

NEWS DIGEST



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

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FOR RELEASE October 29, 1965

WELLINGTON FUND SEEKS ORDER. Wellington Fund, Inc., Philadelphia, open-end diversified management investment company, has applied to the SEC for an order under the Investment Company Act authorizing it to issue its shares, without sales charge, for substantially all of the cash and securities of Commodore Corp.; and the Commission has issued an order (Release IC-4389) giving interested persons until November 19 to request a hearing thereon. According to the application Commodore's assets approximate \$2,492,000 and it is owned by a maximum of 13 stockholders. Wellington stock issued in its acquisition will be distributed to shareholders of Commodore upon the latter's liquidation.

INVESTORS SYNDICATE RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4390) approving an amendment to a depositary agreement between Investors Syndicate of America, Inc., Minneapolis face-amount certificate company, and Marquette National Bank. The amendment covers the issuance and sale by Investors Syndicate of two new series of face-amount certificates, to be designated Series 15A and Series 22A.

JERSEY CENTRAL POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15338) authorizing Jersey Central Power & Light Co., Morristown, N. J., electric-utility subsidiary of General Public Utilities Corp., to sell at competitive bidding \$9,000,000 of debentures (due 1990). According to the application, the company will use the net proceeds for construction and related purposes or to partially reimburse its treasury therefor. Construction expenditures for 1965 are estimated at \$56,000,000.

LOUISIANA POWER SEEKS ORDER. Louisiana Power & Light Company, New Orleans, La., public-utility subsidiary of Middle South Utilities, Inc., has applied to the SEC for an order under the Holding Company Act authorizing it to sell notes to a bank in amounts not to exceed an aggregate of \$15,000,000 at any one time outstanding; and the Commission has issued an order (Release 35-15339) giving interested persons until November 19 to request a hearing thereon. According to the application, the proceeds from the note sale will be used in part to pay its then outstanding short-term notes (currently amounting to \$9,000,000), and the balance will be used for corporate purposes (including restoration of the company's property recently destroyed by a hurricane).

LOUIS ALLIS CO. FILES FINANCING PROPOSAL. The Louis Allis Company, 427 E. Stewart St., Milwaukee, Wisc. 53207, filed a registration statement (File 2-24159) with the SEC on October 28 seeking registration of \$5,000,000 of sinking fund debentures, due 1985, and 80,000 shares of cumulative convertible preferred stock. The securities are to be offered for public sale through underwriters headed by Robert W. Baird & Co., Inc., 731 N. Water St., Milwaukee, Wisc. 53201. The public offering price of the debentures and stock (\$27 per share maximum*), interest and dividend rates, and underwriting terms are to be supplied by amendment.

The company is engaged in engineering total drive systems, and manufactures industrial electric motors and adjustable speed drives. Net proceeds of this financing will be used to pay short-term bank loans, which were incurred to replace or augment treasury funds used during 1964 and 1965 to finance increased inventories and accounts receivable, as well as expenditures for capital improvements. In addition to indebtedness, the company has outstanding 602,398 common shares, of which management officials own 7.5%. Louise H. Allis, widow of the company's founder, and her five sons (including John W. Allis, president) own 26% of the outstanding stock.

AMERICAN MUSIC STORES FILES FOR OFFERING AND SECONDARY. American Music Stores, Inc., 1515 Woodward Ave., Detroit, Mich., filed a registration statement (File 2-24160) with the SEC on October 28 seeking registration of 250,000 shares of common stock and \$2,000,000 of convertible subordinated debentures (due 1985). Of such securities, the debentures and 225,000 shares are to be offered for public sale by the company and 25,000 shares (being outstanding stock) by the present holders thereof. Smith, Barney & Co. Inc., 20 Broad St., New York 10005, and First of Michigan Corp., Buhl Bldg., Detroit, Mich. 48226, are listed as the principal underwriters. The public offering price of the debentures and stock (\$18 per share maximum*), interest rate on the debentures, and underwriting terms are to be supplied by amendment.

The company operates a chain of retail music stores. Net proceeds from this financing (together with funds from a concurrent \$6,000,000 note sale) will be used to retire certain indebtedness and to acquire (for \$2,108,000) minority interests in the company's principal operating subsidiary, Grinnell Brothers. The balance of the proceeds will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 325,000 common shares, all owned by Jack J. Wainger, president, and his wife. Upon completion of the proposed stock sales, the Waingers will own 54.5% of the company's outstanding stock.

TEXAS INSTRUMENTS PROPOSES DEBENTURE OFFERING. Texas Instruments Incorporated, 13500 N. Central Expressway, Dallas, Tex. 75222, filed a registration statement (File 2-24162) with the SEC on October 28 seeking registration of \$50,000,000 of sinking fund debentures, due 1990. The debentures are to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York 10005. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

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The company is engaged in the development, manufacture and sale of semiconductor devices, electronic and electromechanical systems, and other types of instruments. Net proceeds from its debenture sale will be used to retire some \$8,187,500 of indebtedness and for general corporate purposes, principally expenditures for property additions. During 1965 through September 30, the company expended \$28,350,000 for property additions and improvements. In addition to indebtedness, the company has outstanding 5,053,529 common shares. J. E. Jonsson is board chairman and P. E. Haggerty is president.

SOLITRON FILES FOR OFFERING. Solitron Devices, Inc., 256 Oak Tree Rd., Tappan, N. Y. 10983, filed a registration statement (File 2-24163) with the SEC on October 28 seeking registration of \$4,500,000 of convertible debentures, due 1975, to be offered for public sale by the company, without underwriting, at 100% of the principal amount.

The company is engaged in the design, manufacture, and sale of solid state semi-conductors. Net proceeds from its debenture sale will be applied to the retirement of some \$4,000,000 of long-term obligations, and the balance will be used in the general business of the company. In addition to indebtedness, the company has outstanding 372,940 common shares, of which management officials own 20.16% (including 19.18% owned by Benjamin Friedman, board chairman and president).

TRANS-CONTINENTAL TELEPHONE FILES STOCK PLAN. Trans-Continental Telephone & Electronics, Inc., 4633 N. Central Expressway, Dallas, Tex. 75205, filed a registration statement (File 2-24164) with the SEC on October 28 seeking registration of 60,000 shares of common stock, to be offered pursuant to its Employees Stock Purchase Plan.

ANACONDA FILES STOCK PLAN. The Anaconda Company, 25 Broadway, New York 10004, filed a registration statement (File 2-24165) with the SEC on October 28 seeking registration of 200,000 shares of capital stock, to be offered under the company's Restricted Stock Option Plan for Officers and Key Executives.

QUEBEC PROPOSES DEBENTURE OFFERING. The Quebec Hydro-Electric Commission today filed a registration statement (File 2-24166) with the SEC seeking registration of \$50,000,000 of debentures, Series AT, due 1986. The debentures are to be guaranteed unconditionally as to principal, premium, if any, and interest by the Province of Quebec. They are to be offered for public sale through an underwriting group (the identity of which is to be supplied by amendment). The interest rate, public offering price, and underwriting terms are also to be supplied by amendment. The Commission operates a system for the generation and distribution of electric power in Quebec. Net proceeds from its debenture sale will be added to general funds and applied to the cost of its construction program, which for the 5-year period ending December 31, 1969, is estimated at \$1.5 billion.

BELOCK INSTRUMENT TRADING BAN CONTINUED. The SEC issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Belock Instrument Corporation for a further ten-day period, October 30-November 8, 1965, inclusive.

INSURORS MUTUAL FUND SEEKS ORDER. Insurors Mutual Fund, Inc., Madison, Wisc., an open-end, diversified investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to certain provisions of the Act; and the Commission has issued an order (Release IC-4388) giving interested persons until November 19 to request a hearing thereon. According to the application, the company is a medium for the common investment of surplus funds and reserves held by certain town mutual insurance companies located in Wisconsin. At the end of 1964, the company's net assets amounted to \$812,366 and it had 785 outstanding common shares which were owned by 51 town mutuals. Under its Articles of Incorporation only Wisconsin town mutuals may be shareholders and their elected representatives are the only persons qualified to serve as the company's officials. The company does not solicit proxies. Its shareholders are divided into 9 regional districts, and by vote of the shareholders present at each annual district meeting they select a district representative for the company's board of directors, subject to the vote of all shareholders at the company's annual meeting. The application states that prospectuses, and quarterly and annual reports, are and will continue to be distributed to all of the town mutuals. The company seeks exemption from the Securities Act registration and prospectus requirements and the Commission's proxy rules. If it were not a registered investment company, the offer and sale of the company's common stock would qualify for an "intra-state exemption" from the registration requirements of the Securities Act.

SECURITIES ACT REGISTRATIONS. Effective October 28: Austral Oil and Gas Exploration Corp., 2-24044 (40 days). Effective October 29: Jersey Central Power & Light Co., 2-24013. Withdrawn October 28: P 'N' L Co., 2-23285.

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.