

# 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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## COMMISSION ANNOUNCEMENT

**CORPORATE OFFERINGS REPORTED.** The SEC announced today that new corporate securities offered for cash sale in the United States totaled a record \$39.0 billion in 1970. This represents a 45 percent increase over the previous record established in 1969. Of particular note was the record volume of new debt issues; the volume of new common stock flotations declined slightly from 1969 levels. New corporate issues offered publicly for cash in 1970 aggregated a record \$33.7 billion, of which \$32.4 billion were registered under the Securities Act. Total corporate debt securities (both public offerings and direct placements) reached a record volume of \$30.3 billion in 1970, with public offerings accounting for four-fifths of the amount. There were 1,032 new issues of common stock offered in 1970 valued at \$7.3 billion; although the dollar volume of these issues declined only slightly from 1969, the number of new common stock flotations was down 44 percent. For further details, see Stat. Release No. 2497.

## INVESTMENT COMPANY ACT RELEASES

**LSL CORPORATION SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6339) giving interested persons until February 12 to request a hearing upon an application of LSL Corporation Denton, Tex., for an order declaring that it is primarily engaged, through controlled companies, in a business other than that of investing, reinvesting, owning holding or trading in securities. Applicant owns 178,055 shares (29.7%) of the outstanding common stock of Lifetime Security Life Insurance Company (Lifetime) of Texas (representing 58% of applicant's total assets); and it is the largest and controlling stockholder of Lifetime. Applicant's president is also president of Lifetime. In 1970 applicant formed Lifetime Security Life Insurance Company of Oklahoma and owns 251,476 or 68.2% of its outstanding stock, representing 16.9% of applicants total assets. Applicant represents that it has always been and remains its intention to operate primarily in the insurance and related fields through controlled companies.

**MONY FUND SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6340) giving interested persons until February 22 to request a hearing upon an exemption application by the Mony Fund, Inc., New York management investment company. The Mutual Life Insurance Company of New York owns substantially all the outstanding stock of Mony Fund. Its subsidiary, Mony Sales, Inc., serves as principal underwriter of Fund shares. Because one of the Fund's non-affiliated directors has resigned, the Fund seeks an exemption from the restrictions of Section 10(b)(12) of the Act so that Mony Sales may continue to serve as an underwriter until a regular meeting of the Fund's board of directors scheduled for February 25, when it is anticipated that an additional such director will be named.

## COURT ENFORCEMENT ACTION

**SANFORD SECURITIES ENJOINED.** The SEC New York Regional Office announced on January 19 (LR-4888) that the Federal court in New York had permanently enjoined Sanford Securities, Inc., New York, its president, Irwin Einiger, and its treasurer, Sondra Eininger, from violating the net capital, bookkeeping and anti-fraud provisions of the Federal securities laws, and appointed Eldon V. C. Greenberg as receiver of the assets of Sanford Securities. The defendants consented to the entry of the decree without admitting or denying the violations.

**CUMMINS PHARMACEUTICAL, OTHERS, ENJOINED.** The SEC Fort Worth Regional Office announced January 25 (LR-4889) that the Federal court in Houston had permanently enjoined the following for violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of stock of John Cummins Pharmaceutical Co., Inc.: John Cummins Pharmaceutical Co. Inc., Texas, Alfonso A. Herrera, Jr., San Antonio, Ray M. Moore and Bedford F. Pace, both of Beaumont, and John L. Cummins, Houston. The defendants consented to the injunction without admitting or denying the violations.

## SECURITIES ACT REGISTRATIONS

**FIRST CONTINENTAL REALTY FUND PROPOSES OFFERING.** First Continental Realty Fund, Ltd. (the "Partnership"), El Paso National Bank Bldg., El Paso, Tex., filed a registration statement (File 2-39306) with the SEC on January 29 seeking registration of \$1,250,000 of partnership interests, to be offered for public sale at \$5,000 per unit. The offering is to be made on a best efforts basis by IDC Securities Corporation, 109 S. 7th St., Minneapolis, Minn. 55402, which will receive an 8.5% selling commission; participating NASD members will receive a 7% commission. The Partnership was organized to acquire income-producing properties or undeveloped real properties for development into income-producing projects. Equity Control Corporation, a wholly-owned subsidiary of IDC, Inc., is the general partner. Jack Ratliff is president and chief executive officer and William D. Sanders board chairman of the general partner.

OVER

**IOWA PUBLIC SERVICE CO. TO SELL STOCK.** Iowa Public Service Company, Orpheum Electric Bldg., Sioux City, Iowa, filed a registration statement (File 2-39307) with the SEC on January 29 seeking registration of 100,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of its stock sale to pay off a portion of short-term loans (estimated at \$11,500,000 at the time of the stock sale) incurred and to be incurred prior to the stock sale to secure funds for construction purposes. Construction expenditures are estimated at \$39,823,500 for 1971 and \$129,000,000 for the five-year period 1971 through 1975.

**PRESIDENTIAL REALTY FILES OFFERING PROPOSAL.** All-American Realty Company, Inc. ("Amreco"), 45 Essex St., Hackensack, N. J. 07602, filed a registration statement (File 2-39309) with the SEC on January 29 seeking registration of \$1,500,000 of subordinated sinking fund debentures, due 1981, and 120,000 shares of common stock, to be offered in units of \$100 principal amount of debentures and eight shares, and at \$100 per unit. The securities are to be offered for subscription by holders of the Class A and Class B common stock of Presidential Realty Corporation at the rate of one unit for each 200 shares held. Any unsubscribed shares may be offered for public sale by dealers headed by Burnham & Co., 60 Broad St., New York 10004, which will receive a \$10,000 fee.

Amreco has developed or is in the process of developing four tracts of land in the Pocono Mountains in eastern Pennsylvania. Of the net proceeds of its financing, \$300,000 will be used for the initial acquisition of Pike County, Pa. property and \$125,200 to repay a debt to the parent; the balance will be added to the company's working capital and used for future acquisitions and general corporate purposes. The company has outstanding 500,000 common shares, all owned by M. Shapiro & Son, Inc., which in turn is a wholly-owned subsidiary of Presidential Realty. Robert E. Shapiro, board chairman of Amreco, owns 15.25% of the Class A and 3.45% of the Class B stock of Presidential Realty, Joseph Viertel 12.40% of the A and 2.68% of the B shares, and Jules Shapiro 13.37% of the A and 2.34% of the B shares. Richard Norman is president of All-American Realty. Assuming all the units are sold, Presidential will then own 80.6% of Amreco's common stock then outstanding.

**INTERCONTINENTAL LIFE SHARES IN REGISTRATION.** The Intercontinental Life Company, 30 Clinton St., Newark, N. J. 07102, filed a registration statement (File 2-39310) with the SEC on January 29 seeking registration of 1,608,760 shares of common stock. Of these shares, 8,960 are issuable in connection with the acquisition of Personal Planning Inc., 350,000 are issuable pursuant to the company's Growth Plans Option and its 1970 Employee Stock Option Plan and 1,249,800 are shares issued or issuable under options held by company officials and certain others, and shares issued to acquire a Puerto Rican subsidiary.

The company was organized in May 1969 for the primary purpose of becoming the parent of Intercontinental Life Insurance Company, a legal reserve life insurance company. It has outstanding 3,823,097 common shares. Ephraim Weiniger is president.

**DELHI OIL PROPOSES EXCHANGE OFFER.** Delhi International Oil Corporation, 2900 Fidelity Union Tower, Dallas, Tex. filed a registration statement (File 2-39311) with the SEC on January 29 seeking registration of 602,674 shares of common stock. It is proposed to offer these shares in exchange for shares of common stock of Blue Crown, Inc., at the rate of one Delhi share for each five Blue Crown shares. Delhi owns 2,418,399 shares of Blue Crown common stock (44.52%). Also included in this statement are 499,013 outstanding shares of common stock, which may be offered for sale (or pledged) by the holders thereof at prices current at the time of sale (\$10.375 per share maximum\*).

Delhi is engaged in oil and gas exploration in Australia. Blue Crown is engaged principally in business activities related to the acquisition and development of petroleum, natural gas and mineral properties in various provinces and territories of Canada. In addition to indebtedness, Delhi has outstanding 3,648,202 common shares, of which Chieftain Development Co., Ltd., owns 13.48%. John D. Murchison is board chairman of Delhi and W. C. Smith is president and chief executive officer of Delhi and Blue Crown. Chieftain may sell all or part of 492,013 shares held (417,013 of which were acquired from Delhi in exchange for 2,085,067 Blue Crown shares) and Silco, Inc. may sell all of 7,000 shares held (acquired for its services in arranging a bank loan for Delhi).

#### MISCELLANEOUS

**UNLISTED TRADING SOUGHT.** The SEC has issued orders under the Securities Exchange Act (Release 34-9071) giving interested persons until February 16 to request a hearing upon applications of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks or specified securities of the following companies: Atlantic Richfield Company Warrants (Expiring 9/1/72), Devon Apparel, Inc., Salem Corporation, Tropicana Products, Inc., Tyco Laboratories, Inc., Venice Industries, Inc. and Viewlex, Inc.

**SECURITIES ACT REGISTRATIONS. Effective February 1:** Arlen Realty & Development Corp., 2-38945 (90 days); Chicago Bridge & Iron Co., 2-39232; Hada Enterprises, Ltd., 2-34465 (90 days); Hilliard Oil & Gas, Inc., 2-38680 (90 days); Jantzen Inc., 2-39118; Indiana & Michigan Electric Co., 2-39193; Loew's Corp., 2-38902.

**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.