

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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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 January 12, 1971

## HOLDING COMPANY ACT RELEASES

**INDIANA & MICHIGAN SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16964) giving interested persons until January 28 to request a hearing on an application by Indiana & Michigan Electric Company, Ft. Wayne, Ind. to issue and sell, at competitive bidding, \$30,000,000 of first mortgage bonds maturing in not less than 3 years and not more than 30 years. Indiana & Michigan also propose to issue and sell at competitive bidding 300,000 shares of its authorized but unissued \$100 par cumulative preferred stock. The company will apply the net proceeds from the sale of the bonds and preferred stock towards the payment, at maturity, of its commercial paper, estimated at \$54,340,000 at the time of issuance of the bonds and stock, for working capital and reimbursement for money already expended.

**JERSEY CENTRAL P&L SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16965) giving interested persons until February 8 to request a hearing on an application by Jersey Central Power & Light Company, Morristown, N. J. to issue and sell 250,000 shares of cumulative preferred stock (\$100 par) at competitive bidding. The proceeds from the sale of the preferred stock will be used to repay a portion of JCP&L's short-term bank borrowings, which were incurred for construction purposes and which are expected to aggregate \$51,000,000 at the time of the proposed sale.

## INVESTMENT COMPANY ACT RELEASE

**MARK TWAIN SECURITIES SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6320) giving interested persons until January 28 to request a hearing on an application of Mark Twain Securities, Inc. ("Applicant"), Jefferson City, Mo., for an order declaring that it is not an investment company within the meaning of the Act. As of December 31, 1969, substantially all of applicant's assets consisted of 102,130 shares of common stock (29.2% of the voting stock) of Mark Twain Life Insurance Company ("Insurance, a Missouri corporation), and since 1964 it has managed and controlled the operations of Insurance through Ira G. Woodward, president and board chairman of both companies. Until recently Woodward owned 48% of Applicant's outstanding voting stock; on April 1, 1970 he sold all of his interest in Applicant to TrendsWestern, Inc., and he has resigned his positions with Applicant and Insurance. The management contract between Applicant and Insurance remains in effect, and James Hasenbeck, president of TrendsWestern, is performing the duties under this contract previously performed by Woodward. Applicant's board of directors is identical with that of Insurance.

## COURT ENFORCEMENT ACTIONS

**GUARANTY BOND & SECURITIES ENJOINED.** The SEC Atlanta Regional Office announced January 6 (LR-4867) that the Federal court in Nashville entered an order preliminarily enjoining Guaranty Bond & Securities Corporation, Henry Jeremiah Huey, Jr., Brooks Thomas Huey, and Guaranty Bond Company, Inc., all of Nashville, Tenn., from violating, among other things, the net capital, record keeping, and anti-fraud provisions of the Federal securities laws.

**UNIREX ENJOINED.** The SEC Denver Regional Office announced January 7 (LR-4868) that the Federal court in Denver had entered a final judgment permanently enjoining Unirex, Inc., a Colorado corporation, from violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of securities of Unirex (formerly known as Rex Uranium Corporation), Universal Industries, Inc., and Montana Land and Exploration Company (the latter two companies have been merged into Unirex). The defendant consented to the order without admitting the allegations.

**COMPLAINT NAMES KELLER INDUSTRIES.** The SEC today announced the filing of an action in the Federal court in New York City (LR-4869) seeking to enjoin Keller Industries, Inc., of Miami, whose stock is listed on the New York Stock Exchange, Henry A. Keller, president and board chairman, and Norman S. Edelcup, chief financial officer, from further violations of the anti-fraud and reporting requirements of the Federal securities laws. The complaint alleges that Keller Industries issued false and misleading interim earnings reports for the first two quarters of its 1969 fiscal year and for interim reporting periods in 1967 and 1968.

## SECURITIES ACT REGISTRATIONS

**BERMUDA INTERNATIONAL MARINE TO SELL DEBENTURES.** Bermuda International Marine, Ltd., Barclay's Bank Bldg., P. O. Box 307, George Town, Grand Cayman, British West Indies, filed a registration statement (File 2-39196) with the SEC on January 11 seeking registration of \$1,000,000 of 12% subordinated debentures, due 1976, to be offered for public sale at 100% of principal amount. The offering is to be made through an officer of the company and may also be made through securities dealers; such persons will receive a 5% selling commission.

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A Cayman Islands corporation, the company was organized in September 1970. It will engage in leasing ships on a long-term (at least five-year) basis exclusively to ship operators that transport cargo. Of the net proceeds of its debenture sale, \$75,000 will be used to pay for an 85-foot cargo vessel, \$100,000 for equipping, outfitting and transportation of two trawlers, and \$625,000 to purchase vessels for lease to ship operators; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 100,000 common shares, all owned by James M. Spencer, Jr., president.

INDIANA & MICHIGAN ELECTRIC PROPOSES OFFERING. Indiana & Michigan Electric Company, 2101 Spy Run Ave., Ft. Wayne, Ind. 46801, filed a registration statement (File 2-39193) with the SEC on January 8 seeking registration of \$30,000,000 of first mortgage bonds and 300,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale at competitive bidding. A subsidiary of American Electric Power Company, Inc., the company will use the net proceeds of its financing, together with \$25,000,000 of cash capital contributions from the parent and other available funds, to pay as it matures, unsecured commercial paper outstanding at the date of the securities sale (estimated not to exceed \$54,340,000 at the time of the securities sale) in connection with its construction program, for working capital and to reimburse its treasury for moneys expended for such purposes. Construction expenditures are estimated at \$177,482,000 for 1971.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

Hoover Ball and Bearing Company, Saline, Mich. 48176 (File 2-39194) - 50,000 shares  
NVF Company, Yorklyn, Del. 19736 (File 2-39195) - 100,000 shares

#### MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act (Release 34-9058) giving interested persons until January 22 to request a hearing upon applications of the following exchanges for unlisted trading privileges in the common stocks of the specified companies: Boston Stock Exchange - Pitney Bowes Incorporated, Pittston Company, Riegel Textile Corp., White Motor Corp. Midwest Stock Exchange - Viscom International, Inc. Philadelphia-Baltimore-Washington Stock Exchange - Alberto-Culver Company, Berkey Photo, Inc., Development Corporation of America, Electronic Memories & Magnetics Corporation, General Battery Corporation, Kane-Miller Corporation, McDonalds Corporation, New Process Company, Zurn Industries, Inc.

DELISTINGS GRANTED. The SEC has issued orders under the Securities Exchange Act (Release 34-9058) granting applications of (a) the American Stock Exchange to strike from listing and registration the common stock of Siboney Corporation and (b) the Pacific Coast Stock Exchange to strike from listing and registration the common stock of Federal Mogul Corporation, both effective at the opening of business on January 11, 1971. Siboney failed to effect a reverse split of the stock as recommended by the American Stock Exchange; its common stock remains listed and registered on the Pacific Coast Stock Exchange. Federal Mogul requested delisting of its common stock from the Pacific Coast Stock Exchange; the stock remains listed on the New York and Detroit Stock Exchanges.

SECURITIES ACT REGISTRATIONS. Effective January 11: Apache Corp., 2-37848 (90 days); Optical Computer Services, Inc., 2-34134 (90 days); Resorts International, Inc., 2-37109; Tampa Electric Co., 2-38974.  
Withdrawn January 6: Lincoln Los Angeles, 2-34037; MIT Computer Systems, Inc., 2-36930; Peripheral Data Machines, Inc., 2-35704; Resource Evaluation & Development Inc., 2-38392.  
Withdrawn January 7: Baysen, Mitchell & Sullivan, Inc., 2-37807; Knowledge, Leisure & Travel Programs, Inc., 2-34869.

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.

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