

SECURITIES AND EXCHANGE COMMISSION

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

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FOR RELEASE November 26, 1968

DREYFUS FUND PROPOSES OFFERING. The Dreyfus Leverage Fund, Inc., 2 Broadway, New York, filed a registration statement (File 2-30806) with the SEC on November 22 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value plus a sales charge of 8-3/4% on purchases of less than \$25,000 (\$13.70 per share maximum*). Prior to a general public offering of its shares, the Fund proposes to offer shareholders of The Dreyfus Fund Incorporated the opportunity to purchase such shares at net asset value on the basis of one share for each ten shares held. The Fund was organized in November 1968 as an open-end diversified investment company. The Dreyfus Corporation will act as investment manager of the Fund, and its wholly-owned subsidiary, The Dreyfus Sales Corporation, will serve as underwriter. Howard Stein is board chairman and president of the Fund, president of the investment manager and board chairman of the underwriter.

UNITED REFINING FILES FOR SECONDARY. United Refining Company, P. O. Box 780, Warren, Pa. 16365, filed a registration statement (File 2-30807) with the SEC on November 22 seeking registration of 750,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by A. G. Becker & Co. Incorporated, 120 S. LaSalle St., Chicago, Ill. 60603. The offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in refining and marketing petroleum products; it obtains a crude oil supply from others. In addition to indebtedness, the company has outstanding 1,500,000 common shares, of which Elm & Co. owns 45% and Albert B. Lappe 12%. Trustees under the Will of Frederick G. Bannerot, deceased (father of the former board chairman), propose to sell all of 310,000 shares held, Alberta Lappe 100,000 and twenty others the remaining shares being registered. Harry A. Logan, Jr., is president.

UNIVERSAL SYSTEMS PROPOSES OFFERING. Universal Systems, Incorporated, 4733 Bethesda Ave., Bethesda, Md. 20014, filed a registration statement (File 2-30809) with the SEC on November 22 seeking registration of 160,000 shares of common stock, to be offered for public sale at \$7 per share. The offering is to be made through underwriters headed by S. D. Fuller & Co., Inc., 26 Broadway, New York 10004, which will receive a 70c per share ^{commission} plus up to \$10,000 for expenses. The company has sold the underwriter 14,400 common shares at \$1 per share; it also has sold Jones, Kreeger & Co., one of the underwriters, 1,600 common shares in consideration for its services as a finder.

Organized under District of Columbia law in September 1967, the company provides systems engineering, mainly to computer manufacturers, in the areas of systems and program design, system analysis and the specification of computer hardware and communication software. It plans to offer a variety of systems involving computers and communications to serve selected industries. Of the net proceeds of its stock sale, \$250,000 will be used to complete the design and implementation of a one-line Computerized Rating and Billing System, \$150,000 to complete the design and implementation of a message switching program generator system and \$100,000 to complete the design and implementation of a network control processing system; the balance will be added to the company's working capital and used for general corporate purposes, including repayment of some \$50,000 of short-term bank loans. The company has outstanding 257,550 common shares (with a 32c per share book value), of which Ralph W. Notto, president, owns 16%, Stanley E. Narusiewicz, vice president, 14% and James W. Brubaker, vice president, 12%. Upon completion of this offering, the purchasers of the shares being registered will own 38% of the outstanding common stock, for which they will have paid \$1,120,000 or \$7 per share; twenty-one shareholders will own 44%, for which they will have paid \$182,550, or \$1 per share; and three company officials will own 18%, for which they have paid \$7,500, or 10c per share.

IVY CAPITAL PROPOSES OFFERING. Ivy Capital Corp., 155 Berkeley St., Boston, Mass. 02116, filed a registration statement (File 2-30810) with the SEC on November 22 seeking registration of 550,000 shares of common stock, to be offered for public sale at \$50 per share. The offering is to be made through underwriters headed by F. S. Smithers & Co., 45 Wall St., New York, which will receive a \$4 per share commission.

The company is a newly organized non-diversified, closed-end investment company. Studley, Shupert & Co., Inc., of Boston, is the investment adviser. Paul F. Fenton, Jr., board chairman of the Fund and president of the adviser, and Barron P. Lampert, Jr., treasurer of the Fund and executive vice president of the adviser, own 29.4% each of the outstanding stock of the adviser and Vincent J. Ryan, Jr., president of the Fund and vice president of the adviser, 17.6%.

APPLIED SYNTHETICS PROPOSES OFFERING AND SECONDARY. Applied Synthetics Corporation, Washington Park, Ill., filed a registration statement (File 2-30811) with the SEC on November 22 seeking registration of \$1,200,000 of convertible subordinated debentures, due 1978, and 24,000 common stock purchase warrants; these securities are to be offered for public sale in units, each consisting of \$1,000 principal amount of debentures and 20 warrants, and at \$1,000 per unit. The offering is to be made through underwriters headed by Kern Securities Corporation, 111 Broadway, New York 10004, which will receive a \$100 per unit commission. The company has agreed to pay Kern Securities \$20,000 for expenses, to retain it as financial consultant for three years at \$15,000 per year, and to sell it, for \$70, seven-year non-transferable warrants to purchase 7,000 common shares. Paul W. Silverstein, president of the company, has agreed to sell Kern Securities,

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for \$200, like warrants to purchase 20,000 common shares. This statement also covers 33,800 outstanding common stock purchase warrants (and the underlying 33,800 common shares), which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale.

Organized under New York law in December 1967 (a predecessor commenced business in 1965), the company is presently engaged exclusively in the manufacture and sale of contour shaped thermoplastic bags used by phonograph record manufacturers and distributors for packaging records. It is developing a machine to fabricate disposable thermoplastic garments for industrial and commercial use and plans to manufacture and enter marketing arrangements for these garments if such development is successful. Of the net proceeds of its debenture sale, \$125,000 will be applied to extrusion equipment, \$82,500 to a printing press, \$240,000 to four converters, and \$200,000 to leasehold improvements; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 690,000 common shares (with a \$.55 per share book value), of which Silverstein owns 38% and management officials as a group 53%. Upon completion of this offering, the purchasers of the shares being registered will own 39.9% of the then outstanding common stock, for which they will have paid \$481,250; the original shareholders (including company officials) will own 60.1%, for which they paid \$52,738 in cash and contributed assets costing \$34,026 with a book value of \$31,832.

BEEFLAND INTERNATIONAL TO SELL STOCK. Beefland International, Inc., P.O. Box 959, Council Bluffs, Iowa 51501, filed a registration statement (File 2-30814) with the SEC on November 22 seeking registration of 450,000 shares of common stock, to be offered for public sale at \$10 per share. The offering is to be made by underwriters headed by R. G. Dickinson & Co., 910 Grand Ave., Des Moines, Iowa, which will receive a 90¢ per share commission plus \$15,000 for expenses. The underwriters will pay \$70,000 to Oscar J. Schwalm, of Minnetonka, Minn., a promoter of the company, as a finder's fee.

The company is a new venture; it plans to construct and operate a modern, high-volume beef packing plant on a site it has purchased in Council Bluffs. The cost of this facility (including the land) is estimated at \$4,044,000. The company intends to use the net proceeds of its stock sale (including shares sold to promoters) to pay costs and expenses incurred during construction; the balance will be used for working capital requirements after the plan is put into operation. The company now has outstanding 165,000 shares, issued to the promoters at \$5 per share, of which Harry J. Nelson, president, owns 24% and management officials as a group 92%. Archie Gubbrud is board chairman.

U. S. INDUSTRIES STOCK IN REGISTRATION. U. S. Industries, Inc., 250 Park Ave., New York 10017, filed a registration statement (File 2-30815) with the SEC on November 22 seeking registration of 2,000,000 shares of common stock. According to the prospectus, these shares are issuable upon conversion of Special Preference Stock and exercise of Warrants.

HAIR EXTENSION CENTER TO SELL STOCK. Hair Extension Center, Inc., 65 East 55th St., New York 10022, filed a registration statement (File 2-30816) with the SEC on November 22 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$10 per share. The offering is to be made by the company without the services of an underwriter; any brokers employed to assist in the offering will receive an 8% commission on shares sold.

Also included in the statement are an additional 100,000 shares sold at 1¢ per share to Broadcast Industries Corp. and four individuals in connection with their loan of \$300,000 to the company; these shares may be offered for public sale, but not until the company completes its offering of the 250,000 shares.

The company (formerly Permalink Corp.) is engaged in providing balding men with additional hair. It employs processes which involve the linking of hair, and specially constructed hair pieces, into the client's remaining hair. The company does not utilize surgical or transplant procedures and does not glue any of its products onto the head. The net proceeds of the company's stock sale will be used for advertising (\$500,000), repayment of loans (\$300,000 referred to above), new branches (\$200,000) and other purposes, including working capital. The company has outstanding 1,100,000 common shares, of which Abbott Glasser, president and board chairman, owns 16.4% and management officials as a group 54.9%. Purchasers of the 150,000 shares will acquire a 12% equity interest in the company for an investment of \$1,500,000; present shareholders will then own the 88% balance, for which the company received \$191,300.

ELDORADO FUND FILES FOR OFFERING. Eldorado Fund, Inc., Southfield, Mich. 48075, filed a registration statement (File 2-30817) with the SEC on November 22 seeking registration of 500,000 shares of common stock, to be offered for public sale at net asset value (initially \$10 per share), without a sales load. The Fund was organized in October under Delaware law. Cedric Fricke Associates, Inc., a newly-organized corporation, will serve as investment adviser. Cedric V. Fricke is president of the Fund and he is president and sole stockholder of the adviser.

ANEC CAPITAL CORP. RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5549) permitting ANEC Capital Corporation (formerly Anderson New England Capital Corporation), New York investment company, to sell 6,120 shares of common stock of Taccone Corporation to Harry D. Frueauff, Jr., to release its interest in certain Taccone warrants to Techno Fund, Inc., and to engage in an exchange of releases in connection with the settlement of certain litigation involving Taccone.

BALTIMORE GAS AND ELECTRIC TO SELL BONDS. Baltimore Gas and Electric Company, Gas and Electric Bldg., Charles Center, Baltimore, Md. 21203, filed a registration statement (File 2-30818) with the SEC on November 22 seeking registration of \$30,000,000 of first refunding mortgage sinking fund bonds, due 1998, to be offered for public sale at competitive bidding. A public utility, the company will use net proceeds of its bond sale for general corporate purposes, including proposed construction expenditures and to repay short-term borrowings. Construction expenditures are estimated at \$89,000,000 in 1968 and at \$700 million during the five-year period 1969-1973.

MERRILL LYNCH DECISION ISSUED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8459) accepting an offer of settlement of administrative proceedings against the New York broker-dealer firm of Merrill Lynch, Pierce, Fenner & Smith, Inc., and certain persons associated with it and, on the basis thereof, imposing certain sanctions against the firm and the individual respondents for violations of anti-fraud provisions of the Federal securities laws or failure to exercise proper supervision to avoid such violations. The violations involved the disclosure in June 1966 to certain of the firm's institutional and other large customers of non-public information reflecting a "significant deterioration" in the earnings of Douglas Aircraft Co., Inc., and the resulting sales or short sales by such customers of more than 190,000 shares of Douglas stock prior to public disclosure of the information and without any disclosure being made to the purchasers. While this adverse information was being disclosed to various large customers, the firm did not reveal it to other customers for whom it effected purchases of Douglas stock during the period in question. The Merrill Lynch respondents consented to the findings of violations and to the imposition of sanctions, but without admitting the allegations of the order for proceedings.

Citing the Commission's 1961 decision in Cady, Roberts & Co. and the recent decision of the Court of Appeals for the Second Circuit in SEC v. Texas Gulf Sulphur Co., the Commission observed that the principles in those decisions "prohibited the disclosure /of the down-turn in Douglas' earnings/ by registrant to favored customers who might sell their holdings or sell short before appropriate public disclosure and thereby take advantage of the current market price before the expectable decline in such price upon public dissemination of the information. And, aggravating the inherent unfairness of the disclosure to certain customers was the fact that, at the same time, registrant was effecting purchases of the stock for other customers to whom the adverse information was not available."

According to the Commission's decision, "The information Douglas entrusted to registrant was of such importance that it could be expected to affect the judgment of investors whether to buy, sell, or hold Douglas stock. If generally known, such information could be expected to affect materially the market price of the stock. The advance disclosure of such information to a select group who could utilize it for their own benefit, and to the detriment of public investors to whom the information was not known, constituted an act, practice, or course of business which operated or would operate as a fraud or deceit upon such investors."

Upon the basis of these findings pursuant to the settlement offer, the Commission ordered that Merrill Lynch's New York Institutional Sales Office and its West Coast Underwriting Office be suspended for 21 and 15 days, respectively, effective at the opening of business December 5 and 11, respectively. Ten individual respondents were censured; in addition, one was dissociated from Merrill Lynch for 60 days and six others for 21 days, such dissociation to commence December 5 and no compensation to be received by them from the firm for the period of their dissociation.

In determining to accept the offer of settlement, the Commission considered the fact that none of the respondents had previously been the subject of disciplinary action as well as Merrill Lynch's undertaking to adopt, implement and ensure compliance with, revised procedures to provide more effective protection against disclosure of confidential information, including but not limited to the procedures set forth in a Statement of Policy which is incorporated in the offer of settlement. The Commission stated that as a matter of policy, it does not, "and indeed cannot, determine in advance that the Statement of Policy will prove adequate in all circumstances that may arise," and it stressed the need for "stringent measures" to avoid future violations. The decision observed that "obviously the prompt public dissemination of material information would be an effective preventive," and noted registrant's undertaking to use its best efforts to secure the public release of any material information given to its Underwriting Division.

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 "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 November 1 News Digest.

Madison Square Garden Corp Oct 68(11,13)	1-1144-2	Public Service Co of Indiana Inc Oct 68(3)	1-3543-2
Marley Co Oct 68(12,13)	1-5335-2	Crescent Niagara Corp Oct 68(1,13)	0-567-2
Transwestern Life Ins Co Oct 68(1)	2-22805-2	Kane-Miller Corp Oct 68(7)	1-5014-2
Uniroyal Inc Oct 68(8)	1-62-2	MacAndrews & Forbes Co Oct 68(2,13)	1-1222-2
General Host Corp Oct 68(2,7,11)	1-1066-2	Malone & Hyde Inc Oct 68(2)	0-1881-2
Triumph Inds Inc Oct 68(12,13)	0-2406-2	Oilgear Co Oct 68(7)	0-822-2
White Shield Corp Oct 68(8,12)	0-3080-2	Public Service Elec & Gas Co Oct 68(13)	1-973-2
New York State Elec & Gas Corp Oct 68(7)	1-3103-2	Royal Dutch Petroleum Co (6K) Oct 68	1-3788-2
Reserve Oil & Gas Co Oct 68(7,13)	1-3474-2	Triangle Inds Inc Oct 68(3)	1-4088-2
Tal-Cap Inc Oct 68(11,13)	0-941-2	Vanity Fair Mills Inc Oct 68(3,12,13)	1-5256-2
United Aircraft Corp Oct 68(13)	1-812-2	Internatl Business Machines Corp Oct 68(12)	1-2360-2
Vare Corp Oct 68(4,7,13)	1-5102-2	The Mastan Co Inc Oct 68(11,13)	0-2839-2
F H Mc Graw & Co Oct 68(6,12)	0-939-2	Merchants Refrigerating Co Sept 68(12)	1-4029-2
Northwestern Natl Life Ins Co Feb 68(3)	2-21453-2		
Palabora Mining Co Ltd (6K) Nov 68	2-22241-2		

Nebraska Consolidated Mills Co Oct 68(11)	0-1826-2	Hanes Corp Oct 68(12)	1-5199-2
Penn Central Co Oct 68(7,13)	1-1569-2	Natl Video Corp-Rico Electronics Inc Oct 68(4,11,13)	1-4280-2
Roan Selection Tr Ltd (6K) Oct 68	1-3873-2	Pacific Standard Life Ins Co Oct 68(2,7,13)	2-22128-2
Williamhouse Regency Inc Oct 68(11,12,13)	1-4559-2	Tidewater Marine Service Inc Oct 68(3,12)	0-1604-2
Abex Corp Oct 68(12,13)	1-439-2	Willamette Inds Inc Oct 68(7,13)	2-27821-2
Harris-Intertype Corp Oct 68(11,13)	1-3863-2	Republic Gypsum Co Oct 68(7,11,13)	0-3297-2
Jewel Companies Inc Oct 68(7,13)	1-385-2	Rocket Research Corp Oct 68(7)	0-2412-2
New York Times Co Oct 68(4,7,11,13)	0-2516-2	Union Camp Corp Oct 68(12,13)	1-4001-2
Pacific Plantronics Inc Oct 68(11,13)	0-2837-2	Van Dorn Co Oct 68(7)	0-2139-2
Santa Fe Internatl Corp Oct 68(7,12,13)	1-4827-2	Wisconsin Finance Corp Oct 68(4,7,13)	0-2395-2
Standard Internatl Corp Oct 68(11,13)	1-5249-2	Montgomery Ward & Co Inc Oct 68(2,4,8,11,13)	1-864-2
Vacu-Dry Co Oct 68(11)	0-1912-2	New England Elec System Oct 68(3)	1-3446-2
Husky Oil Ltd Oct 68(12,13)	1-4307-2	New England Power Co Oct 68(11,12)	0-1229-2
Great Lakes Recreation Co Oct 68(11)	1-4526-2	United Air Lines Inc Oct 68(7,12,13)	1-2637-2
Roadcraft Mfg & Leasing Corp Oct 68(6,10)	0-2204-2	Gateway Sporting Goods Co Oct 68(7,8,13)	1-4766-2
Royal Inns of America Inc Oct 68(7)	0-3142-2	Hartfield-Zody's Inc Oct 68(11,13)	1-4091-2
Jet Air Freight Oct 68(2,13)	0-3025-2	Lucky Stores Inc Oct 68(7,13)	1-4839-2
Management Data Corp Oct 68(7,8,13)	0-3188-2	Petrolite Corp Oct 68(13)	0-685-2
Missouri-Kansas-Texas RR Co Oct 68(3)	1-4396-2	Software Systems Inc Oct 68(11,13)	0-3277-2
Skymark Airlines Inc Oct 68(1)	2-27895-2	Zimmer Homes Corp Oct 68(2,12,13)	1-5712-2
U S Playing Card Co Oct 68(11,13)	1-601-2	New York Equities Inc Oct 68(12)	2-18037-2
Medco Inc Amd #1 to 8K for Aug 68(12)	1-4724-2	Tudor Inds Corp Oct 68(2,4,7,13)	0-1808-2
Pierce Governor Co Inc Amd #1 to 8K for Aug 68(2,13)	1-1791-2	Jim Walter Corp Aug 68(4,7,13)	1-4868-2
Texota Oil Co Amd #1 to 8K for Sept 68(2,7)	0-892-2	J C Penney Co Inc Oct 68(7,11,13)	1-777-2
Reliance Ins Co Oct 68(1)	2-10601-2	Technology Inc Oct 68(11,13)	0-2901-2
Telecredit Inc Oct 68(12,13)	2-25304-2	Torginol Inds Inc Oct 68(11,13)	0-1977-2
Kaiser Aluminum & Chemical Corp Oct 68(13)	1-3605-2	Iowa Public Service Co Oct 68(8)	1-5131-2
Manpower Inc Oct 68(11,13)	1-5395-2	Standard Alliance Inds Inc Oct 68(2,13)	1-3300-2
Rentex Services Corp Oct 68(7,13)	2-28258-2	H Warshaw & Sons Inc Oct 68(4,11,13)	0-1823-2
Revco D S Inc Oct 68(11,12,13)	1-5025-2	Yardney Electric Corp Oct 68(11)	0-1689-2
Weight Watchers Internatl Inc Oct 68(3)	2-29411-2	URS Systems Corp Oct 68(12)	2-29205-2
		Prudential Funds Inc Oct 68(12,13)	2-25300-2
		Union Tank Car Co Oct 68(7)	1-5666-2
		Natl Industries Inc Oct 68(2,7,11,13)	1-5512-2
		Omark Industries Inc Oct 68(2,7,11,13)	1-5385-2
		Saturn Airways Inc Oct 68(2,13)	0-3090-2

SECURITIES ACT REGISTRATIONS. Effective November 25: Chicken Unlimited Enterprises, Inc., 2-30179 (90 days); IFC Collateral Corp., 2-29999 (40 days); Kemperco, Inc., 2-29716 (Feb 22); Kings Lafayette Corp., 2-30220 (Feb 24); Sensitron, Inc., 2-29486 (90 days); Trilon Research Corp., 2-30136 (90 days).

MOONEY AIRCRAFT SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the common stock of Mooney Aircraft, Inc., for the further ten-day period November 27 to December 6, 1968, inclusive.

*As estimated for purposes of computing the registration fee.

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