilling. Of the net proceeds of its financing, \$500,000 will be used to retire its short-term bank debt, incurred to purchase 115,875 shares of its capital stock from a former shareholder, and \$2,350,000 to retire indebtedness incurred in connection with the acquisition of drilling equipment; the balance will be added to working capital and used for general corporate purposes (including the possible acquisition of additional drilling equipment). In addition to indebtedness, the company has outstanding 63,000 common and 284,625 Class A common shares; R. J. Moran, president, owns 88.1%, William C. Hooper, Jr., executive vice president, 11.9% and management officials as a group 100% of the outstanding common shares; Moran owns 97.4% and management officials 100% of the outstanding Class A shares. Moran and Hooper propose to sell all of 55,500 and 7,500 common shares held, respectively.

COMPUTER DYNAMICS TO SELL STOCK. Computer Dynamics, Inc., 1760 Solano Ave., Berkeley, Calif. 94707, filed a registration statement (File 2-31733) with the SEC seeking registration of 142,850 shares of capital stock, to be offered for public sale through underwriters headed by Hambrecht & Quist, 2502 Russ Bldg., San Francisco, Calif. The offering price (\$8 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in July 1967, the company provides professional services and consultation with respect to computer systems analysis and programming, and is developing and marketing proprietary systems. Of the net proceeds of its stock sale, \$700,000 will be used for the design, development, purchase and marketing of various proprietary computer systems; the balance will be added to working capital. The company now has outstanding 833,400 shares of capital stock (with a 24¢ per share book value), of which Melvin Lemberger, president, owns 21.8% and management officials as a group 62.1%. According to the prospectus, 500,000 of the outstanding shares were acquired by Lemberger and two others in October 1967 at 10¢ per share. Purchasers of the shares being registered will acquire a 14.6% stock interest in the company for an investment of \$1,142,800; present stockholders will then own about 85%, for which the company received \$150,010.

HATHAWAY INSTRUMENTS FILES FOR OFFERING AND SECONDARY. Hathaway Instruments, Inc., 5250 East Evans Ave., Denver, Colo. 80222, filed a registration statement (File 2-31734) with the SEC on February 17 seeking registration of 225,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by J. Barth & Co., 404 Montgomery St., San Francisco, Calif., and Boettcher & Co., 828 17th St., Denver, Colo.; the offering price (\$10.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs and manufactures equipment for detecting, measuring and recording power failures and disturbances in electric utility systems; it also manufactures data handling and control systems, reed switches and relays, and airborne graphic recorder products. Of the net proceeds of its sale of additional stock, the company will apply about \$450,000 to the payment of bank loans and a 6% note and \$165,000 to the purchase of additional machine tools and fabricating and test equipment; the balance will be added to working capital for general corporate purposes. The company now has outstanding 565,011 shares of common stock, of which Thomas A. Manhart, board chairman, and Miguel A. Xavier, president, own 25.2% and 30.1%, respectively and management officials as a group 61.9%. Central Investment Corporation of Denver, which holds 3,500 shares of preferred stock, proposes to convert such stock into 36,667 common shares and to sell the common shares. Manhart and Xavier propose to sell 12,807 shares each; and 24 other stockholders propose to sell the balance of the shares being registered.

WESTATES EXPLORATION PROPOSES OFFERING. Westates Exploration Company 1969 Program, 811 West 7th St., Los Angeles, Calif. 90017, filed a registration statement (File 2-31735) with the SEC on February 17 seeking registration of \$3,000,000 of limited partnership interests in the Program, to be offered for sale in 600 units and at \$5,000 per unit. Net proceeds of the offering will be used for the acquisition and development of exploratory, proven and semi-proven oil and gas leases and other interests in oil or gas producing properties. The general partner, Westates Exploration Company (a subsidiary of Westates Petroleum Company) will manage the affairs of the partnership. Management officials of the parent will be actively engaged on a management level in the operations of the general partner and the partnership. H. W. Thompson is president of the parent.

UNLISTED TRADING GRANTED. The SEC has granted applications of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Christiana Oil Corp., International Industries, Inc., and Sperry & Hutchinson Co. (Release 34-8528)

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 "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 February 3 News Digest.

Northwestern Bell Telephone Co.(7, 13)	1-3501-2	Chesapeake & Ohio Ry Co.(3)	1-1261-2
Providence & Worcester Railroad Co.(3, 12)	0-2555-2	Chicago South Shore & South Bend RR(12, 13)	1-3756-2
United Fruit Co.(12, 13)	1-1550-2	The Clorox Company(1)	1-5659-2
		Coleco Industries, Inc.(7,13)	1-5673-2
		Dasa Corp.(8)	0-2145-2
		Minnesota Enterprises, Inc. (9, 11, 13)	1-103-2

Memorex Corp.(12,13)	1-5816-2	Franklin Realty(12,13)	0-1827-2
New England Power Co.(12)	0-1229-2	Gabriel Industries, Inc. (2,13)	1-5676-2
John Blair & Company (2,7,13)	0-2082-2	Great Lakes Dredge & Dock Co.(13)	1-1303-3
Clark Equipment Co.(13)	1-5646-2	Gulf American Corporation (7,8,12,13)	1-4480-2
Clark Equipment Credit Corporation(8)	2-17988-2	York Research Corp.(11,13)	0-72-2
Electronic Specialty Co. (1,2,3,8,11,12,13)	1-4240-2	Aeronca, Inc.(7)	1-4005-2
Ford Motor Co.(13)	1-3950-2	Auto-Soler Co.(4,7,9,13)	0-761-2
Gateway Sporting Goods Co. (7, 12, 13)	1-4766-2	Bayly Manufacturing Co.(11)	0-2393-2
Morris Homes Corp.(11,13)	2-18048-2	Continental Oil Co.(7,13)	1-1131-2
Pennsylvania Power & Light Co.(7,13)	1-905-2	Enflo Corporation(11)	0-2317-2
Roanoke Electric Steel Corporation(11,13)	0-2389-2	General Plywood Corp.(11)	1-3291-2
Superior Oil Co.(12)	1-4744-2	Puget Sound Power & Light Co.(7)	1-4393-2
Allied Chemical Corp. (7,8,13)	1-1269-2	Henry I. Siegel Co., Inc.(12)	1-4885-3
Baltimore Aircoil Co.,Inc. (7,13)	0-2081-2	Del E. Webb Corp.(7)	1-4785-2
Broadway-Hale Stores, Inc. (2,7,13)	1-3025-2	Work Wear Corp.(4,7,13)	1-4784-2
Di Giorgio Corp(2,7,8,13)	1-1790-2	Bowling Corp. of America (7,8,12,13)	1-4457-2
First Mortgage Investors (7,13)	0-1381-2	Eastern Air Lines, Inc.(7)	1-3049-2
		Endicott Johnson Corp.(12,13)	1-578-2
		Gannett Co., Inc.(2,4,12,13)	1-5857-2
		General Motors Acceptance Corp.(7,13)	1-3754-2

TRADING IN MICROBIOLOGICAL SCIENCES SUSPENDED. The SEC today announced the issuance of an order under the Securities Exchange Act of 1934 temporarily suspending over-the-counter trading in the common stock of Microbiological Sciences, Inc. ("Micro"), a Delaware corporation with principal offices in Salt Lake City, Utah, for the ten-day period February 20, 1969 (commencing 12:00 Noon) through March 1, 1969 inclusive.

The price of a share of the common stock of Micro has risen from a high bid of \$2.00 per share in December, 1968 to a high bid of \$13.00 per share in January. It is currently bid at \$6.25 per share.

The Commission's action was based upon the lack of correct and complete financial information concerning Micro and numerous rumors concerning the operations of a wholly owned subsidiary.

Accordingly, the Commission deemed it necessary and appropriate in the public interest and for the protection of investors, to suspend trading in the common stock of Microbiological Sciences, Inc., pending clarification of the financial information and adequate public dissemination of all pertinent information.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended February 13, 1969, 62 registration statements were filed, 79 became effective, 6 were withdrawn, and 1,150 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective February 19: Atlantic City Electric Co., 2-31575; Coachmen, Inc., 2-30889 (90 days); R. J. Communication Products, Inc., 2-31018 (May 20); Del Monte Corp., 2-31429; Electone, Inc., 2-31032 (90 days); Electronics Capital Corp., 2-31731; Holiday Inns of America, Inc., 2-31653 (40 days); Huffington Sixty-Bine, Ltd., 2-30689 (90 days); Instrument Systems Corp., 2-30930 (40 days); Natural Gas Pipeline Co. of America, 2-30730 (40 days); Omni-Industries, Corp., 2-30366 (90 days); Professional Care Services, Inc., 2-30461 (90 days); Snelling and Snelling, Inc., 2-31232 (90 days); Standard Brands Paint Co., 2-31605; Stang Hydraulics Inc., 2-30995 (90 days); Technical Publishing Co., 2-30900 (May 20); Universal Systems, Inc., 2-30809 (90 days).

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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