

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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MUNICIPAL INVESTMENT TRUST FUND SEEKS ORDER. Municipal Investment Trust Fund, Second Pennsylvania Series, New York, has applied to the SEC for an exemption order under the Investment Company Act with respect to the \$100,000 minimum net capital requirement of the Act; and the Commission has issued an order (Release IC-4569) giving interested persons until May 6 to request a hearing thereon. According to the application, the fund proposes to offer for public sale 5,000 units (\$5,000,000) of undivided interest in its portfolio of municipal bonds. Applicant is one of a series of similar funds named "Municipal Investment Trust Fund" and will be governed by a Trust Agreement under which Bache & Co., Inc., Goodbody & Co., and Hornblower & Weeks-Hemphill, Noyes will act as sponsors and United States Trust Co. of New York will act as trustee.

VTR TRADING BAN CONTINUED. The SEC has issued an order suspending exchange and over-the-counter trading in securities of VTR, Inc., for a further ten-day period, April 17-26, 1966, inclusive.

SIX STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Burndy Corporation, Norwalk, Conn. (File 2-24849) (15,000 shares)
Consolidation Coal Company, Koppers Bldg., Pittsburgh, Pa. (File 2-24851) (100,000 shares)
National Gypsum Company, 325 Delaware Ave., Buffalo, N. Y. 14202 (File 2-24853) (200,000 shares)
Pittsburgh Railways Company, 717 Liberty Ave., Pittsburgh, Pa. (File 2-24845) (140,000 shares)
International Paper Company, 220 E. 42nd St., New York 10017 (File 2-24846) (38,100 shares)
Texaco Inc., 135 E. 42nd St., New York 10017 (File 2-24844) (3,806 shares)

WABASH MAGNETICS FILES FOR SECONDARY. Wabash Magnetics, Inc., First and Webster Sts., Wabash, Ind. 46992, filed a registration statement (File 2-24847) with the SEC on April 14 seeking registration of outstanding warrants (expiring in November 1967) to purchase 141,062 shares of common stock at \$4.8543, and 100,000 outstanding shares of common stock. Douglas W. Howenstine (board chairman) and Bernard F. Forrest (director) each propose to sell warrants covering 63,761 shares of common stock at a purchase price of \$6.50 per share and 50,000 common shares at \$11 per share, to a group of not more than five institutional investors through Burton, Dana & Co. The company is also registering warrants (expiring in March 1967) to purchase at \$9.7087 per share 54,500 shares of common stock. According to the prospectus, the institutions which purchase the securities from Howenstine and Forrest and the other selling security holders may from time to time make sales of all or part of the warrants owned by them or the shares of common stock issuable upon exercise thereof, which sales may be effected in the over-the-counter market at prices then obtainable (\$11 per share maximum*).

The company is engaged in manufacturing and selling epoxy encapsulated micro miniature and conventional coils for the electrical and electronic industries and manufacturing electronic equipment. In addition to indebtedness, it has outstanding 1,149,467 common shares, of which management officials own 396,048 shares, including 103,905 and 116,000 shares owned by Howenstine and Forrest, respectively. The selling security holders are offering all the warrants held by them. William F. Boyd is president.

LEASCO DATA PROCESSING PROPOSES OFFERING. Leasco Data Processing Equipment Corporation, Station Plaza East, Great Neck, N. Y. 11021, filed a registration statement (File 2-24848) with the SEC on April 13 seeking registration of 125,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill. 60603, and Goodbody & Co., 2 Broadway, New York 10004. The public offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Delaware law in June 1965, the company succeeded to the business of leasing electronic and electromechanical data processing, office and related equipment, formerly conducted by Ideal Leasing Corporation. Net proceeds of its stock sale will be added to general funds of the company as additional working capital and to permit it to take advantage of additional leasing opportunities. In addition to indebtedness and preferred stock, the company has outstanding 565,000 common shares, of which management officials own 61.50%. Saul Steinberg is president of the company and owns 20% of its outstanding common stock.

OVER

SKAGIT VALLEY TELEPHONE ENJOINED. The SEC Seattle Regional Office announced April 11 (LR-3482) the entry of a Federal court order (USDC, WD Wash.) permanently enjoining Skagit Valley Telephone Co., Mount Vernon, Wash., from further violations of the anti-fraud and registration provisions of the Federal securities laws in the purchase and sale of stock and voting trust certificates of Skagit Telephones, Inc., a holding company of Chicago, Ill., was temporarily enjoined from further violations of the anti-fraud provisions of the Securities Exchange Act in the purchase of stock and voting trust certificates of Skagit. The court ordered Telephones, Inc., to deposit \$235,980 in a fund to be distributed to former stockholders whose Skagit stock was acquired by Telephones, Inc. Telephones, Inc., also undertook to pay \$350 per share for stock which it will purchase during the 75 days following publication of the names of persons apparently entitled to Skagit shares, and to pay an additional \$50 per share to the fund if certain other Skagit shareholders are found. As a result of these and prior court orders, the fund for restitution will total \$394,465, and an additional \$53,000 may be paid pursuant to the undertaking of Telephones, Inc.

GOLDEN CIRCLE GOSPEL FOUNDATION, OTHERS ENJOINED. The SEC Fort Worth Regional Office announced April 6 (LR-3483) the entry of a Federal court order (USDC, WD Okla.) preliminary enjoining The Golden Circle Gospel Foundation, Cal-L Exploration Corp., Deering Associates Church Finance Plan, Inc., Western Fidelity Corp., Fidelity Acceptance Corp., Oklahoma Fidelity Corp., DeWitt T. Langford, Gerald T. Langford, Claybron Deering, and D. B. Hoskins from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of 7% debentures of The Golden Circle Gospel Foundation.

PURCHASE OF CONN. LIGHT & HARTFORD ELECTRIC APPROVED. The SEC today announced a decision under the Holding Company Act (Release 35-15448) authorizing Northeast Utilities (formerly Western Massachusetts Companies), of Boston, Mass., to offer its common shares in exchange for outstanding common stocks of The Connecticut Light and Power Company (CL&P) and The Hartford Electric Light Company (Hartford), through an invitation for tenders.

Under the proposal, Northeast will offer (a) two of its \$5 par value common shares, in exchange for each of the 8,931,014 outstanding shares of the no par value common stock of CL&P, and (b) 2.9 of its common shares for each of the 3,291,916 outstanding shares of the \$12.50 par value common stock of Hartford. The exchange offer will be declared effective only if the holders of at least 80% each of the outstanding shares of both CL&P and Hartford accept the Northeast offer. Thereupon, Northeast will register with the Commission as a holding company. It is now an exempt holding company, owning all the outstanding stock of Western Massachusetts Electric Company (WMEC), Huntington Electric Light Company and The Quinnetuk Company. The service areas of Northeast and the Connecticut companies are contiguous, are centered in the region along the Connecticut River Valley in Connecticut and Massachusetts, and are interconnected through existing transmission facilities. Direct connections between WMECO and Hartford and between Hartford and CL&P have existed for a number of years. WMECO, CL&P and Hartford have agreed to construct and, if the proposed exchange offer is consummated, to own as tenants in common, a nuclear electric generating plant on Long Island^{Sound} at Millstone Point, Waterford, Conn., and a pumped storage hydroelectric plant at Northfield Mountain on the east bank of the Connecticut River at Erving, Mass. Construction costs are estimated at \$65,000,000 for the nuclear plant, which will be completed in 1969; and the cost of the pumped storage plant, expected to be completed in 1971, is estimated at \$70,000,000.

The Commission concluded that the proposed acquisitions by Northeast complied with the requirements of the Holding Company Act as related to the electric properties. It reserved for later decision the status of the gas utility properties. It also found the terms of the exchange offer to be fair and reasonable.

JIRO CORP. PROPOSES OFFERING. The Jiro Corporation, 116 E. 64th St., New York, filed a registration statement (File 2-24852) with the SEC on April 8 seeking registration of \$490,000 of pre-formation limited partnership shares, to be offered for public sale in 50 units at \$9,800 per unit (subject to a 20% involuntary overcall). The offering is to be made through the company, as general partner.

The company intends to form The Softly Company for the purpose of producing the dramatico-musical play presently entitled "Softly." It has acquired the right to produce a play based on short stories by Santha Rama Rau (for presentation on the stage in the United States, Canada and the British Isles) from Harold Arlen, Martin Charnin, Hugh Wheeler and Saint-Subber. The musical concerns the experiences of an American Army officer in Japan after World War II. Saint-Subber is in control of the general partner, which will produce the musical.

ORAL ARGUMENT, COMING WEEK. April 21 - 3:30 p.m. - Reed, Whitney & Stonehill, Inc.

SECURITIES ACT REGISTRATIONS. Effective April 14: Allied Chemical Corp., 2-24722 (May 25); Acme Visible Records, Inc., 2-24719 (40 days); Lear Jet Corp., 2-24561 (June 1); Packard-Bell Electronic Corp., 2-24608; Pilgrim Financial and Growth Fund, Inc., 2-24361; Quebec Hydro-Electric Commission, 2-24795 (40 days). Effective April 15: Baltimore Gas and Electric Co., 2-24553.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.