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CHAIRMAN SPEAKS

IMPROVED EXEMPTIONS AND IMPROVED DISCLOSURE

LIBRARY

The Commission has been using a two-pronged approach to its recent efforts in the exemption and disclosure areas, Chairman Ray Garrett, Jr. told a Colorado Bar Association group in Denver on April 30. "On the one hand, the Commission has been seeking to improve the disclosure that is available to investors about public companies, and, on the other, the Commission has been attempting to develop more objective rules that hopefully will facilitate the raising of capital without registration in situations where it appears unnecessary for investor protection, consistent with the expressed policies of the Congress," he said.

"Over the past few years," Mr. Garrett observed, "the uncertainty surrounding the availability of the (private placement) exemption has increased, partly, it must be admitted, as a result of judicial pronouncements resulting from understandable efforts to protect investors, and partly, perhaps, because of the growing complexity of financing arrangements in this country coupled with the present difficulties attending the raising of capital. This unhealthy, and potentially costly, uncertainty, to which the Commission made notable contributions, led the Commission to consider the adoption of a rule establishing, to the extent feasible, some objective standards for complying with the private placement exemption."

The Chairman pointed out that just last week the Commission adopted Rule 146, "Transactions By An Issuer Deemed Not To Involve Any Public Offering," which will be effective June 10, 1974, and which is applicable only to offerings commencing on or after that date. "Rule 146 provides exemption only from the registration provisions of the Act, not from the antifraud provisions," Mr. Garrett warned. In general, the rule provides that transactions by an issuer involving the offer or sale of its securities will be deemed not to involve any public offering within the meaning of Section 4(2) if conditions relating to limitations on the manner of offering, the nature of the offerees, access to furnishing of information about the issuer, limitations on the number of purchasers, and limitations on the subsequent disposition of securities acquired pursuant to the rule are met.

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

SUSPENSION OF REGULATION A EXEMPTION OF FABRI-GLAS, INC. MADE PERMANENT

An order has been issued making permanent the suspension of a claimed Regulation A exemption from the Securities Act's registration requirements for an offering of 250,000 shares of common stock of Fabri-Glas, Inc., of Salt Lake City.

The Commission's temporary suspension order alleged, among other things, that: (1) Fabri-Glas' offering circular was materially misleading with respect to the contemplated use of the proceeds of the offering and failed to disclose that a bona fide distribution would not be made; and (2) material amendments to the issuer's notification and offering circular were not on file the required length of time prior to the offer and sale of the issuer's securities.

Although Fabri-Glas and the underwriter filed answers and requested a hearing, their requests for a hearing were subsequently withdrawn. (Rel. 33-5485).

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES E. JOHN WENTLAND, OTHERS

The Atlanta Regional Office and Miami Branch Offices announced the filing of a complaint in the U. S. District Court for Florida, at Miami, seeking to enjoin the following from violations of the registration and antifraud provisions of the securities laws in the offer and sale of securities of Continental Land Management Corporation, Continental Land Development One, Inc., and Continental - Southeast Land Corporation: E. John Wentland, Continental Companies Corporation, Continental Land Corporation, Continental Land Management Corporation, Continental Land Development One, Inc., and Continental - Southeast Land Corporation, of North Miami, Florida; Lane Hartwell and Hartwell and Associates, both of Ft. Lauderdale, Florida; Lyle Meek and Homestate Investments, Inc., both of Cape Coral, Florida; Samuel Shannahan and John M. Swing both of Easton, Maryland; and Howard W. Leeb of Bel-Air, Maryland. The complaint also seeks to enjoin Hartwell and Associates and Homestate Investments, Inc., from violation and Lyle Meek and Lane Hartwell from aiding and abetting in violations of the broker-dealer provisions of the securities laws. Continental Land Development One, Inc., Continental Land Management Corporation and Continental - Southeast Land Corporation are Florida corporations engaged in the sale of land on the installment basis. (LR-6339)

CHRISTIAN-PAINE & CO., INC., OTHERS ENJOINED

The New York Regional Office announced that on April 18 a U.S. District Judge permanently enjoined Christian-Paine & Co., Inc. (Christian), of Hasbrouch Heights, New Jersey and Joseph Rega, Jr. (Rega), its president of Fairfield, New Jersey, from violations of financial responsibility, bookkeeping and antifraud provisions of the securities laws as well as Regulation T. On the same day Christian and Rega consented to the appointment of a Securities Investor Protection Corporation trustee for the purpose of liquidating Christian. (LR-6342)

WILLIAM N. LEVY, OTHERS, ENJOINED

The New York Regional Office announced that on April 12 the U.S. District Court for New York preliminarily enjoined William N. Levy, A. J. Carno Co., Inc., Anthony Nadino, Mayflower Securities, Inc., Joseph Cirello and Thomas F. Brennan, III and permanently enjoined Samuel D. Hodge and Peter R. Watson from violations of the registration and antifraud provisions of the securities laws. The alleged violation involved the offer and sale of the common stock of Management Dynamics, Inc. Permanent injunction by consent had previously been entered against all other defendants in this action. (LR-6343)

BANK HOFMANN A.G., OTHERS, INDICTED

The New York Regional Office announced that on April 9 a federal grand jury in New York filed a ten count indictment against Bank Hofmann A.G. in Zurich, Switzerland and Ernest Ballmer also of Zurich, a Bank Hofmann official. The indictments involved conspiracy, securities fraud and mail fraud in the over-the-counter stock of Training With The Pros, Inc. Phillip Stoller, Martin Frank, Jerome Allen, Alfred Herbert, Ramon N. D'Onofrio and Joseph Arden were also named as co-conspirators in this indictment. (LR-6345)

CONTINENTAL SILVER CORPORATION, OTHERS, CHARGED WITH FRAUD

The Denver Regional Office announced that on March 18 the Boulder District Attorney's Office charged Continental Silver Corporation, a Colorado corporation (Continental), Chess Wilburn Barr, III, its president, Louis C. Schiess, its marketing director, and Gary G. Hoffman, a salesman, with 43 felony counts of securities violations, fraud, theft, and conspiracy in the sale of silver bullion and coins. The defendants are now free on bail. Also a cease and desist order has been entered by the Colorado Division of Securities against further operations by these parties

in Colorado. In addition, the Internal Revenue Service has filed a jeopardy assessment in excess of \$700,000 against Continental which has been upheld at a hearing before the U. S. District Court for Colorado. (LR-6346)

PROFESSIONAL SOURCE ASSOCIATION, OTHERS, ENJOINED

The SEC announced that the U. S. District Court for Missouri on April 29 permanently enjoined Professional Service Association, Inc., (P.S.A.), John E. Robinson (Robinson) and Hilton Patterson (Patterson), from violating the antifraud provisions of the securities laws in transactions in the securities of P.S.A. and ordered ancillary relief requested by the Commission. The defendants consented to the court order without admitting or denying the allegations.

As part of the relief ordered by the Court, Robinson and Patterson agreed for a period of sixty days to offer to rescind and nullify any and all contracts, commitments, subscriptions or other agreements to purchase or sell these securities of P.S.A. entered into from November 1, 1973 to the present and to offer to return all monies received or to be received in connection therewith. Additionally the defendants were directed to report to the Court and the Commission within seventy days of the ordered recession offer.

The institution of this enforcement action represents an additional phase of the Commission's program to deal effectively and expeditiously with on-going current abuses in the securities market. The object of this program is to institute appropriate enforcement action as soon as possible after discovery of a violation. On April 25, 1974, information was brought to the attention of the staff of the Commission concerning the illegal offering of P.S.A. securities. At that time a task force was quickly assembled and within twenty-four hours the Commission was prepared to file a complaint against the defendants. (LR-6347)

TRADING SUSPENSIONS

TRADING SUSPENDED IN UNITED AMERICA GROUP, INC.

Over-the-counter trading in the securities of United America Group, Inc., of Des Moines, Iowa, has been suspended for a ten-day period beginning May 1 and terminating May 10, 1974.

The Commission initiated the suspension at the request of the company and because of the lack of adequate and accurate information about the company's financial condition. The company has filed its Form 10-K annual report for year ended December 31, 1973, however, without any financial statements. (Rel. 34-10769)

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Equity Funding Corp., and over-the-counter trading in the securities of Industries International, Inc. for the further ten-day period May 2 - 11, inclusive.

INVESTMENT COMPANY ACT RELEASES

UNITED VARIABLE ANNUITY FUND A

An order has been issued on an application of United Variable Annuity Fund A and First Variable Life Insurance Company to permit payments under existing variable annuity contracts to continue to be made without sales charge. Applicants propose to sell new contracts with sales charges commencing May 1, 1974. (IC-8327)

ST. PAUL LIFE INSURANCE COMPANY

An order has been issued on an application of St. Paul Life Insurance Company and its separate accounts, St. Paul Variable Annuity Funds A and B, unit investment trusts registered under the Act, and Imperial Financial Services, Inc., the Funds' principal underwriter, for an order exempting applicants from certain provisions of the Act so as to permit the following: (1) the elimination or reduction of sales and administrative charges in certain circumstances upon the purchase of certain variable annuity contracts issued by applicants, and (2) the elimination of the requirement that an independent trustee or custodian hold the assets of the separate accounts. (IC-8337)

ASTRON FUND, BONDSTOCK CORPORATION AND FRANK RUSSELL CO.

A notice has been issued giving interested persons until May 24 to request a hearing on an application of Astron Fund, Inc. and Bondstock Corporation, mutual funds and Frank Russell Co. Inc., the Funds' principal underwriter, all of Tacoma, Washington, for an exemption from certain provisions of the Act to permit Astron shareholders to invest Astron liquidating distributions in shares of Bondstock without the imposition of a sales charge. (IC-8338)

HOLDING COMPANY ACT RELEASES

MISSISSIPPI POWER & LIGHT COMPANY

An order has been issued authorizing Mississippi Power & Light Company, subsidiary of Middle South Utilities, to sell \$25 million of first mortgage bonds and 75,000 shares of preferred stock (\$100 par), at competitive bidding. (Rel. 35-18399)

DELISTING AND UNLISTED TRADING ACTIONS

DELISTING SOUGHT

A notice has been issued giving interested persons until May 13 to request a hearing on an application of Rupp Industries, Inc. to withdraw its common stock from listing and registration on the American Stock Exchange (AMEX). The AMEX does not object to this application, and the company states that it will be registered under Section 12(g) of the Securities Exchange Act, and that it will continue to file periodic reports as required. (Rel. 34-10768)

MISCELLANEOUS

PUBLIC REFERENCE COPYING AND MICROFORM FEES CHANGED

The copying and microform services contractor for the Commission has changed its corporate name from LEASCO INFORMATION PRODUCTS, INC., to DISCLOSURE, INC., through an amendment to its certificate of incorporation in the State of Delaware. The Commission's copying and microform services contract has been amended to provide for the name change and also to provide for improved copying services and for limited price increases in the charges for paper copies to reflect rising costs of production. Effective May 1, 1974, the price for paper copies made by customer-operated copying machines in the Commission's public reference rooms will be increased to \$.12 per copy from the present price of \$.10 per copy; a single, no-priority two-to-four-day service at \$.15 per copy will replace both the present day-and-a-half service (presently \$.18 per copy) and the present regular service (presently \$.12 per copy) with a \$2.00 minimum charge; and the priority paper copy demand service charge will be increased to \$.30 per copy from the present price of \$.25 per copy (\$5.00 minimum charge).

SECURITIES ACT REGISTRATIONS

(S-7) FORD MOTOR COMPANY

The American Rd., Dearborn, Mich. 48121 - 1,067,250 shares of common stock deliverable upon conversion of \$75 million of 5% convertible guaranteed debentures, due 1988, of Ford International Finance Corporation. Ford manufactures and sells cars and trucks, and related parts and accessories. (File 2-50792 - Apr. 17)

(S-14) PURITAN FASHIONS CORPORATION

1400 Broadway, New York, N. Y. 10018 - 376,106 shares of common stock. It is proposed to offer such shares to stockholders of Paraphernalia, Inc., other than Puritan, at the rate of .75 Puritan share for each share of outstanding common stock of Paraphernalia in connection with the proposed merger of Paraphernalia, Inc. (now a 75% owned subsidiary of Puritan) into Puritan. Puritan manufactures women's apparel. (File 2-50814 - Apr. 19)

(S-7) OHIO EDISON COMPANY

47 North Main St., Akron, Ohio 44308 - 3,000,000 shares of common stock, to be offered for sale at competitive bidding. The company is an electric utility. (File 2-50883 - Apr. 26)

(S-14) LAFAYETTE NATIONAL CORPORATION

437 South St., Lafayette, Ind., 47902 - 100,000 shares of common stock. It is proposed to issue these shares in exchange for all the outstanding shares of Lafayette National Bank, a national banking association, successor by merger of Lafayette National Bank with Tippecanoe National Bank (Organizing) a wholly-owned subsidiary of Lafayette National Corporation. The exchange will be made on a share for share basis. Lafayette National Corporation will become a bank holding company. (File 2-50885 - Apr. 26)

(S-1) DATA 100 CORPORATION

7725 Washington Avenue South, Minneapolis, Minn. 55435 - 57,950 common shares which may be purchased upon the exercise of outstanding non-qualified employee stock options and 28,062 which may be sold from time to time by the holder in the over-the-counter market. DATA 100 Corporation designs, manufactures and sells medium and high speed batch computer terminals. (File 2-50894 - Apr. 26)

(S-1) NORTHWEST ACCEPTANCE CORPORATION

310 Northeast Oregon St., P. O. Box 14490, Portland, Ore. 97214 - \$25 million of intermediate-term senior notes, due 5 to 8 years from date of issue, to be offered for sale by the company. Northwest finances sales of capital equipment. (File 2-50895 - Apr. 29)

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:

Lynch Communication Systems Inc., Reno, Nev. (File 2-50856 - Apr. 24) - 96,040 shares

The Mead Corporation, Dayton, Ohio (File 2-50873 - Apr 26) - 400,000 shares

The Gibson-Homans Company, Cleveland, Ohio (File 2-50874 - Apr 26) - 21,500 shares

Sears, Roebuck and Co., Chicago, Ill. (File 2-50875 - Apr 26) - 2,300,000 shares

Dravo Corporation, Pittsburgh, Pa. (File 2-50879 - Apr 26) - 105,000 shares

G. D. Searle & Co., Skokie, Ill. (File 2-50881 - Apr 26) - 136,222 shares

Olinkraft, Inc., West Monroe, La. (File 2-50884 - Apr 26) - 600,000 shares

Rosario Resources Corporation, New York, N. Y. (File 2-50886 - Apr 26) - 200,000 shares

The Chesapeake Corporation of Virginia, West Point, Va. (File 2-50888 - Apr 26)
 - 150,000 shares
 Brooks-Scanlon, Inc., Minneapolis, Minn. (File 2-50892 - Apr 26) - 60,000 shares

REGISTRATIONS EFFECTIVE

May 1: Capital Financial Services Inc., 2-50417; Carnation Company, 2-50765; The Central Bancorporation, Inc., 2-50811; Central Telephone and Utilities Corp., 2-50761; Collins Foods International, Inc., 2-50660; Ford Motor Co., 2-50791; Funded Investors, Inc., 2-50543; Marievale Consolidated Mines Ltd., 2-50739; Rand Mines Properties Ltd., 2-50863; Tri Continental Corp., 2-50477.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission on Schedule 13D the acquisition of more than 5% of the equity securities of another company within 10 days of the acquisition. The following companies or individuals filed Schedule 13D's regarding the acquisition of stock of other companies during the period April 14-25, 1974.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Interstate Securities Co. Employees' Thrift Plan	ISC Industries Inc. (Kansas City Mo.) Common Stock - 159,244 shs.	4-12-74
Adam J. Bozzuto	Bozzuto's Inc. (Cheshire, Conn.) Common Stock - 332,880 shs. (53%)	4-15-74
* Pechiney Ugine Kuhlmann Corp.	Howmet Corp. (Greenwich, Conn.) Common Stock - 7,493,496 shs. (70%)	4-15-74
Bolt Bernanek and Newman Inc.	AutEx, Inc. (Wellesley, Mass.) Common Stock - 44,000 shs.	4-15-74
National Presto Industries, Inc.	National Union Electric Corp. (Greenwich, Conn.) Common Stock - 199,100 shs.	4-19-74
Splaino Enterprises, Inc.	Metalfab, Inc. (Beaver Dam, Wisc.) Common Stock - 264,926 shs. (Above shs. purchased pursuant to the Tender offer which has been extended to April 25, 1974)	4-19-74
* Alleghany Corporation	USM Corp. (Boston, Mass.) Common Stock - 1,235,100 shs.	4-19-74
Glen-Gery Corp.	Keystone Portland Cement Co. (Allentown Pa.) Common Stock - 27,000 shs.	4-19-74
* Geneve Corp.	Cable Funding Corp. (New York City) Common Stock - 507,483 shs.	4-19-74
Goodrich Realty & Development Group, Inc.	Midwest Rubber Reclaiming Co. (East St. Louis, Ill.) Common Stock - 143,193 shs. (33%)	4-19-74
Leavell Co.	Heritage Communications, Inc. (Des Moines, Iowa) Common Stock - 140,000 shs. on conversion of Preferred Common Stock - 100,000 shs. on exercise of Warrants	4-22-74

ACQUISITION REPORTS CONT.

Mutual of Omaha Insurance Co.	United Benefit Life Insurance Co. (Omaha, Nebr.) Capital Stock - 510,025 shs. (70.84%)	4-22-74
National Steel Corp.	National Chemical Corp. (Louisville, Ky.) Common Stock - 190,500 shs. Common Stock - 200,000 shs. on exercise of option (In connection with the purchase from him of 70,000 shs. of above, Mr. Breathitt resigned as an officer and director of National chemical)	4-22-74
Envirodyne, Inc.	Olson Laboratories, Inc. (Anaheim Cal.) Common Stock - 2,693,448 shs. (84.04%) (Above shs. purchased from Northrop Corp. pursuant to an Exchange Agreement)	4-22-74
Cerro Corp.	Hecla Mining Co. (Wallace, Idaho) Common Stock - 344,927 shs.	4-22-74
Pacific Mutual Life Insurance Co.	Tenneco Inc. (Houston, Texas) 8.52% Preferred - 10,000 shs. (An aggregate of 400,000 shs. have been acquired by Pacific and other institutional investors)	4-22-74
Nationwide Theatres Corp.	Cinema 5 Ltd. (New York City) Common Stock - 196,267 shs. (168,167 shs. of above are held by its subsidiary, Consolidated Amusement Co., Ltd.)	4-22-74
Members of Bass Group	Sperry & Hutchinson Co. (New York City) Common Stock - 495,240 shs.	4-22-74
* B. D. Shipwash	United Coin Services, Inc. (Dallas, Tex.) Common Stock - 266,504 shs. Common Stock - 36,000 shs. on exercise of options	4-22-74
* GL Corp.	Hammond Corp. (Deerfield, Ill.) Common Stock - 501,100 shs. (15%)	4-22-74
* International Minerals & Chemical Corp.	Commercial Solvents Corp. (New York City) Common Stock - 1,142,546 shs. were purchased pursuant to the Tender Offer	4-23-74
Heizer Corp.	Precision Instrument Corp. (Santa Clara, Calif.) Capital Stock - 3,500,000 shs. on conversion of Note	4-23-74
Richard A. Beauchamp	Southland Investment Corp. (Atlanta, Ga.) Common Stock - 105,914 shs. on exercise of option granted by Arnold E. Johns, Jr., President	4-23-74
* Loews Corp.	CNA Financial Corp. (Chicago, Ill.) Common Stock - 144,000 shs. in addition to purchases previously reported	4-24-74
Ivaco Industries Ltd.	Laclede Steel Co. (St. Louis, Mo.) Common Stock - 22,520 shs.	4-24-74
Ampco-Pittsburgh Corp.	Pittsburgh Forgings Co. (Pittsburgh, Pa.) Common Stock - 427,868 shs.	4-24-74

ACQUISITION REPORTS CONT.

* GL Corp.	Altamil Corp. (Indianapolis, Ind.) Common Stock - 455,417 shs.	4-24-74
LSL Corp.	Progressive National Corp. (Denton, Texas) Class A Common-1,390,376 shs. (64.13%) (1,057,743 of the above shares were acquired by LSL in exchange for shs. of Lifetime Security Life Insurance Co.)	4-25-74

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE TENDERED:</u>	<u>DATE FILED</u>
GL Corp.	Hammond Corp. (Deerfield, Ill.) Common Stock - 500,000 shs. for cash at \$10.00 net per share (GL Corp. presently owns 501,100 shs. (15%))	4-24-74

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 15¢ per page plus postage for mailing within four days (\$2 minimum) and 30¢ 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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