

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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COMMISSION ANNOUNCEMENT

NYSE PUBLIC OWNERSHIP. The SEC made public on March 26 a letter to the New York Stock Exchange concerning the NYSE proposal relating to public ownership of its member organizations. The letter restricts its comments to those aspects of the rule proposals which concern the requirement that the primary purpose of a member organization and its parent be the transacting of business as a broker or dealer in securities and with member organization's trading in their own securities and those of affiliate corporations. For details, see Release 34-8849.

HOLDING COMPANY ACT RELEASE

DELMARVA POWER & LIGHT SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16664) giving interested persons until April 16 to request a hearing upon an application of Delmarva Power & Light Company of Maryland ("Delmarva, Maryland"), subsidiary of Delmarva Power & Light Company, Wilmington, Del., to issue and sell from time to time prior to December 31, 1972, up to \$14,250,000 of promissory notes, due October 1, 1973, and to sell 142,500 shares of common stock (\$100 par) for \$14,250,000 to its parent. Delmarva, Maryland will use the proceeds of its financing to provide funds for construction purposes. Construction expenditures are estimated at \$15,841,719 for 1970, \$22,520,618 for 1971 and \$8,174,000 for 1972.

COURT ENFORCEMENT ACTIONS

DAWN VALLEY (MINN.) ENJOINED. The SEC Chicago Regional Office announced March 23 (LR-4565) that the Federal court in Chicago had preliminarily enjoined Dawn Valley of Mankato, Minn., Inc., and Ralph E. Ernstsen from violating the registration and anti-fraud provisions of the Federal securities laws in the sale of securities. Previously, Lamoine Urschel and Organized Investment Services Corporation of Oak Park., Ill., had been similarly enjoined (on their consent, but without admitting the violations).

ULTRA JET INDUSTRIES ENJOINED. The SEC Fort Worth Regional Office announced March 24 (LR-4566) that the Federal court in Dallas had issued an order preliminarily enjoining violations of the Securities Act registration and anti-fraud provisions by Ultra Jet Industries, Inc., Dwight Elwin Parks, Vernon D. Scott and David C. McCord, in the offer and sale of Ultra Jet stock. The defendants consented to the injunction without admitting or denying the violations.

MALLORY INDUSTRIES ENJOINED. The SEC Denver Regional Office announced March 24 (LR-4567) that the Federal court in Salt Lake City had permanently enjoined Mallory Industries, Inc., from violations of the Securities Act registration provisions in the offer and sale of stock of Texas Uranium Corp. The defendant consented to the injunction without admitting the violations.

SECURITIES ACT REGISTRATIONS

CANAVERAL INTERNATIONAL FILES FOR SECONDARY. Canaveral International Corp., 7100 Biscayne Blvd., Miami, Fla., filed a registration statement (File 2-36674) with the SEC on March 20 seeking registration of 307,678 outstanding shares of common stock. The holders thereof propose to offer the shares for sale from time to time, at prices current at the time of sale (\$8 per share maximum*).

The company conducts operations through subsidiaries in the mobile home, real estate development, shipping and air condition businesses. In addition to indebtedness, it has outstanding 2,041,001 common shares, of which management officials own 38.7%. Daniel S. Dubbin (president) and Gladys Dubbin propose to sell 40,000 of 365,830 shares held and Henry Dubbin (board chairman) and Dorothy Dubbin 40,000 of 357,696; numerous others will sell the balance of the shares being registered. The selling stockholders own an aggregate of 986,937 shares.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered under and pursuant to employee stock plans:

Ingersoll-Rand Company, New York 10004 (File 2-36672) - 400,000 shares

Lone Star Gas Company, Dallas, Tex. 75201 (File 2-36678) - \$1,252,000 of interests in the Employee Stock Purchase Plan

Cogar Corporation, Herkimer, N. Y. 13350 (File 2-36679) - 26,000 shares

OVER

MUTUAL BENEFIT FUND PROPOSES OFFERING. Mutual Benefit Fund, 520 Broad St., Newark, N. J. 07101, filed a registration statement (File 2-36663) with the SEC on March 20 seeking registration of 5,000,000 shares of Class A voting common stock, to be offered for sale to persons covered under variable annuity contracts offered by The Mutual Benefit Life Insurance Company ("Insurance Company") or under tax-qualified corporate and self-employed pension and profit-sharing plans or trusts. During the "Initial Charter Period," the offering price is equal to the net asset value per share (\$10 per share maximum*) with no sales charge. After that date, the offering price will be equal to the net asset value plus a sales charge of 8.5% of the offering price or 9.29% of the amount invested on purchases of less than \$25,000. The Fund was organized as a mutual fund whose primary investment objective is long-term appreciation of capital. Mutual Benefit Finance Services Company, a wholly-owned subsidiary of Insurance Company, is investment adviser and distributor of Fund shares. John J. Magovern, Jr., is president of the Fund and of Insurance Company.

MUTUAL BENEFIT VARIABLE ACCOUNT PROPOSES OFFERING. Mutual Benefit Variable Contract Account 2 ("Account 2"), 520 Broad St., Newark, N. J. 07101, filed a registration statement (File 2-36664) with the SEC on March 20 seeking registration of \$20,000,000 of units of interest under variable annuity contracts. Account 2 was organized as a separate account of The Mutual Benefit Life Insurance Company ("Insurance Company") to provide an investment medium for certain variable annuity contracts issued by Insurance Company. The contracts are designed to provide for retirement payments and other benefits for employees and self-employed persons covered under plans qualified for Federal income tax advantages under Section 401 or 403 of the Internal Revenue Code. W. Paul Stillman is board chairman and John Magovern, Jr., president of Insurance Company.

BANTA CO. FILES FOR SECONDARY. George Banta Company, Inc., Curtis Reed Plaza, Menasha, Wis. 54952, filed a registration statement (File 2-36665) with the SEC on March 20 seeking registration of 450,000 shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Robert W. Baird & Co., Inc., 731 N. Water St., Milwaukee, Wis. 53201. The offering price (\$16 per share maximum*) and underwriting terms are to be supplied by amendment.

The company specializes in the printing of educational materials including workbooks, testing materials and other paperbound books, periodicals and journals, and clothbound books. In addition to indebtedness, it has outstanding 1,541,356 common shares, of which George Banta, Jr., board chairman, owns 63.7%, George Banta III, president, 9.1% and Margaret B. Humleker 8.9%. George Banta, Jr., proposes to sell 350,000 shares of 982,407 shares held, and George Banta III and Margaret Humleker 50,000 each of 139,726 and 137,094 held, respectively.

MHR GROUP PROPOSES OFFERING. The MHR Group, Incorporated, 1220 Biscayne Blvd., Miami, Fla. 33132, filed a registration statement (File 2-36666) with the SEC on March 20 seeking registration of 50,000 shares of common stock and 50,000 common stock purchase warrants, to be offered for public sale in units, each consisting of one share and one warrant, and at \$6 per unit. The offering is to be made on a "best efforts" basis through Davis Securities Co., Inc., 50 Broadway, New York, which will receive a 60¢ per unit selling commission plus up to \$10,000 for expenses. The company has agreed to sell the underwriter, at 1¢ per warrant, five-year warrants to purchase up to 5,000 shares, exercisable initially (after 13 months) at from \$6.42 to \$7.68 per share.

Organized in August 1969, the company through subsidiaries plans to provide a broad range of financial and investment banking services, including the underwriting of public offerings of other corporations, the establishment of a brokerage house to engage in the securities business, the arranging of mergers, acquisitions and private financings, and the furnishing of investment and financial advice in general. Net proceeds of its stock sale will be added to the company's general funds and used for general corporate purposes. The company has outstanding 503,300 common shares (with a 13¢ per share net tangible book value), of which Mitchell Rubinson, board chairman and president, and Harvey Rosen, vice president, own 39.7% each. Purchasers of the shares being registered will acquire a 9% stock interest in the company for their investment of \$300,000 (they will sustain an immediate dilution of \$5.47 in per share book value from the offering price); present shareholders will then own 91%, for which they will have paid \$77,053.

GEN. TELEPHONE (WIS) TO SELL BONDS. General Telephone Company of Wisconsin, 18 S. Thornton Ave., Madison, Wisc. 53701, filed a registration statement (File 2-36667) with the SEC on March 20 seeking registration of \$14,000,000 of first mortgage bonds, due 2000, to be offered for public sale through underwriters headed by Paine, Webber, Jackson & Curtis, 140 Broadway, and Stone & Webster Securities Corp., 90 Broad St., both of New York; the interest rate, offering price and underwriting terms are to be supplied by amendment.

A telephone utility subsidiary of General Telephone & Electronics Corp., the company will apply the net proceeds of its bond sale together with the proceeds of the contemplated sale of 250,000 common shares to the parent at \$100 per share, toward the payment of short term loans owing to banks and the parent and commercial paper (estimated not to aggregate more than \$50,000,000 at the time of such application), obtained for the purpose of financing the company's construction program. Construction expenditures are estimated at \$41,400,000 for 1970. H. W. Frahm is president.

BANKERS UTILITIES FILES FOR SECONDARY. Bankers Utilities Corporation, 4970 S. Archer Ave., Chicago, Ill. 60632, filed a registration statement (File 2-36668) with the SEC on March 20 seeking registration of 150,000 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., 1 Wall St., New York, and Woolard & Co., Inc., 135 S. LaSalle St., Chicago, Ill.; the offering price (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company through subsidiaries is engaged in providing specialized courier services (its principal subsidiaries are Bankers Dispatch Corporation and B.D.C. Ltd.); in addition, it has interests in two commercial banks. Of its 1,187,004 outstanding common shares, Jerry Stergios, president, and board chairman, owns 593,598 (50%) and proposes to sell 120,000 shares. Trusts created for the benefit of his children propose to sell 30,000 of 34,749 shares held.

INT. LEISURE ENTERPRISES TO SELL STOCK. International Leisure Enterprises, Inc., 16 East 52d St., New York 10022, filed a registration statement (File 2-36669) with the SEC on March 20 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through Kelly, Andrews & Bradley, Inc., of 111 John St., New York 10007, which will receive a 50¢ per share commission plus \$15,000 for expenses. The underwriter also will be entitled to purchase, for \$100, five-year warrants for the purchase of 10,000 shares, exercisable after one year at \$5.50 per share.

The company was organized in April 1969. It operates in four areas: sports programs for individuals, sports programs for corporations, European sports camps for teenagers and a travel agency business. The net proceeds of its stock sale will be used for various corporate purposes, including promotion and development. The company has outstanding 172,598 common shares (with a 41¢ per share book value), of which Edward Singer, president, owns 34.8% and management officials as a group 82.5%. Purchasers of the shares being registered will sustain an immediate dilution of \$3.30 in per share book value from the offering price.

PAMIDA FILES FOR OFFERING AND SECONDARY. Pamida, Inc., 8800 "F" St., Omaha, Nebr. 68127, filed a registration statement (File 2-36670) with the SEC on March 20 seeking registration of 400,000 shares of common stock, of which 90,000 are to be offered for public sale by the company and 310,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by White, Weld & Co., 20 Broad St., New York, and First Mid America Corp., 1001 O Street, Lincoln, Nebr.; the offering price (\$40 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the operation of 95 "Gibson Discount Centers" in ten mid-western states. The net proceeds of its sale of additional stock will be used in part to retire about \$1,000,000 of short-term bank loans; the balance will be used for expansion. In addition to indebtedness the company has outstanding 2,018,380 common shares, of which D. J. Witherspoon, president and board chairman, owns 1,326,109 (65.7%) and proposes to sell 289,000. Two others propose to sell the remaining 21,000 shares being registered.

PENNA. NATIONAL LIFE TO SELL STOCK. Pennsylvania National Life Insurance Company, Harrisburg, Pa. 17105, filed a registration statement (File 2-36671) with the SEC on March 20 seeking registration of 400,000 shares of capital stock. It is proposed to offer this stock for public sale through underwriters headed by Hallowell, Sulzberger, Jenks & Co., Broad & Chestnut Sts., Philadelphia, Pa.; the offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The Hallowell firm will be entitled to \$15,000 for expenses. Also included in the statement are an additional 100,000 shares to be offered to eligible key employees pursuant to the company's qualified stock option plan.

The company is engaged in the business of writing various types of life insurance, annuities and accident and health insurance. Net proceeds of its stock sale will be used for general corporate purposes, including expansion of operations. The company has outstanding 272,382 shares, of which the Pennsylvania National Mutual Casualty Insurance Company of Harrisburg owns 40.9%. Raymond L. Shaffer is president.

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period March 28, 1970 through April 6, 1970, inclusive.

UNLISTED TRADING GRANTED. The SEC has issued an order under the Securities Exchange Act granting an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of the following companies: Data Products Corporation, Lums, Inc., Planning Research Corporation, The Telex Corporation, Tool Research & Engineering Corp. (Release 34-8851)

SECURITIES ACT REGISTRATIONS. Effective March 26: Affiliated Capital Corp., 2-34520 (Jun 24); Clean Air Controls, Inc., 2-35192 (90 days); Eisai Co., Ltd., 2-36523; Frawley Enterprises, Inc., 2-36536 (90 days); Integrated Medical Services, Ltd., 2-34988 (90 days); Law Enforcement Electronics, Inc., 2-34898 (90 days); MGF, 70, Ltd., 2-35269 (90 days); Pan Pacific Lands, Inc., 2-33908 (90 days); The Union Metal Manufacturing Co., 2-35583.

Withdrawn March 24: LTV Education Systems, Inc., 2-34895; Motivational Programmers, Inc., 2-32341; Regency Fund, Inc., 2-32059; Synetics Inc., 2-34893; Vought Aeronautics Corp., 2-34890.
Withdrawn March 25: Empress Travel Corp., 2-32347.

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.