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# MONTHLY SECURITIES BULLETIN

*Documents Department*

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State Securities Board

SAM HOUSTON STATE OFFICE BUILDING

POST OFFICE BOX 12306, CAPITOL STATION, AUSTIN, TEXAS 78711 — TELEPHONE (512) 475-2421

NOVEMBER 1967

## NOVEMBER PERMITS

Reaching a new high level in monthly volume of securities for the second time in the current fiscal year, the State Securities Board granted permits for selling \$111,000,000 worth of securities to the public in Texas in November. Permits were granted to seventy-five companies.

The previous high for selling permits in a single month since the Securities Board was established ten years ago was last September, first month of the fiscal year, when a total of \$88,000,000 was issued. In the first three months of the present fiscal year the total volume processed by the staff was more than double the amount for the corresponding quarter of the preceding fiscal year. The figures are \$257,000,000 for fiscal '67, \$116,000,000 for fiscal '66.

Current monthly and quarterly gains follow a record breaking total of \$650,000,000 worth of securities processed in the fiscal year which ended August 31, 1967.

## LICENSE INFORMATION

During November a total of 130 examinations were administered to 112 applicants for licensing under the Texas Securities Act. This included 25 examinations on General Securities principles and 105 examinations on the Texas Securities Act. 60.0% of the applicants passed the General Securities Section on first attempt, and 78.1% passed the Texas Law portion on first attempt.

## EFFECTIVE JANUARY 1, 1968

The following Policy and Interpretation were adopted by the State Securities Board Members at the November 9, 1967, Board Meeting, effective January 1, 1968:

### BOARD POLICY ON POOLINGS OF INTEREST

Public investors making investment decisions with respect to securities registered with the State Securities Board place great reliance and confidence in financial statements prepared by Certified Public Accountants or practicing accountants for the issuers.

In order to clarify earnings statements which give effect to Poolings of Interest, the State Securities Board adopts the following policy which shall be effective after January 1, 1968:

All earnings statements required by the Securities Act to be filed with the State Securities Board which reflect Poolings of Interests must set out for each period reported:

- A. Total actual historical earnings and earnings per share of the issuer;
- B. Total earnings and earnings per share of the company or companies taken over;
- C. Show separately the detailed operating results for the company or companies taken over for the period reported up to the date of the take-over if the take-over occurred during the last fiscal year or interim period reported.

BOARD'S INTERPRETATION RELATING TO THE DISTRIBUTION  
OF PRELIMINARY PROSPECTUSES

Language of Section 22.D of the Securities Act is interpreted to permit the distribution of preliminary prospectuses or other listed documents in the manner and under the requirements and restrictions described therein provided,

- A. An application to register the related securities has already been filed with the State Securities Board; or,
- B. An application to register such securities is in process of being filed and will be timely filed before such securities are effectively registered with the Securities and Exchange Commission.

ADMINISTRATIVE ORDERS

In the matter of  
the sale of securities of  
POWER OIL COMPANY  
528 Bank of the Southwest Building  
Houston, Texas

On November 7, 1967, after a hearing, a Cease and Desist Order (No. CD-319) was issued, prohibiting the sale of securities of Power Oil Company. The Order stated, among other things, that the Company is insolvent, has no income producing property, has forfeited its right to do business in the State of Texas for failure to pay its franchise tax and has issued and sold large amounts of securities in violation of the registration provisions of The Securities Act, resulting in substantial potential liabilities on the part of the Company (the extent of which cannot as yet be determined) and making it impossible for purchasers of securities to make an informed evaluation of the Company's financial condition. In addition to the foregoing findings, which were stipulated by the Company, the Order stated that the sale and method of sale of securities of Power Oil Company would tend to work a fraud on any purchaser thereof, in that the Company had made material misrepresentations concerning its financial condition and business prospects and had failed to disclose certain information.

In the matter of  
TEXAS ANGUS LEASING CORPORATION  
516 Southwest Tower  
Houston, Texas

On November 17, 1967, Order No. RD-320, an Order Denying Registration of Securities issued by Texas Angus Leasing Corporation was issued. The Company sought to register, for sale to the public, investment contracts involving the leasing and management of breeder cattle. The Order stated that the Company had not proved its plan of subiness to be fair, just and equitable, for the following reasons, among others: (1) a breeder could purchase a cow for less money than the Company is charging to lease a cow for one year (2) undue opportunity for mismanagement of cattle of absentee owners and for conflict of interest on the part of management exists and (3) the prospectus

suggests certain substantial tax advantages, the legality of which are in fact unknown.

In the matter of  
EDWARD L. BOYD & ASSOCIATES  
P. O. Box 53616  
3401 Allen Parkway  
Houston, Texas

On November 24, 1967, Order No. CP-321, a Cease Publication Notice, was issued to Edward L. Boyd & Associates, prohibiting the further use of certain advertising material. The advertisement which was the subject of such Notice offered a profit sharing plan having the advantages of "NO RISK, TAX BENEFITS and GUARANTEED RETURN." The Order stated that Edward L. Boyd & Associates and Edward L. Boyd are not licensed to sell securities and that the subject securities have not been registered for sale in Texas. The Order further stated that, in the opinion of the Securities Commissioner, the advertising material in question is misleading and likely to deceive a reader thereof.

#### MONTHLY REPORT OF SECURITIES REGISTRATIONS IN TEXAS

A summary of individual permits issued in November, 1967, follows: These permits are permissive only and do not constitute a recommendation of the State Securities Board.

<u>DATE</u>	<u>ISSUER</u>	<u>TYPE OF OFFERING</u>
11-1-67	Aaronson Bros. Stores Corporation 526 East Overland Avenue El Paso, Texas	80,000 shs com/s @ \$10.00.
11-15-67	Aberdeen Fund 15 William Street New York, New York	shs of Beneficial Interests @ net asset value.
11-24-67	Accumulation Plans First Investors Stock Fund, Inc. 120 Wall Street New York, New York	Single Payment Plans and Periodic Payment Plans for the accumulation of shs of First Investors Stock Fund, Inc. @ face amt.
11-7-67	All American Fund, Inc. 9465 Wilshire Blvd. Beverly Hills, California	shs com/s @ net asset value.
11-22-67	American Medical Association Members Retirement Plan 535 North Dearborn Street Chicago, Illinois	Participations in the Group Annuity Fund and Pooled Trust @ price equal to the amt. credited to the Participant's Account.
11-9-67	American Science and Engineering, Inc. 11 Carleton Street Cambridge Massachusetts	5,000 shs com/s @ \$18.50.
11-1-67	Anixter Bros., Inc. 2230 Brummel Place Evanston, Illinois	35,000 shs com/s @ \$13.50.
11-28-67	Associations Investment Fund, Inc. 301 West Eleventh Street Kansas City, Missouri	shs com/s @ net asset value.

11-1-67	Austral Oil and Gas Exploration Corporation 280 Park Avenue New York, New York	Austral Agreement Property Interests acquired under Exploration Agreements @ minimum annual commitments of \$10,000.00.
11-16-67	Axe-Houghton Fund, B, Inc 400 Benedict Avenue Tarrytown, New York	shs com/s @ net asset value.
11-15-67	Blue Ridge Monthly Accumulation Programs 200 West 9th Street Wilmington, Delaware	Monthly Accumulation Programs and Fully Paid Programs for the accumulation of shs of Blue Ridge Mutual Fund, Inc. @ face amt.
11-10-67	Bro-Dart Industries 56 Earl Street Newark, New Jersey	150 \$1,000 5% Conv. Sub. Deben. @ 100% convertible @ \$43.00 and 3,000 shs cap/s @ \$38.50.
11-6-67	CNA Financial Corporation 310 South Michigan Avenue Chicago, Illinois	2,752 shs com/s @ \$30.94 and 3,440 shs Series A Pref/s based on price of \$22.00 to be exchanged for cap/s of National Fire Insurance Co. of Hartford on the following ratio of exchange: 3.2 CNA com/s and 4 CNA Conv. Pref/s for 1 National Fire shr.
11-8-67	Citizens Financial Corporation 600 Public Square Bldg. Cleveland, Ohio	20,000 shs com/s @ \$13.50.
11-7-67	Colonial Equities, Inc. 75 Federal Street Boston, Massachusetts	shs com/s @ net asset value.
11-10-67	Colonial Fund Single Payment Plans 75 Federal Street Boston, Massachusetts	shs of Single Payment Plans for the accumulation of shs of The Colonial Fund, Inc. @ face amt.
11-29-67	The Dexter Corporation One Elm Street Windsor Locks, Connecticut	40,000 shs com/s @ \$14.25.
11-12-67	Diversified Investment Fund, Inc. Westminster at Parker Elizabeth, New Jersey	shs com/s @ net asset value.
11-15-67	Dow Theory Investment Fund, Inc. 35 Congress Street Boston, Massachusetts	shs com/s @ net asset value.
11-2-67	Electronic Modules Corporation P. O. Box 141 Timonium, Maryland	10,000 shs com/s @ \$11.00.
11-13-67	Everest Income Fund, Inc. 35 Congress Street Boston, Massachusetts	shs com/s @ net asset value.
11-27-67	Explorer Fund, Inc. 3001 Philadelphia Pike Claymont, Delaware	shs com/s @ net asset value.

11-30-67	Fidelity Fund, Inc. 35 Congress Street Boston, Massachusetts	shs com/s @ net asset value.
11-7-67	Financial Industrial Fund, Inc. 950 Broadway Denver, Colorado	Capital Accumulation Plans @ face amt. for the accumulation of shs of Financial Industrial Fund, Inc. and Fund shs @ net asset value.
11-15-67	First Investors Stock Fund, Inc. 120 Wall Street New York, New York	shs com/s @ net asset value.
11-20-67	Fundamental Investors, Inc. Westminster at Parker Elizabeth, New Jersey	shs com/s @ net asset value.
11-28-67	General Electric Company 570 Lexington Avenue New York, New York	Units @ net asset value in total aggregate amt. of \$1,500,000.00.
11-22-67	The Grass Valley Group, Inc. Bitney Spring Road Grass Valley, California	5,000 shs com/s @ \$10.00.
11-15-67	Growth Programs, Inc. 115 Broadway New York, New York	Single Investment Plans and Periodic Investment Plans for the accumulation of shs of Television Electronics Fund, Inc. @ face amt.
11-24-67	Gulf Insurance Company 3015 Cedar Springs Road Dallas, Texas	347,219 Warrants @ \$0.01 ea. & underlying stk @ subscription price of \$20.00 and maximum public offering price @ mkt. not to exceed \$26.00 per shr.
11-14-67	H. & A. Selmer, Inc. 1119 North Main Street Elkhart, Indiana	6,000 shs com/s @ \$22.25.
11-1-67	Hamilton Funds, Inc. 777 Grant Street Denver, Colorado	Single Payment Certificates @ net asset value and Periodic Investment Certificates @ face amt. for the accumulation of shs of Hamilton Funds, Inc.
11-9-67	Holiday Inns of America, Inc. 3742 Lamar Avenue Memphis, Tennessee	100,000 Rights @ \$1.50 ea. evidenced by by transferable Subscription Warrants to purchase 6,666 shs com/s @ rate of 1 shr for ea. 15 shs held.
11-27-67	Houston Fearless Corporation 11801 West Olympic Blvd. Los Angeles, California	2,000 shs com/s to be exchanged for shs of cap/s of Universal Surgical Supply, Inc.; exchange basis: 1 shr of Houston Fearless for 1 shr of Universal Surgical Supply, Inc. @ exchange price of \$6.00.
11-28-67	The Industrial Development Board of the Town of Courtland Courtland, Alabama	\$2,500,000 prin. amt. of Industrial Development Revenue Bonds, Series 1967, @ 100%.
11-10-67	Industry Fund of America, Inc. 200 Utah Savings Bldg. Salt Lake City, Utah	shs com/s @ net asset value.

11-10-67	Investors Mutual, Inc. 800 Investors Building Minneapolis, Minnesota	shs com/s @ net asset value.
11-10-67	Investors Stock Fund, Inc. Roanoke Building Minneapolis, Minnesota	shs com/s @ net asset value.
11-15-67	Investors Variable Payment Fund, Inc. 800 Investors Building Minneapolis, Minnesota	shs com/s @ net asset value.
11-7-67	Ivest Fund, Inc. One State Street Boston, Massachusetts	shs com/s @ net asset value.
11-21-67	Jacobsen Manufacturing Company 1721 Packard Avenue Racine, Wisconsin	20,000 shs com/s @ \$22.50.
11-1-67	Keystone Accumulation Plans, Inc. 50 Congress Street Boston, Massachusetts	Monthly Accumulation Plans and Single Payment Plans for the accumulation of shs of Keystone Growth Fund, K-2 @ face amt.
11-6-67	Keystone Custodian Fund, Inc. 50 Congress Street Boston, Massachusetts	Certificates of Participation in Series B-1, B-2, B-3, B-4, K-1, K-2, S-1, S-2, S-3, and S-4 @ net asset value.
11-21-67	Keystone Custodian Funds, Inc. 50 Congress Street Boston, Massachusetts	Certificates of Participation in Series B-1, B-2, B-3, B-4, K-1, K-2, S-1, S-2, S-3, and S-4 @ net asset value.
11-21-67	King Bros. Industries, Inc. 551 South Van Ness Avenue Torrance, California	50,000 shs com/s @ \$21.50.
11-16-67	Loomis-Sayles Canadian and International Fund, Inc. 225 Franklin Street Boston, Massachusetts	shs com/s @ net asset value.
11-9-67	Marinduque Mining & Industrial Corporation Ledesma Building Intramuros, Manila, Philippines	10,000 shs cap/s @ \$13.875.
11-2-67	Massachusetts Investors Trust 200 Berkeley Street Boston, Massachusetts	Beneficial Interests @ net asset value.
10-31-67	Mid-Continent Manufacturing Co. 920 Michigan Avenue Columbus, Ohio	20,000 shs com/s @ \$17.50.
11-2-67	Municipal Investment Trust Fund, Series I 45 Wall Street New York, New York	Units representing a 1/6,000th fractional undivided interest in the prin. and net income of the Fund @ \$1,022.67 per Unit plus accrued interest.
11-7-67	Mutual Income Fund, Inc. 717 Travis Street Houston, Texas	shs com/s @ net asset value.

11-9-67	National Growth Investment Plans 120 Broadway New York, New York	Single Payment Plans and Monthly Investment Plans for the accumulation of shs of National Growth Stock Series @ face amt.
11-9-67	The One Hundred Fund, Inc. 1700 Broadway Denver, Colorado	shs of Beneficial Interests @ net asset value.
11-15-67	The Putnam Growth Fund 265 Franklin Street Boston, Massachusetts	shs of Beneficial Interests @ net asset value.
11-29-67	R. C. L. Electronics, Inc. 700 South 21st Street Irvington, New Jersey	8,000 shs com/s @ \$12.50.
11-2-67	Rex-Noreco, Inc. 616 Palisade Avenue Englewood Cliffs, New Jersey	10,000 shs com/s @ \$12.00.
11-16-67	Rice Belt Warehouse, Inc. Box 688 El Campo, Texas	5,000 shs com/s @ \$100.00.
11-9-67	Richmond Corporation 914 Capitol Street Richmond, Virginia	28,086 shs com/s and 4,333 shs pref/s @ \$1.90 Cum. Conv. Series to be exchanged for com/s of The Life Insurance Company of Virginia and Lawyers Title Insurance Corp. on the following basis: 1 shr of Life for 1 shr com/s of Richmond Corp. and 1 shr of Lawyers for 2/10 shr of com/s of Richmond Corp. and 7/10 shs of Pref/s of Richmond Corp.
11-8-67	Scientific-Atlanta, Inc. 3845 Pleasantdale Road Doraville, Georgia	10,000 shs com/s @ \$19.50.
11-8-67	Scudder Special Fund, Inc. 10 Post Office Square Boston, Massachusetts	shs com/s @ net asset value.
11-3-67	Sigma Capital Shares, Inc. Wilmington Trust Bldg. Wilmington, Delaware	shs com/s @ net asset value.
11-24-67	Sigma Capital Shares, Inc. Wilmington Trust Bldg. Wilmington, Delaware	shs com/s @ net asset value.
11-8-67	Southwestern Investors, Inc. 3900 First National Bank Building Dallas, Texas	shs com/s @ net asset value.
11-16-67	Systems Engineering Laboratories Incorporated 6901 West Sunrise Blvd. Ft. Lauderdale, Florida	5,000 shs com/s @ \$44.00.
11-13-67	Tenneco Corporation & Tenneco, Inc. Tennessee Building Houston, Texas	15,000 Units of 6.25% Sub. Exchangeable Deben. of \$1,000 ea. of Tenneco Corp. @ 100% and an exchange price of \$30.00.

11-30-67	Trust Securities Programs 140 Federal Street Boston, Massachusetts	Systematic Investment Programs and Fully Paid Programs for the accumulation of shs of Investment Trust of Boston @ face amt.
11-9-67	Twentieth Century Investors, Inc. 605 West 47th Street Kansas City, Missouri	Twentieth Century Income Investors and Twentieth Century Growth Investors @ net asset value.
11-7-67	Twentieth Century Investors, Plan 605 West 47th Street Kansas City, Missouri	Twentieth Century Investors Plans to acquire Twentieth Century Growth Investors of Twentieth Century Investors, Inc. @ face amt.
11-15-67	United Chemical Co. 3309 West Kingsley Road Garland, Texas	150,000 shs com/s @ \$1.25 to public and 50,000 shs for registration purposes only.
11-15-67	United Funds, Inc. (Income) 20 West Ninth Street Kansas City, Missouri	shs of United Income Fund @ net asset value.
11-30-67	United States Finance Company, Inc. 3947 Woodcock Drive Jacksonville, Florida	1,000 5 1/2% Conv. Sub. Deben. due 1987 @ \$1,000.00 and 13,000 shs com/s @ \$31.00.
11-21-67	Utah Construction & Mining Co. 550 California Street San Francisco, California	\$1,250,000 face amt. of 5% Conv. Sub. Deben. @ 100%, convertible @ \$96.50.
11-15-67	The Value Line Fund, Inc. 5 East 44th Street New York, New York	shs com/s @ net asset value.
11-15-67	The Value Line Special Situations Fund, Inc. 5 East 44th Street New York, New York	shs com/s @ net asset value.
11-13-67	Willcox & Gibbs, Inc. 1040 Avenue of the Americas New York, New York	5,000 shs Cl. A stk @ \$5.00 and 16,666 Transferable Warrants to purchase Cl. A stk @ \$1.25 per Warrant.

REGISTRATION APPLICATIONS WITHDRAWN OR ABANDONED

11-2-67	Athena Petroleum Corporation P. O. Box 12365 Dallas, Texas	300,000 shs com/s @ \$1.00.
11-30-67	Baldwin-Montrose Chemical Company, Incorporated 600 Madison Avenue New York, New York	1,126 Warrants @ \$0.50.
11-30-67	Big Dutchman, Inc. DeWitt Square Zeeland, Michigan	10,000 shs com/s @ \$17.00.
11-6-67	Compar Corporation 1815 Bayshore Highway Burlingame, California	5,000 shs com/s @ \$1.10.



8-28-67	Computest Corporation Three Computer Drive Cherry Hill, New Jersey	15,000 shs com/s @ \$16.00.
11-30-67	Hudson Leasing Corporation 120 Broadway New York, New York	1,500 shs com/s @ \$16.00.
11-2-67	Lone Star Life Insurance Company 2331 Gus Thomasson Road Dallas, Texas	30,000 shs com/s @ \$5.00.
5-16-67	Mohawk Data Sciences Corp. Harter Street Herkimer, New York	3,000 shs com/s @ \$80.00.
9-8-67	Oregon National Life Insurance 610 S. W. Alder Street Portland, Oregon	572 shs com/s @ \$0.40.
11-17-67	Tele-Tape Productions, Inc. 135 South LaSalle Street Chicago, Illinois	5,000 shs com/s @ \$12.50.

Securities Registrations from September 1, 1967, through November 30, 1967

Month of November 1967

	<u>Number Registrations</u>	<u>Amount</u>	<u>Prior Total Accumulated</u>	<u>Total</u>
Securities Registered By Mutual Investment Companies	<u>22</u>	<u>\$ 31,818,000*</u>	<u>\$ 45,773,000</u>	<u>\$ 77,591,000</u>
<u>Renewal Registrations</u>				
Mutual Investment Companies	20	38,406,753	26,364,078	64,770,831
Other Corporate Securities	<u>2</u>	<u>2,325,795</u>	<u>1,741,855</u>	<u>4,067,650</u>
	22	40,732,548	28,105,933	68,838,481
<u>Original Applications of All Other Corporate Securities</u>				
Texas Companies	5	25,518,616	15,380,269	40,898,885
Other Companies	<u>26</u>	<u>13,161,934</u>	<u>53,484,037</u>	<u>66,645,971</u>
	31	38,680,550	68,864,306	107,544,856
TOTALS	<u>75</u>	<u>\$111,231,098</u>	<u>\$142,743,239</u>	<u>\$253,974,337</u>

\* \$1,100,000 of this amount represents Texas Mutual Funds.