

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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FOR RELEASE March 22, 1971

DECISION IN ADMINISTRATIVE PROCEEDING

SANCTIONS IMPOSED ON SECURITY OPTIONS CORP., OTHERS. The SEC today announced a decision under the Securities Exchange Act imposing sanctions on four New York broker-dealer firms, certain individuals associated with those firms and two persons formerly associated with another broker-dealer. The over-the-counter activities of Security Options Corp., Jed L. Hamburg & Co., Inc., and Monarch Funding Corp. were suspended for 30 calendar days, 10 business days and 20 calendar days, respectively, and the over-the-counter activities of the 566 Fifth Avenue branch office of Shields & Co. were suspended for 10 business days. The suspensions, which become effective on March 23, are subject to certain exceptions respecting, among other things, unsolicited transactions for existing customers, as to which no commissions are to be charged (except that Shields and Co. is to dispose of commissions on such transactions in accordance with a plan approved by the Commission). In addition, the Commission suspended the following persons from association with any broker or dealer for the periods designated, effective March 23: Jay P. Kaufman, president of Security Options, 30 calendar days; Jed L. Hamburg, president of Jed L. Hamburg & Co., 15 business days; Leo Eisenberg, president of Monarch Funding, 20 calendar days; Ruth Freedlander and Richard Fletcher, respectively a registered representative and assistant branch office manager for Shields & Co., 10 and 5 business days, respectively; and Gilda Shapiro and Albert Friedlander, respectively a registered representative and assistant branch office manager of another broker-dealer, 10 and 5 business days, respectively. The Commission's order was based on offers of settlement submitted by the respondents, who consented to the sanctions imposed and to certain findings of misconduct without admitting or denying the allegations against them.

According to the decision, during the period between February and August 1968 the respondents violated the registration provisions of the securities laws in connection with the offer and sale of common stock of Mastercraft Electronics Corp., and Shields & Co., Fletcher and Friedlander failed reasonably to supervise persons subject to their supervision with a view to preventing violations. Security Options and Kaufman were found to have also violated the registration provisions in connection with the offer and sale of common stock of A. K. Electric Corp. in June and July 1968. (Release 34-9109)

INVESTMENT COMPANY ACT RELEASES

ARTHUR ANDERSEN & CO. RECEIVES ORDER. The SEC today issued an order under the Investment Company Act exempting Arthur Andersen & Co., New York public accounting partnership, and Arthur Andersen's Fund A Partnership from certain provisions of the Act to the extent that such provisions would among others, require Fund A as an "employee" securities company to be beneficially owned by employees of Arthur Andersen, since all the participants in Fund A will be either partners, overseas representatives or participating principals of Arthur Andersen. (Release IC-6393)

CHAMBERLAIN MFG. RECEIVES ORDER. The SEC today issued an order under the Investment Company Act exempting from certain provisions of the Act the proposed purchase by Chamberlain Manufacturing Corporation of Elmhurst, Ill., of 116,300 of its outstanding common shares at \$8.50 per share from Enterprise Fund, a mutual fund, which shares represent 7.2% of the outstanding stock of Chamberlain and which accordingly makes Chamberlain an affiliated person of Enterprise under the Act. (Release IC-6394)

CAPITAL ESTATES RECEIVES ORDER. The SEC has issued an order under the Investment Company Act declaring that Capital Estates, Inc., of Reno, Nev., is primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities either directly or through majority-owned subsidiaries, or through controlled companies conducting similar types of businesses. (Release IC-6395)

PENN-PACIFIC SEEKS ORDER. The SEC has issued an order under the Investment Company Act giving interested persons until March 29 to request a hearing on the application of Penn-Pacific Corporation of Harrisburg, Pa., temporarily exempting it from certain provisions of the Act. The request has been made pursuant to an application filed on January 29, 1970 for an order declaring that applicant is not an investment company, or in the alternative, an order exempting it, subject to certain appropriate terms and conditions, from the provisions of Section 7 of the Act for a period of at least one year from the date of the order. The 60 day period of exemption will expire on March 30, and applicant which has not registered as an investment company has asked for further exemption as indicated herein. (Release IC-6396)

FIDELITY FUND SEEKS ORDER. The SEC has issued an order under the Investment Company Act giving interested persons until April 2 to request a hearing on the application of Fidelity Fund, Inc., of Boston, Mass. for an order exempting from certain provisions of the Act, a transaction in which applicant's redeemable securities will be issued at a price other than the current public offering price described in the prospectus, in exchange for the assets of Staley Investment Company, a Missouri corporation all of whose outstanding stock is owned by not more than five persons and which is engaged primarily in investing, reinvesting and trading in securities. Pursuant to agreement, substantially all of the cash and securities owned by Staley, valued at \$980,980 as of December 1, 1970 will be transferred to applicant in exchange for shares of its capital stock. (Release IC-6397)

OVER

AMERICAN-SOUTH AFRICAN INVESTMENT SEEKS ORDER. The SEC has issued an order under the Investment Company Act giving interested persons until April 8 to request a hearing upon an application by American-South African Investment Company, Ltd. (ASAIC) a registered closed-end investment company, and South-African Investment Adviser (Proprietary) Limited, investment adviser to ASAIC, for an order exempting both organizations from certain provisions of the Act from the time of the death of Charles W. Englehard on March 2, until the final adjournment of the 1971 Annual Shareholders Meeting of ASAIC, which meeting is scheduled to be held on April 26, thereby permitting the Investment Adviser to serve as such to ASAIC during that period. As a result of Englehard's death his indirect ownership of 50% of the outstanding shares of the Investment Adviser was transferred to his estate which may be deemed to constitute an assignment of the Investment Advisory Agreement between ASAIC and the Investment Adviser. On March 9, 1971 the board of directors of ASAIC, and on March 15 the directors of the Investment Adviser approved the terms of the investment advisory agreement in effect prior to Mr. Englehard's death and readopted it. (Release IC-6398)

HOLDING COMPANY ACT RELEASE

OHIO POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act authorizing Ohio Power Company of Canton, a registered holding company to issue and sell at competitive bidding, \$40 million of first mortgage bonds to be issued under the Mortgage and Deed of Trust of October 1, 1938 between Ohio and Manufacturers Hanover Trust Company as Trustee, and 100,000 shares of its cumulative preferred stock Series B, par value \$100. The proceeds of the preferred stock and of the bonds, together with other available funds will be used to pay or prepay short-term notes to pay commercial paper as it matures, to pay the company's construction program, for working capital and for their specified purposes. (Release 35-17060)

SECURITIES ACT REGISTRATIONS

UNICORN INDUSTRIES FILES FOR OFFERING AND SECONDARY. Unicorn Industries, 1511 Kraemer Blvd., Anaheim, Calif. 92806, filed a registration statement with the SEC on March 17 seeking registration of 210,000 shares of common stock, of which 130,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the holder thereof. The offering is to be made through underwriters headed by Morgan, Olmstead, Kennedy & Gardner Inc., 606 S. Olive St., Los Angeles, Calif. 90014.

Organized in 1966, the company is engaged primarily in manufacturing electrical equipment for use in the construction of mobile home parks. Of the net proceeds of its sale of additional stock, \$520,000 will be used to repay outstanding short-term borrowings incurred principally to finance inventory and accounts receivable, and the balance will be added to the company's general funds and used for general corporate purposes. The company has outstanding 550,000 common shares (with a \$1.01 per share net tangible book value), all of which are owned by Lawrence Phillips, Jr., president. He proposes to sell the 70,000 shares being registered. (File 2-39662)

AMWAY MUTUAL FUND PROPOSES OFFERING. Amway Mutual Fund, Inc., 7575 East Fulton Rd., Ada, Mich. 49301, filed a registration statement with the SEC on March 17 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value (**\$10 per share maximum) with no sales charge. The Fund is a diversified open-end management investment company, whose investment objective is long-term growth of capital. Amway Management Company, a wholly-owned subsidiary of Amway Corporation, is the investment adviser. Jay VanAndel is board chairman and Richard M. DeVos is president of the Fund, the adviser and Amway Corp. (File 2-39663)

LANDMARK CORP. TO SELL STOCK. Landmark Corporation, One East First St., Reno, Nev. 89501, filed a registration statement with the SEC on March 17 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at \$6.50 per share. No underwriting is involved.

Organized in August 1970, the company proposes to operate as a holding company whose insurance subsidiaries will function in the property and casualty, surety, life and accident and health underwriting business. Of the net proceeds of its stock sale, a small portion may be used to open two additional offices and the balance will be added to the company's working capital. The company has outstanding 85,000 common shares (with a 45¢ per share net book value), all of which is owned by John Wm. Moore, board chairman. Louis T. Mastos is president. Purchasers of the shares being registered will sustain an immediate dilution of \$2.22 in per share book value from the offering price. (File 2-39664)

COLONIAL PENN GROUP FILES FOR SECONDARY. Colonial Penn Group, Inc., 5 Penn Center Plaza, Philadelphia, Pa. 19103, filed a registration statement with the SEC on March 17 seeking registration of 700,000 outstanding shares of common (adjusted for a two-for-one stock split to be effective 4/2/71) to be offered for public sale by the holders thereof (**at \$40 per share maximum). The offering is to be made through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005.

The company is in the life and health and automobile insurance business. In addition to indebtedness, it has outstanding 7,321,954 common shares, of which Leonard and Sophie Davis each owns 18%. Association Data Services Corp. proposes to sell all of 530,250 shares held and five others the remaining shares being registered. (File 2-39665)

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:
 Jervis Corporation, Lake Success, N. Y. 11040 (File 2-39640) - 52,500 shares
 Sav-A-Stop, Incorporated, Jacksonville, Fla. 32208 (File 2-39658) - 444,308 shares
 Spencer Companies, Inc., Boston, Mass. 02110 (File 2-39669) - 124,160 shares

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 (in ordering, please give month and year of report). 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 March 11 News Digest.

8K Reports for January 1971

Hotel Corp or Israel (7,11,)	0-1670-2	International Industries, Inc Feb 71 (11)	1-5879-2	Service Group, Inc (2,11)	0-4546-2
Synchronex Corporation (2,7,9,13)	0-4682-2	Maryland Old Line Corporation (7)	0-3543-2	"Shell" Transport & Trading Co Ltd. (6K) Feb 71	1-4039-2
World Computer Corporation (2,6,12,13)	0-5098-2	Penn Central Transportation Co Feb 71 (3)	1-1569-2	Sony Corporation 6K Jan 71	1-6439-2
Aluminum Co of Canada Ltd (7,13)	1-3677-2	Dr. Pepper Co	1-248-2	Stratoflex, Inc (12)	0-2750-2
Vikoa, Inc (2,13)	1-5300-2	First S & L Shares, Inc (12)	0-5281-2	Dunkin Donuts Incorporated (4,7,13)	0-3456-2
Zapata Norness, Inc (11)	1-4219-2	Earth Resources Company (2,13)	1-5984-2	Fleur De Lis Motor Inns, Inc (2,4,12)	0-4777-2
Beck Industries, Inc (1,13)	1-3267-2	Unimed, Inc (3,13)	0-3390-2	General Health Services, Inc (11)	0-4242-2
Bellanca Aircraft Corporation Dec 70 (9,13)	0-4031-2	ABA Industries, Inc (11)	0-5419-2	<u>Amdt 8K Reports</u>	
Bryn Mawr Group Inc' (8)	0-2655-2	Airlift Intl, Inc (2,3,12)	1-5551-2	Jervis Corporation Jan 71 (9)	0-5073-2
Elizabethtown Water Co (7,13)	0-628-2	American Pacesetter (2,13)	1-3954-2	Coaches of America, Inc #1 for Dec 70 (13)	0-4929-2
Hydronic Industries, Inc (2,3,13)	0-5121-2	American Photocopy Equipment Co (3)	1-4055-2	The Cobbs Company, Inc #1 for Nov 70 (13)	0-4078-2
Herman Miller, Inc Dec 1970 (3,13)	2-17134-2	Associated Mortgage Investors (7,13)	1-6225-2	IHC Inc #1 for Jan 71 (7)	1-4222-2
Trio Laboratories, Inc (12,13)	1-5158-2	Hickory Furniture Company (2,7,13)	0-4205-2	Investors Growth Inc Nov 70 (13)	0-796-2
Art's-Way Manufacturing Co., Inc (8,9,12)	0-5131-2	Avemco Corporation (7)	1-6271-2	Transairco, Inc. #1 for Jan 71 (12)	1-3461-2
Imperial Management Corporation Dec 70 (2,7,11,13)	0-3318-2	Equitable Real Estate Invest. Trust (3,13)	0-1605-2	National Color Laboratories, Inc #1 for Oct 70 (2,13)	0-5310-2
Clayton Mark & Co (2,4,7,9,13)	0-2464-2	Fidelity Real Estate Invest Trust (3,13)	0-1929-2	Meister Brau Inc #1 for Nov 70 (2)	0-2086-2
Molecular Research Inc (7,13)	0-3540-2	National Identification Card Co Inc (12,13)	2-32989-2	Sonics International, Inc Jan 71 (11)	0-5348-2
New England Power Co (3)	1-6564-2	Osias Organization, Inc (1,2,13)	0-4185-2	Shareholders Capital Corp Jan 1971 (4,12,13)	0-3597-2
Upper Peninsula Power Company (7,13)	0-1276-2	Mr. Swiss of America, Inc Feb 1970 (12)	0-5062-2	Jervis Corporation (9,12) (Dec 70 (9,13))	0-5073-2 0-5073-2
Ansul Co (12)	1-4606-2	Penn Central Co Feb 71 (2,3,12)	1-6134-2	Overseas National Airways Inc #1 for May, June July, Aug & Sept 70 (6)	0-3060-2
Allied Chemical Corp (8)	1-1269-2	Lincoln Consolidated, Inc (8,12)	0-3064-2	Aero-Tech, Inc #1 for Oct 1970 (8,9)	0-4415-2
First National Investors Corp Inc (2)	0-3094-2	Philadelphia Electric Co (12)	1-1401-2	Marine Resources, Inc #1 for Oct 1969 (12,13)	0-4296-2
ICV Inc (9,12,13)	0-4422-2	Southern Airways Inc (6)	0-842-2	#1 for Nov 1970 (9,12,13)	0-4296-2
International Controls Corp Feb 71 (7,8,12)	1-5599-2	White Motor Corporation (3,11,13)	1-1363-2	Carpenter Technology Corp #1 for Aug 1970 (3,12)	1-5828-2
Avco Delta Corp (11,12)	1-6119-2	Aero-Tech, Inc (2,7,9,13)	0-4415-2		
International Systems Associates Ltd (2)	0-4973-2	Golden West Financial Corp Aug 70 (7)	0-3694-2		
American Raceways Inc Dec 70 (2,12,13)	0-3333-2	Dec 70 (7,13)	0-3694-2		
Eastern Empire Corporation (2,13)	0-3081-2	Jan 71 (2,7,13)	0-3694-2		
Genway Corp Feb 71 (12,13)	0-2332-2	Graham Stuart Corporation Feb 71 (12,13)	0-4222-2		
Microwave Associates, Inc Sept 1970 (9,13)	1-4236-2	Hexagon Laboratories Inc Feb 71 (2)	0-2301-2		
Nov 70 (12,13)	1-4236-2	Si Handling Systems, Inc (4,11)	0-3362-2		
		St. Clair Mfg. Corp Sept 70 (9)	0-2782-2		

Amdt 8K Reports

Gulfstream Land & Development Corp #1 for Dec 70 (13) 2-20825-2	Computer Communications, Inc #1 for Sept 1969 (13) 0-4029-2
Wells Fargo & Co Jan 71 (12) 1-6214-2	TDA Industries, Inc #1 for Dec 70(12) 0-4088-2
DEI Industries, Inc #1 for Dec 1970 (2,13) 0-725-2	Vahlsing, Inc #1 for July 70 (2,,7,12,13) 0-714-2
Harvest Industries, Inc #1 for Sept 70 (2,7) 0-3938-2	Cattlemen's Foundation Corp Inc #1 for Nov 1970 (7,9,12,13) 0-2067-2
GFI-Computer Industries Inc #1 for Dec 70 (6) 0-3323-2	Nationwide Auto Leasing System, Inc #1 for Oct 1970 (2) 0-2806-2
Inexco Oil Co #1 for Dec 70 (12) 1-6424-2	Photo Motion Corporation #1 for Nov 70 (12) 0-4802-2
Danmont Corporation #1 for Jan 71 (12,13) 0-4596-2	The Texstar Corporation #1 for Nov 1970 (1) 1-4229-2
Micropac Industries, Inc #1 for March, April June Aug, Sept, Oct & Nov 69(1) 0-5109-2	URS Systems Corporation #1 for Nov 70 (3,13) 1-6067-2
Research-Cottrell, Inc Dec 70 (13) 1-5425-2	Antilles Brewing Co., Inc #1 for April 1967(1,7) 0-1448-2
Granite City Steel Co #1 for Oct 70 (2,7) 1-1975-2	Everest & Jennings International #1 for Nov 1970 (2,13) 0-3585-2
Dextra Corporation #1 for Feb 1969 (13) 0-1602-2	Monterey Life Systems, Inc #1 for Nov 1970 (13) 0-4140-2
Hershey Foods Corp #1 for May 70 (13) 1-183-2	National Corporation for Housing Partnership #1 for Oct 70 (11) 2-35685-2
Allied Management & Systems Corp #1 for Sept 1969 (13) 2-31194-2	Staco, Inc #1 for Dec 1970 (12) 0-1900-2
Kenton Corp #1 for Aug 70 (13) 1-5909-2	Data Management Services, Inc #1 for Sept 1970 (1,12,13) 0-3887-2
Pro's Pizza Inc Jan 1971 (12,13) 2-32222-2	Metropolitan Industries, Inc Nov 70 (2,13) 1-877-2
Katy Industries Inc #1 for Dec 70 (2) 1-5558-2	General Computer Systems, Inc #1 for Dec 70 (7) 0-5285-2
	Royal Crown Cola Co Jan 71(12) 1-227-2

SECURITIES ACT REGISTRATIONS. Effective March 19: Dymo Industries, Inc., 2-39390; First Chicago Corp., 2-39416; Fund A Partnership, 2-36748; Leisure Lodges, Inc., 2-39264; Lord Abbett Bond-Debenture Fund, Inc., 2-38910; New Mexico Bancorporation, Inc., 2-38449 (90 days); NVF Company, 2-39195.
Withdrawn March 17: Credit Control Services, Inc., 2-35938. Withdrawn March 18: Argus Inc., 2-38802.
Withdrawn March 19: America Lightning Centers, Inc., 2-35815; The Bengal Fund 70, 2-37557; Bigelow Stero Tapes, Inc., 2-36634; Sedutto Industries, Inc., 2-36903.

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.

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