

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 70-92)

FOR RELEASE May 12, 1970

NEW RULES AND REGULATIONS

REGISTRATION FORM REVISED. The SEC has revised its Form N-8B-2 under the Investment Company Act (Release IC-6045). This is the form prescribed for use by Unit Investment Trusts which are currently issuing securities. It was adopted in 1942 and has never been amended. The current revisions are of a technical nature, designed to update and correct the form. The only additional information required of persons who file the form is the Internal Revenue Employer Identification number of the trust, of the depositor of the trust, and of the principal underwriter currently distributing securities of the trust, and the ZIP Codes where applicable.

HOLDING COMPANY ACT RELEASES

OHIO EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16720) authorizing Ohio Edison Company, Akron, to issue and sell \$45,000,000 of first mortgage bonds, due 2000, at competitive bidding. The company will use the net proceeds of its bond sale to return to The Cleveland Electric Illuminating Company noninterest bearing deposits of \$41,136,483 previously made by that company with Ohio Edison under terms of a 1965 arrangement relating to the development of power generation facilities of the two companies, for advances for coal to be delivered under a contract with North American Coal Company and for other corporate purposes. Ohio Edison also proposes, on or about November 1, 1970, to issue an additional \$319,000 of first mortgage bonds, 3¹/₂ Series of 1955 due 1985, under the provisions of its Twelfth Supplemental Indenture dated May 1, 1955 and to surrender such bonds to the Trustee in accordance with the sinking fund provisions thereof.

JERSEY CENTRAL P & L SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16721) giving interested persons until June 3 to request a hearing upon a proposal of Jersey Central Power & Light Company, Morristown subsidiary of General Public Utilities Corporation, to issue and sell \$12,000,000 of first mortgage bonds, due 2000, at competitive bidding. Jersey Central will use the net proceeds of its bond sale to pay a portion of its short-term bank notes outstanding on the date of the sale of the bonds (estimated at \$47,000,000 at that date). Proceeds of such notes have been or will be used to finance Jersey Central's construction program, which is estimated at \$104,500,000 for 1970.

INVESTMENT COMPANY ACT RELEASES

STAR CAPITAL RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6047) declaring that Star Capital Corporation, New York, has ceased to be an investment company as defined in the Act.

FAIRWAY CENTER CORP., OTHERS SEEK ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6049) giving interested persons until May 26 to request a hearing upon an application of Illinois Capital Investment Corporation ("Illinois Capital"), Chicago closed-end management company, Financial Resources, Inc. ("FRI"), Memphis, Enterprise Funds Liquidating Trust ("Enterprise"), Chicago, Mid-North Capital Corporation ("MNC"), Chicago, Shepard Broad, an individual, and Fairway Center Corporation ("Fairway"), Burlington, Iowa, for an order permitting Fairway Corp. to sell all its assets to U.I.P. Corporation ("U.I.P.") in exchange for 576,403 shares of Oceanada Corporation ("Oceanada"--a land development company with 2,785,000 outstanding common shares). U.I.P. has made a commitment to provide a firm underwriting or other market for the Oceanada shares conveyed to Fairway Corp. which would result in a net cash price of at least \$3 per share to Fairway Corp., or if less, to make up the difference in the sale price and \$3 per share. Fairway Corp. was created in 1964 to hold the Fairway Shopping Center asset, which formerly belonged to Crossco Corporation, an Illinois land development company. At April 8, 1970, 54.32% of Fairway Corp. was owned by Illinois Capital, 8.51% by MNC, 11.35% by FRI, 17.71% by Enterprise and 8.12% by Shepard Broad. Applicants represent that U.I.P. is not an affiliated person of any of the applicants, nor is any of the applicants an affiliated person of U.I.P., and that each of the applicants owning shares of Fairway Corp. would retain the same percentage they currently own.

GOLCONDA MINING RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-6050) with respect to certain transactions proposed by Golconda Mining Corporation, registered closed-end investment company, and Alice Silver-Lead Mining Company ("Alice"), Mullan Silver-Lead Company ("Mullan"), United Lead-Zinc Mines Company ("United"), Square Deal Mining and Milling Company Limited ("Square Deal"), Alice Consolidated Mines, Inc. ("Alice Consolidated") and Hecla Mining Company ("Hecla"). It is proposed to consolidate all of the mining properties of United, Mullan and Alice and part of the mining properties of Golconda and Square Deal by exchanging such properties for shares of Alice Consolidated, a company established for that purpose. The purpose of the consolidation is to bring such mining properties into single ownership so that the combined area in the Hunter Mining District of

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Shoshone County, Idaho, may be explored at depth as a single unit. Golconda owns the following percentages of the outstanding shares of the other companies: Hecla 11%, Alice 52.2%, United 47.1%, Mullan, 54.7% and Square Deal 54.3%. Following the transfer of properties to Alice Consolidated, Golconda will own 10% of the outstanding shares of Alice Consolidated, and will control Alice Consolidated.

PAUL REVERE VARIABLE ANNUITY FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6051) exempting The Paul Revere Variable Annuity Contract Accumulation Fund, Worcester, Mass. mutual fund, from certain provisions of the Act. The Paul Revere Variable Annuity Insurance Company established the Fund as a separate account through which it sets aside assets attributable to certain of its variable annuity contracts.

COURT ENFORCEMENT ACTIONS

JOHN FORMA SECURITIES ENJOINED. The SEC New York Regional Office announced April 30 (LR-4604) that the Federal court in New York had permanently enjoined violations of the Commission's record-keeping and net capital rules by John Forma Securities, Inc. (New York broker-dealer firm) and John Forma. The defendants consented to the injunction without admitting or denying the violations.

SALE OF JB&T AND S&M INDUSTRIES STOCK ENJOINED. The SEC Denver Regional Office announced May 7 (LR-4605) that the Federal court in Denver had enjoined the offer and sale of stock of J B & T Co. and S & M Industries, Inc., by the following in violation of the Securities Act registration provisions: Carter W. Elliott, Jr., Castings, Inc., Colorado Ventures, Inc., and Peter-Son Builders, Inc. Violations of the registration and anti-fraud provisions of the securities laws by John J. Bonella and Dorsey G. Son also were enjoined. The defendants consented to the injunctions.

SEC COMPLAINT NAMES INTERNATIONAL BANK OF NASSAU. The SEC has filed a complaint in the D. C. Federal court (LR-4606) seeking to enjoin violations of the Securities Act registration provisions by International Bank and Trust, Ltd., Nassau, Bahamas, and its president, George R. Davis, in the offer and sale of securities in the form of savings and passbook accounts.

SECURITIES ACT REGISTRATIONS

TAMPA ELECTRIC PROPOSES OFFERING. Tampa Electric Company, 111 N. Dale Mabry Hwy., Tampa, Fla. 33609, filed a registration statement (File 2-37343) with the SEC on May 8 seeking registration of 150,000 shares of Series E preferred stock (\$100 par) with warrants to purchase 300,000 shares of common stock, to be offered for public sale in units, each consisting of one share and two warrants. The offering is to be made through underwriters headed by Stone & Webster Securities Corporation, 90 Broad St., New York, N. Y. 10004; the offering price (\$103 per unit maximum*) and underwriting terms are to be supplied by amendment. An electric utility, the company will apply the net proceeds of its stock sale toward reduction of outstanding short-term debt incurred for construction purposes (estimated at \$40,000,000 at the time of the sale of the securities). Construction expenditures are estimated at \$42,000,000 for 1970 and at \$115,000,000 for the three-year period 1971-73.

NEW ENGLAND MERCHANTS REALTY TRUST PROPOSES OFFERING. New England Merchants Realty Trust, 28 State St., Boston, Mass. 02109, filed a registration statement (File 2-37344) with the SEC on May 8 seeking registration of 2,500,000 shares of beneficial interest with warrants to purchase 2,500,000 shares, to be offered for public sale in units, each consisting of one share and one warrant, and at \$20 per unit. The offering is to be made through underwriters headed by Bache & Co. Incorporated, 36 Wall St., New York, N. Y. 10005; the underwriting terms are to be supplied by amendment.

The Trust was organized on May 7 to provide investors with an opportunity to invest in a professionally managed portfolio of first mortgage loans and other real estate interests. It intends initially to invest primarily in first mortgage construction loans, but may also invest in development, intermediate and long term first mortgage loans, junior mortgages, equity interests in real property and other investments; also, to qualify as a real estate investment trust under the Internal Revenue Code. Merchants Advisory Corporation will act as investment advisor; its capital stock is 80% owned by New England Merchants National Bank of Boston ("Merchants Bank") and 20% by Bache & Co. Mark C. Wheeler is chairman of the Trust and president of Merchants Bank; Arthur F. F. Snyder is chairman and Robert S. Swain, Jr., president of the adviser and senior vice president and vice president, respectively, of Merchants Bank.

CALAFIA GROVES PROPOSES OFFERING. Calafia Groves Company (the "Partnership"), 431 North Brand Blvd., Glendale, Calif. 91203, filed a registration statement (File 2-37345) with the SEC on May 7 seeking registration of \$10,080,000 of limited partnership interests, to be offered for public sale in 560 units of \$18,000 each. The offering is to be made through Midland Securities Company, Inc., 15 West 10th St., Kansas City, Mo.; the underwriting terms are to be supplied by amendment. The Partnership proposes to purchase and expects to farm some 2,814 acres of land, approximately 90% of which is planted with almond, orange and lemon trees, in the McFarland area of Kern County, Calif. Calafia Land Corporation will serve as general partner. Samuel V. Tuttle is president and M. J. Coen board chairman of the general partner.

KINETIC SCIENCE TO SELL STOCK. Kinetic Science Corporation, 71 Catlin St., Meriden, Conn., filed a registration statement (File 2-37346) with the SEC on May 8 seeking registration of 65,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts, 45% or none basis by Fund Securities, Inc., 355 Victory Blvd., Staten Island, N. Y., which will receive a 50¢ per share selling commission plus \$3,000 for expenses. The company has agreed to sell the underwriter, for \$65, five-year warrants to purchase up to 6,500 shares, exercisable after one year at \$5.50 per share.

Organized in February 1969, the company proposes to engage in the manufacture and marketing of three industrial products; a water pollution control console, a photocopier and small appliance timer, and an over-running clutch called a "Kineticclutch." Net proceeds of its stock sale will be added to the company's working capital and used for general corporate purposes. The company has outstanding 143,750 common shares, of which Samuel H. Kellough, president, owns 13.1%, management officials as a group 15.2% and Resource Control, Incorporated, 21.7%. Purchasers of the shares being registered will acquire a 31.1% stock interest in the company for their investment of \$325,000 (they will sustain an immediate dilution of \$3.63 in per share book value from the offering price); present stockholders will then own 68.9%, for which they will have paid \$95,072.

INVESTOR 70'S PROPOSES OFFERING. Investor 70's, Ltd. (the "Partnership"), 10889 Wilshire Blvd., Los Angeles, Calif. 90024, filed a registration statement (File 2-37351) with the SEC on May 11 seeking registration of \$2,000,000 of limited partnership interests, to be offered for public sale in 800 units and at \$2,500 per unit (with a minimum initial investment of \$5,000). The offering is to be made through United Professional Securities, Inc. (a wholly-owned subsidiary of United Professional Planning, Inc., the general partner), which will receive an 8½% selling commission (\$212.50 per unit); it may allow participating member-dealers a selling commission of \$187.50 per unit. The Partnership was formed for the purpose of acquiring real properties. Karl L. Wiley is president of the general partner.

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:

- PepsiCo, Inc., New York, N. Y. 10022 (File 2-37347) - 400,000 shares
- DBA Systems, Inc., Melbourne, Fla. 32901 (File 2-37348) - 220,650 shares
- Royal Industries, Inc., Pasadena, Calif. 91105 (File 2-37350) - 390,968 shares
- The Jeannette Glass Company, Jeannette, Pa. 15644 (File 2-37352) - 113,384 shares

MISCELLANEOUS

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-8882) granting an application of the New York Stock Exchange to strike from listing and registration the common stock of Diners' Club, Inc., effective at the opening of business on May 11, 1970. According to the application, only some 375,000 shares remain publicly held exclusive of approximately 2,083,830 shares (or 84.7%) acquired by Continental Corporation pursuant to a tender offer which expired on March 27, 1970.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	O-Registrants	Location	File No.	O-Registrants	Location
			4618	Greateastern Investment Corporation	Mercer, Pa.
4504	American Beef Packers Inc	Elmwood Park Station, Omaha	4549	Hartford National Corp	Hartford, Conn.
4563	American Guaranty Corp	Portland, Ore.	4532	Indiana National Corp	Indianapolis, Ind.
4628	Audio-Visual International Corp	NY, NY	4673	Nebraska Consolidated Communications Corp	Lincoln, Neb.
4502	Berven Carpets Corp **	Fresno, Calif.	4530	Newport National Corporation	Newport Beach, Calif.
4559	Beverly Hills Bancorp	Beverly Hills, Cal.	4552	Old Equity Financial Corp	Evanston, Ill.
4562	Boatmen's Bancshares Inc	St. Louis, Mo.	4625	Old Republic International Corp	Chicago, Ill.
4578	City National Corp	Beverly Hills, Cal.	4627	PNB Corporation	Phila., Pa.
4608	Creative Services Inc	New York, NY	4550	Palo Alto-Salinas Savings and Loan Assoc.	Palo Alto, Calif.
4605	Crocker National Corp	S. F., Calif.	4629	R I H T Corp	Providence, R.I.
4553	Doric Distributors Inc	New York, NY	4566	Republic Van Lines Inc	Balt., Md.
4561	First Empire State Corp	Buffalo, NY	4619	Selected Investment Corp	Mechanicsburg, Pa.
4517	First Jersey National Corp	Jersey City, NJ	4546	Service Group Inc**	L. A., Calif.
4622	First Steuben Bancorp Inc	Steubenville, O.	4564	Southern California First National Corp	San Diego, Calif.
4609	First Tulsa Bancorporation Inc	Tulsa, Okla.	4516	Standard Systems International Inc	Anaheim, Calif.
4555	First Valley Corporation	Bethlehem, Pa.	4584	United North Carolina Industries, Inc.	Wilkesboro, NC
4551	Florida-Vanderbilt Development Corp	Akron, Ohio	4626	United Penn Corp	Wilkes-Barre, Pa.
4607	Franklin New York Corporation	St. Mineola, NY	4507	Universal Shelter Corp	Greendale, Wisc.
4544	Fremont Bancorporation	Fremont, Calif.	4503	West American Industries Inc	Adrian, Mich.
4554	Fulton National Corp	Atlanta, Ga.	4558	Westland Investment Co Inc	Lubbock, Tex.
4529	General Bancorp	Fresno, Calif.			
4556	Girard Co	Lake Conowyd, Pa.			
4509	Golden State Bancorporation	Downey, Calif.			

File No.	O-Registrants Cont'd	Location
4579	Inland Bancorp	Pomona, Calif.
4568	Integon Corporation	Winston-Salem, N.C.
4630	International Aeroproducts Inc	Englewood Cliffs, NJ
4547	Liberty National Corporation	Okla. City, Okl.
4565	Liquid Transporters Inc	Louisville, Ky.
4688	Medequip Corporation **	Park Ridge, Ill.
4501	Media Creations Ltd **	New York, NY
4500	L E Myers Co**	Chicago, Ill.
4534	NB Corporation	Charlottesville, Val.
4528	NBT Corporation	Tulsa, Okla.
4623	National Standard Investment Corporation	Orlando, Fla.

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 May 6 News Digest.

8K Reports for March '70

J W Egerly & Co (11)	2-33879-2	American Cyanamid Co(3)	1-3426-2
Empire Life Insur Co Feb 70(7, 9)	2-20749-2	Astro-Space Corp(12,13)	2-30866-2
Flying Diamond Land and Mineral Corp (7)	0-4033-2	Athlone Industries Inc(7,8,13)	1-5573-2
American Forest Prods Corp(7,13)	0-558-2	Bancohio Corp(11,12,13)	0-1411-2
Aztec Oil & Gas Co(12)	1-6023-2	Banker's Fidelity Life Insur Co (11)	2-13933-2
Bacm Industries Ltd Jan 70(2,7, 11,12,13)	1-5086-2	Canoga Industries Inc(11)	1-5576-2
CNA Financial Corp (12, 13)	1-5823-2	Data Instruments Co Feb 70(7)	2-35434-2
Capitol Products Corp(11,13)	1-5968-2	Datascan Inc(4,7,12,13)	0-3589-2
Chesapeake Industries Inc Jan 70 (2,7,13)	0-4087-2	Alaska Airlines Inc Amdt #1 for Sept 69(2,12)	1-3314-2
Earth Resources Co Jan 70 (7, 13)	1-5984-2	Aydin Corp Amdt #1 for Jan 70 (4,12)	2-28946-2
Exchange Bancorporation Inc(11, 13)	2-30635-2	Cellu-Craft Inc Amdt #1 for Dec 69 (13)	1-5649-2
Airlift International Inc(12)	1-5551-2	American Financial Corp Amdt #1 for Feb 70(12)	0-839-2
Alliance Medical Inns Inc(2,7, 13)	2-33086-2	Bio-Dynamics Inc Mar 70 (2,7,13)	0-3169-2
Allis Chalmers Mfg Co(12,13)	1-2199-2		
American-Zinc Co(11,13)	1-59-2		
Barry Wright Corp(11)	1-4043-2		
Best Products Co Inc(6)	2-36073-2		
H & R Block Inc(11,13)	1-6089-2		
California Water Service Co(11)	0-464-2		
Cogar Corp(3)	0-4319-2		

SECURITIES ACT REGISTRATIONS. Effective May 11: Carousel Fashions, Inc., 2-37169 (40 days); The Cleveland Electric Illuminating Co., 2-37235 & 2-37309; Cutty's Inc., 2-35798 (90 days); R & R Associates, Inc., 2-35085 (90 days); Sam Boren Petroleum Corp., 2-34747 (90 days); Southern Indiana Gas & Electric Co., 2-37145; Whittaker Corp., 2-36245 (40 days).

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.

*As estimated for purposes of computing the registration fee.