

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



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FOR RELEASE October 13, 1970

COMMISSION ANNOUNCEMENT

AUTRY ENTERPRISE OFFERING PROPOSAL SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Autry Enterprises, Inc., of Atlanta, Ga. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to the public offering of securities not exceeding \$300,000 in amount. Autry Enterprises filed a notification in November 1969 proposing an offering of 60,000 shares at \$5 per share. In its suspension order, the Commission asserts that it has "reasonable cause to believe" (a) that a Regulation A exemption was not available to Autry Enterprises because Arthur P. Tranakos, an officer and director, is the subject of an order of preliminary injunction against violations of the Securities Act registration requirements and Kenneth N. Young, an unnamed underwriter, is the subject of a permanent injunction against violations of the Securities Act registration and anti-fraud provisions of the Securities Act and was convicted within the past ten years of violations of the securities laws of North Carolina; (b) that certain terms and conditions of Regulation A were not complied with (including the sale of shares without the required delivery of an offering circular); and (c) that the company's offering circular fails to make proper disclosure of certain material facts, including the names of all underwriters, the purchase price of various motels and restaurants acquired by the company and the amounts still owing on these properties, all material transactions with management officials, and the omission of operating statements of the issuer but inclusion of projected statements for subsidiaries without any apparent basis therefor.

HOLDING COMPANY ACT RELEASES

WISCONSIN GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16865) authorizing Wisconsin Gas Company, Milwaukee subsidiary of American Natural Gas Company, to issue and sell \$15,000,000 of debentures, due 1990, at competitive bidding, and 416,667 shares of common stock to the parent for \$5,000,004. Wisconsin Gas will use the net proceeds to the retirement of \$3,720,000 of 3-3/8% sinking fund debentures, due November 1, 1970, and of bank loan notes, due November 13, 1970 (of which \$14,000,000 are expected to be outstanding at the time the debentures are sold); the balance will be used for its 1970 construction program, estimated at \$20,800,000. The bank loan notes were issued to partially finance its 1969 and 1970 construction program.

VERMONT YANKEE RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16866) authorizing Vermont Yankee Power Corporation, Rutland, Vt. subsidiary of both Northeast Utilities and New England Electric System, to issue and sell \$80,000,000 of first mortgage bonds, Series A due 1998, at competitive bidding. Net proceeds will be used to repay the short-term borrowings from banks and from sponsors incurred to finance the construction of its generating plant and to meet future construction costs.

GENERAL PUBLIC UTILITIES SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16867) giving interested persons until October 30 to request a hearing on an application of General Public Utilities Corporation ("GPU"), New York holding company, to issue and sell 1,000,000 shares of common stock at competitive bidding. GPU will use the net proceeds of its stock sale primarily to reduce outstanding short-term promissory notes, proceeds of which have been or will be used for investment in its subsidiaries.

INVESTMENT COMPANY ACT RELEASES

FIRST HARTFORD FUND SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6206) giving interested persons until October 30 to request a hearing upon an application of The First Hartford Exchange Fund, Inc., New York, for an order declaring that it has ceased to be an investment company as defined in the Act. In January 1966, the Fund consented to the entry of a court order preliminarily enjoining it from issuing, selling, purchasing or redeeming any securities or otherwise effecting any transaction or business of a registered investment company; also, to the appointing of a conservator. The conservator was appointed and has completed distributions in accordance with a Final Plan of Distributions approved by the court.

MONITOR FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6208) declaring that Monitor Fund, Inc., Dubuque, Iowa, has ceased to be an investment company.

OVER

COURT ENFORCEMENT ACTIONS

CHARLES OUGHTON, OTHERS ENJOINED. The SEC Chicago and Fort Worth Regional Offices announced on October 5 (LR-4773) that the Federal court in Chicago had permanently enjoined Charles Oughton, Paul Dawson, Frank Greene and Harry J. Mosser from further violations of the anti-fraud provisions of the Federal securities laws in connection with the purchase and sale of common stock of U.N. Industries, Inc. or any other security. The defendants consented to the entry of the injunction without admitting or denying the allegations. Previously, the court permanently enjoined U. N. Industries from violations of the federal securities acts and ordered it to register its securities with the Commission pursuant to Section 12(g) of the Securities Exchange Act.

COMPLAINT NAMES ALL AMERICAN FUND, OTHERS. The SEC San Francisco Regional Office announced on October 7 (LR-4774) the filing of a complaint in the Federal court in San Francisco seeking to enjoin violations of the anti-fraud provisions of the Federal securities laws by the following: All American Fund, Inc., a registered investment company, Cabot Management Corp., investment adviser for the Fund, Kennedy, Cabot and Co., a principal underwriter for the Fund shares, and David Kane, president and director of the corporate defendants. The complaint alleges (among other things) that Cabot Management has converted to its own use moneys belonging to the Fund by continuing to take quarterly advisory fees from the Fund while insolvent and indebted to the Fund, and that Fund shares are being offered, sold and redeemed by means of a false and misleading prospectus which does not disclose the conversion by Cabot Management of assets of the Fund, the inability of Cabot Management to liquidate its indebtedness to the Fund, and the resulting overstatement of the Fund's net assets.

CAPITAL MANAGEMENT CORP., OTHERS ENJOINED. The SEC Washington Regional Office announced on October 9 (LR-4775) that the Federal court in Pennsylvania had issued an order permanently enjoining violations of the registration and anti-fraud provisions of the Federal securities laws in connection with the sale of unregistered securities including limited partnership interests in the Blair Drilling Funds, Equipment Lessor Program, Livestock Programs, Special Drilling Funds, Corporation Financing Programs and convertible subordinated notes of Capital Management Corporation by the following: Capital Management Corporation of Philadelphia; Michael R. McClurg of Media, Pa.; Oliver DeG. Vanderbilt of Wynnewood, Pa.; and William L. Haerberle of Bloomington, Ind. The defendants consented to the court order without admitting or denying the allegations. Capital Management was also enjoined from acting as a broker and dealer in securities without registration with the Commission.

SECURITIES ACT REGISTRATIONS

PACIFIC GAS & ELECTRIC PROPOSES OFFERING. Pacific Gas and Electric Company, 245 Market St., San Francisco, Calif. 94106, filed a registration statement (File 2-38570) with the SEC on October 9 seeking registration of \$100,000,000 of first and refunding mortgage bonds, Series VV due 2002 and 706,960 shares of first preferred stock (\$25 par). The bonds are to be offered for public sale at competitive bidding and the stock through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005, and Dean Witter & Co., Inc., 45 Montgomery St., San Francisco, Calif. 94106; the dividend rate, offering price (\$26 per share maximum*) and underwriting terms are to be supplied by amendment. A public utility, the company will apply the net proceeds of its stock sale to the retirement and refunding of \$17,674,000 of first and refunding mortgage bonds, Series J, 3%, due December 1, 1970, and of its bond sale toward the cost of additions to its utility plant. Following the sale of the bonds, the company proposes to retire short-term notes issued for temporary financing of such additions and expected to approximate \$65,000,000 at the time such proceeds are received.

PETRO-SEARCH EXPLORATION PROPOSES OFFERING. Petro-Search Exploration Corporation (the general partner), 825 Petroleum Club Bldg., Denver, Colo. 80202, filed a registration statement (File 2-38571) with the SEC on October 9 seeking registration of \$2,500,000 of limited partnership interests in two limited partnerships (the Evergreen Land Programs), to be offered for public sale at \$5,000 per interest. The partnerships are to be formed for the purpose of investing in and developing unimproved real property. The offering is to be made on a best efforts basis by Financial Service Corporation of America, a subsidiary of Financial Service Corporation, International (the owner of 76% of the outstanding stock of the parent of the general partner) and other NASD members, which will receive a 9% selling commission. The general partner is a wholly-owned subsidiary of Petro-Search, Inc., whose outstanding shares are owned by Truman E. Anderson, president of the general partner (17%), Financial Service Corporation, International (76%), and certain officers and directors of Petro-Search, Inc.

CONSUMERS POWER TO SELL BONDS. Consumers Power Company, 212 W. Michigan Ave., Jackson, Mich., filed a registration statement (File 2-38572) with the SEC on October 9 seeking registration of \$50,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of its bond sale to finance in part its construction program and to repay short-term bank borrowings and commercial paper (estimated at \$50,000,000 just prior to the bond sale) issued and to be issued in connection with interim financing of the construction program. Construction expenditures are estimated at \$1,450,000,000 for the years 1970 through 1974.

REAL PETROLEUM PROPOSES OFFERING. Real Petroleum Company, 6810 West Kellogg, Wichita, Kans. 67209, filed a registration statement (File 2-38574) with the SEC on October 9 seeking registration of \$100,000,000 of participating interests in its 1970-1971 Oil and Gas Program, to be offered for public sale at \$10,000 per unit. No underwriting is involved; participating NASD members will receive a 6% selling commission. The Program will engage primarily in the acquisition of producing oil and gas properties and in the drilling of additional oil and gas wells on these properties. R. P. Clinton is board chairman and Wm. H. Avery president.

PMB MORTGAGE PROPOSES OFFERING. PMB Mortgage and Realty Investors (the "Trust"), 7320 Old York Rd., Malrose Park, Pa. 19126, filed a registration statement (File 2-38576) with the SEC on October 9 seeking registration of 1,500,000 shares of beneficial interest with warrants to purchase 750,000 shares, to be offered for public sale in units, each consisting of one share and a warrant to purchase one-half share, and at \$20 per unit. The offering is to be made through underwriters headed by Smith, Barney & Co., Inc., 1345 Avenue of the Americas, New York 10019, and two other firms; the underwriting terms are to be supplied by amendment.

Organized in October 1970 by Colonial Mortgage Service Company, the Trust plans ultimately to invest the major portion of the proceeds of this offering in long term investments consisting principally of permanent first mortgage real estate loans, junior and wrap-around mortgages, net lease financings, sale lease-back transactions, leasehold mortgage loans and joint ventures involving real estate. It intends to qualify as a real estate investment trust under the Internal Revenue Code. Colonial Advisers, Inc., a subsidiary of Colonial Mortgage Service Company, will serve as investment adviser. G. Morris Dorrance, Jr., is chairman of the Trust and Victor H. Schlesinger president of the Trust and of the adviser.

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:

Amrep Corporation, New York, N. Y. (File 2-38568) - 150,000 shares
 Pet Incorporated, St. Louis, Mo. 63166 (File 2-38573) - 150,000 shares
 Siliconx Incorporated, Santa Clara, Calif. 95054 (File 2-38579) - 25,000 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 October 5 News Digest.

Shell International Finance N.V. 6K for Aug 70	1-5503-2	Windsor Nuclear, Inc June 1966(,79)	2-23286-2
Trans World Life Ins. Co.(11,13) Jun 70	2-21616-2	Dec.1969(9,11)	2-23286-2
Plessey Inc. Jul 70(2,7,9,13)	0-4116-2	March 1968(2,9)	2-23286-2
Scientific Control Corporation Jun 70(11)	0-3230-2	Sept. 1966, Nov. 1967, Aug. 1968, April 1969 & June '69 (7)	2-23286-2
Stauffer Chemical Co. Jul 70(3)	1-3766-2	June 1965, Aug. 1967 & June 1968(9)	2-23276-2
		Feb. 1966, Jan. 1967, June 1967 Dec. 1968, March 1969, Sept. 1969, & Dec. '69(11)	2-23286-2
<u>Amended 8K Reports</u>			
A & E Plastik Pak Co. Inc. Amdt #1 for Apr 70(13)	0-3491-2	Computer Property Corp July 1970 (7)	0-3600-2
Trailer Train Co. Amdt #1 for July 70(7,13)	2-20540-2	Cousins Properties, Inc July 1970(7,13)	0-3576-2
U. S. Filter Corp Amdt #1 for July 70(12)	1-4097-2	Sorg Paper Co July 1970 (2)	1-6058-2
United Consolidated Industries, Inc. Amdt #1 for Jan 70(7)	2-32883-2	World Computer Corp Feb. 1970(7,13)	2-34020-2
Jim Walter Corp Amdt #1 for Apr 70(7,12,13)	1-4868-2	Struther Wells Corp July 1970(12,13)	1-4454-2
Standard Computer Corporation Amdt 8K for Jul 70(7,13)	0-4577-2	Carolina Caribbean Corp July 1970(2,11,13)	0-3895-2
Trans-Industries, Inc. Amdt #1 to Jul 70(12)	0-4539-2	Dielbold, Inc July 1970(2,7,9, 12,13)	1-4879-2

Atmospheric Control Ind., Inc		Lin Tso Corp	
July 1970 (11,13)	2-30423-2	March 1970 (12)	2-27957-2
Bangor Punta Corp		May 1970 (2,7,9,12,13)	2-27957-2
July 1970 (3,7,8)	1-4972-2	June 1970 (7,12)	2-27957-2
Financiera Metropolitana S.A.		July 1970 (2,7,12,13)	2-27957-2
July 1970 (7)	2-29641-2	Middlesex Water Co	
		July 1970 (7,13)	0-422-2
Acme Markets, Inc			
July 1970 (7,13)	1-311-2	Bermec Corp	
Diversified Mountaineer Corp		June 1970 (6,9)	1-4739-2
July 1970 (8)	0-920-2	Coburn Corp of America	
Edgington Oil Co		July 1970 (11)	1-4730-2
July 1970 (8)	0-4046-2		
Ideal Basic Ind., Inc		American Life Underwriters, Inc	
July 1970 (3,7,8)	1-4070-2	July 1970 (6)	0-1024-2
Manpower Inc		Biomedical Devel. Corp	
July 1970 (12,13)	1-5395-2	July 1970 (11)	2-35201-2
Oil Shale Corp		E.L.I. Computer Systems, Inc	
July 1970 (11,12,13)	0-877-2	June 1970 (3)	2-32308-2
Consolidated Accessories Corp		Allied Technology, Inc	
July 1970 (2,7,13)	1-4897-2	July 1970 (4,7,9,13)	0-1765-2
Host Enterprises, Inc		Cencor, Inc	
Aug. 1970 (3)	1-6148-2	July 1970 (2,13)	0-3417-2
Maine Sugar Ind., Inc		Haven Ind., Inc	
July 1970 (3,6)	0-2426-2	July 1970 (3,8)	1-4647-7
On-Guard Corp of America		Lee Myles Corp	
Aug. 1970 (11)	1-6164-2	June 1970 (2,7,12,13)	2-28567-2
Georgia Factors, Inc		Maryland Old Line Corp	
Dec. 1969(7,12,13)	0-659-2	June 1970 (11)	0-3543-2
April 1970 (2,3,13)	0-659-2	Plastiline, Inc	
July 1970 (7)	0-659-2	July 1970 (9,12,13)	0-2584-2
Leeds Shoes, Inc			
July 1970 (7,8)	0-2216-2	Braniff Airways, Inc	
North Penna. RR Co		July 1970 (9,13)	1-5291-2
Aug. 1970 (12,13)	0-605-2	Computer Technology Inc	
Nova Tech, Inc		May 1970 (12,13)	0-3510-2
July 1970 (6)	0-3985-2		
May 1970 (2)	0-3985-2	Nelly Don, Inc	
		July 1970 (12)	1-4331-2
Molecular Research, Inc			
July 1970 (7,13)	0-3540-2	American Facemaker	
		July 1970 (7,8)	1-3954-2
Milo Electronics Corp		Michigan Wisconsin Pipe Line Co	
Jul 1970 (1,3,6,9,13)	1-4461-2	June 1970 (7,8,11,13)	2-13345-2
Mr. Steak, Inc			
Aug. 1970 (2,13)	0-4280-2		
Natl. Invst. Corp, Inc			
July 1970 (2,13)	0-4786-2		

SECURITIES ACT REGISTRATIONS. Effective October 9: Airborne Freight Corp., 2-35644 (40 days);
Effective October 12: Albright Title & Trust Co., 2-38376 (40 days); Belden & Blake & Co. Ltd. Partnership
 No. 42, 2-38298; Electronic Data Preparation Corp., 2-37719 (90 days); The Fundpack, Inc., 2-34698;
 Renaissance Fund, Inc., 2-36006 (90 days); Wisconsin Gas Co., 2-38384.

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.