

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Brief summary of financial proposals filed with and actions by the S.E.C.

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**NANOSECOND SYSTEMS FILES FOR OFFERING AND SECONDARY.** Nanosecond Systems, Inc., 176 Linwood Avenue, Fairfield, Connecticut 06430, filed a registration statement (File 2-27161) with the SEC on August 28 seeking registration of 120,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 20,000 (being outstanding stock) by the present holder thereof. The offering is to be made by company officials at \$8.50 per share; on shares sold through NASD members, a 70¢ per share commission will be paid. Also included in the statement are an additional 230,733 outstanding shares owned by stockholders who are said to have purchased same for investment, and 11,000 shares underlying certain options.

The company was organized under Delaware law in September 1962. It designs, manufactures, sells and services electronic products and equipment, high speed counters and other devices using digital techniques. The company "plans soon to introduce a series of compact electronic printing desk calculators for the general office equipment market." Net proceeds of its sale of additional stock will be used for engineering and initial marketing of the calculators (now in "prototype" stage), product development, market introduction of certain products, and working capital. In addition to indebtedness, the company now has outstanding 1,046,732 common shares, of which Particles Measurements, Inc., of Southport, Connecticut, owns 73.2% and management officials 29.9% (including shares owned beneficially by David L. Hill, president, through his holdings in Particle Measurements). Particle Measurements proposes to sell 20,000 shares to certain of its stockholders in exchange for their stock of Particle Measurements.

**GREENVILLE INDUSTRIES SHARES IN REGISTRATION.** Greenville Industries, Inc., P. O. Box 2312, Wilmington, Del., filed a registration statement (File 2-27156) with the SEC on August 28 seeking registration of 75,000 shares of common stock, to be offered by the company for cash sale to the public at \$4 per share (without underwriting). Also included in the statement are an additional 195,722 outstanding shares of common stock, sold in reliance upon a "private offering exemption, which it appears may not have been available." As to these shares, the company is making a rescission offer; and, according to the prospectus, certain officers and directors, record holders of 148,677 shares, who acquired certain of their shares during the period of the said private offering, have advised the company that they will not seek a rescission of their purchases.

Organized under Delaware law in 1963, the company is engaged in marketing and servicing various types of machinery, equipment and supplies for the printing trade and for the reproduction departments in industry, government and educational institutions. Its major product is the DEFROST Automatic Jogger-Stapler-Stacker. Net proceeds of its cash sale of additional stock will be used in the repayment of a bank loan, liquidation of accounts payable, purchase of additional DEFROST machines, research and development, and working capital. The company now has outstanding 366,099 common shares, of which management officials own 40.6%. James S. Biddle is president and board chairman.

**COMMUTER AIRLINES PROPOSES OFFERING.** Commuter Airlines, Inc., 5315 West 63d Street, Chicago, Ill. 60638, filed a registration statement (File 2-27162) with the SEC on August 29 seeking registration of 400,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by McCormick & Co., Inc., of 135 South LaSalle St., Chicago, Ill. 60603; and the public offering price (\$4.875 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company was organized in 1964 for the purpose of operating a "commuter" airline to provide scheduled air transportation for passengers and freight; it presently provides scheduled flights between Chicago and nine other mid-western cities. Of the net proceeds of its stock sale, it is estimated that some \$800,000 will be applied to aircraft procurement, \$200,000 to route development costs and \$200,000 to other capital expenditures. In addition to indebtedness, the company now has outstanding 1,264,400 common shares, of which management officials own 41,500 shares. Paul G. Delman is president.

**SAN FERNANDO ELECTRIC MFG. FILES FOR OFFERING AND SECONDARY.** San Fernando Electric Manufacturing Co., 1509 First St., San Fernando, Calif. 91340, filed a registration statement (File 2-27163) with the SEC on August 29 seeking registration of 152,125 shares of common stock. Of this stock, 107,500 shares are to be offered for public sale by the company and 44,625 (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by C. E. Unterberg, Towbin Co., 61 Broadway, New York, N. Y. 10006, and J. Barth & Co., 404 Montgomery St., San Francisco, Calif. 94701; the public offering price (\$14 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company's primary activity is the manufacture of capacitors. Initially the Company manufactured wound capacitors, it later developed a line of ceramic capacitors and ceramic chips for use in miniaturized electronic circuitry. In addition the Company manufactures potentiometers and filters. Net proceeds of its sale of additional stock will be used for land acquisition and the construction and equipping of additional facilities; and the balance will be added to the general funds of the company and will be available for working capital. The company now has outstanding 892,500 common shares, of which Donald E. Rubendall, president, owns 504,000 shares. He proposes to sell 25,200 shares; and seven other shareholders propose to

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sell shares ranging in amount from 1,312 to 3,848.

**VANGUARD SECURITY LIFE FILES FOR OFFERING AND SECONDARY.** Vanguard Security Life Insurance Company, 2008 Triana Blvd., S. W., Huntsville, Ala. 35805, filed a registration statement (File 2-27164) with the SEC on August 28 seeking registration of 146,462 shares of Class A common stock and warrants for the purchase of 25,000 additional Class A shares. The company proposes to make a public offering (without underwriting) of 50,000 Class A shares, at \$6.25 per share; and for each two shares so purchased the purchaser will receive a warrant for the purchase of an additional share. The remaining 71,462 Class A shares are now outstanding and are to be offered for sale by the present holders thereof.

The company was organized under Alabama law in 1966 and is engaged in life, health and accident insurance business in Alabama and Arkansas. Net proceeds of its sale of additional stock will be used in the conduct of its business, including the retirement of \$100,000 of bank indebtedness. The company now has outstanding 295,994 Class A shares and 40,000 Class B common shares, of which management officials owned 37.36% of the Class A and 100% of the Class B. John A. Welch is president and Virgil E. Griffin is board chairman. The 21 selling stockholders now own 65.43% of the outstanding Class A stock. Griffin proposes to sell 20,000 of his holdings of 60,758 shares; and the others propose to sell shares ranging in amount from 240 to 10,000.

**AMERICAN REALTY & PETROLEUM FILES FOR SECONDARY.** American Realty and Petroleum Corp., 16 W. 61st Street, New York, N. Y. 10023, filed a registration statement (File 2-27167) with the SEC on August 25 seeking registration of 36,300 outstanding shares of common stock. These shares are to be offered for sale on the American Stock Exchange from time to time by the holders thereof as follows: Troster, Singer & Co., 27,800 shares; Aaron Katz, 8,500 shares. The shares are said to have been acquired by the selling shareholders in April 1967 upon exercise of warrants having an exercise price of \$5.75 per share; the warrants were granted by the company in 1962 in connection with a debenture offering. The company has outstanding 2,720,013 common shares.

**AERO-CHATILLON FILES FINANCING PROPOSAL.** Aero-Chatillon Corporation, 83-30 Kew Gardens Road, Kew Gardens, N. Y. 11415, filed a registration statement (File 2-27171) with the SEC on August 29 seeking registration of \$3,000,000 of convertible subordinated debentures due 1977, to be offered for public sale through underwriters headed by Allen & Company, Inc., 30 Broad St., New York, N. Y. 10004. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Also included in the statement are 30,000 common shares; the company proposes to sell for \$300 to Allen & Co., upon consummation of the debenture offering, a five-year option to purchase the 30,000 shares.

The company manufactures and sells components for the aircraft engine, airframe and aerospace industries, weighing systems, force measuring instruments, commercial scales and precision springs. Net proceeds of its debenture sale will be added to the company's general funds. Some \$250,000 will be applied to the purchase of electrochemical machinery and to the construction of additional plant space to house the machinery; and the balance will be used to meet the company's increased working capital requirements (and may be applied in part to the retirement of some \$328,000 of indebtedness). In addition to indebtedness, the company has outstanding 1,465,037 common shares, of which Norton W. Mailman, president and board chairman, own 42.5% and management officials as a group 62.1%.

**HAWAIIAN AIRLINES FILES FOR OFFERING AND SECONDARY.** Hawaiian Airlines, Inc., Honolulu, Hawaii 96820, filed a registration statement (File 2-27170) with the SEC on August 29 seeking registration of 291,250 shares of common stock. The company proposes to make a public offering of 250,000 shares through underwriters headed by Lehman Brothers, One William St., New York, N. Y. 10004; the public offering price (\$23 per share maximum) and underwriting terms are to be supplied by amendment. Also included in the statement are 41,250 additional shares, to be acquired by the underwriters upon the exercise of warrants to be purchased from the present holders of the warrants.

The company is engaged in the air transportation of persons, property and mail between Honolulu and neighboring islands of Hawaii. Of the net proceeds of its sale of additional stock (including the \$10 per share exercise price of the warrants), \$2,000,000 will be applied to the purchase of one of the DC-9-30 aircraft currently under option to the company; the remainder of the proceeds will be added to working capital to help finance the company's increased volume of business. In addition to indebtedness, the company has outstanding 1,121,191 common shares, of which John H. Magoon, Jr., president, owns 8.83%; the Hawaiian Securities & Realty, Ltd., all of whose stock is owned by Magoon, 36.71%; and Lill & Company, of Jersey City, N. J., 10.17%. Aetna Life Insurance Company now owns warrants to purchase 82,500 shares at \$10 per share and proposes to sell one-half of the warrants to the underwriters of this offering.

**TRANE CO. PROPOSES OFFERING.** The Trane Company, Second and Cameron Ave., LaCrosse, Wisconsin 54601, filed a registration statement (File 2-27172) with the SEC on August 29 seeking registration of \$20,000,000 of convertible subordinated debentures due 1992. The debentures are to be offered for public sale through underwriters headed by Smith, Barney & Co., Inc., 20 Broad St., New York, N. Y. 10005; the interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development, manufacture and sale of air conditioning, heating and ventilating, and special-purpose heat transfer equipment. Net proceeds of this financing will be used to retire some \$8,000,000 of short-term notes payable to banks and to reduce bank borrowings incurred pursuant to a Credit Agreement (under which \$25,000,000 of borrowings were outstanding on July 31). In addition to indebtedness, the company has outstanding 5,394,402 common shares, of which management officials own 6.9% and the Morgan Guaranty Trust Company of New York holds of record 15.7%. D. C. Minard is board chairman and Thomas Hancock president.

**MADISON FUND SHARES IN REGISTRATION.** Madison Fund, Inc., 660 Madison Ave., New York, N.Y. 10021, filed a registration statement (File 2-27173) with the SEC on August 29 seeking registration of 354,421 shares of common stock. According to the prospectus, these shares may be issued from time to time by Madison Fund in the acquisition of assets or capital stock of other investment companies or other holders of investment securities, with a view to supplementing the present business of the Corporation as a closed-end investment company.

**INTERNATIONAL SILVER SHARES IN REGISTRATION.** The International Silver Company, 500 South Broad St., Meriden, Conn. 06454, filed a registration statement (File 2-27174) with the SEC on August 29 seeking registration of 70,509 shares of convertible second preferred stock, Series A, and the 35,254 common shares issuable upon conversion of the preferred. According to the prospectus, Taylor Publishing Company is to be merged into International Silver in September; and in connection with the merger, 43,787 shares of the Series A preferred are to be issued to J. William Taylor, Jr., and 26,722 to Martin E. Hamilton. Stockholders of the two companies are to vote upon the merger proposal at meetings scheduled for September 7.

**FOUR STOCK PLANS FILED.** Form S-8 registration statements proposing the offering of securities under stock option or similar plans have been filed with the Commission, as follows:

The Youngstown Steel Door Company, Cleveland, Ohio, 44114 (File 2-27165) - 50,000 shares  
 American Potash & Chemical Corp., Los Angeles, Calif. 90005 (File 2-27166) - 96,605 shares  
 The Bunker-Ramo Corp., New York, N.Y. (File 2-27168) - 300,000 shares  
 The Matheson Company, Inc., Milwaukee, Wisc. 53212 (File 2-27169) - 17,713 shares

**JERSEY CENTRAL P & L BOND OFFERING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-15834) authorizing Jersey Central Power & Light Company (Morristown) to issue and sell at competitive bidding \$30,000,000 of first mortgage bonds, due 1997. Net proceeds of the sale of the bonds will be employed by the company to finance its business as a public utility, including the payment of some \$28,000,000 of short-term bank loans, the proceeds of which were utilized for construction purposes.

**COLUMBIA GAS SUBSIDIARIES TO MERGE.** The SEC has issued an order under the Holding Company Act (Release 35-15835) approving the merger of Blue Ridge Gas Company into Virginia Gas Distribution Corporation. Both are subsidiaries of The Columbia Gas System, Inc., New York holding company; and they are engaged in the retail sale and distribution of natural gas within their respective service areas in Virginia. Virginia Gas has approximately 33,400 customers and Blue Ridge approximately 1,100 customers. Each company purchases its total gas supply from Atlantic Seaboard Corporation ("Seaboard"), an associate company, at delivery points in Virginia.

**MET-ED DEBENTURE OFFERING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-15836) authorizing Metropolitan Edison Company, Berks County, Pa., subsidiary of General Public Utilities Corporation, to issue and sell at competitive bidding \$20,000,000 of unsecured debentures due 1992. Net proceeds of the debenture sale will be used by Met-Ed to finance its public utility business, including the payment of some \$15,000,000 of bank notes.

**SEYMOUR HAYMAN CO. SUSPENDED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-8151) suspending the broker-dealer registration of Seymour Hayman & Company, New York City, for the period September 5 to 16, 1967, inclusive, and suspending its partners, Seymour Hayman, Harold H. Hayman and Norman Hayman, from association with a securities firm for the same period.

The suspension order was based upon Commission findings that the respondent had violated the Securities Act registration requirements in connection with their sale of stock of Riddle Airlines, Inc. (now known as Airlift International, Inc.), during the years 1960-63. The respondents admitted the registration violations but denied knowingly or willfully committing or being aware of the commission of any such violation; and solely for the purpose of settlement of these administrative proceedings, they consented to the issuance of the 12-day suspension order.

**INCOME FUND OF BOSTON RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5072) granting an application of The Income Fund of Boston, Inc., Boston Administrative & Research Company, Inc., its adviser, and Securities Company of Massachusetts, Inc., its sole distributor, for an exemption from certain provisions of the Act so that the adviser and distributor may continue to render services to the Fund until its shareholders have approved new agreements. The necessity for this action arose by reason of the death in May of Joseph Furst, holder of all the outstanding stock of the adviser and distributor.

**LINCOLN NATIONAL VARIABLE FUND RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-5073) with respect to the proposal of Lincoln National Life Insurance Company and Lincoln National Variable Annuity Fund A, of Fort Wayne, Ind., to sell group and individual variable annuity contracts which are issued with respect to plans initially qualifying under Section 403(a) of the Internal Revenue Code of 1954.

**THREE TRADING BANS CONTINUED.** The SEC has issued orders suspending trading in securities of Continental Vending Machine Corporation, Pakco Companies, Inc., and Westec Corporation for a further ten-day period, August 31 to September 9, 1967, inclusive.

**TRADING IN S & P NATIONAL TO RESUME.** The SEC today announced that its suspension of over-the-counter trading in the common and Class A stock of S & P National Corporation will be terminated on September 4 and that trading therein may be resumed on September 5, 1967.

In February 1966 the Commission filed an injunctive action in the U. S. District Court in New York against S & P National Corporation, two subsidiaries and two individuals; and in that action the court appointed Leslie Kirch as trustee. At the trustee's request, the Commission on May 12, 1967, suspended trading in S & P National shares when it appeared that a settlement of the action might "result in values to public holders of S & P National stock substantially greater than market prices in recent years." On August 15, a settlement proposal was submitted to the court which provides, among other things, that an offer would be made by S & P National to the public holders of its common and Class A stock to purchase outstanding shares of common for \$4.18 per share and the outstanding Class A stock for \$20.90 per share. Thereafter, S & P National would be liquidated and dissolved. A court hearing upon the plan is scheduled for September 11; and notice of this hearing was mailed to shareholders on August 19 and published in the New York Times and Wall Street Journal on August 21. (Prior to the issuance of the suspension order on May 12, S & P National common was quoted at 75¢ per share and the Class A stock at \$6.50.)

**FIRST WESTERN FINANCIAL DELISTED.** The SEC has issued an order under the / (Release 34-8152) granting an application of the New York Stock Exchange to delist the common stock of First Western Financial Corporation, effective at the opening of business August 30. According to the delisting application, the company has suffered substantial losses averaging \$5,404,447 per year for the last three fiscal years, resulting in a deficit of \$39,000 in the amount of net tangible assets available to the common stock as of December 31, 1966.

**LOUISIANA POWER FINANCING CLEARED.** The SEC has issued an order under the / (Release 35-15833) authorizing Louisiana Power & Light Company (New Orleans) to issue and sell at competitive bidding \$18,000,000 of first mortgage bonds, due 1997, and 80,000 shares of \$100 par preferred stock. Net proceeds of this financing will be applied to the payment of short-term bank loans and to the company's 1967 construction program.

**UNITED AIRCRAFT PROPOSES RIGHTS OFFERING.** United Aircraft Corporation, 400 Main St., East Hartford, Conn. 06108, today filed a registration statement (File 2-27175) with the SEC seeking registration of \$128,542,200 of subordinated debentures due 1992 (convertible on or before 10/1/77). It proposed to offer the debentures for subscription by common stockholders on the basis of \$100 of debentures for each 10 shares held. The interest rate, record date, subscription price and underwriting terms are to be supplied by amendment. Drexel Harriman Ripley, Inc., of 60 Broad Street, New York, N. Y. 10004 is listed as the principal underwriter.

The company is a manufacturer of aircraft engines, propellers and helicopters; and it also manufactures a wide range of aerospace equipment, including fuel cell powerplants; turbine engine fuel controls and starters; environmental, navigational, guidance and control equipment; ground support equipment; and electronic equipment for space vehicles, missiles and aircraft. In addition, the Corporation has under development solid, liquid and hybrid rocket propulsion products and life support systems. For non-aerospace use the Corporation manufactures electron beam machines, and gas turbine engines and electronic accessories for utility, marine and industrial use. Net proceeds of this financing will be added to the general funds of the company and will be applied to the reduction of bank borrowings. As of August 15 its bank borrowings amounted to \$240,000,000 and had been incurred principally to finance acquisitions of fixed assets to enable the company to keep its facilities modern and increase its research and production capabilities, and to meet working capital requirements due for the most part to the increase in accounts receivable from commercial customers. Expenditures for fixed assets are estimated at \$120,000,000 for the year 1967, of which \$38,000,000 had been spent to June 30. In addition to indebtedness, the company has outstanding 11,948,850 common shares. H. M. Horner is board chairman and William P. Gwinn president.

**SECURITIES ACT REGISTRATIONS: Effective August 29:** Investaccounts of Eastman Kodak Co., 2-27061; Electronics Associates, Inc., 2-26991 (40 days); Zapata-Off Shore Company, 2-26876; Louisiana Power & Light Co., 2-26911 (50 days); New York Telephone Company, 2-27077; Whitaker Cable Corporation, 2-27028 (90 days); National Computer Analysts, Inc., 2-26977 (90 days); Zurn Industries, Inc., 2-26946 (40 days); Armstrong Rubber Company, 2-27037 (40 days); Gerber Scientific Instrument Co., 2-26975 (40 days); Apache Corporation, 2-26869; 2-26870 (40 days); Green Giant Company, 2-27004 (40 days); Pepsico Inc., 2-26862 (40 days); **Withdrawn August 29:** Marine Midland Corporation 2-25761.

**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.