

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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SEC

(Issue No. 67-77)

FOR RELEASE April 24, 1967

TRADING IN NORTHERN INSTRUMENTS SUSPENDED. The SEC announced April 21 the temporary suspension of over-the-counter trading in the common stock and other securities of Northern Instrument Corporation of Bayshore, N. Y., for the ten-day period April 22 to May 1, 1967, inclusive.

The Commission's action was based on information furnished by the company indicating that there were substantial irregularities in the financial reports issued by Northern Instrument for the fiscal years ending January 31, 1965 and 1966. In addition, Northern Instrument advised the Commission that it considers the suspension of trading in its securities at this time to be appropriate.

Accordingly, the Commission deemed it necessary and appropriate in the public interest and for the protection of investors to suspend trading in Northern Instrument securities pending clarification of the facts with respect to financial condition of the company and other related matters.

SEC ODD LOT DATA EXPANDED. The SEC announced today that it has expanded the data on odd-lot transactions published regularly in its weekly statistical release and monthly Statistical Bulletin. The data reflect purchases and sales of odd-lot customers in selected stocks on the New York Stock Exchange; and the number of stock has been increased from 75 to 100. The list of stocks not only includes additional issues but has been revised to contain issues of wider interest to investors. The 100 stocks include the 30 Dow-Jones Industrials as well as almost all of the stocks which were among the 50 most actively traded by odd-lot customers in 1966. The 100 issues account for approximately one-third of all odd-lot purchases and sales each week.

MERRILL LYNCH, PIERCE, FENNER & SMITH SEEKS EXEMPTION. Merrill Lynch, Pierce, Fenner and Smith, Inc., 70 Pine St., New York, has applied to the SEC for exemption from the registration provisions of Section 12(g) of the Securities Exchange Act of 1934; and the Commission has issued an order giving interested persons until May 11, 1967, to request a hearing thereon.

Section 12(g) provides for registration with the Commission by companies in which there is a substantial public interest and whose shares are traded over-the-counter, namely, companies whose total assets exceed \$1,000,000 and with a class of equity securities held of record by 500 or more persons. Section 12(g) provides for the issuance of Commission orders granting exemption from the registration requirement upon a proper showing.

Merrill Lynch is registered with the Commission as an over-the-counter broker-dealer; and it also is a member firm of the New York Stock Exchange. According to its application, it has outstanding 3,075,710 non-voting shares owned by 505 persons and 2,997,100 voting shares owned by 143 persons. Holders of voting stock are all officers or key employees (or their estates); a NYSE rule restricts the holding of voting stock of a member firm to members or allied members of the Exchange actively engaged in the firm's business (or their estates). Of the 505 holders of non-voting stock, 429 are part of the firm's staff of 10,000 employees; and the remaining 76 are persons or entities that were either limited partners prior to the firm's incorporation in 1958 or voting shareholders who are no longer active in the business. An Exchange rule provides that no one may become a holder of non-voting stock until he submits a detailed application which must be reviewed and approved by the NYSE Board of Governors. There is no public trading and consequently no market for the stock. The transferability of the shares is limited both by certain rules of the Exchange and by Applicant's charter. Transfers, when approved, take place at net asset value determined as provided in the Certificate of Incorporation.

UNLISTED TRADING SOUGHT. The SEC has issued orders (Release 34-8061) giving interested persons until May 8 to request a hearing upon (a) an application of the Boston Stock Exchange for unlisted trading privileges in the common stock of Northeast Utilities and (b) an application of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the stocks of AMP Inc. and The Welch Scientific Co.

TRAILER TRAIN PROPOSES OFFERING. Trailer Train Company, 1819 John F. Kennedy Blvd., Philadelphia, Pa. 19103, filed a registration statement (File 2-26418) with the SEC on April 21 seeking registration of \$48,000,000 of Equipment Trust Certificates, Series 14, due 1982, to be offered for public sale through R. W. Pressprich & Co., 80 Pine St., and Salomon Brothers & Hutzler, 60 Wall St., both of New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company provides the major railroads in the United States with a fleet of standardized railroad flat cars used in the "piggyback" service. It is owned by 39 railroads and one freight forwarded, and was organized in 1955 under Delaware law for the primary purpose of owning and operating a car pool of specialized railroad equipment to be made available to its railroad owners at a low cost. In order to facilitate the company's acquisition of rolling stock, the member companies have agreed to purchase \$50,000,000 of subordinated notes, of which \$10,000,000 will be purchased on April 17, 1967. In addition, early in the company's history, member companies agreed to make advances to the company to the extent, if any, as may be needed by the company to enable it to pay \$128,416,111 of its conditional sale indebtedness, which at March 31, 1967, had been reduced by maturity payments to \$79,595,046. To further assist the company in its financings, member companies have agreed to subordinate their claims with respect to any such advances. The company proposes to sell the \$48,000,000 of equipment trust certificates, the proceeds of which will be applied to

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the payment of not more than 80% of the purchase price (estimated to be at least \$60,000,000) of approximately 3,700 railroad flat cars. The balance of such purchase price will be provided from the treasury of the company and out of proceeds from the sale of subordinated notes to member companies. Other additions and improvements to the company's fleet of flat cars will depend on the requirements of the company's customers, principally member companies. J. P. Newell is president.

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 captions of the several items of the form was included in the April 3 News Digest.

Alfred Hart Co. Mar67 (12) 1-5136-2	MCWood Corp. Mar67 (2,7,11,12) 1-5122-2
American Air Filter Co., Inc. Mar67 (11,12) 1-5082-2	Metallurgical Resources Inc. Mar67 (11) 0-1739-2
Amiac, Inc. Mar67 (11) 0-544-2	Mobile Gas Service Corp. Mar67 (7) 0-234-2
Baird-Atomic, Inc. Mar67 (11) 0-1065-2	Nashua Corp. Mar67 (11,13) 0-1023-2
Brocton Edison Co. Mar67 (11) 2-7649-2	Norma Industries Inc. Mar67 (2,3,6,12) 2-14643-2
Century Acceptance Corp. Mar67 (11) 0-373-2	Northwest Airlines, Inc. May66 (11,13) 1-3139-2
Chandler Leasing Corp. Mar67 (7) 2-13967-2	NY Tele. Co. Mar67 (11) 1-3435-2
Commerce Bancshares, Inc. Mar67 (7,12,13) 2-25675-2	Pioneer Finance Co. Mar67 (13) 0-1564-2
Commonwealth, Inc. Mar67 (7) 0-1488-2	Poor And Company Mar67 (7) 1-500-2
Dekalb-Ogle Telephone Co. Mar67 (1,7,13) 2-24607-2	Premier Microwave Corp. Mar67 (11,13) 2-16971-2
Diners Club Inc. Mar67 (4,7,13) 1-3994-2	Public Service Company Of N C Inc. Mar67 (7) 0-1218-2
Famous Artists Schools, Inc. Mar67 (12) 1-4692-2	Reading Co. Mar67 (3) 1-649-2
First Western Financial Corp. Mar67 (12) 1-4938-2	Redcor Corp. Mar67 (1,2,13) 0-2287-2
Fitchburg Gas & Electric Light Co. Mar67 (11) 0-1038-2	Riegel Paper Corp. Mar67 (12,13) 1-3959-2
Gamble Skogmo, Inc. Mar67 (7,8) 1-3478-2	Royal Crown Cola Co. Mar67 (11,13) 1-227-2
Georgia Internatl Life Insurance Co. Mar67 (11) 2-15307-2	Security Life Insurance Co. Of America Mar67 (11) 2-22184-2
Globe Union, Inc. Mar67 (7,13) 1-3328-2	Smith Kline & French Laboratories Mar67 (13) 1-4077-2
Government Employees Corp. Mar67 (11) 0-414-2	Soss MFG. Co. (Nevada) Mar67 (7) 1-5034-2
Government Employees Financial Corp. Mar67 (11) 0-412-2	Springfield Gas Light Co. Mar67 (11) 0-721-2
Havatampa Cigar Corp. Mar67 (3) 2-24755-2	Stanray Corp. Mar67 (11,13) 1-3613-2
Hawley Products Co. Mar67 (11) 2-16378-2	Thrift Plan Of Reda Pump Co. Mar67 (7) 2-13744-2
Hayden Publishing Company Inc. Mar67 (1,7,8,10,11,12,13) 2-19382-2	Time Insurance Co. Mar67 (11,13) 2-24603-2
Illinois Brick Co. Mar67 (11,12,13) 1-517-2	Transcontinental Gas Pipe Line, Inc. Mar67 (7) 0-656-2
Interco Inc. Mar67 (4,11,13) 1-91-2	Triangle Conduit & Cable Co., Inc. Mar67 (13) 1-4088-2
J.J. Newberry Co. Mar67 (12) 1-616-2	Welch Scientific Co. Mar67 (4,7,11,13) 1-4711-2
Kaiser Steel Corp. Mar67 (11,13) 0-433-2	Western Oil Fields, Inc. Mar67 (3) 0-715-2
Lawyers Title Ins. Corp. Mar67 (11) 13-21-2	
Life And Casualty Ins. Co. Of Tenn. Mar67 (7,11,13) 2-21169-2	
Lincoln Income Life Insurance Co. Mar67 (13) 2-19256-2	
Lone Star Cement Corp. Apr67 (13) 1-2333-2	
Mallinckrodt Chemical Works Mar67 (1) 0-1274-2	

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended April 20, 1967, 53 registration statements were filed, 51 became effective, 1 was withdrawn, and 479 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective April 21: Condec Corp., 2-26296 (June 1); Michigan Wisconsin Pipe-Line Co., 2-26144 (40 days); Perpetual Security Life Insurance Co., 2-26092 (40 days); Standard Brands Paint Co., 2-26203; Standard Oil Co. of Calif. 2-26258; Xerox Corp., 2-26111 (40 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.