

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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FIRST RAILROAD & BANKING OF GA. FILES DEBENTURE OFFERING. First Railroad & Banking of Georgia, 701 Broad Street, Augusta, Ga., filed a registration statement (File 2-20614) with the SEC on July 30th seeking registration of \$3,000,000 of 5% convertible debentures due 1977, to be offered for public sale at 100% of principal amount. The offering will be made through underwriters headed by The Johnson, Lane, Space Corporation, 721 Broad Street, Augusta, which will receive a 6% commission.

The company through its subsidiaries is engaged in the business of leasing railroad properties under a long term lease, commercial banking and trust services, and underwriting fire and casualty insurance and credit life insurance. Of the net proceeds from the debenture sale, \$1,440,000 will be used to purchase from two directors of the company 160,000 common shares at \$9 per share (of which 148,000 shares will be reserved for conversion of the new debentures); \$500,000 to purchase additional capital stock of a subsidiary; \$500,000 to prepay 6% notes of the company; and the balance for working capital and general corporate purposes. In addition to certain indebtedness, the company has outstanding 1,010,000 shares of common stock, of which management officials as a group own 16%. Sherman Drawdy is president.

WASHINGTON TROTTER FILES FINANCING PLAN. Washington Trotting Association, Inc., Washington Trust Bldg., Washington, Pa., filed a registration statement (File 2-20615) with the SEC on July 30th seeking registration of \$2,300,000 of 6 1/2% subordinated sinking fund debentures due 1977 and 230,000 shares of common stock (non-voting), to be offered for public sale in units consisting of a \$100 debenture and 10 common shares. The offering will be made at \$175 per unit through underwriters headed by Moore, Leonard & Lynch, Union Trust Bldg., Pittsburgh, and Stroud & Company, 123 S. Broad Street, Philadelphia, which will receive a \$17.50 per unit commission.

Since its organization in May 1961, the company has obtained a license to conduct in Washington County, Pa., harness horse racing with pari-mutuel betting. It has acquired land on which its racing plant will be located and is now engaged in grading the land and constructing the racing plant, including a 5/8 mile track and a clubhouse, grandstand and related facilities. Of the \$3,536,000 estimated net proceeds from this financing, together with \$1,000,000 proceeds from previous financing, \$1,200,000 will be used to construct a clubhouse and grandstand and the balance for expenses in connection with constructing related facilities and for organization, development and administrative expenses, for interest on the debentures and for general corporate purposes. In addition to certain indebtedness, the company has outstanding 200,000 shares of Class B common stock (voting), of which Delvin Miller, president, owns 10.5% and management officials as a group 33.5%.

GULF ATLANTIC UTILITIES FILES FOR STOCK OFFERING. Gulf Atlantic Utilities, Inc., 2738 Malinda Blvd., Jacksonville, Fla., filed a registration statement (File 2-20616) with the SEC on July 30th seeking registration of 90,000 shares of common stock, to be offered for public sale through underwriters headed by Pierce, Carrison, Wulbern, Inc., 222 West Adams St., Jacksonville. The public offering price (maximum \$10 per share*) and underwriting terms are to be supplied by amendment.

The company was organized in October 1961 for the purpose of acting as a management and operating company for its wholly-owned subsidiaries, which in turn own water-treatment and sewage-disposal plants and water-distribution and sewage-collection systems, located in Duval County, Fla. Of the net proceeds from the stock sale, \$103,000 will be used to retire notes payable to banks and \$475,000 to pay the balance due for the purchase (\$500,000) from Transcounty Utility Co. of three sewage plants, three water plants and related distribution and collection systems. The balance will be added to general funds to improve and enlarge water and sewer plants and as working capital for general corporate purposes. In addition to certain indebtedness, the company has outstanding 100,000 shares of common stock, of which Bertram F. Williams, president, Leon P. Brooks, vice president, and John H. Flood, Jr., secretary own 25% each, and George W. Whitmire, board chairman, 15%.

OLD LINE LIFE FILES FOR SECONDARY. The Old Line Life Insurance Company of America, 707 North Eleventh St., Milwaukee, filed a registration statement (File 2-20617) with the SEC on July 30th seeking registration of 109,408 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by J. C. Bradford & Co., 414 Union St., Nashville, Tenn. The public offering price (maximum \$35 per share*) and underwriting terms are to be supplied by amendment. The company is engaged in the writing of ordinary life and accident and sickness insurance in 19 states. It has outstanding 600,000 shares of common stock (after giving effect to a recent 5-for-1 stock split and payment of a 20% stock dividend), of which management officials as a group own 2.8%. The underwriter holds of record 206,820 shares (34.5%) and owns beneficially 69,618 shares. The prospectus lists 23 selling stockholders owning an aggregate of 119,010 shares, including the estate of Carl M. Loeb (New York) and Cemp Investments, Ltd. (of Montreal), which propose to sell all of their holdings of 28,500 and 21,600 shares, respectively. Others propose to sell amounts ranging from 300 to 16,800 shares (the latter by Wenonah Development Co. of Peekskill, N.Y.).

(OVER)

NEVADA POWER FILES FOR STOCK OFFERING. Nevada Power Company, P. O. Box 230, Las Vegas, Nevada, filed a registration statement (File 2-20618) with the SEC on July 30th seeking registration of 100,000 shares of cumulative preferred stock (\$20 par), to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad Street, New York. The dividend rate, public offering price (maximum \$20.75 per share*) and underwriting terms are to be supplied by amendment. The net proceeds from the sale of the preferred stock will be applied toward the company's 1962 construction program (estimated at \$5,790,000), and to pay short-term loans incurred to temporarily finance such program. In addition to certain indebtedness and preferred stock, the company has outstanding 1,170,254 shares of common stock, of which management officials as a group own 10.78%. Reid Gardner is board chairman and president.

WHEELER AND RYAN FILES FOR STOCK OFFERING. Wheeler and Ryan, Inc., Thompson Building, Tulsa, Okla., filed a registration statement (File 2-20619) with the SEC on July 30th seeking registration of 80,000 shares of common stock, to be offered for public sale at \$12.50 per share. The offering will be made through underwriters headed by R. J. Edwards, Inc., Fidelity National Bldg., Oklahoma City, which will receive a \$1.25 per share commission.

The company was organized under Oklahoma law in January 1962 to succeed to the business and acquire substantially all of the assets (subject to all liabilities) of a partnership composed of Eugene S. Ryan, president of the company, and two others. The company is primarily engaged, with others, in the acquisition of leases on both prospective and proven oil and gas properties, for exploration and development thereof, and in the production and sale of oil and gas from these properties. The net proceeds from the stock sale will be used to pay outstanding indebtedness and general administrative overhead expenses, and for the acquisition of leases and the exploration and development of the company's oil and gas properties. The prospectus states neither the company nor the partnership it succeeded has had any oil or gas production. Those wells presently capable of being produced and in which the company owns an interest are shut in, awaiting either a pipeline connection or a market.

In addition to certain indebtedness, the company has outstanding 200,000 shares of common stock (after giving effect to a recent 2-for-1 stock split), of which Ryan and Bert B. Wheeler own about 47% each.

GENERAL AEROMATION FILES FOR OFFERING AND SECONDARY. General Aeromation, Inc., 6011 Montgomery Road, Cincinnati, Ohio, filed a registration statement (File 2-20620) with the SEC on July 30th seeking registration of 500,000 shares of capital stock, of which 419,000 shares are to be offered for public sale by the company and 81,000 shares, being outstanding stock, by the holders thereof (21,026 such shares underlying outstanding convertible notes).

Organized in 1958, the company is engaged in the business of developing and has arranged for the manufacture of equipment for ground movement of jet aircraft. It has developed two taxi-tender vehicles for such movement for commercial and military use and is said to be presently conducting negotiations with airlines and the Government for sale or lease thereof. The company has never earned any income and has no present agreements which would produce any income (except sublease of hanger), and has been solely engaged since organization in development of inventions transferred to it by its principal stockholder and president, Henry J. Wiebe (for which he received 132,200 shares). Of the net proceeds from the company's sale of additional stock, some \$118,500 will be used to pay certain notes and accounts payable, \$110,000 for corporate expenses for one year (including compensation to Wiebe and for promotion), \$110,000 to design, test and produce models of the equipment for jet aircraft ground movement, and the balance for compensation to Wiebe and for general corporate purposes. The selling stockholders include Willard Hawes & Co., Inc. and Coleman Electric Company, who presently own no stock of the company but hold notes convertible into 17,000 and 4,026 shares, respectively. The other selling stockholder is Wiebe, who proposes to offer 40,200 of his shares to holders of his personal notes in cancellation thereof, and 19,774 shares to the public for cash. He and his family own an aggregate of 42.36% of the company's outstanding stock, (after giving effect to conversion into 153,720 shares of some \$76,860 of outstanding notes). Book value of stock now outstanding is \$.406 per share. According to the prospectus, the Commission in 1960 temporarily suspended a Regulation A exemption under the Securities Act with respect to a then-proposed public offering by the company. Proceedings are now pending on the question whether the suspension order should be vacated or made permanent.

NATIONAL TELEPIX FILES FINANCING PLAN AND SECONDARY. National Telepix, Inc., 1270 Avenue of the Americas, New York, filed a registration statement (File 2-20621) with the SEC on July 30th seeking registration of \$150,000 of 6 $\frac{1}{2}$ % convertible subordinated debentures due 1972, to be offered for public sale at 100% of principal amount, and 80,000 outstanding shares of common stock, to be offered for sale by the holders thereof from time to time at prices current in the over-the-counter market at the time of sale (maximum \$3 per share*). No underwriting is involved.

The company is engaged in the production and distribution of motion picture films for television, theatrical and non-theatrical showing both for adult and juvenile audiences. The net proceeds from the company's sale of debentures will be used to produce additional film series, to distribute and promote existing and new film properties and for working capital. In addition to certain indebtedness, the company has outstanding 245,450 shares of common stock, of which management officials as a group own 35,500 shares. Edward White is president. The prospectus lists 20 selling stockholders owning an aggregate of 192,500 shares, including Ida Bookspun and Estelle Werger who propose to sell 20,000 shares each. Others propose to sell amounts ranging from 400 to 5,500 shares.

NORWICH PHARMACAL FILES STOCK PLAN. The Norwich Pharmacal Company, Norwich, N. Y., filed a registration statement (File 2-20622) with the SEC on July 30th seeking registration of 13,705 shares of common stock, to be offered pursuant to its Employee Stock Purchase Plan.

SOPHIE CO. FILES FOR OFFERING. The Sophie Company, 165 West 46th Street, New York, filed a registration statement (File 2-20623) with the SEC on July 31st seeking registration of \$350,000 of limited partnership interests in the partnership, to be offered for public sale at \$7,000 per interest. The offering will be made by Len Bedsow and Hal Grossman, as general partners of the partnership and as producers of an original musical comedy tentatively titled "Sophie." The producers have entered into agreements with Sophie Tucker and Richard Giles under which they acquired the sole and exclusive right to make and produce the musical play based upon the life, career and experiences of Sophie Tucker, including the right to use any of the material contained in the book "Some of These Days." Steve Allen has written the music and lyrics of the musical and Phillip Pruneau the book of the musical. The producers believe that the total cost of offering a first-class production of the play in the United States, including all production expenses, will not exceed \$350,000, and the proceeds from this offering will be applied thereto. The producers are entitled to receive 50% of the net profits of the partnership for which they will make no cash contribution. The writers will receive royalties in the aggregate of 6% of the gross weekly box-office receipts and Sophie Tucker and Richard Giles 2%.

MADISON FUND SHARES IN REGISTRATION. Madison Fund, Inc., 660 Madison Avenue, New York, filed a registration statement (File 2-20624) with the SEC on July 31st seeking registration of 590,259 shares of common stock. Such shares are part of 1,000,000 shares which may be issued from time to time by the Fund in payment of dividends payable in cash or stock of the corporation at the option of the stockholder.

INVESTMENT CAPITAL CORP. SEEKS ORDER. Investment Capital Corporation, No. Quincy, Mass., has applied to the SEC for an order declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3510) giving interested persons until August 15th to request a hearing thereon. According to the application, the company has not been able to secure the \$150,000 required by the Small Business Administration for the establishment of a small business investment company. The company further states that it has not issued any securities of any kind to incorporators or others and does not intend to engage in any business activities as an investment company.

FRANKLIN CUSTODIAN FUNDS SEEKS ORDER. Franklin Custodian Funds, Inc., New York investment company, has applied to the SEC for an exemption order under the Investment Company Act; and the Commission has issued an order (Release IC-3511) giving interested persons until August 14th to request a hearing thereon. The application seeks an exemption with respect to the designation of certain directors otherwise than by election of shareholders prior to the May 22, 1962, meeting of shareholders when a new Board of Directors was elected.

TRADING BAN IN TWO STOCKS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending trading in the common stocks of E. L. Bruce Co. (Inc.) and Precision Microwave Corp. on the American Stock Exchange and over-the-counter market for an additional ten-day period August 2-11, 1962, inclusive.

COURT ORDER ENJOINS GREEN SHIELD PLAN. The SEC Denver Regional Office announced July 25th (Lit-2330) the entry of a Federal court order (USDC Denver) preliminarily enjoining further sale of stock of Green Shield Plan, Inc., in violation of the Securities Act registration and anti-fraud provisions by the said issuer, Green Shield Life Insurance Company, Green Shield Sales, Inc., Management Operations, Inc., Jack Londen, Jr., Herbert Greenberg and Jay D. Kuhl. Sales of the stock by Stuart J. Thomas, Jr., Robert Smellage and Henry Imada in violation of said registration requirement also were preliminarily enjoined. As to latter three defendants, the fraud charges were dismissed.

SECURITIES ACT REGISTRATIONS. Effective July 30: ADR's of Ledoga Societa Per Azioni (Chemical Bank New York Trust Co.) (File 2-20573). Effective August 1: General Motors Corp. (File 2-20571); The Micro-Dine Corp. (File 2-19776); St. Joseph Light & Power Co. (File 2-20572); Southwestern Bell Telephone Co. (File 2-20580).

*As estimated for purposes of computing the registration fee.

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