

sec news digest

a daily summary from the securities and exchange commission

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August 28, 1973

The Commission notes with deepest sorrow and regret the tragic death of Fred J. Stock, Jr., who, along with his wife Dorothy, their three young children and two others, were suffocated in a blaze in their home in North Caldwell, New Jersey. As a Vice President of the New York Stock Exchange, Mr. Stock was of great assistance to the Commission and its staff in the Commission's efforts to formulate major programs affecting the financial health of our securities markets. He was greatly respected for his depth of knowledge and his understanding of the many important issues which have confronted the securities industry. The Commission and staff extend their deepest sympathy to Mr. & Mrs. Stock's families and many friends.

COMMISSION ANNOUNCEMENTS

PELOREX TRADING BAN TERMINATED, PELOREX CORP. AND JOSEPH RAIT ENJOINED. The suspension of trading in the securities of Pelorex Corp. will terminate at 12:00 midnight (EDT) on September 2, 1973. The Commission first initiated the suspension on January 16, 1973 primarily because of unusual market activity in the securities.

In a related action, the Commission filed a complaint on August 27 in the District Court for the Southern District of New York seeking to enjoin Pelorex and Dr. Joseph Rait, its president and chairman, from violations of the antifraud provisions of the Federal securities laws. It was alleged that Pelorex and Rait conveyed to certain persons material non-public information concerning the existence of contract negotiations between Pelorex and Xerox Corporation. Persons receiving this information thereafter bought Pelorex stock prior to public dissemination of the information. The complaint also alleged that Rait made projections of Pelorex profitability and production of its aerosol containers to certain security analysts, but when these projections appeared to be obsolete and inaccurate, Pelorex and Rait filed to make timely disclosure of the inaccuracies. The complaint also alleged that Pelorex sent shareholders and broker-dealers reprints of trade magazine publications containing false and misleading information about its products. Information leading to this action was developed by the joint SEC-NASD Task Force investigating certain abuses in the over-the-counter market.

The defendants consented, without admitting or denying the allegations, to a permanent injunction enjoining them from violations of the antifraud provisions of the Federal securities laws in connection with transactions in securities of Pelorex or any other issuer. (Rel. 34-10365)

HOLDING COMPANY ACT RELEASES

THE CONNECTICUT GAS COMPANY; THE CONNECTICUT LIGHT AND POWER COMPANY. A notice was issued giving interested persons until September 20 to request a hearing on proposals of The Connecticut Light and Power Company (CL&P), an exempt holding company, and an electric and gas utility subsidiary of Northeast Utilities, a registered holding company, and The Connecticut Gas Company (Connecticut Gas), a wholly-owned utility subsidiary of CL&P. It is proposed that Connecticut Gas sell up to \$500,000 of long-term unsecured notes to CL&P. Connecticut Gas will use the proceeds to pay 1973 construction costs (approximately \$446,000). (Rel. 35-18068)

ALLEGHENY POWER SYSTEM. A notice has been issued giving interested persons until September 20 to request a hearing on a proposal of Allegheny Power System, Inc., and its subsidiaries, The Potomac Edison Company (PE) and Monongahela Power Company (Monongahela), and PE's subsidiaries, The Potomac Edison Company of Virginia, The Potomac Edison Company of West Virginia, and The Potomac Edison Company of Pennsylvania and Monongahela's subsidiary, Monterey Utilities Corporation (Monterey), to merge the PE subsidiaries and Monterey into PE, to transfer Monongahela's Maryland properties to PE and to restate PE's Certificate of Incorporation. It is also proposed that, upon consummation of the proposed transactions, the Commission order that Monongahela and PE have each ceased to be holding companies. (Rel. 35-18069)

INVESTMENT COMPANY ACT RELEASES

REAL ESTATE INVESTMENT TRUST FUND. A notice has been issued giving interested persons until September 21 to request a hearing on a proposal of the Commission to declare that Real Estate Investment Trust Fund, Inc., of Los Angeles, California, is no longer an investment company as defined in the Act. (Rel. IC-7956)

REDWOOD FUND. A notice has been issued giving interested persons until September 21 to request a hearing on a proposal of the Commission to declare by order that Redwood Fund, Inc., of Los Angeles, California, has ceased to be an investment company. (Rel. IC-7960)

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.)

MGIC MORTGAGE CORPORATION, MGIC Plaza, Milwaukee, Wis. 53201 - \$100 million of collateral trust notes, Series A, due 1974 to 1982, to be offered for sale at 100% of principal amount by selected NASD members. The company purchases loans secured by mortgages on residences. Net proceeds will be used to reduce short-term bank indebtedness incurred to finance the purchase of mortgages. (File 2-48659 - July 20)

HEUBLEIN, INC., 330 New Park Ave., Hartford, Conn. 06101 - 805,350 shares of common stock. It is proposed to offer these shares in exchange for the outstanding stock of Davis Food Service, Inc., at the rate of .388381 Heublein share for each Davis share. Heublein produces and distributes alcoholic beverages and processes and sells Colonel Sanders' fried chicken through fast food outlets. Davis operates retail foods outlets. (File 2-48661 - July 23)

OAK PARK BANCORP, INC., Lake and Marion Sts. Oak Park, Ill. 60301 - 450,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Oak Park Trust & Savings Bank, at the rate of three Bancorp shares for each Bank share. Bancorp is a newly formed bank holding company. (File 2-48665 - July 23)

AMERICAN INCOME FUND - 1973 (the Partnership) 450 Kenecott Bldg., Salt Lake City, Utah 84133 - \$5 million of partnership interest, to be offered for sale at \$1000 per unit with a minimum purchase of three units by Western America Corp. and selected NASD members. The Partnership was formed to invest in income-producing real estate. American Land Fund, Inc. is the general partner. (File 2-48668 - July 23)

EQUITABLE FINANCIAL CORPORATION, 1025 Ashworth Rd., West Des Moines, Iowa 50265 - \$5 million of subordinated debentures, to be offered for sale at 100% of face amount by Inland Securities Corp., 8555 Harbach Blvd., West Des Moines, Iowa. Organized in 1972, the company proposes to engage in a specialized finance business. Net proceeds will be used in the company's finance business. (File 2-48672 - July 24)

UNITED ALABAMA BANCSHARES, INC., 2015 First Ave. North, Birmingham, Ala. 35203 - 3,658,203 shares of common stock. It is proposed to offer these shares in exchange for outstanding common stock of the following banks at the indicated rates: (a) 310 shares

for each City National Bank of Dothan share, (b) 2.175 shares for each First Western Bank share, (c) 2 shares for each Bank of Huntsville share and (d) 4.25 shares for each First National Bank of Eufaula share. Bancshares is a bank holding company. (File 2-48673 - July 24)

FIRST MORTGAGE INVESTORS (FMI), 30 Federal St., Boston, Mass. 02110 - 2,990,500 shares of beneficial interest. It is proposed to issue these shares in connection with the acquisition of Median Mortgage Investors. FMI invests in first mortgage construction and development loans and long-term loans. Median invests in mortgage loans and other interests in real property. (File 2-48675 - July 24)

IOWA ELECTRIC LIGHT AND POWER COMPANY, ie: Tower, Cedar Rapids, Iowa 52401 - 125,000 shares of cumulative preference stock (\$100 par), to be offered for sale at competitive bidding. Net proceeds will be applied to the company's continuing construction program, estimated at \$53,077,000 for 1973 and \$23,200,000 for 1974. (File 2-48677 - July 25)

FLORIDA POWER & LIGHT COMPANY, 4200 Flagler St., Miami, Fla. 33134 - \$80 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. Net proceeds will be used to provide additional electric facilities and for other corporate purposes, including repayment of commercial paper obligations. Construction expenditures are estimated at \$1.5 billion for the period 1973-1975. (File 2-48679 - July 25)

CHICAGO PNEUMATIC TOOL COMPANY, 6 E. 44th St., New York, 10017 - 20,000 shares of common stock. These shares may be offered for sale by certain stockholders from time to time at prices current at the time of sale (\$31.25 per share maximum). The company is engaged in the design, manufacture and distribution and rental of industrial machinery. (File 2-48680 - July 25)

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:

Unicom Insurance Group, Inc., King of Prussia, Pa. (File 2-48660) - 233,039 shares
 Mylan Laboratories, Inc., Pittsburgh, Pa. (File 2-48662) - 80,000 shares
 Allied Products Corp., Chicago, Ill. (File 2-48663) - 320,000 shares
 Hasbro Industries, Inc., Pawtucket, R.I. (File 2-48664) - 25,000 shares
 MBAssociates, San Ramon, Cal. (File 2-48666) - 50,000 shares
 Dickson Electronics Corp., Scottsdale, Arizona (File 2-48667) - 90,000 shares
 Adobe Building Centers, Inc., Hollywood, Fla. (File 2-48670) - 70,000 shares
 Investors Growth Industries, Inc., Minneapolis, Minn. (File 2-48671) - 125,781 shares

SECURITIES ACT REGISTRATIONS. Effective August 27: Paragon Resources, Inc., and Paragon Income Management Company, 2-45507; Computer Horizons Corp., 2-48454.

MISCELLANEOUS

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the securities of Koracorp Industries, and over-the-counter trading in the securities of Homestake Production Co. and Continental Vending Machines Corp. for the further ten-day period August 28 through September 6, inclusive.

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
ABATRONIX INC	1	07/73
ADIKAL CORP	13	07/73
ADVANCED MEMORY SYSTEMS INC	11	07/73
ADVENT CORP	11,14	07/73
AERU RESOURCES INC	13	07/73
AFCOA	3	07/73
AGC INDUSTRIES INC	13	07/73
AGWAY INC	7	07/73
AIR PRODUCTS & CHEMICALS INC	8	07/73
ALABAMA POWER CO	3	07/73
ALEXANDERS INC	10,14	07/73
ALRAL CORP	6	07/73
AMERICAN APPRAISAL ASSOCIATES INC	3	07/73
AMERICAN BANKCORP	13	07/73
AMERICAN FOODS INC	2,14	07/73
AMERICAN METAL CLIMAX INC	3,13	07/73
AMERICAN MICRO SYSTEMS INC	13	07/73
AMERICAN SMELTING & REFINING CO	3,10,13,14	07/73
APRIL INDUSTRIES INC	12	07/73
ARKANSAS MISSOURI POWER CO	7,8,11	07/73
ARROW HART INC	4,7,14	07/73
ASI COMMUNICATIONS INC	4,11,14	07/73
ATLANTON TOPEKA & SANTA FE RAILWAY CO	3	07/73
ATLANTA INTERNATIONAL RACEWAY	3,7,14	07/73
BANGOR PUNTA CORP	3	07/73
BANGOR PUNTA CORP	3	07/73
BIO DYNAMICS INC	2,14	07/73
BIO MEDICUS INC	11,13,14	07/73
BLESSING CORP	13	07/73
BOSTON GARDEN ARENA CORP	1,11	07/73
BROOKS INTERNATIONAL INC	1,3,13,14	07/73
BRUNNING	3	07/73
BUILDEX INC	13	07/73
CAMPTOWN INDUSTRIES INC	3,9,11,13,14	07/73
CARBORUNDUM CO	10	07/73
CARIBBEAN SHOE CORP	2,13	07/73
CARLSBERG MOBILE HOME PROPERTIES LTD 72	2,14	07/73
CARTER WILLIAM CO	7,8,13	07/73
CHAUBOURN INC	2,13,14	07/73
CHALLENGE OIL & GAS CO	11	07/73
CITIZENS BANKCORP	7,9	07/73
CLARGAN PETROLEUM CORP	2,10,14	07/73
COASTAL DYNAMICS CORP	1,2,14	07/73
COLUMBUS & SOUTHERN OHIO ELECTRIC CO	11,14	07/73
CONTINENTAL INVESTMENT CORP	13	07/73
COOPER INDUSTRIES INC	2,3,7,8,14	07/73
CUSMETEX INDUSTRIES INC	11,14	07/73
COW GULCH OIL CO	2,14	07/73
CUX BROADCASTING CORP	13	07/73
CRESCENT GENERAL CORP	3,14	07/73
CULLUM COMPANIES INC	7	07/73

Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.