

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. 71-86)

FOR RELEASE May 4, 1971

COMMISSION ANNOUNCEMENT

SEC ORDER CITES INTERSEARCH TECHNOLOGY. The SEC has ordered administrative proceedings under the Investment Advisers Act of 1940 naming Intersearch Technology, Inc. (a registered Investment Adviser and the publisher of "InterScan"); Intersearch Publications, Inc. (a wholly owned subsidiary of I-T, a registered Investment Adviser and the publisher of "The Reid Report"); and Jesse B. Reid (the president and controlling shareholder of I-T) based upon violations of the advertising, anti-fraud and other provisions of the Investment Advisers Act. The Commission's order alleges that since approximately May 1970 the respondents have made false and misleading statements in soliciting subscriptions to the above mentioned advisory services and failed to disclose at the time of said solicitation the dire financial condition of the respondent Investment Advisers.

A hearing will be scheduled by further order to take evidence on the staff allegations and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

COURT ENFORCEMENT ACTION

ALLIED BOND & SHARE, WETTSCHURACK ENJOINED. The SEC Chicago Regional Office announced that on April 28 the Federal court in Indianapolis permanently enjoined Allied Bond & Share, Inc., a registered broker-dealer and Hubert Leroy Wetschurack from violating the anti-fraud, net capital and record-keeping provisions of the Federal securities laws. (LR-4998)

INVESTMENT COMPANY ACT RELEASES

EUROFUND INTERNATIONAL INC. The Commission has issued an order under the Investment Company Act declaring that Eurofund International, Inc., Newark has ceased to be an investment company as defined in the Act. (Release IC-6504)

COWLES COMMUNICATIONS INC. The Commission has issued an order extending the period from which Cowles Communications, Inc., New York, is exempt from all provisions of the Investment Company Act from March 1, 1971 until such time as the Commission has acted upon Cowles request for an order pursuant to Section 3(b)(2) of the Act. (Release IC-6505)

HOLDING COMPANY ACT RELEASES

CHASE MANHATTAN SERVICE/FIRST NB OF SOUTH CAROLINA. The Commission has issued an order declaring that neither Chase Manhattan Service Corporation, New York, nor First National Bank of South Carolina, Columbia will become an "electric utility holding company" within the meaning of the Public Holding Company Act as a result of certain transactions involving the purchase and lease of electric generating equipment involving General Electric Company, Chase Manhattan, First National Bank, and the South Carolina Electric & Gas Company. (Release 35-17114)

NEW ENGLAND ELECTRIC SYSTEM. The Commission has issued an order authorizing New England Electric System, Westborough, Mass., to issue and sell 1 million additional shares of its common stock which are to be added to the general funds and made available to subsidiary companies in furtherance of their respective construction programs. (Release 35-17115)

SECURITIES ACT REGISTRATIONS

WPNB CORP. TO SELL DEBENTURES. WPNB Corporation (name to be changed to Equimark Corporation), 445 Smithfield St., Pittsburgh, Pa. 15222, filed a registration statement with the SEC on April 23 seeking registration of \$15 million of debentures, due 1996, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., and Salomon Brothers, One New York Plaza, both of New York. Also included in this statement are 60,531 outstanding shares of common stock and 3,415 outstanding shares of cumulative convertible \$35 par preferred stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (**\$32 per common and \$60 per preferred share maximum).

Organized in October 1968, the company is a diversified financial holding company. Of the net proceeds of its debenture sale, \$7 million will be used to repay various borrowings from its banking subsidiary, and the balance will be used for operating capital and other corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 2,554,284 common shares. M. A. Cancelliere is board chairman and president.

OVER

HYDROPHILICS FILES FOR OFFERING AND SECONDARY. Hydrophilics International, Inc., 200 Park Ave., New York 10017, filed a registration statement with the SEC on April 26 seeking registration of 200,000 shares of common stock, of which 170,000 are to be offered for public sale by the company and 30,000 (being outstanding shares) by the holders thereof. The offering is to be made at \$12.50 per share through underwriters headed by F. L. Salomon & Co., 50 Broadway, New York 10004.

The company was organized in August 1969 as Israel-American Technology, Inc., to develop commercial applications for scientific inventions and processes. Of the net proceeds of its stock sale, \$750,000 will be used for the acquisition and operation of laboratory facilities and the balance for working capital and other corporate purposes. The company has outstanding 1,012,000 common shares (with a 22¢ per share net tangible book value), of which Willem van Laer, vice chairman, and Dr. Ishak Blank, president, own 24.7% each. Stuart M. Speiser is board chairman. (File 2-40176)

POLYMEDIA A/V ASSOCIATES TO SELL STOCK. Polymedia A/V Associates, Ltd., 565 Fifth Ave., New York 10017, filed a registration statement with the SEC on April 26 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. Selected securities dealers may participate.

The company was organized in February 1970 to create, develop and produce on cassette tape recordings, educational, training and information programs. Of the net proceeds of its stock sale, \$240,000 will be used for development of proprietary programs and the balance for working capital and other corporate purposes. The company has outstanding 300,000 common shares, of which Arthur I. Dubin, president and board chairman, owns 43.33%. Purchasers of the shares being registered will sustain an immediate dilution of \$3.85 in per share book value from the offering price. (File 2-40177)

***COOPER LABORATORIES SHARES IN REGISTRATION.** Cooper Laboratories, Inc., 546 Bedford Rd., Bedford Hills, N. Y. 10507, filed a registration statement with the SEC on April 26 seeking registration of \$1,995,800 outstanding 7-1/2% convertible subordinated debentures, due 1991 (and the 90,695 underlying common shares), 276,164 outstanding shares of common stock and 155,000 shares of common stock issuable upon exercise of options granted under the company's stock option plans. The holders or recipients of such securities may pledge or offer them for sale from time to time at prices current at the time of sale (**\$23 per share maximum). The company is primarily engaged in the manufacture and sale of medical and dental products. Serge Semenenko may pledge or sell all of \$1,291,600 of debentures and 64,579 shares of common stock and 12 others may sell or pledge the remaining securities being registered. (File 2-40179)

CHASE MANHATTAN PROPOSES OFFERINGS. Chase Manhattan Mortgage and Realty Trust, One Boston Place, Boston, Mass. 02108, filed a registration statement with the SEC on April 26 seeking registration of \$50 million of convertible subordinated debentures, due 1996, to be offered for public sale through underwriters headed by Lehman Brothers Inc., One William St., and Lazard Freres & Co., 44 Wall St., both of New York. (File 2-40180)

In a separate registration statement, the company seeks registration of \$50 million of senior notes, due 1978, to be offered for public sale through Lehman Brothers and Lazard Freres. (File 2-40181)

The Trust commenced operations in June 1970 as a real estate investment trust established to invest in a diversified portfolio of real property investments. The Chase Manhattan Bank is investment adviser. Net proceeds of its offerings will initially be used to pay commercial paper obligations and to fund advances required on investment commitments. Raymond T. O'Keefe is chairman and Adam C. Neck is president of the Trust.

CENTRAL NATIONAL BANCSHARES PROPOSES EXCHANGE OFFER. Central National Bancshares, Inc., 6th Ave. and Locust St., Des Moines, Iowa 50309, filed a registration statement with the SEC on April 26 seeking registration of 231,706 shares of common stock. It is proposed to offer these shares in exchange for 231,706 shares of common stock of Central National Bank and Trust Company of Des Moines, Iowa ("Bank"), at the rate of one share for each Bank share.

Bancshares (all of whose outstanding stock is owned by International Bank) was organized in October 1970 for the purpose of acquiring the outstanding common stock of Bank. In December 1970, it acquired 374,669 (61.8%) of Bank's outstanding stock from International Bank. Bernhard C. Grangaard is president of Bancshares and board chairman and president of Bank. George Olmsted, a director of Bancshares and board chairman and president of International Bank, owns 31.5% of the voting stock of International Bank. (File 2-40182)

ALTIUS CORP. TO SELL STOCK. Altius Corp., 1201 Arroyo Ave., San Fernando, Calif. 91340, filed a registration statement with the SEC on April 27 seeking registration of 92,000 shares of common stock, to be offered for public sale (**at \$5 per share maximum) through underwriters headed by R. E. Bernhard & Company, 210 W. 7th St., Los Angeles, Calif. 90014.

The company manufactures and installs highway signs and other metal structures. Of the net proceeds of its stock sale, \$235,000 will be used to eliminate accounts receivable financing and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 108,000 common shares, of which Leland D. (vice president) and Pearl M. Baleme together own 18.5% and management officials as a group 88.9%. Robert W. Schillinger is president. (File 2-40184)

SOUTHWEST MORTGAGE AND REALTY INVESTORS PROPOSES OFFERING. Southwest Mortgage and Realty Investors (the "Trust"), 5200 N. Shepherd Dr., Houston, Tex. 77018, filed a registration statement with the SEC on April 27 seeking registration of 250,000 shares of beneficial interest and \$2,500,000 of convertible subordinated debentures, due 1991, to be offered for public sale in units, each unit consisting of ten shares and \$100 debenture, and at \$200 per unit. The offering is to be made through underwriters headed by Rotan, Mosle-Dallas Union, Inc., 2200 Bank of the Southwest Bldg., Houston, Tex. 77002.

The Trust, which has not yet commenced operations, was organized to invest primarily in a portfolio of first mortgage construction and development loans and other real estate interests. Southwest Mortgage and Realty Advisory Co. will serve as investment adviser. Jerry E. Finger is chairman of the Trust. (File 2-40185)

CRYSTAL FUND PROPOSES OFFERING. Crystal Fund--1971, Ltd. (the "Partnership"), 600 Oden Bldg., Shreveport, La. 71101, filed a registration statement with the SEC on April 27 seeking registration of \$3,000,000 of limited partnership interests, to be offered for public sale at \$5,000 per unit. The offering is to be made on a best efforts basis by Andresen & Co., and NASD members selected by Andresen. Crystal Resources, Inc. (a wholly-owned subsidiary of Crystal Oil Company), is the general partner. The Partnership was formed for the purpose of carrying out an oil and gas exploration and development program. Robert F. Roberts is board chairman and E. M. Knight is president of the general partner. Roberts owns 38% of the outstanding common stock of Crystal Oil. (File 2-40186)

***WEEDEN & CO. TO SELL STOCK.** Weeden & Co., 25 Broad St., New York 10004, filed a registration statement with the SEC on April 27 seeking registration of 300,000 shares of common stock, to be offered for public sale (**at \$50 per share maximum). The offering is to be made through underwriters headed by Bache & Co., 100 Gold St., New York 10038.

The company is primarily engaged in trading securities for its own account as a market maker. Net proceeds will be added to the company's working capital with the objective of expanding its market making and bond underwriting business. In addition to indebtedness, it has outstanding 1,441,687 common shares, of which management officials as a group own 26.5%. Donald E. Weeden is board chairman and Alan N. Weeden president. (File 2-40187)

***KEMPERCO SHARES IN REGISTRATION.** Kemperco, Inc., 4750 Sheridan Rd., Chicago, Ill. 60640, filed a registration statement with the SEC on April 27 seeking registration of 552,904 outstanding shares of common stock and 138,226 outstanding common stock purchase warrants. These securities were issued in connection with the company's acquisition by merger of Supervised Investors Services, Inc. The holders thereof may offer such securities for sale from time to time at prices current at the time of sale (** \$30 per share maximum). The company through subsidiaries is engaged in insurance, financial and related business activities. (File 2-40188)

SPLENTEX FILES FOR SECONDARY. Splentex, Inc., 632 Broadway, New York 10012, filed a registration statement with the SEC on April 27 seeking registration of 156,300 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (**at \$20 per share maximum) through underwriters headed by E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 10005.

The company manufactures popular priced intimate apparel. In addition to indebtedness, it has outstanding 360,000 common shares and 640,000 Class B common shares. Jacob J. Delman, board chairman, and Joseph Delman, president, own about 18.5% each of the combined classes of outstanding shares. They propose to sell 34,700 and 35,700 shares, respectively, and 13 others the remaining shares being registered. (File 2-40189)

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:

Bats Laboratories, Inc., Treviso, Pa. (File 2-40155) - 189,250 shares
 Washington Homes, Inc., Waldorf, Md. (File 2-40158) - 180,000 shares
 Diamond International Corporation, New York (File 2-40178) - 330,000 shares
 Stepan Chemical Company, Northfield, Ill. (File 2-40183) - 40,000 shares
 United Refining Company, Warren, Pa. (File 2-40190) - 75,000 shares
 Conwood Corporation, Memphis, Tenn. (File 2-40191) - 115,000 shares

SECURITIES ACT REGISTRATIONS. Effective May 3: Aileen Inc., 2-39964; GAC Corp., 2-40039; IPC Collateral Corp., 2-39599; Jostens, Inc., 2-40126; Marlennan Corp., 2-40128; The Rank Organisation Ltd., 2-40067; Southwestern Group Investors, Inc., 2-39143 (90 days); Squibb Beech-Nut, Inc., 2-40029, 2-40030 and 2-40031.

* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

** As estimated for purposes of computing the registration fee.

---ooo0ooo---