

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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SEC

(Issue No. 67-224)

FOR RELEASE November 21, 1967

SEC ORDER CITES AMALGAMATED INVESTMENT. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Amalgamated Investment, Inc., of Honolulu, Hawaii. Also named as a respondent is Thomas K. Suzuki, Amalgamated's president.

The proceedings are based upon staff charges that Amalgamated and Suzuki engaged in activities violative of provisions of the Federal securities laws, including the sale of stock of Monarch Enterprises, Inc., and Monarch Travel Service, Inc., and inducing customers to sell certain investment company shares by means of the alleged misrepresentation or omission of material facts in violation of the anti-fraud provisions of those laws.

A hearing will be scheduled by further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true and, if so, whether any action of a remedial nature is necessary or appropriate in the public interest.

SEC TO PARTICIPATE IN CHAPTER X CASE. The SEC, on invitation of Judge Albert C. Wollenberg of the U. S. District Court in San Francisco, has filed notice of appearance in Chapter X proceedings for the reorganization of Eichler Corporation. The court named Stuart M. Kaplan as trustee. Eichler was incorporated in the State of California in 1951 and, with its affiliated and subsidiary companies, has been engaged in the acquisition of land and the construction, operation and sale of residential buildings in California. The most recent unaudited schedules of assets and liabilities, filed in the Chapter XI proceeding in February 1967, show total assets of approximately \$33.2 million, principally reflecting holdings in improved and unimproved real estate. Liabilities totaled approximately \$27 million, including secured claims of \$23 million and \$1.2 million of publicly-held 6-1/2% subordinated income debentures which are traded over-the-counter. Eichler has issued and outstanding in excess of 400,000 shares of common stock, about 35% of which is held by the public. The stock was listed and traded on the Pacific Coast Stock Exchange until its delisting on October 13, 1967.

KENDALL INDUSTRIES FILES UNDER CHAPTER X. The SEC has filed a notice of appearance in Chapter X proceedings for the reorganization of Kendall Industries, Inc., pending in the Federal court in Los Angeles, Calif. The court approved the amended petition and appointed A. J. Bumb as Trustee.

Kendall, incorporated in California in 1952, originally was engaged in the manufacture of aluminum doors and windows, but ceased this activity in 1964. Since that time it has engaged in the machining of heavy components used in the space and defense industries. It has no proprietary products. On the date of the filing of a prior Chapter XI petition the debtor's liabilities aggregated \$1,397,000, with assets as of the same date totalling \$1,014,000. Kendall has issued and outstanding approximately 320,000 common shares held by approximately 600 persons.

INVESTORS SECURITIES, OTHERS, ENJOINED. The SEC Chicago Regional Office announced November 8 (LR-3860) the entry of a Federal court judgment in St. Louis, Mo., permanently enjoining Investors Securities Associates, Inc., a registered broker-dealer of Poplar Bluff, Mo., from violations of the broker-dealer registration, anti-manipulative, anti-fraud and other provisions of the Securities Exchange Act, and Judson L. Stokely, Warren O. McIntyre and Robert E. Singleton from conspiracy to violate such acts and practices; and further enjoining Growth of America Investment Company, Investors Securities, Judson L. Stokely, Robert E. Singleton from violations of Section 17(a)(2) of the Securities Act. The defendants consented to the entry of the decree.

SEC COMPLAINT NAMES CONTINENTAL TOBACCO CO., OTHERS. The SEC Atlanta Regional Office announced November 9 (LR-3861) the filing of a complaint in the Federal court in Miami, Fla. seeking to enjoin Continental Tobacco Co. of South Carolina, James K. Sorenson and Heinrich Lorin, of Columbia, S. C., Kenneth V. Daves of Fort Lauderdale, Fla., and Richard L. Hoffman, of Boca Raton, Fla., from violations of the registration provisions of the Securities Act in the offer and sale of debenture bonds, warrants to purchase common stock and common stock of Continental Tobacco Co. of South Carolina, Inc.

FIWEKA, S.A. ENJOINED. The SEC New York Regional Office announced November 13 (LR-3862) the entry of the Federal court judgment in New York City permanently enjoining Fiweka, S.A., Geneva, Switzerland, from violations of the registration provisions of the Securities Act in the offer, sale, or delivery after sale of the common stock of General Electronics, Inc.

EDWARD DOSEK SENTENCED. The SEC Denver Regional Office announced November 14 (LR-3863) that the Federal court in Lincoln, Nebr., had sentenced Edward A. Dosek of Lincoln, to a three year prison term and five years of probation, after a jury had found him guilty on nine counts of violating the anti-fraud provisions of the Securities Act of 1933 and the mail fraud statute in the offer and sale of securities/Investors, Inc.

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SEC ENJOINS LAWRENCE EDWARD TEDDER, OTHERS. The SEC Fort Worth Regional Office announced November 17 (LR-3864) the entry of a Federal court judgment in Little Rock, Ark., permanently enjoining Lawrence Edward Tedder, James A. Niven, Hallmark, Inc., Doland Melvin Fitzgerald, William Darrell Lainhart, Edward Andrew Hoggard, Joseph Franklin DeSalvo, D. Dale Helton and the Vi-King Corporation, all of Little Rock, from violations of the anti-fraud provisions of the Securities Act in the offer and sale of the common stock of Vi-King Corporation. All individual defendants are formerly officers or employees of Vi-King Corporation. The defendants, without admitting or denying the allegations in the complaint, consented to the entry of the decree.

CODITRON CORP. TRADING BAN CONTINUED. The SEC has issued an order suspending over-the-counter trading in securities of Coditron Corp., for the further ten-day period, November 22 through December 1, 1967, inclusive.

UNLISTED TRADING APPROVED. The SEC has issued an order under the Securities Exchange Act (Release 34-8193) granting an application of the New York Stock Exchange to strike from listing and registration the common stock of Telautograph Corporation, effective at the opening of business on November 21, 1967. The application states that net tangible assets of the company were less than \$5,000,000 and that net earnings averaged less than \$400,000 in each of the last three fiscal years.

UNLISTED TRADING APPROVED. The SEC has issued an order under the Securities Exchange Act (Release 34-8193) granting applications of the Boston, Detroit and Midwest Stock Exchanges for unlisted trading privileges in the common stocks of Delta Airlines, Inc. (Delaware) and Gulf & Western Industries, Inc. (Delaware), as well as the applications of Boston and Detroit Exchanges for such privilege in the common stock of Foremost-McKesson, Inc.

GILLETTE INTERNATIONAL EXEMPTED. The SEC has issued an order under the Investment Company Act (Release IC-5170) granting an application of Gillette International Capital Corporation, of Boston, for exemption from all provisions of the Act. International was organized by The Gillette Company to aid in financing the expansion of its business abroad.

AETNA LIFE SEEKS ORDER. Aetna Life Insurance Company ("Aetna Life") and The Aetna Casualty and Surety Company ("Aetna Casualty"), both affiliated persons of Insurance Securities Trust Fund ("ISTF"), a registered open-end diversified investment company, together with Aetna Life and Casualty Company ("Aetna Life and Casualty"), an affiliated person of Aetna Life, have filed a joint application for an order exempting the issuance by Aetna Life and Casualty of shares of its capital stock to ISTF in exchange for the shares of capital stock of Aetna Life held by ISTF, as part of a plan of exchange pursuant to which it is proposed that Aetna Life and Casualty will issue its capital shares in exchange for the outstanding capital shares of Aetna Life, on a share-for-share basis, including the beneficial interest in the capital shares of Aetna Casualty represented thereby. The Commission has issued an order (Release IC-5168) giving interested persons until December 7 to request a hearing thereon.

Recently organized by Aetna Life, Aetna Life and Casualty has authorized 26,000,000 capital shares, none of which is issued and outstanding. ISTF owns 1,828,022 shares, or 7.28%, of the 25,106,184 outstanding capital shares of Aetna Life. By such ownership, ISTF has a beneficial interest of 7.28% of the outstanding shares of Aetna Casualty, all of the outstanding shares of which are held in trust for the benefit of the shareholders of Aetna Life. ISTF will be treated under the plan of exchange on the same basis as all other shareholders of Aetna Life, being entitled to receive one capital share of Aetna Life and Casualty for each share of Aetna Life now held by it. Upon completion of the plan of exchange, the trust which holds the shares of Aetna Casualty will be terminated and such shares will be distributed to Aetna Life and Casualty, which will then own all of the stock of Aetna Casualty and all of the stock of Aetna Life.

Aetna Casualty owns 19,994 shares of the 20,000 outstanding shares of capital stock of The Standard Fire and Insurance Company ("Standard"), a Connecticut fire and casualty company. Under a separate plan of exchange, it is proposed that Aetna Life and Casualty issue 31 of its shares for each share of Standard stock or a total of 620,000 Aetna Life and Casualty shares, all of which would be issued to Aetna Casualty, except 186 shares which would be issued to the holder of the six outstanding minority shares of Standard. Subsequently, as promptly as tax and other considerations permit, all Aetna Life and Casualty shares received by Aetna Casualty will be distributed by it to Aetna Life and Casualty as dividends on Aetna Casualty's own shares. Upon effectuation of the plans of exchange, Aetna Life, Aetna Casualty and Standard will become wholly-owned subsidiaries of Aetna Life and Casualty and will continue to carry on their insurance business as at present. The new corporate structure will permit more flexible arrangements for managing the assets and investments of such subsidiaries.

CONNECTICUT GENERAL LIFE SEEKS ORDER. Connecticut General Life Insurance Company ("CG Life") and Aetna Insurance Company ("Aetna Insurance"), both affiliated persons of Insurance Securities Trust Fund ("ISTF"), a registered open-end diversified investment company, together with Connecticut General Insurance Corporation ("CGIC"), an affiliated person of CG Life, have filed a joint application for an order exempting the issuance by CGIC of shares of its capital stock to ISTF in exchange for the share of capital stock of CG Life held by ISTF (including the beneficial interest in shares of capital stock of Aetna Insurance represented thereby). The Commission has issued an order (Release IC-5169) giving interested persons until December 7 to request a hearing thereon.

CGIC has outstanding 400 capital shares, all of which are owned by CG Life except for directors' qualifying shares. ISTF owns 316,825 shares, or 5.3%, of the 5,978,322 outstanding capital shares of CG Life. Aetna Insurance has outstanding 1,000,000 capital shares of which 986,035 are held in trust for the benefit of the shareholders of CG Life, 7,387 are owned by CG Life, and the remaining 6,578 are owned by 138 other shareholders. It is proposed, pursuant to a plan of exchange, that CGIC will issue two capital shares for each

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outstanding capital share of CG Life, including the beneficial interest in the capital shares of Aetna Insurance represented thereby, and that CGIC will issue 2-1/4 capital shares for each of the capital shares of Aetna Insurance which are not held in the trust. In connection with the plan of exchange, it is proposed that the shares of Aetna Insurance held in the trust will be distributed to CGIC and the trust terminated. Upon completion of the plan of exchange, CG Life and Aetna Insurance will become wholly owned subsidiaries of CGIC and will continue to conduct their business as now conducted. The new corporate structure will permit greater flexibility in the operations and financing of the companies.

SOUTHWESTERN ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15900) authorizing Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to issue and sell, at competitive bidding, \$20,000,000 of first mortgage bonds, due 1997. Net proceeds from the sale of the bonds will be used to finance the construction program of Southwestern and its subsidiaries (including repayment of \$5,200,000 of short-term bank loans incurred therefor). Construction expenditures for the fourth quarter of 1967 and for 1968 are presently estimated at \$4,891,000 and \$23,737,700, respectively.

MISSISSIPPI P&L RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15902) authorizing Mississippi Power & Light Company ("MP&L"), Jackson subsidiary of Middle South Utilities, Inc., to transfer the sum of \$3,100,000 from earned surplus to its common stock capital account, being the equivalent of \$1.00 for each of the shares of common stock now outstanding. MP&L's common stock capital thus would be increased from \$55,800,000 to \$58,900,000 and its earned surplus would be reduced from \$12,586,947 to \$9,486,947. The transaction is proposed for the principal purpose of effectuating a permanent capitalization of a portion of the company's earned surplus.

EASTERN UTILITIES SEEKS ORDER. Blackstone Valley Electric Company, Brockton Edison Company, and Montaup Electric Company, subsidiaries of Eastern Utilities Associates ("EUA"), Boston holding company, have joined with the parent in an application to the SEC for an order under the Holding Company Act authorizing the subsidiaries to sell to banks (and/or, in the case of Blackstone, to EUA) an aggregate of \$12,800,000 of additional promissory notes during the period ending December 20, 1968. The Commission has issued an order (Release 35-15903) giving interested persons until December 15 to request a hearing thereon. According to the application, Blackstone proposes to borrow \$2,900,000, Brockton, \$5,500,000, and Montaup, \$4,400,000. The proceeds from the sale of the proposed notes will be used in part to pay outstanding notes, and the balance to finance construction expenditures. Aggregate construction expenditures in 1968 for these companies are estimated at \$7,200,000.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

TBS Computer Centers Corporation, New York 10036 (File 2-27701) - 70,000 shares

Masonite Corporation, Chicago, Ill. 60606 (File 2-27702) - 96,500 shares

Diamond Alkali Company, Cleveland, Ohio 44115 (File 2-27714) - 62,325 cumulative convertible preferred stock--Series D and 121,533 common shares

The Perkin-Elmer Corporation, Norwalk, Conn. (File 2-27715) - 150,000 common shares

Genesco Inc., Nashville, Tenn. 37202 (File 2-27718) -

(1) 500,000 shares of subordinated convertible preferred stock issuable pursuant to the company's employees incentive Plan A

(2) 150,000 shares of subordinated convertible preferred stock issuable pursuant to the company's employees' incentive Plan B

American Financial Corporation, Cincinnati, Ohio 45212 (File 2-27720) - 176,542-2/3 common shares

ADRS FOR KONINKLIJKE ZOUT-ORGANON N.V. FILED. Morgan Guaranty Trust Company of New York filed a registration statement (File 2-27703) with the SEC on November 16 seeking registration of 100,000 American Depositary Receipts (\$500,000) for Ordinary Bearer Shares of Koninklijke Zout-Organon N.V.

ADRS FOR ENGLISH ELECTRIC CO. FILED. Morgan Guaranty Trust Company of New York filed a registration statement (File 2-27704) with the SEC on November 16 seeking registration of 100,000 American Depositary Receipts (\$500,000) for Ordinary Registered Shares of The English Electric Company, Limited.

PERIOD FOR RULE COMMENTS EXTENDED. The SEC has authorized an extension to January 2, 1968 of the due date for comments upon its proposal for the revision of Rule 17d-1 under the Investment Company Act of 1940. The proposal was published on October 13, 1967, in Investment Company Act Release No. 5128.

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's "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 November 2 News Digest.

Inv Unlimited Inc Oct 67 (3,13)	0-2202-2	Life Securities of Iowa Inc Oct 67	
Jamesbury Corp Oct 67 (11,13)	0-1813-2	(2,3,11,13)	0-1203-2
Jervis Corp Oct 67 (12,13)	1-5073-2	Liggett & Myers Tobacco Co Oct 67 (8)	1-535-2
Kaiser Ind Corp Oct 67 (2,3,13)	1-3340-2	Livingston Oil Co Oct 67 (2,4,11,13)	1-4539-2
Kern County Land Co Aug thru Oct 67		Loft Candy Corp Oct 67 (11)	0-1943-2
(2,3,8,12,13)	1-3463-2	Lortogs Inc Oct 67 (12,13)	0-1703-2
Lake Central Airlines Inc Oct 67 (3,12)	0-2147-2	Magnasync/Moviola Corp Oct 67 (11,13)	0-2903-2

Malone & Hyde Inc Oct 67 (11)	0-1881-2	Denver & Rio Grande Western RR Co	
Manpower Inc Oct 67 (11,13)	1-5395-2	Oct 67 (9)	1-1129-2
Marley Co Oct 67 (7,10)	1-5335-2	Disc Inc Oct 67 (12,13)	0-1466-2
Sola Basic Ind Inc Oct 67 (7)	1-343-2	Eastern Air Lines Inc Oct 67 (7)	1-3049-2
Solitron Devices Inc Oct 67 (7,8,13)	1-4978-2	The Educator & Executive Co Oct 67 (13)	0-1161-2
Sparton Corp Oct 67 (11,13)	1-1000-2	Emery Ind Inc Oct 67 (7)	1-5293-2
Sprague Elec Co Oct 67 (7,13)	1-5301-2	Food Corp of Amer Inc Oct 67 (11)	0-1890-2
Standard Brands Inc Oct 67 (8)	1-1186-2	Foster Wheeler Corp Oct 67 (3,11,12,13)	1-286-2
Standard Prudential United Corp Oct 67 (2,13)	1-5273-2	Gains Guaranty Corp Oct 67 (12,13)	0-938-2
Stanrock Uranium Mines Ltd Oct 67 (2)	1-4036-2	Wm Gluckin Co Ltd Oct 67 (6K)	1-4699-2
J P Stevens & Co Inc Oct 67 (4,7,8,13)	1-3434-2	Gould-National Batteries Inc Oct 67 (13)	1-3278-2
Stone Container Corp Oct 67 (11,13)	1-3439-2	Great Northern Management Co Inc Oct 67 (2,7,13)	0-2717-2
Supermarkets General Corp Oct 67 (4,13)	1-5287-2	E F Hauserman Co Oct 67 (11)	0-1897-2
Superscope Inc Oct 67 (12)	1-5307-2	Hercules Galion Prods Inc Oct 67 (4,7,9,13)	1-3593-2
Texas Gas Transmission Corp Oct 67 (12)	1-4169-2	Homestake Mining Co Oct 67 (12,13)	1-1235-2
Texize Chemicals Inc Oct 67 (2,13)	0-173-2	Honda Giken Kogyo Kabushiki Kaisha Oct 67 (6K)	2-20888-2
Treasure State Ind Inc Oct 67 (12)	0-2054-2	Howell Internatl Inc Oct 67 (12)	1-3450-2
Twenty Grand Marine Service Inc Oct 67 (11,13)	0-2260-2	Inv Funding Corp of N Y Oct 67 (7,12)	1-4600-2
Unilever Ltd Nov 67 (6K)	1-4546-2	Iroquois Ind Inc Oct 67 (2,3,12,13)	1-5387-2
Unilever N V Nov 67 (6K)	1-4547-2	Josten's Inc Oct 67 (11,13)	1-5064-2
Vulcan Materials Co Oct 67 (7,8)	1-4033-2	Kalvar Corp Oct 67 (7,8,13)	0-2166-2
Wallace-Murray Corp Oct 67 (7,8,13)	1-1095-2	Koppers Co Inc Oct 67 (8)	1-3224-2
Warner Bros Co Oct 67 (7,13)	1-4715-2	Laguana Niguel Corp Oct 67 (6)	1-4871-2
Weil-McLain Co Oct 67 (7)	1-5484-2	Lawn-A-Mat Chemical & Equipment Corp Oct 67 (11)	1-5360-2
Western Air Lines Inc Oct 67 (9,12,13)	1-1521-2	The Longchamps Corp Oct 67 (1,9)	2-24472-2
Western Oil Fields Inc Sept 67 (13)	0-715-2	Mangood Corp Oct 67 (8)	0-791-2
Oct 67 (3,13)	0-715-2	Microwave Assoc Inc Feb 67 (12,13)	1-4236-2
Wheeling Steel Corp Oct 67 (6,12)	1-2394-2	Aug 67 (7,12,13)	1-4236-2
Williams and Co Inc Oct 67 (12,13)	1-4842-2	Sept 67 (12,13)	1-4236-2
Wilson & Co Inc Jul 67 (7)	1-5433-2	Oct 67 (12,13)	1-4236-2
Wilson Pharmaceutical & Chemical Corp Aug 67 (7)	1-5444-2	Morse Shoe Inc Oct 67 (7)	1-4983-2
Wilson Sporting Goods Co Aug 67 (7)	1-5435-2	Morton's Shoe Stores Inc Oct 67 (11,13)	0-2283-2
Winchell Donut House Inc Oct 67 (11,13)	0-1788-2	Moviematic Ind Corp Aug 67 (1,7,13)	1-1739-2
Winslow Tele-Tronics Inc Oct 67 (7,8)	0-2483-2	Narda Microwave Corp Oct 67 (11)	1-5350-2
Wrather Corp Oct 67 (7,13)	0-988-2	Natl Co Inc Oct 67 (7)	1-4369-2
Yard-Man Inc Oct 67 (3)	0-1884-2	New England Tel & Tel Co Oct 67 (7,13)	1-1150-2
Raymond Corp'		Northwest Plastics Inc Oct 67 (11,12)	0-2458-2
Amend #1 to 8K for Aug 67 (4,7)	0-2129-2	Ozark Air Lines Inc Oct 67 (7,13)	1-5362-2
Valley Metallurgical Processing Co Inc Amend #1 to 8K for Oct 67 (3)	1-5133-2	Chas Pfizer & Co Inc Oct 67 (3)	1-3619-2
Alloys Unlimited Inc Oct 67 (2,7,13)	1-4479-2	Pilot Radio-Television Corp Oct 67 (12)	1-4336-2
Amer Enka Corp Oct 67 (3)	1-3901-2	Pittsburgh & West Virginia RR Oct 67 (2,7,13)	1-5447-2
Amer Hoist & Derrick Co Oct 67 (7)	1-5027-2	Planning Research Corp Oct 67 (2,7,11,12,13)	1-4941-2
H C Bohack Co Inc Oct 67 (6)	1-5304-2	Quebec Natural Gas Corp Oct 67 (1,11,13)	1-13160-2
Caribbean Cement Co Ltd Oct 67 (6K)	2-19155-2	Raymond Internatl Inc Oct 67 (12,13)	1-4314-2
Cavitron Corp Sept 67 (8,10)	0-2022-2	Raytheon Co Oct 67 (12)	1-2833-2
Central Louisiana Elec Co Inc Oct 67 (7,11,13)	0-1272-2	Reeves Ind Inc Oct 67 (1,12,13)	1-4184-2
Central Telephone Co Oct 67 (7,13)	0-751-2	L L Ridgway Enterprises Inc Oct 67 (12,13)	0-1869-2
Central Telephone Co of Illinois Oct 67 (7,13)	0-750-2	Saturn Ind Inc Sept 67 (2,7,13)	1-5409-2
Century Geophysical Corp Oct 67 (11,12)	1-4520-2	Savannah Sugar Refining Corp Oct 67 (8)	0-922-2
Condec Corp Oct 67 (3)	1-3899-2		

SECURITIES ACT REGISTRATIONS. Effective November 20:

Allied Control Co., Inc., 2-27104 (40 days); Atlanta Gas Light Co., 2-27520; Combanks Corp., 2-27303 (90 days); Pyramid Ranch Co., 2-25098 (90 days); The Roman Co., 2-26996 (Feb 20); Southwestern Electric Power Co., 2-27632; Special Studies, Inc., 2-27243 (90 days); St. Joseph Light & Power Co., 2-27548 (40 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.