

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 March 25, 1970

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16662) authorizing Indiana and Michigan Electric Company ("I&M"), Fort Wayne, Ind. subsidiary of American Electric Power Company, Inc., to issue and sell \$50,000,000 of first mortgage bonds, due 2000, and \$15,000,000 of first mortgage bonds, due 1975, at competitive bidding. I&M will use the net proceeds of its bond sale, together with \$30,000,000 of anticipated capital contributions from its parent, for prepayment and discharge of some \$40,000,000 of bank notes and commercial paper, for construction purposes and reimbursement of its treasury for money expended therefor, and for other corporate purposes.

MIDDLE SOUTH UTILITIES TO OFFER STOCK. Middle South Utilities, Inc., 280 Park Ave., New York 10017, has filed a proposal with the SEC under the Holding Company Act for the public offering, at competitive bidding, of 3,100,000 shares of common stock; and the Commission has issued an order (Release 35-16663) giving interested persons until April 14 to request a hearing thereon. Middle South proposes to use the proceeds of its stock sale primarily to repay bank loans of \$41,000,000 and to make investments in additional common stock of two subsidiary companies aggregating \$19,500,000.

INVESTMENT COMPANY ACT RELEASES

DUPONT - REMINGTON ARMS SEEK ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6012) giving interested persons until April 8 to request a hearing upon an application of E. I. du Pont de Nemours and Company, Wilmington, Del., and Remington Arms Company, Bridgeport, Conn., proposing an increase in the amount of loans each company may make to its employees and an increase in the total amount of such loans which each company may have outstanding. Previously, the Commission issued orders permitting du Pont and Remington, respectively, to make up to \$10,000 of loans to an individual and to have outstanding loans aggregating up to \$2,000,000 in the case of du Pont and \$100,000 in the case of Remington. The companies now request that the limitations be modified to provide that the amount of a loan to an individual at any time shall not exceed the lesser of \$25,000 or three years' gross salary of the borrowing employee and that the aggregate of such loans outstanding at any time shall not exceed \$3,000,000 in the case of du Pont or \$250,000 in the case of Remington.

DANA LABORATORIES RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6013) granting an application of Dana Laboratories, Inc., Newport Beach, Calif. registered closed-end investment company (controlled by Christiana Securities Company), with respect to the sale of shares of common stock of Dana by Dana and certain stockholders of Dana as part of a proposed public offering.

COURT ENFORCEMENT ACTION

BUCKINGHAM SECURITIES ENJOINED; RECEIVER APPOINTED. The SEC New York Regional Office announced March 19 (LR-4564) that the Federal court in New York had enjoined violations of the net capital and anti-fraud provisions of the Securities Exchange Act by Buckingham Securities, Inc., New York broker-dealer firm, and its principals, Babette Guthrie, president, Victor Heymann, former treasurer, and Charles Rainford, secretary. The court also named a receiver for the firm.

SECURITIES ACT REGISTRATIONS

KEANE ASSOCIATES FILES FOR OFFERING AND SECONDARY. Keane Associates, Inc., 36 Washington St., Wellesley Hills, Mass. 02181, filed a registration statement (File 2-36633) with the SEC on March 18 seeking registration of 175,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 75,000 (being outstanding stock) by the company's president. The offering price (\$14 per share maximum*) and underwriting terms are to be supplied by amendment.

The company provides computer oriented information systems services to a variety of commercial and industrial clients. The net proceeds of its sale of additional stock will be available for additional working capital; part thereof may be used for acquisition of other companies. The company has outstanding 1,018,940 common shares (with a 51¢ per share book value), of which the president, John F. Keane, owns 993,000 (97%). He proposes to sell 75,000 shares. Purchasers of the shares being registered will acquire a 16% stock interest in the company for their investment of \$2,450,000*; present stockholders will then own 84%, for which the company received \$45,895 (\$40,895 of which was represented by the net assets of a predecessor business).

OVER

BIGELOW STEREO TAPES TO SELL STOCK. Bigelow Stereo Tapes, Inc., 11950 12th Ave. South, Burnsville, Minn. 55378, filed a registration statement (File 2-36634) with the SEC on March 18 seeking registration of 180,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made through Charles Plohn & Co., 200 Park Ave., New York, which will receive a 40¢ per share commission. The underwriter also will receive \$14,500 for expenses as well as a three-year option to purchase 18,000 shares at 40¢ per share (which shares may not be resold for two years). A finders' fee of \$7,500 is payable to E. W. Hopp and to Salvatore De Biase, a registered representative of the underwriter.

The company is engaged in the wholesale distribution of pre-recorded stereo tapes, cartridges and cassettes; it also distributes tape players and recorders. Of the net proceeds of its stock sale, \$109,000 will be used to retire certain short-term bank notes, \$50,000 to convert certain operations into electronic data processing systems to facilitate accounting and billing, and the balance for working capital. The company has outstanding 230,000 common shares (with a book value of 20¢ per share) all owned by Donald D. Bigelow, president, and other management officials. Purchasers of the shares being registered will acquire a 44% stock interest in the company for their investment of \$720,000 (they will sustain an immediate dilution of \$2.48 in per share book value from the offering price); present shareholders will then own 56%, with a December 31 equity of \$46,575.

FOUR SEASONS INVESTORS PROPOSES OFFERING. Four Seasons Investors, One Federal St., Boston, Mass., filed a registration statement (File 2-36635) with the SEC on March 18 seeking registration of 1,500,000 shares of beneficial interest in the "Trust" and 1,500,000 warrants to purchase an additional 1,500,000 shares. It is proposed to offer these securities for public sale in units consisting of 1 share and 1 warrant, and at \$20 per unit. The offering is to be made through underwriters headed by Walston & Co., Inc., 74 Wall St., New York, which will receive a commission of \$1.80 per unit.

The Trust was recently organized and intends to qualify as a real estate investment trust under the Internal Revenue Code. It will seek to provide investors with an opportunity to invest in professionally managed, diversified real estate interests, including construction and permanent loans, as well as to acquire participations or equity interests in real estate owned by, or options to purchase securities of, borrowers which it finances, to issue "standby" commitments and to invest in junior mortgages, and to invest in permanent first mortgage loans and to purchase income-producing properties for long-term investment and to improve such properties with a view to increasing their income potential. The net proceeds of this financing will be used for these and related corporate purposes. Part of the proceeds are to be invested in first mortgage construction or permanent loans and junior mortgage permanent loans to Four Seasons Nursing, Four Seasons Equity and/or affiliated entities. Tony A. Martin is president and chairman of the board of trustees.

MONSANTO SHARES IN REGISTRATION. Monsanto Company, 800 N. Lindbergh Blvd., St. Louis, Mo. 63116, filed a registration statement (File 2-36636) with the SEC on March 18 seeking registration of 500,000 shares of common stock. These shares are issuable under the company's employee stock purchase plan.

CP FINANCIAL SHARES IN REGISTRATION. CP Financial Corp., One Belmont Ave., Bala Cynwyd, Pa. 19004, filed a registration statement (File 2-36637) with the SEC on March 18 seeking registration of 100,000 shares of common stock. These shares are to be offered to employees of the company under its Employees' Stock Purchase Plan.

INTRAVEST FILES OFFERING PROPOSAL. Intravest, Inc., 29 N. Main St., West Hartford, Conn. 06107, filed a registration statement (File 2-36638) with the SEC on March 18 seeking registration of \$5,000,000 of programs for coordinating the acquisition of mutual fund shares and life insurance, and \$1,000,000 of programs for coordinating the acquisition of mutual fund shares and accident and health insurance. Eli A. Grossman is president.

EXCHANGE BANCORPORATION FILES FOR RIGHTS OFFERING. Exchange Bancorporation, Inc., 610 Florida Ave., Tampa, Fla. 33602, filed a registration statement (File 2-36639) with the SEC on March 18 seeking registration of 409,249 shares of common stock. It is proposed to offer these shares for subscription by stockholders, at the rate of 1 share for each five shares held. The record date, subscription price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment. M. A. Schapiro & Co., Inc., 1 Chase Manhattan Plaza, New York, is listed as the principal underwriter.

The company is a registered bank holding company; it has four banking subsidiaries which are engaged in general commercial banking business in Florida. Of the net proceeds of its stock sale, \$200,000 will be used to repay outstanding loan indebtedness; the balance will be added to general funds and available for further investment in constituent banks and in any corporations which become affiliated with the company in connection with their capital expenditures and working capital requirements and for effecting additional acquisitions or organizing new banks. In addition to indebtedness, the company has outstanding 2,045,878 common shares, of which management officials own 45.09%. Fred J. Woods is board chairman and H. Prentice Browning president.

WILDER TRANSPORTATION PROPOSES OFFERING. Wilder Transportation, Inc., 259 S. Regent St., Port Chester, N. Y., filed a registration statement (File 2-36640) with the SEC on March 18 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 on a best efforts, all or none basis by Lancaster Stevens & Co., Inc., 125 Northern Blvd., Great Neck, N. Y. which will receive a selling commission of 50¢ per share plus \$12,500 for expenses. The underwriter also will be entitled to purchase, for \$10, six-year warrants for the purchase of 10,000 shares, exercisable after one year at \$5.50 per share.

The company provides scheduled limousine transportation service between eleven different cities and towns in Westchester and Rockland Counties, N. Y., and three New York City metropolitan airports. Of the net proceeds of its stock sale, \$225,000 will be used to purchase twenty-five 11 passenger Chrysler Limousines and \$130,000 to purchase two 45 passenger GM Omnibuses; the balance will be used for other and related purposes. The company has outstanding 450,000 common shares (with a 48¢ per share book value), of which Filarginio DePasquale, board chairman, owns 40% and management officials as a group 58.57%. Benton J. Resnick is president. Purchasers of the shares being registered will acquire a 22.2% stock interest for their investment of \$500,000 (they will sustain an immediate dilution of \$3.73 in per share book value from the offering price); present stockholders will then own 77.8%, for which they will have contributed equity of \$168,620.

BELDEN & BLAKE PROPOSES OFFERING. Belden & Blake and Company Limited Partnership No. 37, 702 Tuscarawas St., West, Canton, Ohio 44702, filed a registration statement (File 2-36641) with the SEC on March 17 seeking registration of \$250,000 of partnership units, to be offered for public sale in \$2,500 units. The partnership was formed to acquire oil and gas well locations together with the supporting leases and to drill oil and gas wells. Henry S. Belden III and Glenn A. Blake are general partners.

AMAREX FUNDS PROPOSES OFFERING. Amarex Funds, Inc. (the general partner), 2000 Classen Blvd., Oklahoma City, Okla. 73106, filed a registration statement (File 2-36642) with the SEC on March 18 seeking registration of \$25,000,000 of partnership interests in Amarex Drilling Fund, Ltd. (the "Program"), to be offered for public sale in \$5,000 units. No underwriting is involved; participating NASD members will receive a 7½% selling commission. The Program will turn the funds over to a series of limited partnerships which will conduct the oil and gas operations. The general partner is a wholly-owned subsidiary of Amarex, Inc. James C. Templeton is president of the general partner and chief executive officer of its parent.

KRESGE TO SELL DEBENTURES. S. S. Kresge Company, 2727 Second Ave., Detroit, Mich. 48232, filed a registration statement (File 2-36644) with the SEC on March 19 seeking registration of \$125,000,000 of debentures, due 1995, to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the retail sale of a wide range of general merchandise through the operation of a chain of promotional or discount department stores ("K mart" stores), variety stores ("Kresge" stores) and limited line small discount stores ("Jupiter" stores). Net proceeds of its debenture sale will be used to reduce short-term indebtedness, aggregating \$127,000,000 at March 16 and incurred to finance increased inventories and accounts receivable as well as developmental and reopening expenses and expenditures for improvements and fixtures resulting from store expansion and modernization programs. In addition to indebtedness, the company has outstanding 34,713,059 common shares. Harry B. Cunningham is board chairman and president.

COTTER PROPOSES FINANCING. Cotter & Company, 2740 N. Clybourn Ave., Chicago, Ill. 60614, filed a registration statement (File 2-36645) with the SEC on March 19 seeking registration of \$8,000,000 of 8½% debentures, due 1983, and 10,000 shares of Class A common stock (\$100 par). The debentures are to be offered for public sale at 100% of principal amount and the common shares in units of 10 shares at \$1,000 per unit. No underwriting is involved.

The company is a retail dealer-owned wholesaler of hardware products. Net proceeds of its financing will be used for general capital purposes, including the purchase of merchandise for resale to dealers and the maintenance of adequate stocks and inventory and to finance the construction of additional warehouse facilities. In addition to indebtedness, the company has outstanding 24,810 Class A and 82,537 Class B common shares. John M. Cotter is president.

ARKANSAS P&L TO SELL BONDS. Arkansas Power & Light Company, 9th and Louisiana Sts., Little Rock, Ark., filed a registration statement (File 2-36646) with the SEC on March 19 seeking registration of \$25,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. A utility subsidiary of Middle South Utilities, Inc., the company will use the net proceeds of its bond sale, together with \$7,000,000 from the sale of common stock to its parent, for the payment of some \$17,000,000 bank loans and commercial paper indebtedness incurred and to be incurred prior to the completion of this financing, for the company's construction program and other corporate purposes. Construction expenditures are estimated at \$74,400,000 for 1970.

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:

Footo Mineral Company, Exton, Pa. 19341 (File 2-36643) - 60,000 shares
Tasty Baking Company, Philadelphia, Pa. 19129 (File 2-36647) - 70,000 shares

MISCELLANEOUS

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 March 3 News Digest.

8K Reports for Feb '70

Allied Chemical Corp (7) 1-1269-2	Bunker Ramo Corp (7,12,13) 1-4158-2	American Cyanamid Co (3) 1-3426-2
Broadway Male Stores Inc (2,13) 1-3025-2	Butler Aviation Intl. Inc (2,12,13) 1-5658-2	
Burgess Ind., Inc Jan 1970(11,13) 0-4218-2	Comcat, Inc (7,11) 0-3592-2	
Chilton Co Dec. 1969(2,13) 0-2500-2	Commonwealth Ind., Inc (12) 1-5741-2	<u>Misc 8K Reports</u>
Intl. Systems & Controls Corp Oct. 1969(3) 0-1427-2	Uslife Holding Corp (7) 1-5683-2	CMC Finance Group Inc Sept. 1969(7) 0-865-2
American Financial Corp (4,7,12) 0-839-2	Century Convalescent Ctrs., Inc (2,7,9,13) 2-33789-2	Circuitex Inc (March 1970(12) 2-32317-2
Autocamp Inc (11) 2-31497-2	Process Plants Corp (11,13) 0-2246-2	
Bermac Corp (3,6,12,13) 1-4739-2	Phila. Electric Co (7,13) 1-1401-2	
Continental Acceptance Corp (11,13) 2-28381-2	Avien, Inc (6) 1-4190-2	<u>Amended 8K Reports</u>
Henry I Siegel Co Inc (3,4,11,12,13) 1-4885-2	Consolidated Edison Co of NY (13) 1-1217-2	U. S. Natural Resources, Inc Dec. 1969(13) 1-1537-2
Black Angus Franchise System, Inc (12,13) 2-32218-2	Southern Ry Co (7,13) 1-743-2	Teleprompter Corp July 1969(13) 1-4138-2
Public Service Co of Indiana (3,7) 1-3543-2	Boston & Maine Corp (12) 1-4964-2	Susquehanna Corp Nov. 1969(12) 1-5515-2
Specialty Rest. Corp (11,13) 1-6186-2	Bristol Myers Co (3,13) 1-1136-2	Aero-Tech, Inc Nov. 1969(13) 2-29720-2
Alexander & Alexander Co (1,2,7,13) 2-32258-2	Buttonwood Securities, Inc (8) 2-34474-2	Amarex, Inc Dec. 1969(13) 2-31307-2
C. R. Bard Inc (3,13) 1-5705-2	Calif. Medical Ctrs. (12) 0-3661-2	
Becton, Dickinson & Co (11,13) 1-4802-2	Calif. Shopping Ctrs., Inc (2,13) 2-24968-2	
Bell & Howell Co (13) 1-3246-2	Cosmopolitan Invstrs. Funding Co (3,12) 0-3638-2	
Computer Transceiver Systems, Inc (12) 0-3825-2	Crown Central Petroleum Corp (7,13) 1-1059-2	
Prudential Fds., Inc (12,13) 1-6277-2	Cunningham Drug Stores, Inc (7) 1-2314-2	
Prudent Resources Trust (7) 1-5536-2	Penta Computer Assoc., Inc (Jan/ 1970) (3,9) 2-32354-2	
Allen Organ Co (11) 0-275-2	Suave Shoe Corp (11,13) 0-4286-2	
	Signode Corp (7) 1-1282-2	

SECURITIES ACT REGISTRATIONS. Effective March 23: First of Michigan Corp., 2-36209.
Effective March 24: Aragon Fund, Inc., 2-35586; The Columbia Gas Systems, Inc., 2-36436; Compuscan, Inc., 2-35686 (90 days); Dana Laboratories, Inc., 2-35751 (90 days); Denny's Restaurants, Inc., 2-34843 (May 4); Electronic Memories & Magnetics Corp., 2-35658 (40 days); International Paper Co., 2-36407; Lee-Jeffreys, Inc., 2-33822 (90 days); Mary MacIntosh Service, Inc., 2-34662 & 2-34709 (90 days); Petro-Med, Inc., 2-35635 (90 days); Planning Research Corp., 2-35877 (40 days); Texas Gas Transmission Corp., 2-36457 (40 days); University Computing Co., 2-35414 (40 days); Western Beef Cattle Fund, Inc., 2-35325 (90 days).
Withdrawn March 23: Applied Learning Systems, Inc., 2-34445; Chem Lab Corp., 2-35214; Drapeorama, 2-34740; Greiner Scientific Corp., 2-33972; Rutherford Laboratories, Inc., 2-33722.

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.