

sec news digest

Issue 75-95
(SEC Docket, Vol. 6, No. 19 - May 27)

U.S. SECURITIES & EXCHANGE COMMISSION
RECEIVED

May 15, 1975

RULES AND RELATED MATTERS

MAY 16 1975

DIRECTOR OF THE DIVISION OF CORPORATION FINANCE
DELEGATED AUTHORITY RELATING TO REQUESTS UNDER
RULE 14d-2(f)

LIBRARY.

The Commission on May 14 announced an amendment to its regulations governing delegation of authority to permit the Director, and in his absence the Associate Directors, of the Division of Corporation Finance to authorize management of an issuer which is the subject of a tender offer to advise security holders its position within periods of time less than that prescribed in Rule 14d-2(f) under the Securities Exchange Act of 1934. To accomplish this purpose, the Commission has amended the last clause of 17 CFR 200.30-1(d)(4). The Commission finds that the foregoing action relates solely to agency organization, procedure or practice and that notice and procedures under 5 U. S. C. 553 are unnecessary. Accordingly, the foregoing action which was taken pursuant to Public Law 87-592, 76 Stat. 394 [15 U. S. C. 78d-1, 78d-2] becomes effective immediately. (Rel. 34-11419)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

L. M. ROSENTHAL & CO., INC. AND
VICE-PRESIDENT SANCTIONED

The Commission has suspended L. M. Rosenthal & Co., Inc., a New York City broker-dealer, from making a market in any security on the over-the-counter market for 30 business days. Stephen Irwin Fischgrund, a vice-president of the firm, was suspended from association with any broker or dealer for the same period. The suspensions are effective May 27. Rosenthal's suspension is subject to certain limited exceptions which are set forth in the Commission's order.

The sanctions were based on findings that, during the period from about May 1972 to February 1973, the firm and Fischgrund participated in a manipulation of the after-market for stock of Logos Development Corp. which kept the stock at artificially inflated price levels. Cohen Goren Equities, Inc., formerly a registered broker-dealer, was underwriter for an offering of 125,000 shares of Logos common stock under a registration statement effective May 24, 1972. The firm and Fischgrund entered into an arrangement with Cohen Goren under which Rosenthal entered quotations for Logos stock both in the "pink sheets" published by the National Quotation Bureau and with NASDAQ in return for certain guarantees, thereby creating the illusion of an active independent market for the stock. Also, the firm and Fischgrund quoted Logos stock at artificially inflated prices and purchased and sold the stock at such levels.

The Commission's order was based on offers of settlement in which the firm and Fischgrund, without admitting or denying the charges against them, consented to the above findings and the indicated sanctions. (Rel. 34-11408)

COURT ENFORCEMENT ACTIONS

HORVAT, MANISCALCO & CO. AND PETER JOHN HORVAT
ENJOINED; SIPC TRUSTEE APPOINTED

The New York Regional Office announced that on April 25 the federal court in Newark, New Jersey, upon their consents, entered a final judgment of permanent injunction against Horvat, Maniscalco & Co., a broker-dealer of Bergenfield, New Jersey, and its general partner, Peter John Horvat, enjoining them from violations of the antifraud, net capital, customer segregation, bookkeeping, financial reporting and supplemental reporting provisions of the Securities Exchange Act of 1934. On the same day the court appointed Lawrence E. Jaffe, Esq. as SIPC trustee for Horvat, Maniscalco & Co. (SEC v. Horvat, Maniscalco & Co.). (LR-6882)

The Chicago Regional Office announced that on May 7 Judge Joel M. Flaum, District Court Judge for the Northern District of Illinois, entered an order preliminarily enjoining Brent Fields, Daniels & Martin, Ltd., United States Bullion, a division of Brent Fields, Daniels & Martin, Ltd., United States Bullion, Inc., United States Gold Corporation, Gold Lake Mining Corporation, Roger C. Anderson, Daniel Goldstein, also known as Niel Daniels, Harold Goldstein, and Paul D. Levine, also known as Henry H. Harper, from violations of the registration and antifraud provisions of the securities laws in the offer and sale of investment contracts in gold. The defendants were further ordered to provide to the Court an accounting of all funds received from investors and were preliminarily enjoined from disposing of any of the defendant companies' books, records, or assets. (SEC v. Brent Fields, Daniels & Martin, Ltd., et al., N.D. Ill., Civ. No. 75 C 1203). (LR-6883)

INVESTMENT COMPANY ACT RELEASES

399 FUND

A notice has been issued giving interested persons until June 9 to request a hearing on an application of 399 Fund, a mutual fund, for an order temporarily exempting it from Section 15(a) of the Act so as to permit Thorndike, Doran, Paine & Lewis, Inc., to continue serving as investment adviser to the fund under the same terms as contained in the present contract, following the sale of a controlling block of the adviser's securities and prior to approval of a new investment advisory contract by the shareholders of the Fund. (Rel. IC-8790 - May 14)

HIGHLAND CAPITAL CORPORATION AND MARATHON SECURITIES CORPORATION

A memorandum opinion and order has been issued on an application of Highland Capital Corporation and Marathon Securities Corporation, both of New York and both closed-end management investment companies registered under the Act. The order denied requests for hearing filed by three Highland shareholders and authorized, pursuant to Section 17(d) and Rule 17d-1, the companies to share the expenses of their unconsummated merger transaction on the terms they had agreed. (Rel. IC-8791 - May 14)

HOLDING COMPANY ACT RELEASES

TRANSOK PIPE LINE COMPANY

An order has been issued authorizing a proposal by Public Service Company of Oklahoma, subsidiary of Central and South West Corporation, and Transok Pipe Line Company, subsidiary of Public Service, that (1) Transok amend its charter to increase its authorized common stock, (2) Transok sell additional common stock to Public Service, (3) Transok issue notes to Public Service, and (4) Transok and Public Service withdraw a prior application-declaration. (Rel. 35-18984 - May 13)

SECURITIES ACT REGISTRATIONS

REGISTRATIONS EFFECTIVE

May 8: American Telephone & Telegraph Co., 2-53625.

May 13: Aluminum Company of America, 2-53475; Anaconda Co., 2-53458; Cummins Engine Co., Inc., 2-53247; Economics Laboratory Inc., 2-53325; El Paso Electric Co., 2-53376; The First Trust of Insured Municipal Bonds, Series 4, 2-53411; Gilman Services Inc., 2-51493; Gulf & Western Industries, Inc., 2-53287; Interway Corp., 2-53324; Jersey Central Power & Light Co., 2-53302; NCR Corp., 2-53469; Nuveen Tax-Exempt Bond Fund, Series 70, 2-53042; Olin Corp., 2-53482; Province of Quebec, 2-53486; Southeast Banking Corp., 2-53518; Stride Rite Corp., 2-53613; Sunbeam Corp., 2-53496; Texas Commerce Bancshares, Inc., 2-53429; Vermont American Corp., 2-53410.

RECENT 8K 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.

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
STEAK & ALE RESTAURANTS OF AMERICA INC	3	04/75
STV INC	11	04/75
TOOTSIE ROLL INDUSTRIES INC	7,10	04/75
UNIVERSAL LEAF TOBACCO CO INC	13	03/75
VIKOA INC	1,3,6,10,13,14	03/75
WEST BAY FINANCIAL CORP	13	03/75
WYOMISSING CORP	11,14	04/75
AILEEN INC	11	04/75
AMERICAN BANKS OF FLORIDA INC	11	04/75
AMERICAN RE INSURANCE CO	11,13,14	04/75
ANDERSON STOKES INC	3	04/75
ARCATA NATIONAL CORP	7,8	04/75
ARROW ELECTRONICS INC	12,14	04/75
ATLANTIC CITY ELECTRIC CO	11,14	04/75
ATLANTIC STEEL CO	4,8,10,11,14	04/75
AVCO CORP	11,13	04/75
AZTEC OIL & GAS CO	11,13,14	04/75
BANCSHARES OF NORTH CAROLINA INC	13,14	03/75
BANK OF NEW YORK CO INC	11,14	04/75
BERKEY PHOTO INC	11,14	04/75
BIO PURE INC	1,13,14	04/75
BIOMEDICAL INDUSTRIES INC	7,8	04/75
BOSTON EDISON CO	3,11,13	04/75
BOURNS INC	13	04/75
BROOKS INTERNATIONAL INC	13,14	03/75
BUNKER RAMO CORP	11,13	04/75
CABANA COACH CORP	3,14	04/75
CALLON PETROLEUM CO	12,14	04/75
CANADIAN AMERICAN RESOURCES FUND 70-1 72	NO ITEMS	06/74
CANNON MILLS CO	11	04/75
CENTRAL & SOUTH WEST CORP	4,11,14	04/75
CHICAGO ROCK ISLAND & PACIFIC RAILROAD C	12	03/75
CITADEL LIFE INSURANCE CO OF NEW YORK	11,14	04/75
CITY STORES CO	2,13	04/75
COMPUTER ELECTION SYSTEMS INC	3,13	04/75
CONCORD FABRICS INC	3,11,14	04/75
CONNECTICUT WATER CO	NO ITEMS	04/75
COSCO INC	11	04/75
COTTON STATES LIFE & HEALTH INSURANCE CO	11	04/75
CPC INTERNATIONAL INC	3	04/75
DATA DESIGN LABORATORIES	12,13,14	04/75
DEL ELECTRONICS CORP	13	05/75
DISSTON INC	13	04/75
DOMINION BANKSHARES CORP	7,11	04/75
DPF INC	12,14	04/75
DRAVO CORP	11,14	04/75
DUCOMMUN INC	11	04/75
DUQUESNE LIGHT CO	7,11,14	04/75
FBT BANCORP INC	11	04/75
FIRST ABILENE BANKSHARES INC	11	04/75
FIRST KENTUCKY NATIONAL CORP	11	04/75
FIRST LIBERTY CORP	13,14	03/75
FIRST LINCOLN FINANCIAL CORP	11	04/75
FIRST MARYLAND BANCORP	11,14	04/75

RECENT 8K FILINGS CONT.

FIRST PIEDMONT CORP	11	03/75
FIRST S&L SHARES INC	8,10,13,14	04/75
FIRST UNITED INC	7	04/75
FOUR PHASE SYSTEMS INC	11,14	04/75
FULTON NATIONAL CORP	12,14	04/75
FWD CORP	6	04/75
GARLOCK INC	4,7,14	01/75
GBC CLOSED CIRCUIT TV CORP	3	04/75
GEORGIA PACIFIC CORP	11,14	04/75
GIANT YELLOWKNIFE MINES LTD	11	04/75
GOLDEN NUGGET INC	7,9,12	04/75
HAWAIIAN ELECTRIC CO INC	11	04/75
INDEPENDENT LIFE & ACCIDENT INSURANCE CO	11	04/75
JOREMI ENTERPRISES INC	11	04/75
KAUFMAN & BROAD INC	11	04/75
KGA INDUSTRIES INC	10,13,14	06/74
KGA INDUSTRIES INC	10,14	09/74
KGA INDUSTRIES INC	13	10/74
KGA INDUSTRIES INC	10,13,14	12/74
KGA INDUSTRIES INC	6,13	01/75
KNIGHT RIDDER NEWSPAPERS INC	11,12,14	04/75
KOHLER CO	11	04/75
KROGER CO	7,11,14	04/75
KT OIL CORP	11	04/75
MACK FINANCIAL CORP	11	04/75
MADISON DOLLY INDUSTRIES INC	13,14	04/75
MAINE CENTRAL RAILROAD CO	11	04/75
MANNING GAS & OIL CO	13,14	04/75
MANSION INDUSTRIES INC	13,14	04/75
MCGRAW EDISON CO	11	04/75
MEDACO INC	1,13	02/75
MICRO MASK INC	13	04/75
MID ATLANTIC REAL ESTATE INVESTMENT TRUS	2,3,13,14	02/75
MISSOURI EDISON CO	11	03/75
MISSOURI PUBLIC SERVICE CO	11	04/75
MONROE AUTO EQUIPMENT CO	8,14	04/75
MONTANA DAKOTA UTILITIES CO	11	04/75
MPO VIDEOTRONICS INC	11	03/74
NATIONAL TEA CO	11,13	04/75
NCR CORP	7,11,14	04/75
NEW YORK SUSQUEHANNA & WESTERN RAILROAD	11	04/75
NEWBERY ENERGY CORP	7	03/75
OMEGA ALPHA INC	8	04/75
PIEDMONT NATURAL GAS CO INC	13,14	04/75
PROCTER & GAMBLE INTERNATIONAL CO	8	04/75
PTC INDUSTRIES INC	3,13,14	03/75
RIEKES S & SONS INC	1	05/75
RIO GRANDE INDUSTRIES INC	11	04/75
SECURITY BANCORP INC	11	04/75
SIMERA CORP	2,8,10,14	04/75
SISKON CORP	1,2,9,14	04/75
SMITH INTERNATIONAL INC	11	04/75
SOUTHERN INDIANA GAS & ELECTRIC CO	7,14	04/75
SOUTHERN INDUSTRIES CORP	11	04/75

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 (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.