

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 June 30, 1964

FIRST BANK STOCK FILES EXCHANGE PLANS. First Bank Stock Corporation, First National Bank Bldg., Minneapolis, Minn., filed a registration statement (File 2-22565) with the SEC on June 26 seeking registration of 66,110 shares of capital stock, to be offered to stockholders of Northern City National Bank of Duluth, Minn., and The First National Bank of Cloquet, Minn., at the rate of 2 shares for one share of Northern and 13 shares for one share of First National. It proposes to acquire all of the outstanding stock of the two banks (it now owns 77,499 of the 104,400 outstanding shares of Northern and 1,814 shares of the 3,000 outstanding shares of First National). The company holds approximately 97% of the outstanding stock in 87 affiliated banks and trust companies, which are primarily engaged in a general commercial banking business. It has outstanding 6,997,858 shares of common stock, of which management officials as a group own 64,190 shares. Granger Costikyan is president.

TRINITY STEEL PROPOSES OFFERING. Trinity Steel Company, Inc., 4001 Irving Blvd., Dallas, filed a registration statement (File 2-22569) with the SEC on June 29 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Eppler, Guerin & Turner, Inc., 1600 Fidelity Union Tower, Dallas. The public offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment. The underwriters will purchase, for \$50, 4-year warrants covering 5,000 common shares. The registration statement also relates to options to purchase an aggregate of 10,000 shares of common stock at \$11.55 per share which were granted to W. Ray Wallace (president) on March 26, 1962.

The company's business activities consist primarily of the manufacture and sale of pressure vessels for the liquefied petroleum gas and anhydrous ammonia industries, including storage and transport tanks for distributors and consumers of such products. Net proceeds from its stock sale (together with funds to be derived from a \$2,000,000 unsecured loan from an institutional investor) will be used to retire \$800,000 of notes due 1972 (a condition of the loan agreement) and \$825,000 of bank debts; approximately \$500,000 will be used to purchase additional plant equipment; and the balance will be used, as needed, to increase inventories and to carry increased receivables. In addition to indebtedness, the company has outstanding 457,928 shares of common stock, of which management officials as a group own 55.4%. C. J. Bender is board chairman.

INDUSTRIAL ELECTRONIC FILES FOR SECONDARY. Industrial Electronic Hardware Corp., 109 Prince St., New York, filed a registration statement (File 2-22571) with the SEC on June 29 seeking registration of 60,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering will be made on a best-efforts basis through Netherlands Securities Company Inc., 30 Broad St., New York, which will receive a 10% selling commission and reimbursement for expenses on the basis of 9¢ per share for each share sold. The public offering price (\$8 per share maximum*) will be supplied by amendment.

The company is engaged in the manufacture of basic component parts (sockets, terminal strips, connectors, transformers and wired assemblies) for the electrical and electronic equipment industry. It has outstanding 737,465 shares of common stock, of which management officials as a group own 52%. The prospectus lists three selling stockholders, as follows: Seymour Offerman (president), offering 16,500 of his holding of 189,066 common shares; Bernard Offerman (board chairman), offering 16,500 of 186,951 common shares; and the Estate of Louis Offerman, offering 27,000 of 45,833 common shares.

WINDSOR INSURANCE PROPOSES OFFERING. The Windsor Insurance Company, 141 W. Jackson Blvd., Chicago, filed a registration statement (File 2-22572) with the SEC on June 29 seeking registration of 50,000 shares of common stock, to be offered for public sale through underwriters headed by Stein Bros. & Boyce, Inc., One Charles Center, Baltimore. The public offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Illinois law in 1962, the company writes fire and casualty insurance and is primarily engaged in writing and reinsuring high-risk and specially designed policies. Of the net proceeds from its stock sale, \$900,000 will be applied to the purchase price of the stock of State Fire and Casualty Company, a Florida corporation. The company presently owns 14,137 of 200,000 voting shares and 116,391 of 438,139 non-voting shares of Casualty's outstanding stock, and it has agreed to purchase 129,027 voting shares and 135,703 non-voting shares at \$3.25 per share. The agreement also provides that the company will tender to the other Casualty stockholders an offer to purchase all remaining shares at the same price. The balance of the net proceeds will be used for working capital. The company has outstanding 114,900 shares of common stock, of which management officials as a group own 62.6%. Raymond E. Karlinsky is president.

GA. INTERNATIONAL LIFE FILES STOCK PLANS. Georgia International Life Insurance Company, 615 Peachtree St., N. E., Atlanta, filed a registration statement (File 2-22573) with the SEC on June 29 seeking registration of 373,986 shares of common stock, to be offered under its Employee Restricted Stock Options and Qualified Stock Option Plan.

OVER

INITIAL DECISIONS BY HEARING OFFICERS. The SEC today announced the adoption of amendments to its Rules of Practice (Release 33-4705) providing for the delegation of authority to hearing officers to make "initial decisions" in administrative proceedings under the Federal securities laws. The new rules also prescribe the procedure governing appeals to the Commission from such initial decisions; and the Commission may affirm, reverse, modify, set aside or remand for further proceedings in whole or in part an initial decision. Absent the timely filing of a petition for review, the Commission will enter an order pursuant to the initial decision upon the expiration of 30 days after such decision has been served upon the parties. The new rules are effective as to all proceedings instituted on or after August 1, 1964.

DELEGATION RULES AMENDED. The SEC also announced the adoption of amendments to its delegation rules (Release 33-4704) delegating to the Office of Opinions and Review of the function of issuing orders pursuant to initial decisions of hearing officers as to any person who has not filed a timely petition for review (where the Commission does not order review on its own initiative).

CONTINENTAL VENDING, TASTEE FREEZ TRADING BAN CONTINUED. The SEC has issued orders suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corporation and Tastee Freez Industries, Inc. for a further ten-day period July 1-10, 1964, inclusive.

PALMER CO. ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4003) declaring that The Palmer Company, 416 N. Bedford Dr., Beverly Hills, Calif., has ceased to be an investment company.

ELCO INVESTMENT ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4004) declaring that Elco Investment Company, 1401 Central Trust Tower, Cincinnati, has ceased to be an investment company.

KAISER INDUSTRIES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4005) declaring that Kaiser Industries Corporation, Kaiser Center, Oakland, Calif., has ceased to be an investment company.

NARRAGANSETT CAPITAL CORP. AND FRANKLIN CORP. SEEK ORDER. Narragansett Capital Corporation, Providence, R. I., and The Franklin Corporation, New York City, have filed an application with the SEC under the Investment Company Act for an order permitting affiliated persons of Narragansett and Franklin to purchase, pursuant to a rights offering to be made to stockholders of the two companies, shares of common stock of Amtel Corporation, a company controlled by Narragansett and Franklin, and the Commission has issued an order (Release IC-3999) giving interested persons until July 13 to request a hearing thereon.

As reported in the SEC News Digest of April 28th, Amtel, which is a successor by merger to Lawson Machine and Tool Company and Janesville Cotton Mills, Inc., proposes the offering of 250,000 shares of its common stock to shareholders of Narragansett and Franklin. Included among the shareholders of Narragansett who will receive rights to subscribe to Amtel stock are 13 management officials and one other person holding more than 5% of its stock. These affiliated persons of Narragansett hold an aggregate of 237,600 of the 791,600 outstanding shares of Narragansett common; and under the Amtel offering proposal they are entitled to subscribe for 23,760 shares of Amtel stock. Similarly, in the case of Franklin, seven of its management officials and one person who owns more than 5% of its stock hold an aggregate of 192,400 of the 1,071,000 outstanding shares of Franklin common; and they are entitled to subscribe for 16,038 shares of Amtel stock.

COURT ISSUES ORDER IN CONTINENTAL GROWTH FUND CASE. The SEC New York Regional Office announced June 23 (LR-2973) the entry of a Federal court order (USDC SDNY), settling and discontinuing the action as against defendants David Deacon (a Fund director), Leonard Fessenden Joy (its treasurer) and The Franklin National Bank (Custodian for the Fund). The action was based upon a stipulation providing, among other things, for a \$220,300 payment to the Fund's receiver, by certain defendants and other persons, in settlement of losses sustained by the Fund by reason of activities alleged in the SEC complaint (of which amount the Bank contributed \$154,900).

COMPONENTS INC. PROPOSES OFFERING. Components, Inc., Biddeford, Maine, filed a registration statement (File 2-22567) with the SEC on June 29 seeking registration of 90,000 shares of capital stock, to be offered for public sale through Thomas & Company, 305 Porter Bldg., Pittsburgh. The public offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Delaware law in 1960, the company is primarily engaged in the manufacture, distribution and sale of Tantalum Capacitors (electronic and electrical circuit components). Of the net proceeds from its stock sale, approximately \$200,000 will be used for property additions and improvements and the balance will be added to working capital. The company has outstanding 243,500 shares of common stock, of which management officials as a group own 55.54% (acquired at the average cost of \$1 per share). Herman Schneider is president.

DESOTO COATINGS FILES STOCK PLAN. DeSoto Chemical Coatings, Inc., 1700 S. Mount Prospect Rd., Des Plaines, Ill., filed a registration statement (File 2-22575) with the SEC on June 29 seeking registration of 150,000 shares of common stock, to be offered under its 1963 Employees Stock Plan.

AMEX FILES FLOOR TRADING PLAN. The American Stock Exchange has filed a plan with the SEC providing for the regulation of floor trading on that Exchange; and the Commission has invited the submission of views and comments thereon not later than July 20th (Release 34-7359).

SEC Rule 11a-1, adopted June 2 and effective August 3, prohibits floor trading, subject to certain exceptions, by members of national securities exchanges. One of the exceptions is for transactions "effected in conformity with a plan designed to eliminate floor trading activities which are not beneficial to the market and which plan has been adopted by an exchange and declared effective by the Commission."

The Plan filed by Amex is similar to the plan previously filed by the New York Stock Exchange and declared effective by the Commission on June 2. The major point of difference between the plans of the two exchanges lies in the minimum capital required for registration of exchange members as registered traders. The NYSE plan provides for a minimum capital of \$250,000, to be effective on January 1, 1965, while the Amex plan provides for capital of \$75,000 which becomes effective in three stages. Required capital for registered traders would be \$25,000 on January 4, 1965, \$50,000 on July 1, 1965 and finally set at \$75,000 on January 3, 1966. The reason for the different capital requirement stems from the difference in the markets for securities on the two exchanges. Considering the average price of Amex securities as compared with average NYSE prices, the Amex capital requirement would permit a registered trader on that exchange to carry approximately the same inventory as a registered trader on the NYSE. The Amex estimates, based on a survey of the capital resources of its members, that under the proposed plan the number of registered traders on the Amex would be about 15.

In addition, the Amex plan provides for a member category known as "registered trader" and that, in order to engage in floor trading, members must show a familiarity with the requirements applicable to registered traders through an appropriate examination; and registered traders are prohibited from executing brokerage orders and floor trading in the same security during a single trading session. In addition, a series of rules have been formulated which are designed to compel registered traders to engage in transactions to contribute to orderliness of markets and to prohibit them from engaging in transactions which have disruptive market effects.

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. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the June 2 News Digest.

8K for May 1964

Arkansas Valley Ind, Inc (12,13)	Pan American World Airways, Inc (7,11,13)
Electronic Associates, Inc (7,11,13)	Parke, Davis & Co (13)
Hallcrafters Co (Del) (12,13)	Reeves Broadcasting Corp (2,11,13)
Medco, Inc (7,13)	Telephones, Inc (7)
Micom, Inc (2,3,11,13)	Ansul Co (The) (12)
Pioneer Plastics Corp (11,13)	Certain-Teed Products Corp (11)
Republic Steel Corp (7,8,11,13)	International Tel & Tel Corp (11)
Rochester Tel. Corp (7,13)	Lansing Stamping Co (7)
Standard Oil Co (NJ) (11,13)	Lucky Stores, Inc (3)
American Bosch Arma Corp (12,13)	Saxon Paper Corp (11,13)
Barton's Candy Corp (12,13)	Supermarkets Operating Co (3,7,8,12,13)
Hilco Homes Corp (2,13)	Bonanza Airlines, Inc (2,4,7,11,13)
Kaiser Aluminum & Chemical Corp (3,13)	Colorado Interstate Gas Co (11)
Louisville & Nashville RR Co (7,13)	Colorado Oil & Gas Corp (11)
Hoover Co (7,13)	Davidson-Boutell Co (Del) (8)
Management Assistance Inc (4,7,13)	Hecla Mining Co (11,13)
Seagrave Corp (9,11)	Houston Oil Field Material Co Inc (8,11,12)
Servo Corp of America (11)	Interlake Iron Corp (12,13)
Shore-Calnevar, Inc (12)	McCrorry Corp (11,12)
United States Borax & Chemical Corp (13)	Middlesex Water Co (11)
The Electrada Corp (1,4,11,13)	Texas Gulf Producing Co (11,13)
Yale Express System, Inc (11,13)	Avco Corp (8)
Banner Mining Co (4)	

SECURITIES ACT REGISTRATIONS. Effective June 30: Famous Artists Schools, Inc. (File 2-22505).

*As estimated for purposes of computing the registration fee.