

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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LANGLEY-HOWARD REVOCATION PROPOSED: SEC Hearing Examiner Sidney Ullman has filed an Initial Decision in administrative proceedings under the Securities Exchange Act involving Langley-Howard, Inc., of Pittsburgh, John A. Howard, its president, Mark E. O'Leary, a director and salesman, and Theodore Barnett, Richard A. Sorenson, and William R. Steigerwald, salesmen of the firm. Subject to review by the Commission either on its own motion or on petition by the parties, the Examiner ordered that the broker-dealer registration of Langley-Howard be revoked, that Howard be barred from further association with any broker-dealer, that O'Leary be suspended from such association for a period of six months, and that Barnett, Sorenson and Steigerwald be suspended from such association for a period of four months.

In his decision the Examiner found that the Langley-Howard firm and Howard had violated Sections 5(a) and 5(c) of the Securities Act in the offer and sale of the stock of Bahamas Hotel Corporation during the period May 1964 to December 1965, when no registration statement had been filed with the Commission or was in effect; that all of the respondents in the proceeding had violated the anti-fraud provisions of the Federal securities laws in the offer and sale of the Bahamas Hotel stock by reason of misrepresentations in an offering circular, in a travel brochure and in other written material, and because of oral misrepresentations and omissions by the respondent salesmen to the firm's customers. The Examiner also found that the firm and Howard violated the anti-fraud provisions of the Federal securities laws in the sale of the stock of The Onego Corporation to the firm's customers at unreasonable and excessive mark-ups during the 30-month period January 1962 to June 1964.

HERMAN DALE WASHINGTON ENJOINED. The SEC Fort Worth Regional Office announced April 28 (LR-3699) the filing of a Federal court action in Dallas seeking to enjoin violations of the Securities Act registration and anti-fraud provisions by Herman Dale Washington, dba La-Tex Oil Company of Dallas, Texas.

MAREMONT SHARES IN REGISTRATION. Maremont Corporation, 168 N. Michigan Ave., Chicago, Ill. 60601, filed a registration statement (File 2-26477) with the SEC on May 2 seeking registration of 53,000 common shares and 20,956 shares of \$100 par 6% cumulative preferred stock, Series of 1966. According to the prospectus, Maremont in December 1966 acquired 80% of each class of the then outstanding capital stock of Chanslor & Lyon Co., Inc., a Delaware company, for the 53,000 common and 20,956 preferred shares. It may also issue up to 53,600 additional common shares if Maremont common shares do not reach certain levels of appreciation by December 12, 1969. The present holders of the remaining 20% of outstanding Chanslor stock have an option to exchange their interest for a combination of common and preferred shares of Maremont under certain formulae. Holders of the shares being registered may sell all or part thereof from time to time (at \$24.25 per common and \$110 per preferred share maximum*).

Maremont is engaged in the manufacture and sale of automotive equipment principally for the replacement market. In addition to indebtedness and preferred stock, it has outstanding 1,632,067 common shares, of which management officials own 18.17%. Howard E. Wolfson is board chairman and Arnold H. Maremont president. At the time of its acquisition, Chanslor was engaged in the warehouse distribution of automotive replacement parts and accessories on the West Coast. The prospectus lists eleven selling stockholders, principal among whom are Elias N. and Estrella C. Lasry, who propose to sell 15,000 common shares each.

IOWA SOUTHERN UTILITIES PROPOSES BOND OFFERING. Iowa Southern Utilities Company, 300 Sheridan Ave., Centerville, Iowa 52544, filed a registration statement (File 2-26478) with the SEC on May 2 seeking registration of \$8,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding. An electric utility, the Company proposes to use the proceeds of the bond sale to repay bank loans under a revolving credit agreement which were incurred in connection with its construction program. Property additions and improvements are estimated at \$27,500,000 during 1967-68.

TIME INC. FILES FOR SECONDARY. Time, Incorporated, Time & Life Bldg., Rockefeller Center, New York, N.Y. 10020, filed a registration statement (File 2-26480) with the SEC on May 2 seeking registration of 130,000 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof through an underwriting group headed by White, Weld & Co., 20 Broad St. and Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., both of New York, N.Y. 10005. The public offering price (\$110 per share maximum*) and underwriting terms are to be supplied by amendment.

The Company publishes TIME, LIFE, SPORTS ILLUSTRATED and FORTUNE as well as five foreign editions of TIME and four foreign issues of LIFE. In addition to indebtedness, it has outstanding 6,949,258 common shares, of which management officials own 11% and The Henry Luce Foundation, Inc. (a tax-exempt charitable organization), 12.7%. Andrew Heiskell is board chairman and James A. Linen president. Of the stock being registered, 100,000 shares are to be offered by Executors of the Estate of Henry R. Luce and 30,000 by Trustees of a Trust established under Mr. Luce's Will for the benefit of his surviving widow (the Executors and Trustees are Henry Luce III, Sheldon R. Luce and Maurice T. Moore).

CAMP CHEMICAL SEEKS ORDER. The SEC has issued an order under the Securities Exchange Act (Release 34-8073) giving interested persons until Twelve Noon on May 11 to request a hearing upon an application of

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Camp Chemical Company, Inc., to withdraw its common stock from listing and registration on the National Stock Exchange, by reason of the limited public interest in the stock.

BUCKNER INDUSTRIES. The SEC has issued an order (Release 34-8073) granting an application of the Pacific Coast Stock Exchange to delist the common stock of Buckner Industries, Inc., effective at the opening of business May 8, by reason of the limited public interest in the stock.

GUIDANCE TECHNOLOGY PROPOSES OFFERING. Guidance Technology, Inc., 2500 Broadway, Santa Monica, Calif. 90406, filed a registration statement (File 2-26471) with the SEC on May 1 seeking registration of 250,000 shares of \$10 par Series A 7% cumulative convertible stock. The stock is to be offered for subscription at \$10 per share by holders of the Company's outstanding capital stock, of record at the close of business June 15, and by its creditors--without limitation based upon the shares held or amount of claim. According to the prospectus, the Company "is presently insolvent, and is in default with respect to qualified claims . . . aggregating approximately \$6,597,000 at January 31, 1967." On March 29, it filed a voluntary application in Federal court for reorganization under Chapter XI of the Bankruptcy Act; since then it has been operated by its management under the jurisdiction of a court-appointed receiver, with an extension of time to pay its debts until the court confirms a plan of arrangement presented by the Company providing for settlement with its creditors and for its recapitalization.

The preferred stock offering is part of a proposed Plan of Arrangement in the Chapter XI proceeding. The \$6,597,000 indebtedness includes an indebtedness to the United States Government of \$4,971,977. The Government and the Company have executed a compromise agreement providing, among other things, for the reduction of the Government's claims to \$967,922, payable over a five-year period, conditioned upon receipt by the Company of not less than \$900,000 from the sale of the preferred stock. The Company has one class of Capital Stock, of which 9,116,394 shares were outstanding on January 31; these shares represented a capital deficit on that date of \$5,295,103. The Chapter XI arrangement provides that the Company will issue to its shareholders one share of a newly authorized class of common stock for each 20 shares of outstanding Capital Stock; and indebtedness to unsecured creditors with qualified claims in the Chapter XI proceeding will be canceled in consideration of the issuance of common shares.

If the Company is unable to raise a minimum of \$900,000 in the preferred stock sale required for final confirmation of the Chapter XI arrangement, the arrangement will not be confirmed and all stock subscription payments will be returned; and in such event it is expected that the assets of the Company will not be adequate to discharge the Company's indebtedness to the Government and no assets will be available for distribution to unsecured creditors holding qualified claims under the Chapter XI proceeding or to existing shareholders. If \$900,000 of preferred stock is sold and the arrangement confirmed, all defaults on the Company's obligations will be settled, the receivership terminated, and the Company will have a net worth of about \$947,000.

The Company designs, develops, manufactures and sells aircraft instrumentation and related equipment. Ray O. Ryan is board chairman and chief executive officer and William E. Bratton is president. It has more than 16,000 stockholders. Management officials own some 4.8% of the outstanding stock and Moore & Schley, a New York Stock Exchange member firm, 18.4%. The registration statement also includes an additional 140,000 common shares issuable upon exercise of options under the Company's qualified stock option plan.

VICTOR COMPTOMETER SHARES IN REGISTRATION. Victor Comptometer Corporation, 3900 North Rockwell St., Chicago, Ill. 60618, filed a registration statement (File 2-26473) with the SEC on May 1 seeking registration of 48,581 shares of \$4 cumulative convertible preferred shares, Series A, and 54,925 common shares. On May 17, shareholders will vote on the proposed merger of D & H Corporation and Daisy Manufacturing Company, both Nevada corporations, into Victor Comptometer Corporation, which will be the surviving corporation. On that date, the outstanding shares of capital stock of D & H and Daisy will be converted into 138,138 Victor common shares and 78,496 Victor \$4 cumulative convertible preferred shares, Series A. The shares being registered have been or are to be issued in accordance with the merger agreements to all of the former holders of D & H Preferred Stock and common stock and to certain former holders of Daisy common stock. The 48,581 preferred and 54,925 common shares are being registered "to permit the owners thereof to sell or pledge securities, from time to time, should they desire to do so."

The Company is organized into four operating groups: business machines, international, business forms, and golf equipment. For research and development, the Company also operates an electronics and research center. A. C. Buehler, board chairman, and his family own 60.5% of the outstanding common shares. Alvin F. Bakewell is president.

AMERICAN INVESTORS LIFE FILES FOR SECONDARY. American Investors Life Insurance Company, Inc. 3301 Van Buren St., Topeka, Kansas 66611, filed a registration statement (File 2-26476) with the SEC on May 1 seeking registration of 39,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by Frontier Securities Company Inc., 3420 Van Buren St., Topeka, Kansas 66611. The public offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in March 1965 under Kansas law, the Company is engaged in writing life insurance in Kansas and Oklahoma. It has outstanding 500,000 common shares, of which management officials own 22.77%. W. E. Parker, a director, holds of record 230,000 shares; the beneficial owner thereof is Founders of American Investment Corporation. The prospectus lists eighteen selling stockholders; the largest block (10,000 shares) is being offered by Founders. James H. Carter, president, is selling all of his holdings of 2,000 shares; Lloyd R. Parker, board chairman, is selling 3,000 of his holdings of 12,000 shares; and T. M. Murrell, secretary, is selling 5,000 of his holdings of 36,558 shares.

CORRECTION RE AMERICAN EQUITIES FILING. The SEC News Digest of May 2 should have stated that interested persons have until May 26 (not March 26) to request a hearing upon the Commission's proposal to declare that American Equities Fund, Inc., Milwaukee, has ceased to be an investment company.

STOP ORDERS V. TWO FUNDS LIFTED. The SEC today announced that Delaware Fund, Inc., and Decatur Income Fund, Inc., Philadelphia mutual fund companies, have amended their respective registration statements under the Securities Act of 1933; that such amendments correct the "deficiencies" in the disclosures therein upon which the Commission based its "stop orders" of May 1, 1967, suspending the effectiveness of the two statements; and that the said amendments have been declared effective and the stop orders have been lifted. (The two companies had consented to the issuance of the stop orders.)

Accordingly, public offering and distribution of the shares of Delaware Fund, Inc., and Decatur Income Fund, Inc., may be resumed.

TAX EXEMPT INCOME FUND SEEKS ORDER. Tax Exempt Income Fund, Series 3, New York, a unit investment trust sponsored by Goodbody & Co., has applied to the SEC for an order under the Investment Company Act exempting the Company from the provisions of Section 14(a) of the Act. Section 14(a) requires that no registered investment company shall make a public offering of securities of which it is the issuer unless it has a net worth of at least \$100,000. The Commission has issued an order (Release IC-4944) giving interested persons until May 17 to request a hearing thereon. The Fund has filed a registration statement under the Securities Act under which it will offer for public sale 5,000 units of undivided interest in a portfolio of municipal bonds.

OHIO EDISON PROPOSES OFFERING. Ohio Edison Company and Pennsylvania Power Company, its subsidiary, have filed a joint application with this Commission pursuant to the Holding Company Act; and the Commission has issued an order (Release 35-15728) giving interested persons until May 26 to request a hearing thereon. Pennsylvania proposes to issue and sell to Ohio Edison 50,000 additional shares of common stock for a consideration of \$1,500,000. The proceeds are to be used by Pennsylvania to reimburse its treasury for expenditures for plant additions and improvements, estimated at approximately \$6,965,000 for 1967.

POTOMAC EDISON PROPOSES OFFERING. The Potomac Edison Company, Hagerstown, Md., subsidiary of Allegheny Power System, Inc., has filed a proposal with the SEC under the Holding Company Act for the issuance and sale at competitive bidding of 100,000 shares of its Cumulative Preferred Stock, Series C, par value \$100 per share; and the Commission has issued an order (Release 35-15729) giving interested persons until May 31 to request a hearing thereon. The net proceeds of the sale of the preferred stock will be used to provide for expenditures in connection with the construction program of Potomac and its subsidiary companies (estimated at \$91 million for 1967-69), including the payment of \$2,500,000 of short-term bank loans incurred therefor.

ROBERT L. CORDOVA ENJOINED. The SEC Chicago Regional Office announced May 1 (LR-3700) the filing of a complaint (USDC, ND Ohio) seeking to enjoin Robert L. Cordova, individually and dba Cordova Oil and Gas Associates, from further violations of the registration and anti-fraud provisions of the Securities Act in the offer and sale of investment contracts and fractional undivided interests in oil and gas leaseholds located in Kentucky. A hearing has been set for May 26 on the Commission's motion for preliminary injunction.

COMPLAINT AGAINST FINANCIAL ENTERPRISES, OTHERS TERMINATED. The Denver Regional Office announced May 1 (LR-3701) that the Commission's action against Financial Enterprises, Incorporated, Maynard H. Beam, aka Hank Beam, Gordon Marquette, aka Frank Overhulser, and Beam and Associates, has been terminated. On March 9, the Federal court in Denver entered an order dismissing the complaint as to defendants Maynard H. Beam and Beam and Associates. The order noted that Beam has left the jurisdiction of the court and a fugitive warrant for his arrest has been issued by the State of Colorado. The complaint was dismissed as to defendant Beam without prejudice to its refiling at a date when service could be effected on Beam.

Previously, the court entered a final judgment of permanent injunction against Financial Enterprises, Incorporated, and Gordon Marquette, who consented to the entry of the judgment, enjoining them from further violating the anti-fraud provisions of the Federal securities laws in connection with the offer and sale of notes of Financial Enterprises, Incorporated, and participating interests in a trust, of which Beam and Associates is the trustee.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No. O-	Registrant	Location
2468	Custom Built Homes, Inc.	Metairie, La.
2471	Dahlstrom Mfg. Corp.	Jamestown, N.Y.
2470	Fearn Foods, Inc.	Franklin Park, Ill.
2463	Grant Adv. Intl., Inc**	Chicago, Ill.
2476	Lindberg Steel Treating Co**	Chicago, Ill.
2467	Melabs	Palo Alto, Calif.
2474	National By-Products, Inc.	Des Moines, Iowa
2469	Sun Finance & Loan Co.	Cleveland, Ohio
2472	Upton Co.	Lockport, N.Y.

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 May 2 News Digest.

Automatic Merchandising, Inc. Jan67(2,13) 0-1170-2	Allstate Industries, Inc. Mar67 (4,8,10,11,13) 1-3771-2
Connelly Containers Inc. Mar67 (1,13) 1-3622-2	Armstrong Paint & Varnish Works, Inc. Apr67(11) 1-4907-2
Dictaphone Corporation Mar67 (2,13) 1-5148-2	Central Aguirre Sugar Co. Mar67 (13) 1-510-2
GTI Corp. Mar67 (12,13) 1-4289-2	Clary Corp. Dec66 (2) 1-3489-2
IFC Collateral Corp. Mar67 (7) 2-19513-2	Clinton Engines Corp. Mar67 (11) 0-1996-2
Jim Walter Corp. Mar67 (3) 1-4868-2	Cowles Chemical Co. Apr67 (11,13) 0-476-2
Levitt & Sons Inc. Mar67 (3,7,13) 1-4770-2	Diebold, Inc. Apr67 (7,9,11,12,13) 1-4879-2
Liberty Fabrics Of New York, Inc. Nov66 (7,13) 1-3595-2	First National Realty & Construction Corp. Mar67 (1,3,13) 1-4410-2
Miter Company Mar67 (13) 1-3483-2	General Fireproofing Company Mar67 (7) 1-4693-2
Northwestern Drug Co. Mar67 (11,13) 0-1399-2	Investors Funding Corp Of N.Y. Mar67 (7) 1-4600-2
Pan American Sulphur Co. Apr67 (12,13) 1-4319-2	Kaman Corp. Mar 67 (11,12,13) 0-1093-2
Saguenay Power Company LTD. Mar67 (1) 1-2666-2	Lamson & Sessions Co. Mar67 (11,13) 1-313-2
South Shore Oil And Devel. Co. Mar67 (1,3) 0-1186-2	Life Assurance Company Of Carolina Mar67 (3,11,13) 2-22855-2
Standard International Corporation Mar67 (7,13) 1-5249-2	Life Stocks Of Minnesota, Inc. Dec66 (2,10) 2-24526-2
Trans Company Mar67 (7) 1-2860-2	Maule Industries, Inc. Mar67 (11,13) 1-4081-2
Wheelabrator Corporation Feb67 (13) 1-2483-2	Millipore Corp. Apr67 (2,13) 0-1052-2
Zayre Corp. Mar67 (7,13) 1-4908-2	National Securities & Research Corp. Mar67 (11) 0-372-2
	Realty Equities Corp. Of N.Y. Mar67 (2,3,7,8,13) 1-4378-2
Amendments to 8 K	Reliance Universal Inc. Mar67 (11) 0-165-2
Magnetic Metals Co. Mar67 (4) 0-999-2	U.S. Filter Corp. Mar67 (1,2,4,12,13) 1-4097-2
Stanrock Uranium Mines LTD. Mar67 (13) 1-4036-2	Virginia Chemicals Inc. Mar67 (11,13) 0-1031-2
Walter E. Heller & Co. Sept.66 (4) 1-2291-2	Yard-Man Inc. Mar67 (2) 0-1884-2
Texota Oil Co. Feb67 (7) 0-892-2	
Wyatt Industries, Inc. Dec66 (13) 0-701-2	

SECURITIES ACT REGISTRATIONS. Effective April 27: Appalachian National Life Insurance Company, 2-26071 (40 days); Effective May 2: Sel-Rex Corp., 2-26186 (40 days); General Acceptance Corp., 2-26326; Effective: May 3: Dextra Corporation and International Tape Cartridge Corp., 2-25214 (90 days); American Institutional Developers, Inc., 2-25428 (90 days); AITS, Inc., 2-25622 (August 1); Houghton Mifflin Company, 2-26204 (August 1).

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.