

# 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 January 18, 1966

**MONONGAHELA POWER SEEKS ORDER.** Monongahela Power Company, an electric utility subsidiary of Allegheny Power System, Inc., has applied to the SEC for an order under the Holding Company Act authorizing it to sell at competitive bidding \$18,000,000 of its first mortgage bonds (due 1996); and the Commission has issued an order (Release 35-15384) giving interested persons until February 15 to request a hearing thereon. As reported in the SEC News Digest of January 10, the company will use the net proceeds of its bond sale to finance its 1965-1967 construction program, estimated at \$59,500,000.

**PHILLIPS PETROLEUM INTERNATIONAL RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4480) exempting the Phillips Petroleum International Investment Company, Bartlesville, Okla., from all provisions of the Act, subject to certain conditions. According to the application, Phillips International was organized by Phillips Petroleum Co. under Delaware law in December 1965 and proposes to sell \$25,000,000 principal amount of its guaranteed sinking fund debentures (due 1981) to a group of underwriters for offering outside the United States. A principal purpose for organizing Phillips International was to provide assistance in improving the balance of payments position of the United States, in compliance with the voluntary cooperation program instituted by the President in February 1965, while at the same time continuing the foreign expansion and development of operations of Phillips Petroleum and its subsidiaries and affiliates.

**MUNICIPAL INVESTMENT TRUST FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4487) granting an application of the Municipal Investment Trust Fund, Second Florida Series, New York, for exemption from the minimum net capital requirements of the Act. According to the application, the company has filed a registration statement under the Securities Act of 1933 under which there will be offered for public sale 5,000 units of undivided interest (\$5,000,000 principal amount) in a portfolio of municipal bonds.

**AMERICAN-IDEAL STANDARD INTERNATIONAL SEEKS ORDER.** American-Ideal Standard International, Inc., ("International"), New York, has applied to the SEC for an order under the Investment Company Act exempting it from all provisions of the Act; and the Commission has issued an order (Release IC-4488) giving interested persons until January 31 to request a hearing thereon. According to the application, International was recently organized under Delaware law by American Radiator & Standard Sanitary Corp. ("American-Standard") for the principal purpose of providing assistance in improving the balance of payments position of the United States, in compliance with the voluntary cooperation program instituted by the President in February 1965, while at the same time continuing the foreign expansion and development of operations of the parent company. American-Standard is engaged in the manufacture and sale of products for the housing and building industry, and for industrial use. All of the capital stock of International (1,000 shares) has been purchased for \$1,000 by American-Standard. American-Standard has informed International that in addition to such initial investment it will contribute \$3,000,000 to the capital of International and that it may thereafter make further investments therein, either in cash, in securities of American-Standard's foreign subsidiaries, or other foreign assets, in exchange for additional shares of International's capital stock or by contributions to the capital of International. Any additional securities which International may issue, other than debt securities, will be issued only to American-Standard. International intends to issue and sell an aggregate of \$15,000,000 principal amount of its guaranteed sinking fund debentures. American-Standard will guarantee the principal, premium, if any, interest and sinking fund payments on the debentures; the debentures will be sold to a group of underwriters for offering outside the United States. Any debt securities of International which may be issued to anyone other than American-Standard or its subsidiaries will be guaranteed by American-Standard in substantially the same manner as the debentures. It is intended that upon completion of the long-term investment of International's assets, substantially all of the assets of International (exclusive of United States Government securities and cash items) will be invested in or loaned to foreign companies which are primarily engaged in a business other than investing, reinvesting, owning, holding or trading in securities and which are subsidiaries or affiliates of American-Standard.

**UNLISTED TRADING GRANTED.** The SEC has issued orders under the Securities Exchange Act granting applications of (1) the Boston Stock Exchange for unlisted trading privileges in the common stock of Central Maine Power Co. and (2) the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stock of Rex Chainbelt Inc.

**FITZWILLIAM, OTHERS INDICTED.** The SEC Chicago Regional Office announced January 10 (LR-3403) the return of an indictment (USDC, Springfield, Ill.) charging Edward Fitzwilliam (Altamont, Ill.), Lawrence Block (Alton, Ill.), and Wayne Webb (Decatur, Ill.) with violations of the Securities Act anti-fraud and registration provisions in the sale of interests in Illinois oil and gas leases. The defendants were doing business as H & W Oil Co. in Decatur, Ill.

OVER

**MURPHY AND KVASNICKA CITED.** The SEC Denver Regional Office announced January 14 (LR-3404) the filing of a complaint (USDC, Denver) seeking to enjoin Eugene M. Murphy (formerly of Longmont, Colo., and now of Salt Lake City) and Virgil D. Kvasnicka (Manitou Springs, Colo.) from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of interests in oil leases located in Muskogee County, Okla. The defendants were temporarily restrained and a hearing on the Commission's motion for preliminary injunction is scheduled for January 21.

**KERR-MCGEE FILES STOCK PLANS.** Kerr-McGee Corporation, Kerr-McGee Bldg., Oklahoma City, Okla. 73102, filed a registration statement (File 2-24419) with the SEC on January 17 seeking registration of 350 participations in the Kermac Potash Company Thrift Plan and 100 participations in the Kermac Potash Company Savings Plan, together with 11,500 shares of common stock which may be acquired pursuant thereto.

**AMPAL-AMERICAN ISRAEL CORP. SEEKS ORDER.** Ampal-American Israel Corporation, New York, has applied to the SEC for an order under the Investment Company Act authorizing Ampal and Israel Development Corp., a registered, closed-end, non-diversified investment company of which Ampal is an affiliate, to make loans during Ampal's fiscal year ending January 31, 1967, to the Jewish Agency for Israel. The Commission has issued an order (Release IC-4489) giving interested persons until January 31 to request a hearing thereon. According to the application, Ampal and Israel Development will make loans to the Jewish Agency for Israel in amounts of \$5,000,000 and \$3,000,000, respectively. The Jewish Agency for Israel, which is a principal instrument for resettlement and rehabilitation of immigrants in Israel, is an eleemosynary institution. It is borrowing the amounts indicated in anticipation of future receipts from charitable contributions and similar sources.

**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 caption of the several items on the form was included in the January 3 News Digest.

Tung Sol Electric, Inc Dec. 1965 ( 8)	1-2290-2	Palomar Mortgage Co Dec. 1965 ( 1)	0-1973-2
Hein-Werner Corp Dec. 1965 ( 7)	1-2725-2	U. S. Air Conditioning Corp Dec. 1965 ( 12)	1-3461-2
Mississippi Ind, Inc Oct. 1965 ( 3,11)	0-1671-2	Monongahela Power Co Oct. 1965 ( 11,13)	1-3470-2
Federal Resources Corp Dec. 1965 ( 11)	1-5021-2	Navigation Computer Corp Dec. 1965 ( 11)	2-16601-2
Mosler Safe Co Dec. 1965 ( 13)	1-4835-2	Dragor Shipping Corp Dec. 1965 ( 6)	0-197-2
Marine Midland Corp Dec. 1965 ( 13)	1-2940-2	McCord Corp Dec. 1965 ( 7, 11,12,13)	1-1233-2
Acme Visible Records, Inc Dec. 1965 ( 11)	2-21438-2	Fafnir Bearing Co Dec. 1965 ( 7)	1-4735-2
Milgo Electronic Corp Dec. 1965 ( 11,12,13)	1-5045-2	Fotochrome Inc Dec. 1965 ( 2,12)	1-4556-2
Elox Corp Nov. 1965 ( 7,11,13)	0-1654-2	Amend #1 to 8K for Dec. 1965	1-4556-2
J. C. Penney Co Inc Dec. 1965 ( 13)	1-777-2	ABC Consolidated Corp Amend #1 to 8K for Oct. 1965 ( 7)	1-3554-2
Universal Leaf Tobacco Co Inc Dec. 1965 ( 7,12)	1-652-2	The Cosmodyne Corp Amend #1 to 8K for Aug. 1964 & Jan 1965 ( 2,7,13)	0-1246-2
Anchor Post Products Co Dec. 1965 ( 7,13)	0-754-2	Trailer Train Co Amend #1 to 8K for Oct. 1965 ( 7,13)	2-20540-2
Woodall Ind, Inc Dec. 1965 ( 11)	1-2696-2	Fair Lanes, Inc Amend #1 to 8K for Oct. 1965 ( 9,13)	0-1858-2
Berkshire Hathaway Inc Dec. 1965 ( 8,11,13)	0-853-2		

**SECURITIES ACT REGISTRATIONS.** Effective January 17: Lerner Stores Corp., 2-24283 (Apr 18).

**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.