

sec news digest

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June 20, 1973

COMMISSION ANNOUNCEMENTS

SUSPENSION OF TRADING IN WESTGATE CALIFORNIA AND AIR CALIFORNIA SECURITIES TERMINATED. The SEC has announced that the suspension of over-the-counter trading in the securities of Westgate California Corporation (Westgate) and Air California terminated on June 19, 1973.

On May 11, 1973, the independent auditors for Westgate and Air California, a majority owned subsidiary of Westgate, withdrew their certificates from the financial statements of Westgate for 1971 and of Air California for 1971 and 1972.

On May 31, 1973, the Commission filed an action in the Federal court in California, alleging, in part, violations of the antifraud and reporting requirements of the Federal securities laws against various persons including Westgate, C. Arnholt Smith (the chairman and chief executive officer of Westgate and formerly the chairman and chief executive officer of U. S. National Bank), and Philip Toft (president of Westgate). In particular, the Commission's action is based upon allegations that the various defendants named in the complaint engaged in a scheme to manufacture earnings for Westgate through sale of its assets to nominee purchasers at inflated prices. It is alleged that the purchasers of these assets were provided with financing for the entire purchase price from U. S. National Bank of San Diego (USNB) while C. A. Smith directed the activities of USNB. It is also alleged that in some instances, the nominee purchasers were guaranteed against loss or guaranteed a profit. The complaint further alleges that from 1969, C. A. Smith and his associates used assets of Westgate and USNB for their personal enrichment in disregard to public shareholders. The conduct of the defendants, it is alleged, resulted in the perpetration of a fraud upon various persons in connection with the purchase and sale of securities of Westgate and USNB. (Rel. 34-10228)

COURT ENFORCEMENT ACTIONS

GRAFAM AND ASHDOWN CONVICTED. The SEC Denver Regional Office announced that on June 14 a Federal jury in El Paso, Texas, returned a verdict of guilty against Charles E. Graham, Jr. of Austin, Texas, formerly of El Paso, Texas, and Edward Henry Ashdown of Los Angeles, California, on 7 counts of violating the anti-fraud provisions of the Federal securities laws, and 3 counts of mail fraud, in connection with the sale of the common stock of Mountain States Development Company. (LR-5938)

INVESTMENT COMPANY ACT RELEASES

HAMILTON GROWTH FUND. The SEC has issued a notice giving interested persons until July 13 to request a hearing on an application of Hamilton Growth Fund, Inc., Englewood, Colo. mutual fund, and Hamilton Management Corporation, principal underwriter and investment manager for the Fund, for an exemption from certain provisions of the Act so as to permit the holders of Hamilton Growth Fund Periodic Investment Plan Certificates who have made their first twelve payments to convert their Plan accumulations into Fund shares and continue to make payments to purchase Fund shares directly up to the face amount of such Plans at the reduced sales charge levels which would have been applicable to such Plans. (Rel. IC-7868)

HOLDING COMPANY ACT RELEASES

AMERICAN ELECTRIC POWER COMPANY, INC. The SEC has issued an order granting the request of American Electric Power Company, Inc., a registered holding company, and Michigan Power Company and MacLane Gas Company, its public utility subsidiaries, for an exception from the competitive bidding requirements in connection with the proposed sale of the common stock of MacLane. (Rel. 35-18007)

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.)

J. P. MORGAN & CO. INCORPORATED, 23 Wall St., New York, N.Y. 10015 - 956,937 shares of common stock issuable upon conversion of the 4½% convertible guaranteed debentures, due 1987 of J. P. Morgan Overseas Capital Corporation, a wholly-owned subsidiary. (File 2-47921 - May 3)

CONSUMERS POWER COMPANY, 212 West Michigan Ave., Jackson, Mich. 49201 - 750,000 shares of cumulative preferred stock (\$100 par), to be offered for sale at competitive bidding. Net proceeds will be used to finance in part the company's construction program and to repay short-term borrowings made and to be made in connection with interim financing of the construction program. Construction expenditures are estimated at \$387,699,000 for 1973. (File 2-47922 - May 3)

SHARE PARTNERS, LTD. - 1973 (the Partnership, 1888 Century Park East, Los Angeles, Calif. 90067 - \$4 million of partnership interests, to be offered for sale at \$1000 per interest by Shareholders Securities Corp., 1888 Century Park East, Los Angeles 90067. The Partnership was recently organized to invest in improved real properties. Shareholders Realty Corporation is general partner. (File 2-48025 - May 14)

ALABAMA FINANCIAL GROUP, INC., 112 North 20th Street, Birmingham, Alabama 35290 - \$30 million of debentures, due 2003, to be offered for sale through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004. Alabama Financial is a registered bank holding company having five subsidiary banks. Of the net proceeds, \$5 million will be used for lease financing and the balance for other corporate purposes. (File 2-48055 - May 17)

INTERNATIONAL SYSTEMS & CONTROLS CORP., 2727 Allen Parkway, Houston, Texas 77019 - 2,500,000 shares of cumulative preferred stock which may be issued from time to time by the Company in connection with the acquisition of other businesses or properties. International, through subsidiaries, provides services and products for the processing, storing and handling of natural resource products and by-products and agricultural products. (File 2-48056 - May 17)

FLORIDA NATIONAL BANKS OF FLORIDA, INC., 321 Florida National Bank Bldg., Jacksonville, Florida 32202 - 320,000 shares of common stock. It is proposed to offer these shares in exchange for all of the outstanding common stock of Bank of Commerce of Florida (Fort Lauderdale) at the rate of 1.6 shares of Florida National for each Bank share. Florida National is a bank holding company which controls 31 banks located throughout Florida. (File 2-48057 - May 17)

DUKE POWER COMPANY, 422 South Church St., Charlotte, N.C. 28201 - \$100 million first and refunding mortgage bonds, due 2003, to be offered for sale at competitive bidding. Net proceeds will be used to finance the company's construction program, estimated at \$466 million for 1973 and \$1,405 million for the period 1973-75. (File 2-48058 - May 17)

APPALACHIAN POWER COMPANY, 40 Franklin Rd., Roanoke, Virginia 24009 - \$50 million of first mortgage bonds to be offered for sale through competitive bidding. Net proceeds will be used to pay unsecured short-term indebtedness, for construction purposes, and for working capital and other corporate purposes. Estimated construction costs for the year 1973 are \$126,100,000. (File 2-48059 - May 17)

LIN BROADCASTING CORPORATION, 1370 Avenue of the Americas, New York, N.Y. 10019 - 676,112 shares of common stock. Of these shares, 141,112 are to be offered for sale to Donald A. Pels, board chairman and president, pursuant to employment agreements and options. Of the remaining shares, 110,000 are issuable under employee stock plans and 425,000 upon exercise of warrants in settlement of litigation against the company. Lin Broadcasting is a communications corporation engaged in commercial broadcasting and private message transmission. (File 2-48060 - May 17)

ADR's FOR UNION CORPORATION LIMITED - First National City Bank, 111 Wall St., New York, N.Y. 10015 - filed a registration statement seeking registration of 100,000 American Depositary Receipts for Ordinary Shares of Union Corporation Limited, a South African corporation. (File 2-48061 - May 16)

FIRST INTERNATIONAL BANCSHARES, INC., First National Bank Bldg., 1401 Elm St., Dallas, Texas 75202 - 235,000 shares of common stock. It is proposed to offer these shares in exchange for substantially all common stock of Temple National Bank at the rate of 47 Bancshares share for each Temple share. First International is a bank holding company having two subsidiary banks. (File 2-48063 - May 18)

CITY STORES COMPANY, 500 Fifth Ave., New York, N.Y. 10036 - 364,588 shares of common stock, of which 229,213 may be offered for sale by Leonard J. Novogrod, president, and Harold R. Weinberg, vice president and treasurer of W & J Sloane, Inc., a subsidiary (selling stockholders) and 135,375 have been issued and/or are issuable upon exercise of options under the company's stock option plans. The company is engaged in the operation of retail stores. (File 2-47908 - May 2)

RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (*i.e., collateral for registered securities*); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders; and any newly enacted requirements effecting registrant's business.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (*in ordering, please give month and year of report*). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
AIRLIFT INTERNATIONAL INC	2,13	04/73
AMERICAN REALTY TRUST	2	05/73
AMERICAN RESOURCES MANAGEMENT CORP	7,13	04/73
ANDERSON CLAYTON & CO	12,14	04/73
AC INDUSTRIES INC	11	05/73
ASSOCIATED TRUCK LINES INC	11,14	05/73
AUDIOTRONICS CORP	2,10	04/73
AVCO CORP	13	05/73
BATTANI LTD	13	04/73
BELMONT INDUSTRIES INC NEW YORK	13	05/73
CAPITAL CITIES COMMUNICATIONS INC	11,14	05/73
CI REALTY INVESTORS	7	04/73
CIMARRON CORP	13,14	05/73
COMPUTER DATA BANKS INC	8	05/73
CONNECTICUT WATER CO	11,14	04/73
CONSOLIDATED BANKSHARES OF FLORIDA	11,14	05/73
COTTON PETROLEUM CORP	7,8	01/73
DATA ARCHITECTS INC	14	05/73
DE FCE CORP	2,8	03/73
DETROIT BANK CORP	1,2,3,4,7,11,14	05/73
DONALD CORP	11,14	05/73
DUN & BRADSTREET COMPANIES INC	1,7	05/73
ELECTROMAGNETIC INDUSTRIES INC	12,13,14	07/72
FBI BANKSHARES INC	11,14	05/73
FINE ORGANICS INC	11	05/73
FIRST BANKSHARES OF FLORIDA INC	7,10,13	04/73
FIRSTMARK FINANCIAL CORP	8,13	04/73
GENERAL MEDICAL CORP	7	05/73
GENERAL TELEPHONE CO OF THE SOUTHEAST	3,11	05/73
GILLETTE CO	14	05/73
GOODY SAM INC	11,13,14	05/73
HELIX MARKETING CORP	8	05/73
HOMMET CORP	11,14	05/73
HYDRIC SKI INTERNATIONAL CORP	3,7,9,14	04/73
INTERNATIONAL ENERGY CO	1,13	04/73
LAFAYETTE FUNDS INC	7	04/73
LAURETIDE FINANCIAL CORP LTD	7	04/73
LITCC CORP	3,13,14	05/73
LITTLE MIAMI RAILROAD CO	11	04/73
MAGNACOR CO	13	05/73
MICHIGAN CENTRAL RAILROAD CO	11	05/73
MINNEAPOLIS GAS CO	11,14	05/73
NATIONAL CASH REGISTER CO	7	11/72
NATIONAL CASH REGISTER CO	7	02/73
NATIONAL CASH REGISTER CO	7	03/73
NATIONAL SECURITIES & RESEARCH CORP	3	04/73
NEW YORK & HARLEM RAILROAD CO	11	05/73
NFC CORP	12	04/73
NORTHERN CENTRAL RAILWAY CO	11	05/73
OCEANIC EXPLORATION CO	11	05/73
ORCHARD MACHINERY CORP	13	05/73
OWENS CORNING FIBERGLAS CORP	3	05/73
PACIFIC BANK CORPORATION	13	02/73
PACIFIC BANK CORPORATION	13	03/73
PAYCO AMERICAN CORP	11	05/73

8K REPORTS CONT.

PENNSYLVANIA ENGINEERING CORP	13	04/73
PEPCCM INDUSTRIES INC	11,14	05/73
PHARMACARE INC	9	02/73
PHARMACARE INC	9	04/73
PIKES PEAK TURF CLUB INC	3,12	04/73
PIXIELAND CORP	2,11	05/73
POLYCHROME CORP	13,14	04/73
PUBLICKER INDUSTRIES INC	13,14	05/73
RIVERSIDE FINANCIAL CORP	12	04/73
SARGENT WELCH SCIENTIFIC CO	13,14	04/73
SCOTT'S LIQUID GOLD INC	3,14	05/73
SCRIPPS HOWARD BROADCASTING CO	11,14	05/73
SEABOARD COAST LINE RAILROAD CO	7,14	05/73
SEARS INDUSTRIES INC	13,14	02/73
SERVO-MATION CORP	3	05/73
SHERICANE DESIGNS LTD INC	3,13	05/73
SOUTHEASTERN PROPERTIES INC	8	05/73
SOUTHERN MUTUAL INVESTMENT CORP	12	05/73
SOUTHLAND RACING CORP	11,13,14	05/73
STEPAN CHEMICAL CO	3,14	04/73
SUPERICK OIL CO	11,13	05/73
TIDWELL INDUSTRIES INC	4,11,14	05/73
TRANSITRON ELECTRONIC CORP	2,12	04/73
UNIPLOD INC	13	04/73
UNITED STATES BANCORP	7	05/73
VAN DYK RESEARCH CORP	2,13,14	05/73
VANDERHOUT ASSOCIATES LTD	11	05/73
VEEDER INDUSTRIES INC	11	04/73
VENDO CO	11,14	05/73
WASHINGTON GROUP INC	2,11,14	04/73
BROWN MARTHA LTD	8	10/72
COTTON PETROLEUM CORP	7	04/73
DE FOE CORP	7,13	05/73
EL PASO ELECTRIC CO	11	05/73
FANSTEEL INC	11	05/73
OXFORD ELECTRIC CORP	4,14	05/73
PACIFIC ASBESTOS CORP	6	05/73
SOUTHERN PACIFIC TRANSPORTATION CO	13	04/73
SYKES DATATRONICS INC	7,8,14	12/72
TELETRONICS SERVICES INC	3,11,14	05/73
WHITEHALL CORP	11,14	05/73

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Radiation Service Associates, Inc. for the further 10-day period June 20-29, inclusive.

SECURITIES ACT REGISTRATIONS. Effective June 19: Baxter Laboratories, Inc., 2-47948; Central Illinois Light Co., 2-48193; Comress, Inc., 2-47867; Duquesne Light Co., 2-48164; Georgia-Pacific Corp., 2-48328; Tony Lama Company, Inc., 2-47691; Toledo Edison Co., 2-48257.
Effective June 20: Sullair Corp., 2-48219.

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