

sec news digest

a daily summary from the securities and exchange commission

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March 14, 1973

COMMISSION ANNOUNCEMENTS

BROKER-DEALER MODEL COMPLIANCE PROGRAM ADVISORY COMMITTEE TO MEET. The Commission's Advisory Committee on a Model Compliance Program for Broker-Dealers, established on October 25, 1972 (Rel. 34-9835), will hold meetings on March 27-28, 1973 at the offices of the National Association of Securities Dealers, Inc., 1735 K Street, N.W., Washington, D. C. The meeting on March 27 will commence at 10:00 a.m. (EST) and the meeting on March 28 will commence at 9:00 a.m. (EST).

This Advisory Committee was formed to assist the Commission in developing a model compliance program to serve as an industry guide for the broker-dealer community. Assisted by this Committee's work, the Commission plans to publish a guide to broker-dealer compliance under the securities acts in order to advise broker-dealers of the standards to which they should adhere if investor confidence in the fairness of the market place is to be warranted and sustained. The Committee's recommendations are not intended to result in the expansion of Commission rules governing broker-dealers, but to inform broker-dealers as to the existing requirements and how they may comply with them.

The Committee's scheduled meetings will be for the purpose of reviewing drafts and proposals concerning the Committee's proposed report to the Commission on these compliance guidelines for broker-dealers.

These meetings are open to the public. Any interested person may attend and appear before or file statements with the Advisory Committee--which statements, if in written form, may be filed before or after the meeting or, if oral, at the time and in the manner and extent permitted by the Advisory Committee.

SEC ORDER CITES SANFORD SECURITIES INC. AND IRWIN EINIGER. The SEC has issued an order for administrative proceedings against Sanford Securities Inc. (Registrant) and Irwin Einiger (Einiger) for alleged violations of the net capital, record keeping and anti-fraud provisions of the Federal securities laws. It is alleged among other things, that Registrant continued to transact business with its customers at a time when it was insolvent.

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

COURT ENFORCEMENT ACTIONS

SIX INDICTED. The SEC New York Regional Office announced that a Federal Grand Jury on February 15 filed a five-count indictment charging six defendants with conspiracy to extort \$100,000 from two convicted stock manipulators and for making false declarations before a Grand Jury. One of the defendants, together with friends and relatives purchased \$100,000 worth of stock in Computer Field Express Corp. in April 1970. In July 1970, the stock became worthless as the company went into bankruptcy. The defendants are: Frank Guglielmini and James Cavera of Richmond Hill, N. Y., Joseph Guarnera, Glen Ridge, N. J., Joseph Pagano, Monsey Park, N. Y., Michael Maione, Queens, N. Y. and Frank Joseph Desisto, Brooklyn, N. Y. (LR-5783)

COMPLAINT NAMES MIDLAND SECURITIES. The SEC Chicago Regional Office announced the filing of a complaint on March 9 in the Federal court in Minneapolis, seeking to enjoin Midland Securities Corporation, Edina, Minn. broker-dealer, from violations of the net capital and reporting provisions of the Federal securities laws. (LR-5785)

VISIONARY LEADERSHIP, OTHERS ENJOINED. The SEC Washington Regional Office announced that on March 2 the Federal court in Baltimore permanently enjoined Visionary Leadership, Inc., John Applewhite, Joseph L. Brisco, Sr., Joseph Davis, all of Baltimore, and Dana Ridgeway of Washington D. C. from violations of the registration and antifraud provisions of the Federal securities laws in the offer and sale of interests or participations in a pyramid promotion scheme, which are investment contracts and certificates of interest or participations in profit-sharing agreements. The defendants consented to the court order without admitting or denying the allegations. (LR-5786)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND ELECTRIC SYSTEM, MASSACHUSETTS GAS SYSTEM. The SEC has issued a notice giving interested persons until April 9 to request a hearing upon a proposal of New England Electric System (NEES), Westborough, Mass. holding company, and Massachusetts Gas System (Mass Gas), its subsidiary, to dissolve Mass Gas into NEES and sell Lawrence Gas Company, subsidiary of Mass Gas, to Springfield Gas Light Company pursuant to a Section 11(e) divestment order of the SEC. (Rel. 35-17906)

INVESTMENT COMPANY ACT RELEASES

BERNSTEIN-MACAULAY SPECIAL FUND. The SEC has issued an order on an application of Bernstein-Macaulay Special Fund, Inc., of New York, declaring that it has ceased to be an investment company. (Rel. IC-7719)

SECURITIES ACT REGISTRATIONS FILED

AFFILIATED PUBLICATIONS, INC. (Affiliated), 135 William T. Morrissey Blvd., Boston, Mass. 02107 - 2,875,920 shares of common stock. Globe Newspaper Company (GNC) has adopted a program proposing its reorganization into a holding company structure which, if consummated, will result in GNC becoming a wholly-owned subsidiary of Affiliated, a newly organized corporation. It is proposed to offer the 2,875,920 Affiliated shares in exchange for the outstanding Class A and Class B common stock of GNC, at the rate of 23 shares for each GNC share. Globe Newspaper publishes The Boston Globe Newspaper. (See the March 7th News Digest for a summary of Affiliated's proposed initial public offering.) (File 2-47197 - Mar 5)

THE HARTFORD ELECTRIC LIGHT COMPANY, 176 Cumberland Ave., Wethersfield, Conn. 06109 - \$40 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. Net proceeds, together with a \$15 million capital contribution, will be used to repay portions of the company's short-term borrowings made to finance its construction program. Construction expenditures are estimated at \$79 million for 1973. (File 2-47234 - Mar 9)

COTTON PETROLEUM CORPORATION (the general partner), Parkland Plaza Bldg., 2121 South Columbia, Tulsa, Oklahoma 74114 - \$4 million of participations in its 1973 Oil and Gas Program (the Partnership), to be offered for sale in minimum amounts of \$10,000. No underwriting is involved. The Partnership will engage in oil and gas drilling, development and production operations. (File 2-47235 - Mar 12)

THE ICB CORPORATION, 321 St. Charles Ave., New Orleans, La. 70130 - 318,857 shares of common stock. It is proposed to issue these shares in exchange for the outstanding shares of Lafayette Insurance Company, at the rate of 4.4286 shares for each Lafayette share in connection with the proposed merger of Lafayette into Intermediate Insurance Corporation, wholly-owned subsidiary of ICB. ICB is a one-bank holding company. Lafayette is engaged in the general insurance business. (File 2-47236 - Mar 9)

ALOHA AIRLINES, INC., P. O. Box 9038, Honolulu, Hawaii 96820 - 600,000 shares of common stock, to be offered for sale (* at \$5 per share maximum) through underwriters headed by Dominick & Dominick, Inc., 14 Wall St., New York 10005. The company provides regularly scheduled air service among Honolulu and five airports on the four largest neighbor islands. Of the net proceeds, \$1,400,000 will be used to pay various past-due obligations to the State of Hawaii and the balance for working capital and other corporate purposes. (File 2-47242 - Mar 12)

THE NATIONAL HOUSING PARTNERSHIP-II, 1133 15th St., N. W., Washington, D. C. 20005 - 8,000 partnership interests and 8,000 rights to purchase an additional interest, to be offered for sale in units, each consisting of one interest and one right. The offering is to be made at \$1,000 per unit with a minimum subscription of three units required through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004. The Partnership was recently formed to invest in government-assisted housing projects. National Corporation for Housing Partnerships (managing general partner) and The National Housing Partnership will serve as general partners. (File 2-47243 - Mar 12)

GENERAL PUBLIC UTILITIES CORPORATION (GPU), 80 Pine St., New York, N. Y. 10005 - 4,240,000 shares of common stock, to be offered for subscription by common stockholders of record on May 3, 1973, at the rate of one new share for each 10 shares held (* and at \$21.25 per share maximum). Net proceeds will be used by GPU to make investments in subsidiaries for construction purposes and to repay a portion of its short-term indebtedness incurred for that purpose. Construction expenditures of the subsidiaries are estimated at \$465 million for 1973. (File 2-47245 - Mar 12)

BELDEN & BLAKE AND COMPANY LIMITED PARTNERSHIP NO. 54, 702 Tuscarawas St., West, Canton, Ohio 44702 - \$600,000 of partnership interests, to be offered for sale at \$3,000 per unit with a minimum subscription of two units. The Partnership was formed to engage in oil and gas drilling and exploration. Henry S. Belden III and Glenn A. Blake are the general partners. (File 2-47247 - Mar 12)

CARRIER CORPORATION, Carrier Tower, Syracuse, N. Y. 13201 - 130,723 shares of common stock. It is proposed to issue these shares in connection with the proposed merger of Cleburne Truck and Body Sales, Inc. into a wholly-owned subsidiary of Carrier Corporation. Carrier manufactures and sells cooling and heating equipment and related components for humidification, air cleaning and air circulation. Cleburne manufactures and sells steel refuse containers and small rear-loading compaction refuse collection truck bodies. (File 2-47248 - Mar 12)

SCOGGINS PETROLEUM CORPORATION AND SCOGGINS ENERGY CORPORATION - 3020 LTV Tower, Dallas, Tex. 75201 - \$450,000 of fractional undivided interests in oil and gas leases, to be offered for sale at \$5,000 per interest through selected NASD members. (File 2-47249 - Mar 13)

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:

Corco, Inc., Worthington, Ohio (File 2-47218) - 15,300 shares
 Philip Morris Incorporated, New York, N. Y. (File 2-47222) - 400,000 shares
 Becton, Dickinson and Company, East Rutherford, N. J. (File 2-47223) - 250,518 shares
 The Armstrong Rubber Company, New Haven, Conn. (File 2-47231) - 100,000 shares
 The Pillsbury Company, Minneapolis, Minn. (File 2-47237) - 80,862 shares
 Granger Associates, Menlo Park, Calif. (File 2-47238) - 62,713 shares and
 (File 2-47239) - 41,029 shares
 Georgia-Pacific Corporation, Portland, Ore. (File 2-47240) - 500,000 shares
 Research-Cottrell, Inc., Bound Brook, N. J. (File 2-47241) - 150,000 shares
 Pioneer Texas Corporation, Dallas, Tex. (File 2-47252) - 197,900 shares

MISCELLANEOUS

UNLISTED TRADING GRANTED. The SEC has issued an order granting an application of the Boston Stock Exchange for unlisted trading privileges in the common stocks of the following companies: Berkey Photo, Inc.; Chesborough-Ponds, Inc.; Coca Cola Bottling of New York (The); Ex-Cell-O Corp.; The Fluor Corporation; Ideal Toy Corporation; Illinois Central Industries, Inc.; Jewel Companies, Inc.; Leeds & Northrop Company; Newmont Mining Corp.; Paine, Webber, Jackson & Curtis, Inc.; Jos. Schlitz Brewing Company; and Dean Witter & Company, Inc. (Rel. 34-10039)

TRADING SUSPENSIONS CONTINUED. The SEC has ordered suspension of exchange and over-the-counter trading in the securities of U. S. Financial, Inc. and Topper Corporation and over-the-counter trading in the securities of Triex International Corporation for the further ten-day period March 15-24, inclusive.

SECURITIES ACT REGISTRATIONS. Effective March 13: Alco Standard Corp., 2-46995; Archris Properties, Inc., 2-46079 (90 days); Collins Radio Co., 2-47057; Colwell Mortgage Trust, 2-47048; Compugraphic Corp., 2-46952; De Anza Land and Leisure Corp., 2-44964 (June 13); Lone Star Gas Co., 2-47137; ML Corporate Income Fund Fifth Monthly Payment Series, 2-46968; Magellan Petroleum Corp., 2-45221 (Apr 22); Rospatch Corp., 2-46977; Standun Inc., 2-46966; Texas Eastern Transmission Corp., 2-47096.

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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statistical bulletin

Beginning in mid-February, the SEC Statistical Bulletin will be published weekly instead of on the present monthly schedule.

The contents of the Statistical Bulletin will be expanded in the new weekly version to contain the following items, two of which are being made available for the first time.

- **STATISTICAL SERIES RELEASES** -- This series includes weekly Odd Lot and Round Lot transactions, block distributions, working capital of U. S. corporations, and assets of non-insured pension funds.
- **144 FILINGS** -- Form 144 is a notice of the proposed sale in ordinary trading transactions of limited amounts of securities owned by persons controlling, controlled by or under common control with the issuer, and by persons who have acquired restricted securities of the issuer.
- **8K REPORTS** -- These must be filed with the Commission when material corporate developments such as changes in control of a registrant, acquisition or disposition of assets, or legal proceedings have occurred in the past month.

Because of rising costs and staff limitations, the SEC is discontinuing its free mailing lists at this time. Releases under the various Acts will be made available through another publication, the **SEC Docket**. However, the statistical series releases and the 144 information can be obtained only by subscribing to the **Statistical Bulletin**. Subscriptions can be entered by completing the form below, and mailing it with \$17. to the Superintendent of Documents. Current subscriptions to the monthly Statistical Bulletin will be replaced with weekly issues until the number of copies remaining have been delivered (e.g. - if five months are left on a subscription, five weekly issues will be sent instead).

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