

# 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 July 30, 1970

## DECISION IN ADMINISTRATIVE PROCEEDING

MEYERSON-WINFIELD UNDERWRITERS SETTLEMENT ACCEPTED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8945) in which it accepted an offer of settlement of administrative proceedings involving alleged securities violations by Meyerson & Co., Inc., and its wholly-owned subsidiary, Winfield Underwriters, Inc. ("Underwriters"), both San Francisco registered broker-dealer firms which are in the process of being liquidated. Also included in the settlement offer were respondents Harry Meyerson and Dean Russell Burwell, officers and principal stockholders of Meyerson & Co. and directors of Underwriters. (Burwell also is president of Underwriters). The settlement provides for withdrawal from registration by the two firms following completion of their liquidations. (Meyerson, a NYSE member, is being liquidated with the assistance of the Exchange). However, if the Meyerson firm does not comply with its undertakings to liquidate and dissolve as promptly as possible and to request withdrawal after liquidation is completed, the Commission may, under the terms of the offer, revoke its registration. As part of the settlement, the Meyerson firm also consented to the entry of a permanent injunction, without admitting allegations in the Commission's complaint, against violations of antifraud provisions in connection with transactions in securities of Trans-Pacific Enterprises, Inc. and Trans-Pacific Developments, Ltd. In accordance with the settlement, the Commission also ordered that Burwell be suspended from association with any securities or investment adviser firm for 9 months and that Meyerson be suspended from such association for 60 days and thereafter barred from such association in a managerial or supervisory capacity, except with the Commission's approval. Both suspensions are to commence July 31. In their settlement offers, the respondents waived a hearing and consented to Commission findings of violations and failure of supervision, as alleged, and to imposition of the indicated sanctions, but without admitting the allegations.

According to the Commission's decision, the respondents violated and aided and abetted violations of the anti-fraud provisions of the Federal securities laws in connection with arrangements beginning in October 1966 by which, it is alleged, affiliated persons of Winfield Growth Fund, Inc., a registered investment company, improperly received benefits from its portfolio transactions. Moreover, the respondents failed reasonably to supervise persons under their supervision with a view to preventing such violations. It was also found that Meyerson & Co. violated the registration and anti-fraud provisions of the Federal securities laws in connection with its 1968 offer and sale of stock of Omega Equities Corporation, and the Meyerson firm and Meyerson failed reasonably to supervise persons under their supervision with a view to preventing such violations. Among other things, Meyerson & Co. acted as underwriter of unregistered Omega stock; bid for and purchased Omega stock while engaged in the distribution of its shares; recommended the purchase of Omega stock to customers without having adequate information concerning the issuer and without disclosing that the retail price had not been determined in a free and open market and that Meyerson & Co. and other broker-dealers and their preferred customers had arranged to participate in the purchase of substantial blocks of unregistered Omega stock at prices as much as 50% or more below the current retail market price; and made misleading and deceptive representations concerning acquisitions by and anticipated earnings of Omega, and the anticipated market price of, merits of investing in and use of proceeds from the sale of Omega securities.

## HOLDING COMPANY ACT RELEASE

NATIONAL FUEL RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16792) authorizing certain financing proposals of National Fuel Gas Company, New York, and three of its gas utility subsidiaries. National proposes to issue and sell up to \$21,000,000 of debentures, due 1975, at competitive bidding. It will use the net proceeds to purchase unsecured long-term promissory notes from its subsidiaries as follows: \$13,100,000 from Iroquois Gas Corporation, \$4,700,000 from United Natural Gas Company and \$3,200,000 from Pennsylvania Gas Company. Concurrently, the subsidiaries will prepay \$8,400,000 of their notes payable to National maturing December 31, 1970, as follows: Iroquois, \$6,700,000; United \$1,000,000 and Pennsylvania, \$1,400,000. National will use the proceeds of the subsidiaries' note repayments to prepay \$8,400,000 of bank notes maturing December 31, 1970. The subsidiaries will use the net proceeds of their sale of long-term notes to National, together with funds available from current operations, to make additions to utility plant, to prepay some \$8,400,000 of notes to National and to increase and replenish working capital. The cost of the 1970 plant expansion programs of the subsidiaries is estimated at \$18,555,000. Iroquois, United and Pennsylvania also propose to issue and sell short-term promissory notes to banks from time to time, in the respective amounts of \$7,000,000, \$5,500,000 and \$3,300,000. They will use the proceeds of such borrowings to finance the cost of gas purchased and stored underground for the current inventory purposes.

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**WINDSOR FUND RECEIVES ORDERS.** The SEC has issued exemption orders under the Investment Company Act permitting Windsor Fund, Inc., Philadelphia mutual fund, to issue its shares at net asset value in exchange for substantially all of the assets of five firms, as follows:

- (Release IC-6141) - Ambrson Investment Company, a Pennsylvania corporation. Assets valued at \$414,000 at April 30, 1970.
- (Release IC-6138) - Champlain Trust, Massachusetts business trust. Assets valued at \$719,592 at December 31, 1969.
- (Release IC-6142) - Northeastern Trust, Massachusetts business trust. Assets valued at \$4,743,295 on December 31, 1969.
- (Release IC-6140) - Northumberland Investment Company, Pennsylvania corporation. Assets valued at \$414,000 at April 30, 1970.
- (Release IC-6139) - Unibrake, California corporation. Assets valued at \$695,420 at December 31, 1969.

**BANK FIDUCIARY FUNDS SEEK ORDERS.** The SEC has issued orders under the Investment Company Act giving interested persons until August 18 to request a hearing upon applications of Bank Fiduciary (Equity) Fund (IC-6143) and Bank Fiduciary (Fixed Income) Fund (IC-6144), both New York mutual funds, for exemption from the provisions of Rule 22c-1 of the Act so as to permit the Funds to value their assets for the purpose of investments in and redemptions of their shares on designated valuation dates. Both Funds are organized under a New York statute which authorizes the creation of mutual trust investment companies to serve as a medium for the common investment of trust funds held by small banks and trust companies in New York. Their activities are subject to regulation and are supervised by New York State banking authorities. The New York State Banking Board has fixed the last business days of January, April, July and October of each year as mandatory valuation dates on which the Funds' shares may be invested in or redeemed. The Funds contend that valuing their assets daily every day that the NYSE is open as required by Rule 22c-1 would serve no useful purpose and would increase their operating expenses, since the decision to invest in their shares is made by experienced officers or directors of the banks, with access to whatever information about the Funds they deem relevant to an investment decision.

#### SECURITIES ACT REGISTRATIONS

**AMBERBRIT INTERNATIONAL TO SELL STOCK.** Amerbrit International, Inc., 7400 N. W. 74th Ave., Miami, Fla. 33156, filed a registration statement (File 2-38047) with the SEC on July 28 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by Able Securities Corp., 525 Northern Blvd., Great Neck, N. Y., which will receive a 50c per share selling commission plus \$12,500 for expenses. The company has agreed to pay 5c per share to Maxwell Mangold for his services as a finder and to sell to the underwriter and Mangold, at one mil per warrant, five-year warrants to purchase 10,000 and 1,000 shares, respectively, exercisable after 13 months at \$5.50 per share.

Organized in July 1968, the company is engaged principally in providing products, services and animals to dog kennel and pet center operators who have become franchisees. Of the net proceeds of its stock sale, \$85,000 will be used for the acquisition of land in Miami and \$100,000 to stock an animal ranch with registered breeding dogs for ultimate distribution to franchisees; the balance will be added to the company's general funds and used for general corporate purposes. The company has outstanding 275,168 common shares (with an 18c per share book value deficit), of which management officials as a group own 209,834 shares. Warren D. Lordly is president. Purchasers of the shares being registered will acquire a 27% stock interest in the company for their investment of \$500,000 (they will sustain an immediate dilution of \$4.08 in per share book value from the offering price); present shareholders will then own 73% for their investment of \$94,828.

**TIME SHARING SCIENCES TO SELL STOCK.** Time Sharing Sciences Incorporated, 1180 Avenue of the Americas, New York 10036, filed a registration statement (File 2-38048) with the SEC on July 28 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts, 60,000 shares or none basis by R. A. Wolk & Co., Inc., 405 Lexington Ave., New York, which will receive a 50c per share selling commission plus \$15,000 for expenses. The company has agreed to sell the underwriter, at \$.001 per warrant, six-year warrants to purchase up to 10,000 shares, exercisable after one year at \$2 per share.

Organized in December 1968, the company is engaged in the development of a computer-independent data concentrator that would permit a user of a computer on a time-sharing basis to connect several terminals to a computer through a single connection without modification of the computer's hardware or operating system. Of the net proceeds of its stock sale, \$125,000 will be used to complete the design and development of and to manufacture production prototypes of the data concentrator and the balance will be added to the company's general funds and will be available for working capital and general corporate purposes. The company has outstanding 175,000 common shares (with a 16c per share tangible book value), of which Charles L. Baker, board chairman, and Hale B. Lanster, president, own 30% each and management officials as a group 78%. Purchasers of the shares being registered will acquire a 36.4% stock interest in the company for their investment of \$500,000 (they will sustain an immediate dilution of \$3.08 in per share book value from the offering price); present shareholders will then own 63.6% for which they paid \$50,577.

**BACHE-GOODBODY-WALSTON FUND PROPOSES OFFERING.** Municipal Investment Trust Fund, Third Pennsylvania Series, filed a registration statement (File 2-38051) with the SEC on July 28 seeking registration of \$7,875,000 of units, to be offered for public sale in 5,000 units. The Fund is one of a series of similar investment companies created by a trust agreement under which Bache & Co. Inc., Goodbody & Co. and Walston & Co., Inc., act as sponsors, United States Trust Company of New York as trustee and Standard & Poor's

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Corporation as evaluator. The Fund consists of the diversified tax exempt bond portfolio of interest-bearing obligations issued by or on behalf of states, counties and municipalities in the state of Pennsylvania and authorities and political subdivisions thereof, including school districts, universities and community colleges, which are not taxable under the Pennsylvania County Personal Property Tax Act and the interest on which is, in the opinion of counsel, exempt from all Federal income tax under existing law.

**EQUITABLE LIFE PROPOSES OFFERING.** The Equitable Life Assurance Society of the United States ("Equitable"), 1285 Avenue of the Americas, New York 10019, filed a registration statement (File 2-38052) with the SEC on July 28 seeking registration of \$40,000,000 of units of interest under a group annuity contract between Equitable and the trustees of a Master Trust established by the American Bar Retirement Association ("ABRA"). The ABRA is a not-for-profit corporation organized by the American Bar Association for the sole purpose of sponsoring a form of retirement plan and a form of trust to implement the plan designed to comply with the Self-Employed Individual Tax Retirement Act of 1962, as amended ("HR-10") and which may be adopted by self-employed members of the American Bar Association and other qualified bar associations. All contributions to the Master Trust are invested in the Equity and Fixed Income Accounts under a contract between the trustees and Equitable. Contributions invested in the Equity Account are allocated to Equitable's Separate Account No. 100 and those invested in the Fixed Income Account will earn interest at 8 1/2% per year through 1973 and thereafter as agreed upon by the trustees and Equitable. Equitable is a mutual life insurance company. Davidson Sommers is board chairman and J. Henry Smith president.

**NORTHWESTERN PUBLIC SERVICE TO SELL BONDS.** Northwestern Public Service Company, 400 Northwestern National Bank Bldg., Huron, S. D. 57350, filed a registration statement (File 2-38053) with the SEC on July 29 seeking registration of \$6,000,000 of first mortgage bonds, due 1975, to be offered for public sale through underwriters headed by Dean Witter & Co. Inc., 33 N. Dearborn, Chicago, Ill. 60602, and Kirkpatrick, Pottis, Smith, Polian, Inc., 100 Omaha Bldg., Omaha, Nebr. 68102. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will use part of the net proceeds of its bond sale to repay bank loans outstanding in the amount of \$4,800,000 and will add the balance to its treasury funds to provide a portion of the necessary funds for its 1970 construction program.

**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:

Gulf & Western Industries, Inc., New York 10023 (File 2-38046) - 500,000 shares  
Keydata Corporation, Watertown, Mass. 02172 (File 2-38049) - 25,000 shares  
Foremost McKesson, Inc., San Francisco, Calif. 94111 (File 2-38050) - 562,067 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 June 2 News Digest.

#### 8K Reports for Apr 70

American Electronic Labs Inc (4,11,13)	0-230-2	Medical Computer Systems Inc May 70 (12,13)	0-4749-2
Dial Financial Corp(11,13)	1-5803-2	Micromation Systems Inc Mar 70 (1,7,11,13)	2-29237-2
First Western Financial Corp (3,12)	0-2904-2	North Atlantic Life Insur Co of America May 70(11)	2-20701-2
Northrop Corp(4,13)	1-3229-2	Armco Steel Corp(4,13)	1-873-2
Daniel Starch & Staff Inc Feb 70 (11,13)	2-30515-2	Getineau Power Co(11)	1-3012-2
Texas International Petroleum Corp Oct 69(1,2,7,13)	1-547-2	J B Ivey & Co Aug 69(7,13)	0-1355-2
Bio-Dynamics Inc(3)	0-3169-2	Ogden Corp May 70(11,13)	1-3122-2
Eazor Express Inc May 70 (2,13)	1-5008-2	F W Woolworth Co May 70(11,13)	1-238-2
Frontier Airlines Inc(3,11,12)	1-4877-2	Analog Devices Inc Feb70(2,13) & Mar 70(11)	0-4407-2
Unilever NV(6K) May 70	1-4547-2	Cascade Steel Rolling Mills Inc (12,13)	0-3732-2
Leslie Salt Co(2,11)	1-2897-2	Irvin Industries Inc May 70(11)	1-149-2
Maremont Corp(4,11,13)	1-4232-2	Lanvin Charles of the Ritz Inc May 70(11,13)	1-4508-2
Technicon Corp May 70(11)	1-6259-2	Longs Drug Stores Inc May 70 (11,12)	0-1446-2
Brush Beryllium Co May 70(8)	0-484-2	Middle South Utilities Inc May 70 (11,13)	1-3517-2
Central Vermont Public Service Corp May 70(11,13)	0-1240-2		
Crown Industries Inc Feb 70 (11,13)	1-6029-2		

8K's for Apr 70 (Cont'd)

Sky City Stores Inc May 70  
(2,11) 1-6219-2  
Mr Steak Inc(3,12) 0-4280-2  
Wellington Hall-Vanmar Inc  
(12,13) 0-3928-2

Books for Libraries Inc(11,13)0-4834-2  
Mission Corp May 70(11,13) 1-897-2  
Pennsylvania Power Co May 70  
(7,13) 1-3491-2  
Safeguard Industries Inc Dec 69  
(2,7,13) 1-5620-2  
Scientific Resources Corp(2,  
13) 1-4771-2

Selas Corp of America(11,13)1-5005-2  
Soundesign Corp May 70(11,13)1-5850-2

Allied Telephone Co(2,7,13) 0-3670-2  
American Hospital Supply Corp May 70  
(11) 1-4275-2  
Florida Power & Light Co(12)1-3542-2  
Pueblo International Inc(PR)  
(7) 1-5160-2  
Simmonds Precision Products Inc  
(11,13) 1-4942-2  
Southland Racing Corp May 70  
(3,11) 0-64-2  
Standard Computer Corp Mar 70  
(4,12,13) 0-4577-2

Anaconda Co(7,13) 1-2280-2  
General Telephone & Electronics Corp  
(11,13) 1-2755-2

Coliseum Properties Inc Jan 70(11),  
Oct 69(7) & Dec 69(1,7,13)0-4789-2  
John's Bargain Stores Corp(2,  
13) 1-4733-2  
NY & Harlem RR Co May 70(11)1-1616-2  
Northern Central RY Co May 70  
(11) 1-1562-2  
RCA Corp May 70(11) 1-978-2  
Revenue Properties Co Ltd(3,13)1-5827-2

Anametrics Inc(7,9,13) 2-31525-2  
Franklin Creamery Inc Mar 70  
(6,11,12,13) 0-1476-2  
GF Industries Inc(12) 1-4273-2  
Monongahela Power Co May 70(7,  
13) 1-5164-2

Napco Industries Inc May 70  
(11) 1-1281-2  
Philadelphia Electric Co(11,  
13) 1-1401-2  
Skil Corp Mar 70(12,13) 1-4921-2  
Swiss Chalet Inc(6,7,11,13) 0-2825-2

Connrex Corp (4) 1-5875-2  
Hi-Plains Enterprises Inc May 70  
(1,11) 0-2711-2  
Ramer Industries Inc May 70  
(11) 1-4646-2  
Sounscriber Corp May 70(11,12)0-2286-2

Jersey Central Power and Light Co(12,  
13) 1-3141-2  
Overhead Door Corp May 70(11,  
13) 1-4935-2  
Rite Aid Corp(12,13) 1-5742-2

Bankers Trust(3,13) 0-1610-2  
Shulton Inc May 70(11) 1-5232-2  
Southern Co May 70(11,13) 1-3526-2  
Space Ordnance Systems Inc Feb 70  
(2,13) 0-3899-2

Hall's Motor Transit Co Amdt #1 for  
Nov 68(7) 1-5376-2

Mutual Enterprises Inc Amdt for  
Sept 69(13) 0-4328-2

Amended 8K Reports

Central Vermont Public Service Corp  
Amdt #1 for Apr 70(7) 0-1240-2  
Crown Industries Inc.  
Amdt #1 for Dec 69(13) 1-6029-2

Knickerbocker Insurance Co.  
Amdt #1 for Apr 70(12) 1-6120-2

Mallery Randall Corp  
Amdt #1 for Aug 69(7) 1-4527-2

Reading & Bates Offshore Drilling Co.  
Amdt #1 for Jan 70(2,7,13) 1-5587-2

**SECURITIES ACT REGISTRATIONS. Effective July 28:** Petro-Lewis Funds, Inc. -Oil Income Program, 2-36386 and Petro Lewis Funds, Drilling Program, 2-36384.  
**Effective July 29:** El Paso Natural Gas Co., 2-37875 (40 days); Ferguson Oil Co., Inc., 2-36021 (40 days); General Telephone Co. of Michigan, 2-37646; Media General, Inc., 2-38001; North American Car Corp., 2-37631; Petro-Lewis Funds, Inc., 2-36712; Publishers Broadcasting Corp., 2-35205 (90 days); Quaker State Oil Refining Corp., 2-37768; Season-All Industries, Inc., 2-37770; Selected Opportunity Fund, Inc., 2-36093; United Cities Gas Co., 2-37058 (40 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.

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