

sec news digest

a daily summary from the securities and exchange commission

Issue 73-180

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September 17, 1973

DECISIONS IN ADMINISTRATIVE PROCEEDING

BENJAMIN LEWIS AND CO. AND PRESIDENT SUSPENDED. An order has been issued suspending for 90 days the broker-dealer registration of Benjamin Lewis and Co., Chicago, Illinois, and suspending its president Delbert M. Rutherford, from association with any broker or dealer for 90 days. The suspensions are to commence on September 24, 1973. The firm has agreed to file a withdrawal of its registration to become effective upon the expiration of the suspension period.

The action was based on findings that during 1970 and 1971 the firm violated various provisions of the securities laws in that, among other things, it made material misrepresentations about the market prices of United American Industries stock, failed properly to confirm securities transactions, improperly extended credit, failed to keep certain records and filed an improperly certified financial report. In addition, the firm, aided and abetted by Rutherford, operated with insufficient capital, failed to preserve certain records and failed to file promptly an amendment to its registration form reflecting material changes. The firm and Rutherford also failed to reasonably supervise other persons subject to their supervision with a view to preventing violations.

The findings were made under an offer of settlement in which respondents, without admitting or denying the charges, consented to the findings and the indicated sanctions. (Rel. 34-10380)

COURT ENFORCEMENT ACTIONS

SPENCE & GREEN CHEMICAL CO., ANDREW SPENCE, SR., ENJOINED. The Forth Worth Regional and Houston Branch Offices announced on August 31, that the Federal court in Houston preliminarily enjoined Spence & Green Chemical Company and Andrew Spence, Sr., its president, from violations of the registration and anti-fraud provisions of the securities laws. The court also ordered Andrew Spence, Sr. to tender to the U.S. District Clerk all transfer records and unissued certificates and to notify all stockholders of record that transfers have been suspended by order of the Court pending a full hearing on the merits of the complaint.

Further the SEC announced that James I. Farmer, the company's accountant and a director, without admitting or denying the allegations of the complaint, consented to the entry of an order of permanent injunction. (LR-6057)

DONALD H. ABRAMS PLEADS GUILTY. The Washington Regional Office announced that on September 13 Donald H. Abrams pleaded guilty to one conspiracy to obstruct justice count of a 21 count indictment which charged conspiracy to obstruct justice and perjury in connection with an investigation by the SEC into several companies promoted by co-defendants Joel Kline and Eric Adolph Baer. A date for sentencing has not been set. (LR-6058)

COMPLAINT NAMES PRESTIGE FINANCE CORP., OTHERS. The SEC announced the filing of a complaint on September 14 seeking to enjoin Prestige Finance Corp. Ltd. of Nassau, Bahamas; International Communication Corp. (ICC) a Cayman Island, West Indies Corporation; Harold John Goodwin, Montreal, Canada; William John Eret Milton, London, England; Jack Leonard Baker, Suffolk, England; George Raymond Enslin, Montreal, Canada; and Stephen Grubb of Montreal, Canada, from violations of the registration and antifraud provisions of the securities laws in the offer of the common stock of ICC.

The complaint alleges that the defendants are presently offering to United States investors unregistered shares of the common stock of ICC through a nationwide mailing of prospectuses which contain numerous false and misleading statements and omissions of material facts on the prospects of ICC and the value of and return from the common stock of ICC; the financial condition of ICC and Prestige; the existent or proposed business operations of ICC; the use of the proceeds of the offering of ICC stock; the promoters and officers of ICC and Prestige; the capital structure of ICC and the method utilized in the distribution of such securities.

The complaint also alleges that the defendants are pursuing a course of business which would defraud purchasers and prospective purchasers of ICC stock in soliciting the services of "Investment Counselors" (sales agents) through the lure of 15% to 20% commissions of the proceeds of the sales they are responsible for. In addition, the complaint alleges that the defendants, as a fraudulent inducement to such Investment Counselors, propose that such commissions will be undisclosed to the purchasers of said stock.

HOLDING COMPANY ACT RELEASES

NEW ENGLAND POWER COMPANY. A supplemental order has been issued authorizing New England Power Company (NEPCO) Westborough, Mass. subsidiary of New England Electric System, to issue \$2,500,000 of short-term notes to an additional bank. NEPCO has heretofore been authorized to issue up to \$104,000,000 in short-term notes to one bank. (Rel. 35-18094)

MASSACHUSETTS ELECTRIC CO. A notice has been issued giving interested persons until October 10 to request a hearing on a proposal of Massachusetts Electric Company, Westborough subsidiary of New England Electric System, to sell 200,000 shares of cumulative preferred stock (\$100 par) at competitive bidding. The company will use the net proceeds to reduce the amount of outstanding short-term notes temporarily issued to finance construction expenditures or to reimburse the treasury therefor. (Rel. 35-18095)

CONNECTICUT YANKEE ATOMIC POWER COMPANY. An order has been issued authorizing Connecticut Yankee Atomic Power Company, Hartford subsidiary of Northeast Utilities and New England Electric System, to sell from time to time on or before March 1, 1975, up to \$30 million of short-term securities to banks or a dealer in commercial paper. Connecticut Yankee will apply the proceeds from the sale (i) to repay \$21 million of notes to banks which mature on October 1, 1973, (ii) to provide funds for the construction of radiation waste facilities at its nuclear electric generating plant in Haddam, Connecticut, and (iii) for the purchase of additional nuclear fuel. (Rel. 35-18096)

INVESTMENT COMPANY ACT RELEASES

WOODPARK ASSOCIATES FUND. A notice has been issued giving interested persons until October 10 to request a hearing on an application of Woodpark Associates Fund, of New York, for an order declaring that the Fund has ceased to be an investment company. (Rel. IC-7991)

INVESTORS DIVERSIFIED SERVICES. A notice has been issued giving interested persons until October 9 to request a hearing on an application of IDS Growth Fund, Inc., IDS New Dimensions Fund, Inc., IDS Progressive Fund, Inc., Investors Mutual, Inc., Investors Selective Fund, Inc., Investors Stock Fund, Inc., Investors Variable Payment Fund, Inc. (the Mutual Funds), IDS Life Variable Annuity Funds A and B (Variable Annuity Funds), Investors Syndicate of America, Inc. (ISA), Investors Diversified Services, Inc., investment adviser to the Mutual Funds, ISA and the Variable Annuity Funds, and principal underwriter for the Mutual Funds and ISA, and IDS Life Insurance Company, investment adviser to and principal underwriter for the Variable Annuity Funds. They have requested an order permitting the continuation of such investment advisory and principal underwriting relationships from May 2, 1973, when the investment advisory and related principal underwriting contracts were terminated by the death of Allan P. Kirby, a prominent shareholder in the corporation controlling the investment advisers and principal underwriters, until new investment advisory contracts and principal underwriting agreements are approved by the shareholders and boards of directors of the Applicants. They have also requested an order permitting the continuation of such investment advisory and principal underwriting relationships from the date when the estate of Kirby is distributed until the next shareholder's meeting and board of director's meeting of the respective Applicants following the date of such distribution. (Rel. IC-7992)

SECURITIES ACT REGISTRATIONS FILED

(Note: "Per share maximum" prices referred to in the following summaries of registration statements are prices estimated for the purpose of computing the registration fee and are not necessarily prices at which the securities will be sold.)

REPUBLIC CORPORATION, 1900 Avenue of the Stars, Los Angeles, Calif. 90067 - 135,000 shares of common stock to be offered for sale by certain shareholders at prices prevailing at the time of sale (\$1.625 per share maximum). Republic is a diversified manufacturing and service company whose principal business is in visual communications arts. (File 2-48879 - Aug. 17)

W. R. GRACE & CO., 1114 Avenue of the Americas, New York, N.Y. 10036 - 455,965 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Cleary Petroleum Corporation at the rate of 2.65 Cleary shares for each Grace share. Grace has interests in economically based products and services and consumer products and services. Cleary acquires, develops and operates oil and gas properties. (File 2-48880 - Aug. 17)

HOTEL CORPORATION OF ISRAEL, 1 N. LaSalle St., Chicago, Ill. 60602 - \$1,900,000 of 8% senior subordinated convertible debentures, due 1985-88, to be offered for sale at 100% of principal amount. The company owns and operates a hotel in Tel Aviv, Israel, known as the Sheraton-Tel Aviv Hotel. Net proceeds will be applied toward the redemption of the company's outstanding 5-1/2% debentures (approximately \$1,500,000), and for the Hotel's renovation program. (File 2-48881 - Aug. 17)

THE ALABAMA FINANCIAL GROUP, INC., 112 North 20th St., Birmingham, Ala. 35290 - 92,800 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Baldwin County Bank, at the rate of 1.16 shares for each Bank share. Financial Group is a bank holding company with five banking subsidiaries. (File 2-48895 - Aug. 22)

MISCELLANEOUS

SECURITIES ACT REGISTRATIONS. Effective September 14: American Family Corp., 2-48854; ADR's for Chloride Group Limited, 2-48922; Combined Communications Corp., 2-48225; Energy Management Corp., 2-48138; First Bancgroup-Alabama, Inc., 2-48253; Hawaii-Pacific Growth Fund, Inc., 2-36989; Union Light, Heat and Power Co., 2-48912.

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Home-Stake Production Co. for the further ten-day period September 17-26, inclusive.

RECENT FORM 8-K FILINGS. Form 8-K is used by companies to file current reports on the following events

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| Item 1. Changes in Control of Registrant. | Item 9. Options to Purchase Securities. |
| Item 2. Acquisition or Disposition of Assets. | Item 10. Revaluation of Assets or Restatement of Capital Share Account. |
| Item 3. Legal Proceedings. | Item 11. Submission of Matters to a Vote of Security Holders. |
| Item 4. Changes in Securities. | Item 12. Changes in Registrant's Certifying Accountant. |
| Item 5. Changes in Security for Registered Securities. | Item 13. Other Materially Important Events. |
| Item 6. Defaults upon Senior Securities. | Item 14. Financial Statements and Exhibits. |
| Item 7. Increase in Amount of Securities Outstanding. | |
| Item 8. Decrease in Amount of Securities Outstanding. | |

The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
ILLINOIS CENTRAL GULF RAILROAD CO	7,14	08/73
IRON MOUNTAIN INC	6	08/73
ITEL CORP	2,14	08/73
KATY INDUSTRIES INC	13,14	08/73
KUHLMAN CORP	7	08/73
KYSOR INDUSTRIAL CORP	7	08/73
LENOX INC	2,7,14	08/73
LENER STORES CORP	14	08/73
LIBERTY NATIONAL CORP	13	08/73
MARCOR INC	3	08/73
MARTIN MARIETTA CORP	7,8,14	08/73
MCLOUTH STEEL CORP	4,14	08/73
MEDLINE INDUSTRIES INC	7,13,14	08/73
MISCHER CORP	13,14	08/73
MONTGOMERY WARD & CO INC	3	08/73

8K REPORTS CONT.

NATIONAL MORTGAGE FUND	4,7,14	08/73
NEW IDRIA MINING & CHEMICAL CO	2,7,14	08/73
NUCLEONIC PRODUCTS CO INC	3	08/73
OVERNITE TRANSPORTATION CO	13	08/73
PACIFIC AMERICAN REAL ESTATE FUND 1971	3	08/73
PACIFIC AMERICAN REAL ESTATE FUND 1972	7,14	08/73
PACIFIC COAST MEDICAL ENTERPRISES	2,14	08/73
PAINÉ WEBBER JACKSON & CURTIS INC	2,3,14	08/73
PARKER LEVITT CORP	11	08/73
PENNSYLVANIA LAND & MORTGAGE CO	11,14	08/73
PENNSYLVANIA POWER & LIGHT CO	7,14	08/73
PETRO SEARCH EXPLORATION CORP	2,14	06/73
PREL CORP	2,14	08/73
PVO INTERNATIONAL INC	3,14	08/73
RAYTHEON CO	8	08/73
RESERVE OIL & GAS CO	13,14	08/73
RICHARDSON MERKELL INC	3	08/73
RIO GRANDE INDUSTRIES INC	7	03/73
ROCKLAND ELECTRIC CO	7,11,14	08/73
ROPER CORP	7,14	08/73
SAFECO CORP	3	08/73
SAIN'T LOUIS SOUTHWESTERN RAILWAY CO	3,13	08/73
SINCLAIR VENEZUELAN OIL CO	13	08/73
SKIL CORP	13,14	08/73
SMITH INTERNATIONAL INC	7	08/73
SMITHFIELD FOODS INC	14	08/73
SOUTH CENTRAL BELL TELEPHONE CO	7,14	08/73
SOUTHERN PACIFIC TRANSPORTATION CO	3,13	08/73
SRC LABORATORIES INC	13,14	08/73
STERLING COMMUNICATIONS INC	13,14	08/73
SUITOMAT CORP	11,13,14	08/73
SUPERSCOPE INC	7,13	08/73
SYMMAR INC	13,14	08/73
TANDY CORP	3	08/73
TECHNOMIC RESEARCH ASSOCIATES INC	13	08/73
TEJAS GAS CORP	6,14	08/73
TELECOM CORP	2,13	08/73
TENNECO INC	10,14	08/73
TEXTURED PRODUCTS INC	3,13,14	08/73
TRANSPORT LIFE INSURANCE CO	7,14	08/73
UNITED STATES SUGAR CORP	8	08/73
URANIUM KING CORP	7	04/73
VAIL ASSOCIATES INC	13	08/73
VULT INFORMATION SCIENCES INC	13	08/73
WARNER NATIONAL CORP	2,14	08/73
WASHINGTON HUMES INC	13	08/73
WASHINGTON SCIENTIFIC INDUSTRIES INC	2,7,14	08/73
WELLS FARGO & CO	7,13	08/73
WISCONSIN PUBLIC SERVICE CORP	11,14	08/73
XEROX CORP	3,14	08/73
ZENITH RADIO CORP	13	08/73

IMPORTANT NOTICE

Many requests for copies of documents referred to in the daily SEC News Digest have erroneously been directed to the Government Printing Office. They should be addressed Public Reference Section, Securities and Exchange Commission, Washington, D C 20549. The reproduction cost will approximate 12¢ per page, plus postage, for mailing within four days, to 25¢ per page, plus postage, for overnight mailing. Cost estimates given on request.

Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.