



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
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FOR RELEASE October 20, 1971

COMMISSION ANNOUNCEMENT

B/D REGISTRATION OF ALEX KAJOURAS & CO. WITHDRAWN: PROCEEDINGS DISMISSED. The SEC has issued an order withdrawing the broker-dealer registration of Alex Kajouras d/b/a Alex Kajouras & Co., of New York, as requested by him, and dismissing the proceedings.

Respondent, who became registered as a broker-dealer in January 1968, was charged with a failure to comply with the so-called SECO provisions relating to the qualifications and fees required of non-NASD members and with the financial reporting provisions of the Securities Exchange Act. According to the Commission's staff upon whose recommendation the order was issued, respondent had dissolved his broker-dealer business in April 1968, about 2½ years before the proceedings were instituted, and had so informed the NASD and the NYSE, in which he held memberships, but failed at that time to request withdrawal of his registration, and the only business he had thereafter conducted was as a floor broker on the NYSE of which he is still a member. (Rel. 34-9372)

COURT ENFORCEMENT ACTIONS

AIMCO, OTHERS ENJOINED. The SEC Chicago Regional Office announced that on October 13 the Federal Court in Chicago issued a decree of permanent injunction against Aimco, Inc., its president, J. Donald Baines, and Ancil A. Roche, all of Olney, Ill. enjoining them from violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of fractional undivided interests in oil and gas rights. The defendants consented to the decrees. (LR- 5191)

TRUSTEE APPOINTED FOR FAR WESTERN SECURITIES. The SEC San Francisco Regional Office announced that a Federal court in Tucson on October 13 appointed Thomas A. Latta, as trustee of Far Western Securities, Inc., a broker-dealer of Tucson. The application was taken upon application of the Securities Investor Protection Corp. on a determination by SIPIC that Far Western is in danger of failing to meet its obligations to customers. (LR-5192)

POLLUTION CONTROL & ENG. OTHERS ENJOINED. The SEC Denver Regional Office announced that on September 20 a Federal Court for the District of Wyoming, permanently enjoined Pollution Control and Engineering Corp., a Utah Corp., Pollution Control and Engineering Corp., a Wyoming Corp., Clean Air Corp., Pollution Reduction Corp., Donald C. Lange, James Journigan, Harold Schwartz, Ralph L. Schauss, Martin Sanchez, Eugene Stevens and Edward DeJulis enjoining them from violating the registration and antifraud provisions of the Federal securities laws in the offer and sale of stock of Pollution PC&E Corp., Wyoming, PC&E Corp., Utah, and Pollution Reduction. The defendants consented to the orders. (LR-5193)

INVESTMENT COMPANY ACT RELEASES

FIRST FUND OF VIRGINIA INC. The Commission issued an order giving interested persons until November 4 to request a hearing on a application of First Fund of Virginia, Inc., of Richmond for an order of exempting from certain provisions of the Investment Company Act to permit its shares to be offered without sales charges to the present two members of its Advisory Board who have acted as such for not less than 90 days, such sales to be made pursuant to a uniform offer described in applicant's prospectus and will be made only upon written assurance of the purchaser that the purchase for investment purposes and that the securities will not be resold except through redemption or repurchase by or on behalf of the issuer. 1/ (IC-6769)

AMERICAN REPUBLIC ASSURANCE CO. The Commission issued an order giving interested persons until November 1 to request a hearing on application of American Republic Assurance Company and Separate Account C for an exemption from certain provisions of the Investment Company Act to permit among other things, not more than five officers to have access to the assets of Separate Account, to permit the transfer of accumulation units from the general account to Separate Account without the payment of an additional sales charge on the amount so transferred. 1/ (Rel. IC-6770)

RIVIANA FOODS, INC. The Commission issued an order giving interested persons until October 31 to request a hearing on application of Riviana Foods, Inc. of Houston with respect to a proposed transaction involving Riviana and Lastarmco, Inc., a registered closed-end non-diversified management investment company, in the sale to underwriters shares of common stock of Riviana. Riviana is engaged in the production and distribution of food products, and has outstanding 3,180,800 shares of common stock, while Lastarmco owned 286,937 shares or 9% of Riviana's outstanding common stock. Riviana and Lastarmco are affiliated persons of each other within the meaning of the Investment Company Act. 1/ (Rel. IC-6771)

OVER

COMMERCE CAPITAL CORP. The Commission issued an order giving interested persons until November 3 to request a hearing on application of Commerce Capital Corp., a Wisconsin management investment company for an order declaring that Commerce and its proposed successor Commerce Group, Inc., has ceased to be an investment company and that Commerce Capital Corp. a wholly-owned subsidiary of Commerce has filed an application for an order exempting SBIC subsidiary from all provisions of the Investment Company Act. On October 23 shareholders of Commerce will vote on proposals for Commerce to, among other things, change the nature of its business to cease to be an investment company within the meaning of the Act subject to the approval of the Commission, (a) deregister as an investment company under the Act, and (b) transfer substantially all of Commerce's investment securities, its indebtedness to the SBA (to be guaranteed by Commerce) and its SBIC license to SBIC subsidiary. (Release IC-6772)

INVESTMENT COMPANY OF AMERICA. The Commission issued an order under the Investment Company Act giving interested persons until November 5 to request a hearing on application of The Investment Company of America of Los Angeles for an order exempting from certain provisions of the Investment Company Act a proposed transaction in which applicant's redeemable securities will be issued at a price other than the current public offering price in exchange for substantially all of the assets of the Camelletta Corp. and at a price other than the next determined after the receipt of an order to purchase its shares, Pursuant to the provisions of a proposed agreement and plan of reorganization between applicant and Camelletta, substantially all of the assets of Camaletta which had total assets of \$3,198,820, approximately 1,400,000 in cash and \$1,798,000 in investment securities as of June 30, 1971 will be transferred to applicant in exchange for shares of applicant's capital stock. (IC-6773)

CAL-WESTERN VARIABLE FUND C ET. AL. The Commission issued an order giving interested persons until Nov. 5 to request a hearing on application of Cal-Western Variable Fund C and California-Western States Life Insurance Company of Sacramento for an exemption from certain provisions of the Investment Company Act to, among other things, permit the application of death benefit payments, maturity or cash surrender values under insurance policies and fixed dollar annuity contracts issued by Insurance Company, to purchase either individual or group variable annuity contracts without the imposition of additional sales or administrative charges. (Rel. IC-6774)

WORLCO GROWTH FUND, INC. The Commission issued an order declaring that Worlco Growth Fund, Inc., of King of Prussia, Pa. has ceased to be an investment company as defined in the Investment Company Act. (Rel. IC-6775)

UNITED BANK FUND. The Commission issued an order giving interested persons until November 19 to request a hearing on application of United Bank Fund of Denver for an order declaring that it has ceased to be an investment company as defined in the Investment Company Act. Applicant registered under the Act on November 6, 1970, and represents that it has never offered nor sold any of its securities, that it has never had, and does not presently have any assets or shareholders and that it has abandoned its plans to make a public offering of its securities. (Rel. IC-6776)

SYSTEMATICS FUND, INC. The Commission issued an order giving interested persons until November 19 to request a hearing on application of Systematics Fund, Inc., of Chicago for an order declaring that it has ceased to be an investment company as defined in the Act. The company registered under the Act on August 15, 1969 and represents that at no time have there been more than 21 direct holders of its stock, that registration was made only because Market Facts, Inc. was the owner of 30.30% of its common stock and that the stockholders of Market Facts, Inc., were deemed to be stockholders of the Registrant. (Rel. IC-6777)

HOLDING COMPANY ACT RELEASES

METROPOLITAN EDISON CO. The Commission issued an order under the Holding Company Act on an application of Metropolitan Edison Company to issue and sell at competitive bidding, \$15 million of first mortgage bonds, due 2001, the proceeds of which will be used to finance in part, the company's construction program estimated to be approximately \$107,800,000 for the year 1971. (Rel. 35-17320)

COLUMBIA GAS SYSTEM & SUBSIDIARIES. The Commission issued a supplemental order under the Holding Company Act pertaining to certain intrasystem financing between Columbia and subsidiary companies involving remaining transactions, namely (1) the financing of Columbia Gas of West Virginia consisting of short term open-account advances by Columbia not to exceed \$3,100,000, (2) issuance and sale to Columbia of 172,000 shares of common stock for \$4.3 million, and (3) cash capital contribution by Columbia of \$5.6 million and other transactions specifically enumerated. (Rel. 35-17321)

WISCONSIN GAS CO. The Commission issued an order under the Holding Company Act giving interested persons until November 11 to request a hearing on application of Wisconsin Gas Company to issue and sell from time to time commencing December 1971 unsecured promissory notes to banks in varying amounts as funds are required not to exceed \$20 million. Wisconsin intends to use the amounts borrowed to retire outstanding notes estimated at \$7 million issued for financing construction and to finance partially its 1971-1972 construction program estimated at \$16,244,000. (Rel. 35-17322)

CONTINUED

SECURITIES ACT REGISTRATIONS

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC., 4 Irving Place, New York 10003, filed a registration statement on October 13 seeking registration of 4,000,000 shares of common stock, to be offered for public sale (*at \$26 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine Street, New York. Net proceeds will be used for construction of utility plant and to repay short-term bank loans incurred and commercial paper issued as a result of its construction program. Construction expenditures are estimated at \$2,485,000,000 for the five years 1971-1975. (File 2-42096)

SIERRA PACIFIC POWER COMPANY, P.O. Box 10100 (100 East Moana Lane), Reno, Nev. 89510, filed a registration statement on October 13 seeking registration of 300,000 shares of Series C preferred stock (\$50 par), to be offered for public sale through underwriters headed by Stone & Webster Securities Corp., 90 Broad Street, New York 10004, and Dean Witter & Co., Inc., 45 Montgomery St., San Francisco, Calif. Net proceeds of its stock sale will be used to repay in part outstanding bank loans and commercial paper, both incurred or issued in connection with the company's construction program and are expected to aggregate \$42 million at the time of the stock sale. Construction expenditures are estimated at \$29,147,000 for 1971. (File 2-42101)

FRANKLIN NEW YORK CORPORATION, 410 Madison Ave., New York 10017, filed a registration statement on Oct. 13 seeking registration of \$35 million of notes, due 1979, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York. The company is a bank holding company, which owns the voting capital stock of Franklin National Bank. Of the net proceeds of its financing some \$30 million will be used to provide additional capital funds to the subsidiary bank and the balance for general corporate purposes. (File 2-42102)

INTER-ISLAND MORTGAGE CORP., 176-60 Union Turnpike, Flushing, New York 11366, filed a registration statement on October 13 seeking registration of 300,000 shares of common stock, to be offered for public sale (*at \$12 per share maximum) through underwriters headed by C.E. Unterberg, Towbin Co., 61 Broadway, New York 10006. The company is engaged in the mortgage banking business. Of the net proceeds of its stock sale, \$1,300,000 will be transferred to the capital of a wholly-owned subsidiary which will use the funds to pay \$170,275 of the subsidiary's indebtedness and the balance to originate second mortgage loans in Puerto Rico; and the balance will be used for general corporate purposes. (File 2-42103)

DIAL FINANCIAL CORP., 207 Ninth St., Des Moines, Iowa 50307, filed a registration statement on October 13 seeking registration of \$20 million of senior debentures, due 1991, to be offered for public sale through underwriters headed by Salomon Brothers, 60 Wall Street, New York 10005. The company is engaged in the consumer finance business. Net proceeds of its debenture sale will be used to pay long-term debt maturing within the next twelve months (\$6,493,000) and the balance for other corporate purposes. (File 2-42104)

SQUIBB CORPORATION, 460 Park Ave., New York 10022, filed a registration statement on October 13 seeking registration of 200,000 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof at prices current at the time of sale (*\$79.50 per share maximum). (File 2-42105)

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:
 Falstaff Brewing Corp., St. Louis, Mo. (File 2-42088) - 278,300 shares
 Marion Laboratories, Inc., Kansas City, Mo. (File 2-42087) - 146,803 shares
 Mohawk Data Sciences Corp., Herkimer, N.Y. (File 2-42090) - 6,561 shares
 General Electric Company, New York (File 2-42083) - 200,000 shares
 Alcon Laboratories, Inc., Fort Worth, Tex. (File 2-42093) - 296,875 shares
 Heck's Inc., Charleston, W. Va. (File 2-42122) - 100,000 shares

SECURITIES ACT REGISTRATIONS. Effective October 15: Cantop Industries Inc., 2-41808 (90 days),
Effective October 18: Computer Sciences Corp., 2-41161; International Utilities Corp., 2-41810; Lincoln First Banks, Inc. National Bank of Westchester Profit Sharing Plan, 2-42030; Lincoln First Banks Inc. Profit Sharing Plan and Lincoln First Banks, Inc., 2-41812; Old Republic International Corp., 2-41089 (90 days); Outdoor Supply Co., Inc., 2-40795; Research-Cottrell, Inc., 2-42061; Troporo Oil & Gas Co., 2-41144 (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 purpose of computing the registration fee.

1/ Pending distribution of this release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for details of the release.

GPO 912-804

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