

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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MICHIGAN CONSOLIDATED GAS BORROWINGS APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14280) authorizing Michigan Consolidated Gas Company, of Detroit to make bank borrowings from time to time in amounts not exceeding \$18,000,000 in the aggregate. The funds will be used to pay for construction expenditures, the bank notes to be paid off in 1961 from the proceeds of permanent financing.

SECURITY ANNUITY LIFE PROPOSES OFFERING. Security Annuity Life Insurance Company (the "company") and its subsidiary, Annuity Life Insurance Company ("Annuity"), of 713 Marion E. Taylor Bldg., Louisville, Ky., filed a registration statement (File 2-17015) with the SEC on September 8, 1960, seeking registration of 300,000 shares of the company's common stock, which are to be offered for public sale at \$7 per share. The company intends to sell up to 200,000 shares through agents who will receive commissions of 40¢ per share; and the balance will be sold by promoters for which they will receive no commissions.

The company was organized in April 1960 under Kentucky law for the purpose of engaging in the sale of various forms of life insurance, annuities and health and accident insurance. Subsequent to the sale of its shares the company will apply for its certificate of authority from the Department of Insurance of the Commonwealth of Kentucky. Annuity is to be organized as a wholly-owned subsidiary; and the company proposes that at least \$150,000 of the proceeds of the sale of its stock will be allocated to this insurance subsidiary, which will register with the SEC as an Open End Diversified Management Investment Company. The subsidiary will issue participating annuity contracts which are designed to provide payments that fully participate in the investment experience of Annuity. The balance of the proceeds of the company's stock sale will be used to form a sales organization on the general agency plan, to rent or purchase office space for both companies and to compensate administrative personnel, and for other related purposes.

The prospectus lists C. H. Edwardsen as president of both the company and Annuity. None of the company's shares is now outstanding. The management is engaged in discussions for the selection of an investment advisor.

PALM DEVELOPERS PROPOSES OFFERING. Palm Developers Limited, 6 Terrace, Centreville, Nassau, Bahamas, filed a registration statement (File 2-17019) with the SEC on September 8, 1960, seeking registration of 100,000 Ordinary (Common) Shares, to be offered for public sale at \$3 per share. The offering is to be made on a best efforts basis by David Barnes & Co., Inc., of New York, for which it will receive a selling commission of 45¢ per share. The company also has agreed to sell the underwriter, at one mil per option or an aggregate of \$15, three-year options to purchase an additional 15,000 shares at \$2.55 per share, and to issue the underwriter for each 10 shares sold an option exercisable for 180 days to purchase one share at \$2.55 per share.

The company was organized in May 1960 under the laws of the Colony of the Bahamas and intends to buy, develop and/or sell land in the Bahamas. It now owns no tangible property other than \$10,000 in cash. Net proceeds of the sale of stock will be used in the amount of \$105,400 to purchase properties under options and the balance for title searches, surveying, road construction, and other related purposes. The company is said to hold options on four tracts of land in the Bahamas, exercisable for an aggregate of \$104,800 (of which \$22,400 is payable for property owned by relatives of one of the company's directors). The company proposes initially to offer lots for sale as sites for permanent or vacation homes.

The prospectus lists Burton Feinson of Brooklyn, N. Y., as president. He and four other officials and promoters own all the 100,000 outstanding shares, acquired at 15¢ per share.

FLORIDA POWER FILES FOR BOND OFFERING. Florida Power Corporation, 101 Fifth Street South, St. Petersburg, Florida, filed a registration statement (File 2-17018) with the SEC on September 8, 1960, seeking registration of \$25,000,000 of First Mortgage Bonds, due 1990, to be offered for public sale at competitive bidding. The net proceeds from the sale of bonds will be used to pay off temporary bank loans (expected to amount to \$16,000,000 at the closing date) incurred to meet costs of the company's 1960 construction program, and the balance will be applied to such construction program expected to aggregate \$31,900,000 for the year. Of such sum, approximately \$13,100,000 was expended during the first six months of 1960. Additional funds required to complete such construction will come from cash generated from operations.

INVESTMENT BANKERS OF AMERICA HEARING POSTPONED. On request of counsel for Investment Bankers of America, Inc., Washington, D. C., the SEC has authorized a postponement from September 12 to November 21, 1960, of the hearing in proceedings under the Securities Exchange Act to determine whether said company's broker-dealer registration should be revoked.

OVER

NATIONAL AVIATION FILES FOR RIGHTS OFFERING. National Aviation Corporation, 111 Broadway, New York, filed a registration statement (File 2-17016) with the SEC on September 8, 1960, seeking registration of 218,005 shares of capital stock. The company proposes to offer the stock for subscription by holders of outstanding common stock of record on October 5, 1960, on the basis of one additional share for each four shares held. The subscription price is to be supplied by amendment. No underwriting is involved.

The company is a closed-end non-diversified management company. The net proceeds from the stock sale will be added to the company's general funds and will be used in carrying out its investment policies.

The company has outstanding 872,019 shares of common stock, of which Merrill Lynch, Pierce, Fenner & Smith owns 50,790 shares. The prospectus lists Frederick F. Robinson as president.

MIDWESTERN ACCEPTANCE FILES FOR OFFERING. Midwestern Acceptance Corporation, P. O. Box 886, Rapid City, South Dakota, filed a registration statement (File 2-17017) with the SEC on September 8, 1960, seeking registration of 1,169,470 shares of common stock and \$994,050 of 6% debentures. It is proposed to offer the stock for public sale with debentures attached equal to \$0.85 per share of stock. The securities are to be sold at \$1.00 per unit by agents and employees of the company who will receive a 12¢ per unit commission.

The company was organized under South Dakota law in June 1960 by Glen O. Buckingham, president. He is also the owner and manager of Buckingham Wood Products, Inc., a company which manufactures pre-cut and prefabricated homes sold under the trade name Midwestern Homes. According to the prospectus, Buckingham was instrumental in causing Midwestern to be organized because of "the need for financing, and particularly interim financing, in the home building industry". The company has no history of business, but intends to commence its lending activities as funds are available from the stock offering. It intends to engage in the mortgage loan business with the main objective of providing interim financing for loans which will be insured by the Federal Housing Administration. It is anticipated that more interim financing will be done in connection with Midwestern Homes than will be done for any other home builder or home distributor.

The company has outstanding 7,000 shares of common stock and \$5,950 of debentures which were subscribed for by the company's seven directors, each paying \$880 for 1,000 shares and \$850 in debentures.

KINGSBURG COTTON OIL SEEKS ORDER. Kingsburg Cotton Oil Co. of California, Kingsburg, Cal., filed an application (File 22-2893) under the Trust Indenture Act on September 8, 1960, seeking an order qualifying a trust indenture pursuant to which \$1,735,575 of 5% Ten Year Sinking Fund Subordinated Debentures are to be issued. The company was organized in July 1960 by a group of corporate producers of cottonseed for the primary purpose of purchasing a cottonseed oil mill from Kingsburg Cotton Oil Co., a California company. It has accepted the assignment, and is now the assignee, of a purchase and sale agreement between the said California company and Giffen, Inc., (one of said group) for the purchase by Giffen of substantially all the assets of said California company for a purchase price of \$2,200,000, payable as follows (a) assumption of indebtedness of subsidiaries of the California company in the amount of \$246,187; (b) cash in the sum of \$218,813; and (c) 5% ten-year sinking fund subordinated debentures to be issued by an assignee corporation of Giffen in the sum of \$1,735,575.

AUTOMATIC RADIO FILES FOR OFFERING AND SECONDARY. Automatic Radio Mfg. Co., Inc., 122 Brookline Avenue, Boston, Mass., today filed a registration statement (File 2-17020) with the SEC, seeking registration of 623,750 shares of common stock, of which 150,000 shares are to be sold by the company and 473,750 shares, being outstanding stock, by the present holders thereof. Paine, Webber, Jackson & Curtis is listed as the principal underwriter. The public offering price and underwriting terms are to be supplied by amendment.

The company business consists primarily of manufacturing and selling a line of radios for use in automobiles, and also portable radios for use in automobiles, homes and farms. In recent years it has added other electronic and related products to its lines, primarily antennae which have both commercial and military applications and automobile air conditioners. It also engages in the financing of distributors of its products. Of the net proceeds from the sale of stock by the company, it expects to use \$1,000,000 for plant expansion, including the acquisition of additional tools and equipment, especially for its automobile air conditioner and antenna business. The remainder of such proceeds will be used as working capital, and may be used to acquire other businesses compatible with its own.

In addition to indebtedness and preferred stock, the company has outstanding 1,860,015 shares of common stock, of which David Housman, president, owns 1,186,965 shares and proposes to sell 420,000 shares. Five other selling stockholders, including three officers, propose to sell 53,750 shares of their holdings which range from .81% to 8.64% of the outstanding shares.

TRANSITRON ELECTRONIC FILES FOR SECONDARY. Transitron Electronic Corporation, 168 Albion Street, Wakefield, Mass., today filed a registration statement (File 2-17021) with the SEC, seeking registration of 1,250,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through a group of underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of various types of semiconductors (such as transistors, diodes and rectifiers) for commercial, industrial and military use, and in research and development relating to semiconductors. According to the prospectus, the company has made a preliminary agreement dated August 16, 1960, with Thermo King Corporation, Minneapolis, Minn., looking toward a combination of the two companies, such agreement having been approved by their respective boards of directors. Thermo King is a manufacturer of equipment for controlling the temperature in trailers, trucks and other vehicles used to transport perishable

commodities. Under the terms of the agreement, 810,000 shares of Transitron common would be issued in exchange for the 900,000 outstanding common shares of Thermo King. Thermo King stock options covering 60,000 shares would be converted into options for the purchase of 54,000 shares of Transitron, with a corresponding adjustment of the option price per share, but without otherwise changing their provisions. It is expected that Thermo King would be operated as a division of Transitron under the continued supervision of Thermo King's present management.

In addition to indebtedness, Transitron has outstanding 7,502,500 shares of common stock, of which David Bakalar, president, owns 3,176,325 shares and proposes to sell 625,000 shares; Leo Bakalar, board chairman, owns 3,221,375 shares and proposes to sell 587,500 shares; and David Bakalar and Norman Fain, as trustees of a trust established by Leo Bakalar for the benefit of his children, hold 75,000 shares and propose to sell 37,500 shares.

SIMON HARDWARE FILES FINANCING PROPOSAL. Simon Hardware Company, 800 Broadway, Oakland, Calif., today filed a registration statement (File 2-17023) with the SEC seeking registration of \$900,000 of Sinking Fund Subordinated Debentures due September 30, 1972 (with common stock purchase warrants attached) and 70,000 shares of common stock. It is proposed to offer the debentures for sale in units consisting of a \$1,000 debenture with warrants to purchase 100 shares of common stock (the exercise terms of the warrants are to be supplied by amendment). Public offering prices of the debentures (with warrants) and common shares, together with the underwriting terms, are to be supplied by amendment. J. S. Strauss & Co. is listed as the principal underwriter.

The company is engaged, through its subsidiary, Simon Realty Company, in the retail sale of a diversified line of consumer goods in a store located in Oakland. It contemplates the opening of additional stores in Walnut Creek, Calif., in November 1960 and in Hayward, Calif., in September 1961. Net proceeds of this financing will be used to purchase about \$250,000 of fixtures and equipment for the Oakland and Walnut Creek stores and its new Oakland warehouse or to repay short-term bank loans incurred to finance such purchases; and the balance of the proceeds will be used to equip and stock an additional retail store in the Palma Ceia Shopping Center in Hayward. Prior to the time the proceeds are required for the new Hayward store, such funds may be applied to reduce some \$839,000 of bank borrowings to finance customers' contracts receivable and for working capital.

In addition to certain indebtedness and 22,270 shares of preferred stock, the company has outstanding 528,901 shares of common stock. Stanley D. Simon is listed as board chairman, Bertram E. Simon as president, and Aaron B. Simon as vice president. According to the prospectus, 81% of the outstanding common stock is owned by members of the Simon family.

AMACORP INDUSTRIAL LEASING FILES FOR OFFERING AND SECONDARY. Amacorp Industrial Leasing Co., Inc., 34 South Stoneman Avenue, Alhambra, Calif., today filed a registration statement (File 2-17022) with the SEC, seeking registration of 170,000 shares of common stock, of which 130,000 shares are to be offered for public sale by the company and 40,000 shares, being outstanding stock, by the present holder thereof, McDonnell & Co., Inc. is listed as the principal underwriter. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged basically in the financing of industrial and office equipment and other property required by its customers through the leasing thereof to such customers. Its leases relate to a variety of articles ranging from electronic office equipment, portable steel buildings, display cases and air conditioning equipment. Its major equipment leases are office and business machines and machine tools and other types of machinery. The net proceeds from sale of additional stock by the company will be used for working capital purposes, including the purchasing and carrying of leased equipment during the period preceding financing of the related lease and the maintenance of compensating balances with banks which finance the company's leasing activities.

In addition to certain indebtedness, the company has outstanding 401,600 shares of common stock, of which Arthur M. Andersen, board chairman, owns 160,000 shares; Empire Industries, Inc., owns 40,000 shares and proposes to sell such shares. Empire is owned by Arthur M. Andersen and his associates, including G. M. Andersen, Amacorp's president, and Gordon W. Andersen, an Amacorp director. After the proposed sale by Empire of its 40,000 shares and the sale by the company of 130,000 shares, the three Andersens will own an aggregate of 240,000 shares (45%) of the company's outstanding common.

PACIFIC LIGHTING GAS SUPPLY PROPOSES DEBENTURE OFFERING. Pacific Lighting Gas Supply, 720 West Eighth St., Los Angeles, today filed a registration statement (File 2-17024) with the SEC seeking registration of \$25,000,000 of Sinking Fund Debentures, Series A due 1980, to be offered for public sale at competitive bidding. Net proceeds of the debenture sale will be used, to the extent required to repay in full the company's short term indebtedness to its parent, Pacific Lighting Corporation, expected to approximate \$19,500,000 at the time such proceeds are received. This indebtedness represents advances by the parent to provide temporary funds for the company's construction program. The balance of the proceeds will be applied to the construction program and/or to reimburse the company for expenditures from income or treasury funds for such purposes. The company's construction expenditures are estimated at \$28,555,000 for 1960 and 1961. The prospectus states that expenditures during the first half of 1960 approximated \$16,536,000 of the \$19,971,000 budgeted for the entire year 1960.