

# sec news digest

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U.S. SECURITIES & EXCHANGE COMMISSION

April 25, 1974

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## RULES AND RELATED MATTERS

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AMENDMENTS TO REGISTRATION AND REPORTING  
FORMS AND REGULATION S-X PUBLISHED

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The Commission today adopted amendments to instructions pertaining to the financial statements, to the summaries of operations and to the exhibits in several filing forms and amendments to Regulation S-X to achieve consistency among similar requirements in various forms and the regulation, to update references in the forms to the regulation as recently revised, and to clarify and modify the instructions in some respects. (ASR 155)

## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

SEC CITES KORDICH, VICTOR & NEUFELD, PARTNERS  
AND EMPLOYEES; FIRM AND GENERAL PARTNERS BARRED

An order has been issued instituting public administrative proceedings against Kordich, Victor & Neufeld, formerly a New York City broker-dealer, Bruno Kordich, Lawrence Victor and Norman Neufeld, who were general partners of the firm, Murray Tebele and Samuel Shasho, former limited partners, and Dominic Bassani and Arnold Kaplan, former employees.

The proceedings are based on staff allegations that from about January 1, 1969 to January 31, 1973, respondents violated antifraud and antimanipulative provisions of the securities laws in the firm's underwriting of seven securities offerings. Respondents allegedly withheld substantial portions of the offerings from public sale by purchasing them through nominee accounts, subsequently selling the withheld securities for excessive and undisclosed profits. In addition, the firm and its general partners are charged, among other things, with failing to comply with prospectus, credit extension and record-keeping requirements.

Simultaneously with the institution of proceedings, the Commission accepted an offer of settlement from the firm and its three general partners pursuant to which it ordered them barred from association with any broker-dealer. After a period of four years, Kordich, Victor and Neufeld may each apply for re-entry into the securities business in a nonsupervisory position.

The sanctions were based on findings that the firm, Kordich, Victor and Neufeld violated the securities acts as charged in the order for proceedings. Respondents consented to the findings without admitting or denying the charges against them. A hearing will be scheduled by further order on the charges against the remaining respondents. (Rel. 34-10742 & 10743)

BROKER-DEALER REGISTRATION OF  
V. F. NADDEO & CO., INC. REVOKED

An order has been issued revoking the broker-dealer registration of V. F. Naddeo & Co., Inc., of New York City, which is in receivership. The revocation order will not affect the transactions and activities of the court-appointed receiver for Naddeo & Co. According to the decision, the firm violated the recordkeeping and net capital provisions of the securities laws.

The receiver consented to the findings and sanction, without admitting or denying the charges against Naddeo & Co. (Rel. 34-10741)

SUSPENSION OF REGULATION A EXEMPTION  
OF AMERICAN KWIK MADE PERMANENT

The Commission's order temporarily suspending the claimed Regulation A exemption from the Securities Act's registration requirements with respect to an offering of 50,000 shares of the common stock of American Kwik, Inc. of Cleveland, Ohio has become permanent.

The temporary order alleged the Commission had reason to believe that: (1) American Kwik's filing was false and misleading in that it failed to disclose the failure of the firm's predecessor to obtain part ownership in an exclusive distributorship for Bonanza International, Inc. and the assignment of its interest in that distributorship to the firm in exchange for stock; and (2) the offering was made in violation of the antifraud provisions of the securities laws.

The order was made permanent because American Kwik withdrew its request for a hearing and because it did not oppose the motion of the Commission's staff for a permanent order. (Rel. 33-5482)

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## ORDERS FOR PUBLIC PROCEEDINGS

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### INTERNATIONAL SHAREHOLDERS SERVICES CORP.

Public administrative proceedings have been ordered involving International Shareholders Services Corp., a registered broker-dealer with offices in Jacksonville, Florida, and its president, Howard M. Jenkins, Jr. The proceedings are based on staff allegations that the firm and Jenkins violated the registration and financial reporting provisions of the securities laws. A hearing will be scheduled by further order on the charges against the firm and Jenkins. (Rel. 34-10755)

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## INVESTMENT COMPANY ACT RELEASES

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### FML GROWTH FUND

A notice has been issued giving interested persons until May 13 to request a hearing on an application of FML Growth Fund, Inc. (Growth), FML Equity Income Fund, Inc. (Equity), both mutual funds which may be deemed to be under common control, and The Fidelity Mutual Life Insurance Company (Fidelity), parent of FML Funds Advisory Company (the Adviser), for an order permitting the merger of Growth into Equity and permitting Fidelity, a major shareholder of Growth and Equity, and the Adviser, which has contracts with both Growth and Equity, to participate in such merger. (IC-8321)

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## HOLDING COMPANY ACT RELEASES

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### METROPOLITAN EDISON COMPANY

An order has been issued authorizing Metropolitan Edison Company, subsidiary of General Public Utilities Corporation, to amend its corporate charter to increase the number of authorized cumulative preferred stock from 1,400,000 to 2,150,000 shares and to solicit proxies from its preferred stockholders in connection therewith. (Rel. 35-18390)

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## TRADING SUSPENSIONS

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### ADDITIONAL ACTION ON THREE TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Stratton Group, Ltd., and over-the-counter trading in the securities of Home-Stake Production Co. and Continental Vending Machines, Inc. for the further ten-day period April 25 - May 4, inclusive.

## SECURITIES ACT REGISTRATIONS

### (S-7) THE DOW CHEMICAL COMPANY

2030 Dow Center, Midland, Mich. 48640 - 500,000 shares of common stock to be offered to its employees via installment purchase. The Dow Chemical Company is engaged in the manufacture and sale of chemicals, metals, plastic materials and products and pharmaceutical, agricultural and consumer products. (File 2-50678 - Apr. 8)

### (S-16) MURPHY OIL CORPORATION

200 Jefferson Ave., El Dorado, Arkansas 71730 - 3300 shares of common stock, which may be offered for sale from time to time by certain shareholders at prices current at the time of sale. Murphy Oil Corporation is an integrated petroleum company. (File 2-50774 - Apr. 15)

### (S-7's) THE DOW CHEMICAL COMPANY

2030 Dow Center, Midland, Mich. 48640 - 30,000 shares of common stock to be offered to the employees of Dow Corning Corporation and certain specified subsidiaries via installment purchase. (File 2-50806 - Apr. 19)

In a separate statement, the company seeks registration of 30,000 shares of common stock to be offered to the employees of Dow Badische Company and certain specified subsidiaries via installment purchase. The Dow Chemical Company is engaged in the manufacture and sale of chemicals, metals, plastic materials and products and pharmaceutical, agricultural and consumer products. (File 2-50807 - Apr. 19)

### (S-7) OHIO POWER COMPANY

301 Cleveland Ave., S.W., Canton, Ohio 44702 - \$100 million of first mortgage bonds in one or more new series, having a maturity of not less than five nor more than 30 years, to be offered for sale at competitive bidding. The company is an electric utility operating company. (File 2-50824 - Apr. 19)

### (S-14) CHANNING SECURITIES, INC.

2727 Allen Parkway, Houston, Tex. 77019 - 1,457,669 shares of Channing American Fund, a separate class of stock of the company, to be offered in exchange for the outstanding shares of Porteous Growth Fund, Inc., Devon, Pennsylvania, in proportion to their respective net asset values on the effective date of the merger. Porteous Growth Fund, Inc. is an open-end, diversified management investment company. Channing Securities, Inc. is an open-end, diversified management investment company with two separate classes of stock, each class of stock constituting a separate mutual fund. (File 2-50825 - Apr. 19)

### (S-16) ATLANTIC RICHFIELD COMPANY

515 South Flower St., Los Angeles, Cal. 90071 - 103,386 warrants for common stock, which may be offered for sale or otherwise disposed of from time to time by the selling warrant holder on the American Stock Exchange or otherwise at prices current at the time of sale. Also included are 718,360 shares of common stock issuable to and including December 31, 1976 at \$127.50 per share upon exercise of 718,360 outstanding warrants. Atlantic Richfield explores for, and develops, produces, purchases, transports and sells crude petroleum and natural gas, and manufactures, transports and markets petroleum products derived from crude oil including petrochemicals. (File 2-50827 - Apr. 22)

### (S-1) AMERICAN GENERAL INSURANCE COMPANY

2727 Allen Parkway, Houston, Tex. 77019 - \$100 million of subordinated debentures due 1994 (exchangeable into common stock of Texas Commerce Bancshares, Inc. through 1979, and with interest thereafter at 6-3/4% per annum). A group of underwriters, managed by Goldman, Sachs & Co., 55 Broad St., New York, N. Y. 10004, will offer

the securities to the public. American General is primarily engaged through subsidiaries in the life and health insurance and property and liability insurance businesses, and also renders other financial services. (File 2-50829 - Apr. 22)

(S-7) DELMARVA POWER & LIGHT COMPANY

800 King St., Wilmington, Del. 19899 - \$35 million of first mortgage bonds, due 2004 to be offered for sale at competitive bidding. The company is an electric and gas utility. (File 2-50830 - Apr. 22)

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:

The Central Bancorporation, Inc., Cincinnati, Ohio (File 2-50811 - Apr. 19) - 4,358 shares

Work Wear Corp., Cleveland, Ohio (File 2-50812 - Apr. 19) - 273,681 shares

F.W. Woolworth Co., New York, N. Y. (File 2-50813 - Apr. 19) - 700,000 shares

UAL, Inc., Chicago, Ill. (File 2-50816 - Apr. 19) - 60,000 participations

Jos. Schlitz Brewing Company, Milwaukee, Wis. (File 2-50818 - Apr. 19) - 1,192,130 shares

Wometco Enterprises, Inc., Miami, Fla. (File 2-50821 - Apr. 19) - 325,000 shares

American Metal Climax, Inc., New York, N. Y. (File 2-50822 - Apr. 19) - 500,000 shares

The Columbia Gas System, Inc., Wilmington, Del. (File 2-50823 - Apr. 19) - 2,916,667 shares

Philip A. Hunt Chemical Corp., Palisades Park, N. J. (File 2-50826 - Apr. 19) - 150,000 shares

The Chase Manhattan Corp., New York, N. Y. (File 2-50828 - Apr. 22) - \$25,000,000 of interests

Royal Crown Cola Co., Columbus, Ga. (File 2-50832 - Apr. 22) - 28,334 shares

REGISTRATIONS EFFECTIVE

April 23: Fitchburg Gas and Electric Light Company, 2-50466.

April 24: Exchange Bancorporation, Inc., 2-50488; Gould Inc., 2-50592; Masco Corp., 2-50018; The Randfontein Estates Gold Mining Company, Witwatersrand, Ltd., 2-50666; Teleflex Inc., 2-50444; Trans World Airlines, Inc., 2-50787; U.C. Investments Ltd., 2-50752; Union Carbide Corp., 2-50540.

REGISTRATIONS WITHDRAWN

April 22: Englewood Merger Fund, Inc., 2-43259.

April 23: Aluma-Art Corp., 2-48464; Cosmetex Industries, Inc., 2-49282; Heritage Enterprises, Inc., 2-45871; Uslife Corp., 2-49404.

April 24: Continental Illinois Realty, 2-49880.

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 12¢ per page plus postage for mailing within four days (\$2 minimum) and 25¢ per page plus postage for over-night mailing (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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