

# 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 November 29, 1965

**MACK B. SMITH ENJOINED.** The SEC Denver Regional Office announced November 23 (LR-3375) the issuance of a Federal court order (USDC Boise, Idaho) permanently enjoining further violations of the registration and anti-fraud provisions of the Federal securities laws by Mack B. Smith of Salt Lake City. Smith consented to the court order without admitting or denying the allegations of the SEC complaint.

**VIOLATIONS IN SALE OF CITRUS INTERESTS BARRED.** The SEC San Francisco Regional Office announced November 24 (LR-3376) that a consent injunction had been entered against the following defendants (USDC, Phoenix) barring violations of the Securities Act registration requirements in the sale of investment contracts related to the sale of units of land located in Yuma County, Ariz., to be developed as orange groves: Arizona-Dynex Real Property Enterprises, an Arizona corporation, W. Cribben Wilkinson, Rodney P. Lien, Sherrill & LaFollette (a partnership), Charles B. Sherrill, Mary Y. Sherrill, William L. LaFollette and Suzanne H. LaFollette.

**EXTENSION FOR COMMENTS ON FOREIGN ISSUERS RULES.** The SEC has extended from December 23, 1965, to January 17, 1966, the due date for comments upon its proposed registration and reporting rules and forms for foreign issuers under Section 12 of the Securities Exchange Act (Release 34-7758). Requests for extension have been received, particularly with respect to persons located abroad and who may face delays in communication and, in some instances, in translating the published proposals.

**SHARON STEEL FILES FOR SECONDARY.** Sharon Steel Corporation, Sharon, Pa., filed a registration statement (File 2-24259) with the SEC on November 24 seeking registration of 61,456 outstanding shares of common stock. The present holders thereof may offer such stock for public sale from time to time on or before December 31, 1965, on the New York Stock Exchange, at prices current at the time of sale (\$29.125 per share maximum\*).

The company is an integrated steel producer. In addition to indebtedness, it has outstanding 1,374,945 common shares, of which management officials own 6.8%. The prospectus lists three selling stockholders, as follows: Gladys Deitrich, offering 10,242 shares; Isabel G. Leeberg, 10,242; and Albert Leeberg, 40,972. The sellers are offering their entire stock holdings in the company. D. W. Frease is president and board chairman.

**CHROMALLOY CORP. FILES EXCHANGE PROPOSAL.** Chromalloy Corporation, 120 Broadway, New York 10005, filed a registration statement (File 2-24260) with the SEC on November 24 seeking registration of 266,188 shares of common stock. The stock is to be offered in exchange for common stock of American Transit Corp. at the rate of (a) 1-1/7 company shares for each of 109,590 common shares of American Transit held by the principal stockholders of that company and their wives and (b) 1 company share for each other outstanding common share of American Transit. The exchange offer is conditioned upon the tender of at least 90% of the 275,370 outstanding common shares of American Transit pursuant to the exchange proposal.

The basis for the exchange was determined by negotiation between the company and the principal stockholders of American Transit. According to the prospectus, the principal factors considered in arriving at the exchange ratios were the earning power and present financial status of each company. It was determined also that said principal stockholders should be offered the larger exchange ratio because they had contributed personally to the success of American Transit in a way that other stockholders had not, by reason of their more substantial proprietary and financial interest, including their personal guaranties of a number of the obligations of American Transit's subsidiaries. Furthermore, the principal stockholders have agreed to pay all expenses of reorganization incurred by them attributable to all stockholders of American Transit.

The company is engaged in the business of metallurgy, wearing apparel manufacturing and marketing, iron casting and the manufacture of heavy road and other equipment. American Transit, of St. Louis, Mo., functions primarily as a controlling stockholder of 29 operating subsidiaries engaged principally in motor bus transportation and related activities. The company has applied to the Interstate Commerce Commission for an order approving its acquisition of American Transit and granting an exemption from ICC jurisdiction over the company in the future. In addition to indebtedness, the company has outstanding 1,259,562 common shares. Joseph Friedman is board chairman and Richard P. Seelig is president of the company.

**INTERNATIONAL MINERALS PROPOSES OFFERING.** International Minerals & Chemical Corporation, 5401 Old Orchard Rd., Skokie, Ill., filed a registration statement (File 2-24261) with the SEC on November 24 seeking registration of \$50,000,000 of Convertible Subordinated Debentures, due 1990, to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad Street, New York, N. Y. 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is principally engaged in the production and sale of three main ingredients of fertilizers, namely, phosphate, potash and nitrogen, as well as agricultural chemicals and mixed fertilizers derived from such ingredients. Net proceeds of this financing will be added to general funds of the company and with cash generated from operations will be available to meet the costs of capital expansion (estimated at \$46,300,000).

OVER

**UNITED FUNDS CANADA-INTERNATIONAL SEEKS ORDER.** United Funds Canada-International, Ltd., Toronto, Canada, registered open-end diversified management investment company, and its investment adviser, North American Intercontinental Advisers, Ltd., have applied to the SEC under the Investment Company Act for exemption from provisions of 15(a) and 15(c) of the Act with respect to shareholder approval of an investment advisory contract. The Commission has issued an order (Release IC-4417) giving interested persons until December 15 to request a hearing thereon. According to the application, North American proposes to act as investment adviser to United pursuant to two investment advisory contracts, one of which will become effective (the "later contract") upon the termination of the other (the "immediate contract") only as a result of the assignment of the immediate contract which is expected to occur not later than July 31, 1966. Both contracts will be entered into only if approved by United's shareholders at their annual meeting to be held in November 1965, and the later contract will be renewed only if similar approval is obtained at the annual meeting of shareholders scheduled to be held in November 1966. The assignment of the immediate contract will be occasioned by the expiration of a voting trust which holds approximately 63% of the voting securities of Waddell & Reed, Inc., which in turn owns 84.9% of the voting securities of North American. The voting trust is to expire on July 31, 1966, and may be terminated earlier by action of the voting trustees. Upon such expiration or termination of the voting trust the resultant indirect transfer of a controlling block of the adviser's outstanding voting securities will constitute an assignment of the immediate contract. In support of the requested exemption, which would be unnecessary if shareholder approval of the later contract were to be obtained immediately prior to its effectiveness, United represents that the cost of holding a special shareholders' meeting for such purpose would be unduly burdensome, especially in light of its inability to make a continuous offering of its shares within the United States due to the Interest Equalization Tax.

**INSURORS MUTUAL FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4418) granting an application of the Insurors Mutual Fund, Inc., Madison, Wisc., an open-end, diversified investment company, for an exemption from certain provisions of the Act. According to the application, the company is a medium for the common investment of surplus funds and reserves held by certain town mutual insurance companies located in Wisconsin. At the end of 1964, the company's net assets amounted to \$812,366 and it had 785 outstanding common shares which were owned by 51 town mutuals. Under its Articles of Incorporation only Wisconsin town mutuals may be shareholders and their elected representatives are the only persons qualified to serve as the company's officials. The company does not solicit proxies. Its shareholders are divided into 9 regional districts, and by vote of the shareholders present at each annual district meeting they select a district representative for the company's board of directors, subject to the vote of all shareholders at the company's annual meeting. The application states that prospectuses, and quarterly and annual reports, are and will continue to be distributed to all of the town mutuals. The company seeks exemption from the Securities Act registration and prospectus requirements and the Commission's proxy rules. If it were not a registered investment company, the offer and sale of the company's common stock would qualify for an "intra-state exemption" from the registration requirements of the Securities Act.

**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 of the form was included in the November 1 News Digest.

Jones & Laughlin Steel Corp Oct 65, (7)	1-463-2	Pitts. Railways Co ( 8)	1-3606-2
Pacific Far East Line, Inc. Apr 65, (11)	0-1037-2	Reeves Bros, Inc ( 11,13)	1-3358-2
Jersey Central Pwr & Lt Co Oct 65, (3,10)	1-3141-2	Revco D. S., Inc ( 3,11)	1-5025-2
Laclede Gas Co Oct 65, (12,13)	1-1822-2	Season-All Industries, Inc ( 2,13)	1-4706-2
Longhorn Portland Cement Co Oct 65, (2,11,13)	0-816-2	Chandler Leasing Corporation ( 11,13)	2-18967-2
Layne & Bowler Pump Co And #1 to 8K for Feb 65 (13)	2-19508-2	Chicago Helicopter Airways, Inc ( 3)	0-509-2
Vacu-Dry Co And #1 to 8K for July 65 (2,13)	0-1912-2	Consolidated Foods Corp ( 11,13)	1-3344-2
Communications Satellite Corp ( 3)	1-4949-2	Duncan Parking Meter Corp ( 3)	0-766-2
Cowles Chemical Co ( 7,8)	0-476-2	Ryan Aeronautical Co ( 7,11)	1-2679-2
Taddeo Construction & Leasing Corp ( 11,13)	2-17889-2	Consolidated Leasing Corp of America ( 7)	0-7-2
Thrift Drug Co of Penna. ( 4,7,8,12,13)	0-1-2	Dextra Corp ( 12)	0-1602-2
		Catalin Corp ( 12,13)	1-481-2

Ramo, Inc ( 11,13)	2-8278-2	Crucible Steel Co of America ( 7)	1-762-2
Richardson-Merrell, Inc ( 3)	1-1029-2	Dodge Mfg. Corp ( 11,13)	1-2901-2
Suburban Gas ( 7,13)	1-4279-2	Fair Lanes, Inc ( 3,9,11,13)	0-1958-2
Texas Tennessee Industries, Inc ( 7,13)	0-11-2	Calif. Water Service Co ( 8)	0-464-2
Diversa, Inc ( 2,13)	0-996-2	Century Geophysical Corp ( 11,12)	1-4520-2
Eagle Picher Co ( 7)	1-1499-2	Curtis Publishing Co ( 6,9,12)	1-69-2
Seilon, Inc ( 8,13)	1-1497-2	Dana Corp ( 8)	1-1063-2
Chicago South Shore & South Bend RR ( 12)	1-3756-2	Eastern Properties Improvement Corp ( 11)	2-20468-2
Consumers Power Co ( 3,12)	1-2216-2	The Flexible Company ( 11,12,13)	0-1828-2
First Mortgage Investors ( 12,13)	0-1381-2	New Jersey Power & Light Co ( 3,7,13)	1-3221-2
Sonoco Products Co ( 11)	0-516-2	Pet Milk Co ( 7)	1-242-2
Southern Pacific Co ( Del) ( 7)	1-3441-2	Farrington Mfg. Co ( 12)	0-1530-2
Sunair Electronics, Inc ( 12)	1-4334-2	Penn State Investors Corp ( 2,7,13)	0-730-2
The Texstar Corp ( 1)	1-4229-2	Shop Rite Foods, Inc ( 2,4,7,9,12,13)	0-1257-2
Consolidation Coal Co ( Penna) ( 12)	1-83-2	Speedry Chemical Products, Inc ( 11)	1-4428-2
The Deltona Corporation ( 7)	1-4719-2	Aom, Inc. ( 2)	2-18267-2
Detroit Mobile Homes, Inc ( 4,7,12)	1-4812-2	E. L. Bruce Co. Inc. (N.Y.) ( 2)	1-3445-2
Scott Paper Co ( 13)	1-2300-2	Mohawk Petroleum Corp. ( 3)	2-5847-2
Planning Research Corp ( 11)	1-4941-2	Monte Cristo Corp. ( 11)	2-11860-2
Ryder System, Inc ( 4,8,11,13)	1-4364-2	Warner & Swasey Co. ( 8)	1-4787-2
H. K. Porter Company, Inc ( 3,13)	1-4157-2	American Book-Stratford Press, Inc. ( 13)	1-4701-2
Scott Industries, Inc ( 7,13)	0-1080-2	Bolt, Beranek and Newman, Inc. ( 11,13)	0-1844-2
Schenley Industries, Inc ( 13)	1-2377-2	Brite Universal, Inc. ( 12,13)	2-18612-2
Triangle Conduit & Cable Co ( 2,4,7,11,13)	1-4088-2	Defense Electronics Inc. ( 3)	0-725-2
Budget Finance Plan ( 2,7,13)	1-3722-2	Federated Corp. of Del ( 3,13)	2-14643-2
Foremost Dairies, Inc ( 2,4,11,13)	1-3884-2	Southwestern Public Service Co. ( 12)	1-3789-2
Fuller Industries, Inc ( 6)	2-12665-2	Standard Fruit and Steamship Co. ( 8)	0-868-2
Reuter, Inc ( 2,13)	0-1561-2	U.S. Pipe & Foundry Co. ( 3)	1-121-2
Crane Co ( Ill) ( 7,10)	1-1657-2	VSI Corp. ( 11,13)	1-4855-2
DPA, Inc ( 2,13)	2-23115-2	Universal Match Corp. ( 12,13)	1-4202-2
Fall River Electric Light Co ( 8,11,13)	2-3648-2	Western Investment Real Estate Trust ( 2)	2-23013-2
John R. Thompson Co ( 13)	1-102-2	Wrather Corp. ( 2,12,13)	0-988-2
		Zurn Industries, Inc. ( 12,13)	0-1569-2

Commercial Filters Corp. (11,13)	0-792-2	Shamrock Oil & Gas Corp. (3)	1-2258-2
Union Bag-Camp Paper Corp. (12)	1-4001-2	Southern Union Gas Co. (Del) (7,13)	0-1103-2
Alberto-Culver Co. (12)	1-5050-2	Standard & Poor's Corp. (11)	0-1875-2
Economy Bookbinding Corp. (4,7,13)	0-143-2	Storer Broadcasting Co. (12)	1-3872-2
Empire Petroleum Co (12)	0-788-2	Yates American Machine Co. (11)	1-2925-2
U.S. Smelting Refining & Mining Co. (8)	1-908-2	Atlantic Research Corp. (12,13)	1-4257-2
Wheeling Steel Corp. (6,13)	1-2394-2	Buckingham Corp. (7,8)	1-4687-2
Ex-Lax Inc. (3)	0-776-2	Palomar Mortgage Co. (11,13)	0-1873-2
Household Finance Corp. (9,12,13)	1-75-2	Peoples Gas Light & Coke Co. (3,12)	1-1573-2
United States Consumer Products (11)	1-5003-2	Plymouth Cordage Co. (2,13)	0-557-2
Chicago Yellow Cab Co., Inc. (3)	1-215-2	Public Service Elec & Gas Co (12)	1-973-2
Southern Electric Generating Co. (3)	2-14992-2	Schenley Industries, Inc. (13)	1-2377-2
Southern Indiana Gas & Elec Co. (7,13)	1-3553-2	Smith Kline & French Laboratories (13)	1-4077-2
Consolidated Cigar Corp. (4,7,13)	1-1077-2	Union Tank Car Co. (7)	1-1207-2
Continental Oil Co. (Del) (7,12,13)	1-1131-2	Wells Industreis, Corp. (7,10,13)	1-4696-2
Copymation, Inc. (12,13)	2-19560-2	American Commercial Lines, Inc. (4,13)	1-4209-2
Evans Products Co. (3)	1-542-2	Volunteer Natural Gas Co. (12)	0-652-2
General Development Corp. (8,7)	1-4080-2	Vulcan Materials Co. (12,13)	1-4033-2
Puget Sound Power & Light Co. (Wash) (7)	1-4393-2	The Williamhouse Inc. (11,12)	1-4559-2
United Aircraft Corp. (7,8)	1-812-2	Wisconsin Natural Gas Co. (7)	2-2066-2
United Control Corp. (12)	0-33-2	Big Drum, Inc. (12)	0-955-2
Waukesha Motor Co. (4,11,13)	1-2264-2	Coastal Chemical Corp. (11,12,13)	0-1938-2
Eastern Air Lines, Inc. (7,8,11)	1-3049-2	Rollins, Inc. (7)	1-4422-2
Equitable Savings and Loan Association (Calif) (3)	0-1345-2	Rusco Industreis, Inc. (Del) Sept 65 (8)	1-5087-2
Natl. Elec. Welding Mach. Co. (12)	1-3518-2	Acme Precision Products, Inc. (2,4,7,13)	1-3327-2
		Angelica Uniform Co. (7)	0-4-2

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended November 24, 1965, 26 registration statements were filed, 27 became effective, 2 were withdrawn, and 300 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS.** Effective November 26: Control Data Corp., 2-23780 (40 days); Standard-Thomson Corp., 2-24156.  
Effective November 29: Intramerican Life Corp. and Interamerican Life Insurance Co., 2-23642 (90 days).

**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.