

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. 70-178)

FOR RELEASE September 14, 1970

DECISION IN ADMINISTRATIVE PROCEEDING

TOMBSTONE SILVER SUSPENSION PERMANENT. The SEC today announced a decision under the Securities Act (Release 33-5085) in which it made permanent a prior order temporarily suspending a Regulation A exemption from registration with respect to a proposed public stock offering by Tombstone Silver Standard, Inc., of Payson, Utah, a hearing not having been requested on the question whether the earlier order should be vacated or made permanent (although the company filed an answer denying various allegations).

According to the Commission's suspension order, issued on March 18, 1970, Tombstone's Regulation A notification and offering circular, which proposed the offering of 3,000,000 common shares at 10¢ per share, failed to disclose recent sales of stock in apparent violation of the Securities Act registration requirements, or the contingent liabilities which may have resulted therefrom; failed to disclose certain material transactions with officials and promoters of the company; and failed to include a concise description of the mining property interests held by Tombstone under option or to disclose adequately the risks involved in drilling for metallic mineral deposits on the company's properties. By reason thereof, Tombstone's stock offering was and would be in violation of the Securities Act registration and anti-fraud provisions. Moreover, its officers and promoters failed and refused to furnish certain information requested by the Commission's staff in connection with its inquiry into the offering proposal.

COMMISSION ANNOUNCEMENT

LOCKHEED INVESTIGATION FILES PUBLIC. The Commission has sustained a ruling by its Hearing Examiner with respect to certain evidence developed in an investigation of financial and related disclosures by Lockheed Aircraft Corporation in connection with its C-5A contract. Commission counsel had sought to introduce the evidence in connection with the Commission's public inquiry into the adequacy of disclosures with respect to costs incurred on major defense contracts, of which the C-5A contract was cited as an example; and Lockheed and certain of its present and former directors and employees, Arthur Young & Company, its public accounting firm, and Blyth Co., Inc., which was the principal underwriter of a debenture offering by Lockheed, had appealed the Examiner's denial of their objection to introduction of the evidence into the public record of such inquiry. However, the Commission concluded that the transcripts of testimony of 11 witnesses and related exhibits which related essentially to "insider trading" were outside the scope of and therefore irrelevant to the investigation and should be excluded.

SEC ORDER CITES SENTINEL SECURITIES. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Sentinel Securities, Inc. ("Sentinel"), of Wichita, Kansas. Also named as respondents were Investment Centers, Inc. ("ICI"), a Wichita holding company and sole owner of Sentinel, Don F. Reed, ICI's president, and Leroy Warner Gilliland, president of Sentinel from January - June 1970.

The proceedings are based upon staff allegations that during the period December 11, 1969, to June 5, 1970, in connection with the offer and sale of ICI stock, Sentinel and the other three respondents violated the anti-fraud and anti-manipulative provisions of the Federal securities laws. It was further alleged that the ICI stock was sold in violation of the Securities Act registration requirements; that Sentinel employed salesmen who engaged in the offer and sale of ICI stock without having taken the general securities examination required by Commission rules; that officials of Sentinel resigned and were replaced in March 1970 without such changes having been reported by amendment to the firm's registration application; and that the firm violated the Commission's record-keeping rules.

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 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.

HOLDING COMPANY ACT RELEASES

MICHIGAN CONSOLIDATED GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16826) authorizing Michigan Consolidated Gas Co., Detroit, Mich. to issue and sell from time to time during the period September 15, 1970 to September 15, 1971, \$16,000,000 of short term notes to banks. Michigan proposes to use the proceeds of the sale to finance, in part, construction costs, which for the year 1970 are estimated at \$43,000,000.

APPALACHIAN POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16827) giving interested persons until October 5, to request a hearing upon an application of the Appalachian Power Company, a subsidiary company of American Electric Power Co. Inc., to sell \$70,000,000 of first mortgage bonds, at competitive bidding. Appalachian proposes to use the net proceeds of the sale to pay, at maturity, \$70,000,000 of first mortgage bonds, 3 1/4 series due December 1, 1970, and any excess for the cost of additions, extensions and improvements to its utility plant.

OVER

INVESTMENT COMPANY ACT RELEASE

WISCONSIN LIFE INSURANCE CO. SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6184) giving interested persons until October 5 to request a hearing upon an application of Wisconsin Life Insurance Co., and The Wisconsin Life Insurance Co. Variable Account A, for exemption from certain provisions of the Act in connection with the proposed sale of Account A variable annuity contracts.

SECURITIES ACT REGISTRATIONS

PHILADELPHIA ELECTRIC PROPOSES OFFERING. The Philadelphia Electric Company, 1000 Chestnut St., Philadelphia, Pa. 19105, filed a registration statement (File 2-38342) with the SEC on September 10 seeking registration of 3,193,511 shares of common stock. The shares are to be offered for subscription (at \$20 per share maximum*) by common stockholders of record October 1, at the rate of one new share for each ten shares then held. Drexel Harriman Ripley, Inc., and The First Boston Corporation will serve as manager of a dealer group which will solicit shareholder subscriptions, for which service the company will pay 50¢ per share. A public utility, the company will use the net proceeds of the stock sale to provide part of the permanent financing of its construction and expansion program, including partial repayment of short term debt incurred for interim financing thereof. Construction expenditures for the year 1970 are estimated at \$326 million.

UNITED UTILITIES PROPOSES OFFERING. United Utilities, Incorporated, Box 11315, Kansas City, Mo. 64112, filed a registration statement (File 2-38345) with the SEC on September 10 seeking registration of 1,500,000 shares of common stock and 1,500,000 common stock purchase warrants, to be offered for public sale in units each consisting of one share and one warrant. The offering is to be made through underwriters headed by Kidder, Peabody & Co., 20 Exchange Place, New York; the offering price (\$23 per unit maximum*) and underwriting terms are to be supplied by amendment. A telephone holding company, United owns substantially all of the common stock of 21 telephone operating subsidiaries in various parts of the country as well as the common stock of other subsidiaries, including an equipment manufacturer. The net proceeds from the sale of the units will be used to reduce bank borrowings incurred to finance construction expenditures are estimated at \$187,000,000 for the remainder of 1970 and 1971. In addition to indebtedness and preferred stock the company has outstanding 30,022,945 common shares. P. H. Henson is chairman and president.

THREE NORTHERN TRUST FUNDS FILE. The Northern Trust Company, 50 S. LaSalle St., Chicago, Ill. 60690, has established three common trust funds each of which has filed a registration statement with the SEC on September 10 seeking registration of \$1,000,000 of units available at a minimum of \$10,000 per unit: the Northern Municipal Bond Fund of the Northern Trust Company (File 2-38348), the Northern Investment Fund of the Northern Trust Company (File 2-38349) and the Northern Growth Fund of the Northern Trust Company (File 2-38350). The Funds were created as no-load, diversified, open-end management investment companies with objective of long-term growth of capital values; no sales commission or underwriting discounts are involved. The Northern Trust Company, as Trustee of the respective Funds, will serve as manager and investment adviser. Douglas R. Fuller is chairman and president of the respective funds as well as of the fund manager and investment adviser.

AMERICAN DENTAL COOPERATIVE PROPOSES OFFERING. American Dental Cooperative Association, Golf Mill Professional Bldg., Mile, Ill. 60648, filed a registration statement (File 2-38346) with the SEC on September 10 seeking registration of 10,000 shares of common stock, to be offered for subscription at \$500 per share by dentists desiring to become members of the Association and participate in its proposed cooperative purchasing or brokerage programs. No underwriting is involved. The Association was organized in May 1970 under the District of Columbia Cooperative Purchasing Act as a purchasing cooperative for the purpose of providing dentists with equipment and supplies. Net proceeds from the sale of the shares will be used to secure and equip office and warehouse space and to obtain inventory and services necessary to commence operations. Dr. Robert W. Donovan is president of the Association.

LEAGUE INVESTMENT FUND PROPOSES OFFERING. League Investment Fund, Inc., 15600 Providence Dr., Southfield, Mich., filed a registration statement (File 2-38347) with the SEC on September 10 seeking registration of 10,000,000 shares of common stock to be offered for public sale at net asset value (\$1.00 per share maximum*) with no sales charge. The Fund was organized as an open end diversified management company with a primary objective of long term growth of capital. League Investment Management Co. will serve as the Fund's manager and investment adviser. George R. La Chapelle is president of the Fund and of the manager.

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:

The Susquehanna Corporation, Alexandria, Va. 22314 (File 2-38340) - 7,500 shares of common stock and 7,500 Class A preferred stock
King's Department Stores, Inc., Newton, Mass. 02158 (File 2-38351) - 100,000 shares

MISCELLANEOUS

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the September 3 News Digest.

CONTINUED

8K Reports for July 70

Congressional Life Ins. Co.		
Jun 70(11)	2-23847-2	
Far-Mar-Co., Inc. Jun 70(8)	2-30822-2	
Interphoto Corporation (12,13)	1-4864-2	
Jahncke Service, Inc. (2,3)	0-2512-2	
Science Management Corporation		
May 70(11,12,13)	1-6059-2	
All American Life & Financial Corp		
May 70(11)	0-3530-2	
American Maise-Products Co.		
June 70(11,13)	1-6244-2	
California Jockey Club		
June 70(13)	0-1288-2	
Executive Growth Plans, Inc.		
June 70(12)	0-3348-2	
Garett Freightlines Inc.(12,13)	0-705-2	
Hyatt International Corp(9,13)	0-4189-2	
National Geriatric Centers, Inc.		
(2,7,9,11,12,13)	2-32847-2	
Robotguard, Inc. June 70		
(1,2,7,8,13)	1-6156-2	
Acoustica Associates, Inc. (1)		
Charnita, Inc. Mar 70(3)	0-4312-2	
General Signal Corporation(8)	1-996-2	
Granite Management Services,		
Inc. (7,13)	1-5421-2	
Gulf Power Co. (7,13)	0-2429-2	
Penn-Akron Corporation June 70		
(7,13)	0-799-2	
Research, Inc. Jun 70(2,13)	0-2387-2	
Digitek Corp (1,7,13)		
Paul Harris Stores, Inc. Aug		
70(2,12,13)	2-23687-2	
Holly Sugar Corp (13)	1-2270-2	
Imperial Corporation of America		
(2,13)	1-4215-2	
Brown Foreman Distillers Corp		
(11)	1-123-2	
General Kinetics, Inc.		
(2,8,12,13)	0-1738-2	
General Mills, Inc. (3)	1-1185-2	
Gould Inc. (7,13)	1-3278-2	
Kaiser Steel Corp (7,8,13)	0-433-2	
Kentucky Finance Co., Inc.(7,13)	0-2846-2	
Moviematic Industries Corp		
May 70(11,13)	1-1739-2	
Ohio Power Co. (11)	0-1090-2	
Bishop Industries, Inc.(12)		
Carter-Wallace Inc. (11,13)	1-5910-2	
Great Northern Nekoosa Corp.		
(4,13)	1-3763-2	
Hogan Faximile Corporation		
(4,13)	0-2621-2	
Instrument Systems Corp		
(2,7,13)	1-5643-2	
Modular Dimensions, Inc. May 70		
(1,2,12,13)	2-34019-2	
Cerco, Inc.		
(7)	0-2640-2	
Empire Petroleum Co. Jun 70		
(2,7,9,11,13)	0-788-2	
General American Transportation		
Corp (13)	1-2328-2	
Electronic Assistance Corp		
(2,7,11,13)	1-4338-2	
Horizons Research Inc.		
(7,9,13)	0-4670-2	
Investors Funding Corp of N.Y.		
Jun 70(7,12,13)	0-4888-2	
Books for Libraries, Inc.		
(7,9,10,13)	0-4834-2	
Canadian Javelin Ltd.(7,12,13)		
Dialoc Corporation of America		
Oct 69 thru May 70(3,9,11,12,		
13)	2-22844-2	
Display Sciences, Inc. Jun 70		
(2,7,12,13)	2-32168-2	
Goodyear Tire & Rubber Co.		
(7,13)	1-1927-2	
Buxton's Country Shops(12)		
Keen Electronics Corporation		
(7,13)	2-32170-2	
Data Products Corp (11)		
Driver Harris Company (7)	1-5756-2	
Dunlap & Associates, Inc. (11)	1-1212 2	
First Fidelity Corp (11,13)	2-18440-2	
House of Vision, Inc. (2,13)	0-4499-2	
Hubbard Real Estate Investments		
(12,13)	1-5493-2	
Iowa Public Service Co.(8,13)	1-6309-2	
Lockwood Corporation May 70		
(12)	1-5131-2	
Baltimore Gas & Electric Co.		
(12,13)	0-4590-2	
Certified Corp Jun 70(12,13)	1-1910-2	
Consolidated Dental Services Co.		
(11,13)	1-5902-2	
Dynasonics Corp Jun 70(1,2,3,		
12,13)	1-6428-2	
W. R. Grace & Co. (13)	2-14490-2	
Information & Computing Centers		
Corp (2,3,13)	1-3720-2	
Beta Instrument Corp Jun 70		
(4,7,9,12,13)	0-3878-3	
Corinthian Broadcasting Corp.		
(3)	0-4838-2	
Foster Wheeler Corp (12,13)	1-5454-2	
Garden State Life Ins. Co.		
Jun 70(11)	1-286-2	
Management Services, Inc. May		
70(3)	2-23392-2	
Mouldings Inc. (11,13)	2-31464-2	
National Pizza Corporation		
Jun 70(1,2,3,13)	1-6053-2	
Bulova Watch Co. Inc.(11)	2-31897-2	
Logic Corporation (2)	1-457-2	
Louis Sherry, Inc. (2,12,13)	2-27433-2	
Capital Reserve Corporation(12)	1-4574-2	
Garber Products Co. (13)	0-3551-2	
M. S. Ginn and Company(7,13)	1-4007-2	
Sealcraft Corporation Dec 69		
(2,13)	2-34723-2	
	0-2910-2	

8K Reports for July 70 (Con't)

Airlift Intl., Inc.(2,6,12,13)	1-5551-2	Commercial Bancorp, Inc.	
Campbell Mfg Co. Inc.(11,12,13)	2-33907-2	Jun 70(1)	0-3562-2
Great Lakes Chemical Corp		Hughes & Hatcher Inc.(7,13)	1-3387-2
Apr 70(11)	1-2630-2	Management Assistance Inc.(8)	0-2017-2
Infotronics Corporation (11)	0-2784-2	Omega Equities Corp (12,13)	0-188-2
Intermac Corporation Jun 70			
(1,2,7,8,9,11,12,13)	2-32673-2	Aseco, Inc.(11)	0-2404-2
Barnes Engineering Company		Clark Cable Corp (2,13)	1-4425-2
(12,13)	1-4197-2	Hooker Chemical Corp (13)	1-3449-2
Citizens Commonwealth Corporation		Langley Corporation(2,7,9,10,	
(7,13)	0-4746-2	11,13)	1-5552-2
Electrogas dynamics, Inc. June 70		Logicon, Inc. (11)	0-5036-2
(3,13)	2-33843-2	Miracle Pet Products Inc.(11)	0-2245-2
Georgia Power Co. (11,13)	0-392-2	Occidental Petroleum Corp (13)	1-520-2
Hess's Inc. (3)	0-3759-2		
Joy Mfg Co. (12)	1-3156-2	Dant & Russell, Inc. (7,12,13)	0-3790-2
Leadville Lead Corp (7,9,13)	0-1519-2	Deere & Co. (4,13)	1-4121-2
Marathon Enterprises, Inc.		Ets-Hokin Corp (11)	1-4792-2
Jun 70(11)	2-31191-2	Financial Federation, Inc.(12)	1-4524-2
Minaret Investments, Inc.(3)	0-2570-2	Foremost McKesson, Inc.	
		(4,11,13)	1-1435-2
Consolidated Natural Gas Co.			
(12,13)	1-3196-2	Hilton Hotels Corp (2,7,13)	1-3427-2
Duquesne Light Co. (7,13)	1-956-2	Keweenaw Oil Co. (7,13)	1-5327-2
Financiera Metropolitana S.A.		Law Research Service Inc.(3)	0-3301-2
June 70(7)	2-29641-2		
Hazeltine Corp (12)	1-230-2	Central Banking System, Inc.(12)	0-3652-2
Mosinee Paper Mills Co. (12)	0-1732-2	Clark Equipment Co. (13)	1-5646-2
Niagara Frontier Services Inc.		Computing & Software Inc.	
(2,8,12)	1-5915-2	(2,7,13)	1-5586-2
North American Planning Corp		Crescent Technology Corp	
(12,13)	0-3859-2	June 70(7)	0-3848-2
Citadel Industries, Inc.(8)	0-331-2	Dublin Engineering Co.(11,12)	2-31717-2
Daryl Industries, Inc. (13)	1-4321-2	Ford Motor Co.(3,7,8,11)	1-3950-2
The Delos International Group,		Gulf Life Holding Company(3)	1-6091-2
Inc. (12,13)	2-33946-2	Local Finance Corp (7,8)	0-1464-2
First United Security Corp		Mangood Corp (12)	1-5727-2
June 70(4,10,13)	0-3627-2	Metex Corporation (11)	0-2112-2
Foto Mem Inc. (12)	0-3879-2	Mississippi Valley Gas Co.	
Hydraulic Press Brick Co.(7)	0-1000-2	(7,10)	0-353-2
Leasequip Corporation(7,8,13)	0-4455-2	Olson Laboratories Inc.(9,12)	2-31374-2
Media General, Inc.(7,12,13)	1-6383-2		
Bryn Mawr Group Inc.(8)	0-2655-2	Chemolene Industries Inc.(11)	0-4895-2
Charter Oak Life Ins. Co.		Dalto Electronics Corp(4,13)	0-1852-2
May 70(11)	2-22817-2	Four Seasons Nursing Centers	
		of America, Inc. June 70	
		(3,12,13)	1-5765-2
		G T Corporation (2,13)	0-2676-2

SECURITIES ACT REGISTRATIONS. Effective September 11: Amarex Funds, Inc., 2-36642 (90 days); American Fletcher Corp., 2-37407; American Standard Inc., 2-38160; Commonwealth Oil Refining Co., Inc., 2-37732; Crystal Fund-1970, Ltd., 2-36628 (90 days); Pennsylvania Power & Light Co., 2-38149; Roan Consolidated Mines Ltd., 2-38237; Southeast Bancorporation, Inc., 2-38031 (40 days); Taubros Management Co., 2-36598 (90 days); Zoller & Dannerberg Exploration, Ltd., 2-37840 (90 days).

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.

---0000000---