

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 December 8, 1970

DECISION IN ADMINISTRATIVE PROCEEDINGS

LOMASNEY & CO. REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-9037) in which it ordered the revocation of the broker-dealer registration of Lomasney & Company, New York ("Registrant"), for various violations of the Federal securities laws. The Commission also barred Myron A. Lomasney (sole general partner) from further association with any broker-dealer, investment adviser, or investment company. The respondents consented to the findings of securities violations and to the imposition of the indicated sanctions without admitting the violations.

According to the Commission's decision, Registrant during a period in 1964-65 and from June to August 1969 consistently operated in violation of the Commission's net capital rules. During the first period, in order to conceal its month-end net capital deficiencies, Registrant obtained an advance of funds borrowed from a bank by a partnership controlled by Lomasney immediately prior to the trial balance dates, the credits being withdrawn immediately after the trial balance dates and the bank loans repaid. During the 1969 period, Registrant undertook to underwrite, on a firm commitment basis, stock offerings by Consolidated Educational Publishing, Inc., and Image Optics, Inc. Registrant's commitments under these offerings caused substantial deficiencies in its net capital; and when Registrant later reneged on its commitments upon its failure to dispose of the securities, the firm's net capital deficiency was substantially increased (to amounts exceeding \$5,000,000).

Moreover, Registrant's failure to disclose its adverse financial condition rendered materially misleading the statements in the prospectuses of the two companies reflecting its commitment to purchase the securities whether or not it could find public purchasers thereof, and the firm's implied representation that it would be able to effect delivery of shares purchased by investors was also false and misleading; also, in addition, during the offering of the securities of the two companies the respondents engaged in manipulative activities by entering bids for the purchase of the securities in the "pink sheets" and purchasing such securities. These activities were violative of the antifraud and anti-manipulative provisions of the Exchange Act. In addition, Registrant violated the Commission's record-keeping requirements.

HOLDING COMPANY ACT RELEASE

TRANSOK PIPE LINE SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16929) giving interested persons until December 28 to request a hearing upon an application of Transok Pipe Line Company, wholly-owned subsidiary of Public Service Company of Oklahoma (Tulsa), which in turn is a subsidiary of Central and South West Corporation, to issue an additional 7,000 shares of common stock (\$100 par) to the parent as a stock dividend (at the rate of 70 additional shares for each share held). Transok has outstanding 100 common shares; it proposes to reflect the transaction by transferring on its books of account \$700,000 from earned surplus to its common capital account. According to the application, Transok's reason for the transaction is to improve and create a better capital structure for future permanent financing.

INVESTMENT COMPANY ACT RELEASES

IDS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6275) exempting Investors Diversified Services, Inc. ("IDS"), and its wholly-owned subsidiary, Investors Accumulation Plan, Inc., ("IAP") (both of Minneapolis), from the provisions of Section 27(a)(3) of the Act which prohibits the issuance of periodic payment plan certificates by a registered investment company if the amounts deducted as sales load from all payments subsequent to the first twelve months are not proportionately alike. IAP proposes to serve as Sponsor for IDS Investment Program, which will offer periodic payment plan certificates for the accumulation of shares of IDS Growth Fund, Inc.; IDS will serve as underwriter for the Fund and for Program. It is proposed that the total charges on the minimum periodic payment plan would amount to 22% of each payment during the first year, 20% of each payment during the second and third years and 7.6% of each payment thereafter.

OHIO NATIONAL VARIABLE ACCOUNTS SEEK ORDERS. The SEC has issued orders under the Investment Company Act giving interested persons until December 28 to request a hearing upon applications of Ohio National Variable Account A, a unit investment trust (Release IC-6277), Ohio National Variable Account B, also a unit investment trust (Release IC-6276), the Ohio National Life Insurance Company ("Ohio National"), and The O. N. Equity Sales Company ("Sales Company"), a wholly-owned subsidiary of Ohio National, all of Cincinnati. Ohio National, a stock life insurance company, established Account A and Account B in connection with the proposed sale of contracts with a variable annuity feature ("contracts") intended to provide annuities under plans or trusts initially qualifying under Sections 401 or 403 of the Internal Revenue Code. All or part of the net purchase payments under such contracts will be allocated to Account A and Account B and invested in shares of O. N. Fund, Inc., a registered mutual fund. Contracts will be sold by Ohio National insurance agents who are also registered representatives of Sales Company.

OVER

SCRIPPS-HOWARD INVESTMENT CO. SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6278) giving interested persons until December 28 to request a hearing upon an application of Scripps-Howard Investment Co. ("Fund"), a Cincinnati closed-end, non diversified, management investment company, for an order exempting from certain provisions of the Act the sale by Fund of 7,200 shares of stock of New Mexico State Tribune Company to E.W. Scripp's Company for \$432,000. Fund holds 34,200 shares of Class B stock of Tribune (or 19.4% of its outstanding capital shares). Scripps owns 8.68% of the voting shares of Fund and 77.8% of the outstanding capital stock of Tribune (including all of its voting stock). Because of the intercompany affiliation of Fund and Tribune, Commission approval of the stock sale is required.

COURT ENFORCEMENT ACTIONS

TED MARKS ENJOINED. The SEC Atlanta Regional Office announced December 1 (LR-4837) that Theodore Marks, d/b/a Ted Marks and Company, Miami, Fla. broker-dealer, had been permanently enjoined by the Federal court in Miami from violations of the net capital, bookkeeping and margin requirements of the Federal securities laws. Marks consented to the order without admitting the allegations.

I. C. GLASER ENJOINED. The SEC Denver Regional Office announced December 2 (LR-4838) that Irwin C. Glaser of Salt Lake City, without admitting the allegations, had consented to an order of permanent injunction by the Federal court in Salt Lake City from violations of the registration and antifraud provisions of the Federal securities laws in connection with the sale of securities of International Chemical Development Corporation.

FIVE ENJOINED. The SEC Denver Regional Office announced December 3 (LR-4839) that the Federal court in Ogden, Utah, had issued orders of permanent injunction against violations of the registration and antifraud provisions of the Federal securities laws in connection with transactions in the stock of Universal Industries, Inc. and Unirex, Inc. by Wayne A. Rose of Boise, Idaho, Kenneth R. Bedingfield of Salt Lake City and Ray N. Bedingfield of Los Angeles; an order of permanent injunction was also issued against violation of the registration provisions only by Israel Kreiner of Casper, Wyoming, and such an order had previously been issued against Robert Galanis of Salt Lake City. The defendants consented to the entry of the injunctions without admitting the allegations.

BAPTIST FOUNDATION, TWO OTHERS ENJOINED. The SEC San Francisco and New York Regional Offices announced December 3 (LR-4840) that the Federal court in Los Angeles had entered an order of preliminary injunction against violations of the registration and antifraud provisions of the Federal securities laws in the sale of promissory notes or other securities of the Baptist Foundation of America, Inc. of Los Angeles, by the Foundation, T. Sherron Jackson and George E. Magee. An order was also issued appointing a receiver for the Foundation without prejudice to reconsideration at a hearing on December 21, 1970 upon any objections of Foundation.

SECURITIES ACT REGISTRATIONS

ADRs FOR MITSUBISHI FILED. Morgan Guaranty Trust Company of New York, 23 Wall St., New York, N. Y. 10015, filed a registration statement (File 2-38934) with the SEC on November 27 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Mitsubishi Chemical Machinery Mfg. Co., Ltd. (a Japanese corporation).

WESTRANS PROGRAM PROPOSES OFFERING. Westrans 1971 Program Corporation, 250 Park Ave., New York, N. Y. 10017, filed a registration statement (File 2-38973) with the SEC on December 4 seeking registration of \$8,000,000 of participation units in its 1971 Series Oil and Gas Program, to be offered for public sale in \$5,000 units. No underwriting is involved; participating NASD dealers will receive a 7% selling commission. Subscriptions by participants will be paid by the company to not more than two limited partnerships to be formed during 1971. The company is a wholly-owned subsidiary of Westrans Petroleum Inc., which will supervise partnership operations. Joseph A. D'Andrea is president of the company as well as Westrans Petroleum.

TAMPA ELECTRIC TO SELL BONDS. Tampa Electric Company, 111 North Dale Mabry Hwy., Tampa, Fla. 33609, filed a registration statement (File 2-38974) with the SEC on December 4 seeking registration of \$30,000,000 of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding. An electric utility, the company will use the net proceeds of its bond sale to reduce outstanding short-term debt incurred for construction purposes, and which is expected to aggregate \$40,000,000 at the time of the sale. The company's construction program for the period 1971-1973 is estimated at \$144,000,000.

MONUMENTAL CORP. TO SELL NOTES. Monumental Corporation, Charles and Chase Sts., Baltimore, Md. 21202, filed a registration statement (File 2-38975) with the SEC on December 4 seeking registration of \$20,000,000 of notes, due 1976, to be offered for public sale by underwriters headed by Alex. Brown & Sons, 135 E. Baltimore St., Baltimore, Md. 21202. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is a holding company which operates insurance companies, real estate development and investment projects and related enterprises. Net proceeds of its financing will be applied to the repayment of notes to banks maturing on April 30, 1971. Frank Baker, Jr., is board chairman, and Donald H. Wilson, Jr., is president.

SEVENTY COMPANY PROPOSES OFFERING. The Seventy Company, 321 West 44th St., New York, N. Y., filed a registration statement (File 2-38976) with the SEC on December 4 seeking registration of \$550,000 of preformation limited partnerships to be offered for public sale at \$11,000 per unit. The partnership is to be formed for the purpose of producing the dramatico-musical play, "Seventy Girls Seventy" with book by Fred Ebb and Norman Martin and music by John Kander and Fred Ebb. Artlaw Productions, Inc., which is controlled by Arthur Whitelaw, is general partner of the company.

QUEBEC HYDRO COMMISSION TO SELL DEBENTURES. Quebec Hydro-Electric Commission, Province of Quebec, Canada, through its agent, Jean-Marc Roy, 17 West 50th St., Rockefeller Center, New York, N. Y. 10021, filed a registration statement (File 2-38977) with the SEC on December 4 seeking registration of \$75,000,000 of debentures, Series BR, due 1999, and guaranteed by the Province of Quebec, to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York, N. Y. 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. Net proceeds of the debenture sale will be added to the general funds of the Commission and applied toward the cost of its construction program.

WINN-DIXIE STORES SHARES IN REGISTRATION. Winn-Dixie Stores, Inc., 5050 Edgewood Court, Jacksonville, Fla., 32202, filed a registration statement (File 2-38978) with the SEC on December 4 seeking registration of 183,821 shares of common stock, of which 135,821 shares are issuable incident to an employee's stock purchase plan and 48,000 incident to a key employees stock option plan. In addition, the company is registering 10,000 shares which had been previously issued pursuant to executive and key employee stock option plans, and which may be offered for sale from time to time by the holders or recipients thereof at prices current at the time of sale.

The company operates a chain of retail grocery stores in south and southeastern United States. In addition to indebtedness, it has outstanding 8,412,889 common shares. Bert L. Thomas is president.

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 December 7 News Digest.

8K Reports for Sept 1970

| | | | |
|--|-----------|---------------------------------------|-----------|
| Glen Alden Corp. (12,13) | 1-5448-2 | New Hampshire Ball Bearing Inc. | |
| ICV Inc. (7) | 0-4422-2 | (12) | 1-5289-2 |
| Leisure Group Inc. (12,13) | 0-3447-2 | Northwestern Public Service Co. | |
| National Computer Services Corp | | (4,7,13) | 0-692-2 |
| (2,4,7,11,13) | 2-27530-2 | Savin Business Machines Corp. | |
| Ohio Edison Co. (7,13) | 1-2578-2 | (11,13) | 1-5795-2 |
| Sportsworld Communications Corp | | Security Finance Corporation | |
| (12) | 2-30936-2 | of Spartanburg (2,3,13) | 0-4837-2 |
| | | Woodall Industries | |
| Geriatrics Inc. (2,13) | 2-32437-2 | Feb 1970 (2) | 1-5813-2 |
| Giltech Corp. (2) | 2-29924-2 | | |
| International Chemical & Nuclear Corp. | | W. R. Grace & Co. (13) | 1-3720-2 |
| (11,13) | 1-5965-2 | Haven Industries (11) | 1-4647-2 |
| | | McCulloch Oil Corp. (7,13) | 1-3924-2 |
| KDI Corporation | | Meredith Corporation (13) | 1-5128-2 |
| (4,12,13) | 0-2556-2 | On-Line Systems, Inc. (11,13) | 1-6508-2 |
| Life Investors Inc. (2,13) | 0-982-2 | | |
| Modine Manufacturing Co. (12) | 1-1373-2 | Cummins Engine Company (12) | 1-4949-2 |
| Phillips Screw Co. (11,12,13) | 1-3569-2 | Gulf & Western Industries Inc. | |
| Public Service Co. of Colorado | | (8) | 1-5404-2 |
| (7,13) | 1-3280-2 | International Business Machines Corp. | |
| Whittington Oil Co Inc. | | (3,12) | 1-2360-2 |
| (1,12,13) | 1-98-2 | Reuter, Incorporated | |
| | | (2,7,13) | 0-1561-2 |
| The Deltona Corp (7) | 1-4719-2 | Roblin Industries, Inc. | |
| General Cable Corp. (12,13) | 1-1094-2 | (7,9,13) | 1-5213-2 |
| Goren Foods Co. (3,12) | 0-3208-2 | St. Lawrence & Adirondack Ry Co. | |
| International Computer Corp | | (11) | 1-1618-2 |
| (7,8,10) | 0-3894-2 | Wellington Technical Industries, Inc. | |
| J-K Industries Inc. (12,13) | 0-1734-2 | (6,12,13) | 0-3254-2 |
| Jantzen Inc. (12,13) | 1-6218-2 | | |
| Kirby Industries Inc. (7) | 1-4035-2 | GFI-Computer Industries Inc. | |
| Metromedia Inc. (2,7,8) | 1-4649-2 | (1,9,12,13) | 0-3323-2 |
| Nash-Finch Co. (1,2,13) | 0-785-2 | Golden Flake Inc. (2,7,13) | 0-4339-2 |
| National Data Corp (7) | 0-3966-2 | Head Ski Company (11) | 1-5015-2 |
| Aug 70 (7) | 0-3966-2 | Jones & Laughlin Industries, Inc. | |
| | | (12,13) | 2-31642-2 |

8K Reports for Sept 1970 (Con't)

| | | |
|---|--|----------------------------------|
| American National Enterprises, Inc. (11) 2-34459-2 | Meister Brau Inc. (12,13) Methode Electronics Inc. (11,13) | 0-2086-2 0-2816-2 0-1041-2 |
| Control Data Corp. (2,12,13) 1-1969-2 | Midas-International Corp. (12) Samuel Moore and Company (4,7,13) | 0-3787-2 0-4717-2 |
| El Paso Natural Gas Co. (7,12,13) 1-2700-2 | Sciencscope, Inc. (2,3,7,8,12) | 1-5563-2 |
| Executone, Inc. (12,13) 1-5214-2 | Gladding Corp. (9) | 0-4467-2 |
| Fairmont Foods, Co. (2,12,13) 1-4100-2 | Great Markwestern Packing Co (3,13) | 0-1331-2 |
| Farmland Ind., Inc. (8,13) 2-7250-2 | Heywood-Wakesfield Co. (6) | 0-5033-2 0-1703-2 |
| Flight Safety, Inc. (12) 1-6222-2 | Illini Beef Packers, Inc. (11) | 0-4095-2 |
| Warner & Swasey Co(7,13) 1-4787-2 | Lortogs Inc. (11,13) | |
| Washington Bancshares, Inc. (7) 0-1328-2 | Royal Publishers, Inc. (11,13) | |
| Akzona Enka Corp. (2,7,11,12,13) 1-3901-2 | Alfred Hart Co. (12) | 1-5136-2 |
| Alpha Portland Cement Co. (12,13) 1-954-2 | Hess's Inc. (3,12,13) | 0-3759-2 |
| Chesapeake & Ohio Ry Co. (3,13) 1-1261-2 | Katy Industries Inc. Aug 1970 (12) | 1-5558-2 |
| DEI Industries Inc. (2,6,12,13) 0-725-2 | Lord Hardwicke Ltd (2,7,8,13) | 2-31468-2 |
| Edgington Oil Company Aug 1970 (8) 0-4046-2 | NB Corporation (12) | 0-4534-2 |
| Empire Financial Corp (12,13) 1-5628-2 | C.G.S Scientific Corporation (1,3,12) | 0-3551-2 |
| Foto Mem Inc. (7,13) 0-3879-2 | Educational Development Corp. (2,7,13) | 0-4957-2 |
| Hydraulic Press Brick Co. (7) 0-1000-2 | Accelerators, Inc. (11) | 0-4536-2 |
| Newbery Energy Corporation Aug. 1970 (11) 1-6261-2 | C.A.S. Corporation (1) | 0-2732-2 |
| TSI, Inc. (2,13) 0-2958-2 | Chemtrust Industries Corp. (2,7,13) | 2-32002-2 |
| Transcon Lines (3) 1-5618-2 | The Circle K Corporation (7,13) | 1-5895-2 |
| Transmedia International Corp. (2,7,13) 2-32930-2 | Brandon Applied Systems, Inc. (2,13) | 0-2954-2 |
| United Cities Gas Co. (7,13) 0-1284-2 | Caribbean Cement Company, Ltd. (6K) | 2-19155-2 |
| Affiliated Capital Corp. (4,11,13) 2-34520-2 | Crystal Oil Co. (2,7,8,13) | 1-4892-2 |
| Bishop Industries, Inc. (1,2,3,6,13) 0-5162-2 | S.F.Durst & Co., Inc. (12,13) | 0-4649-2 |
| Midwest Oil Corp. (12) 1-3652-2 | Dynallectron Corp. (7) | 1-3879-2 |
| Miller Industries, Inc. (7) 1-5926-2 | Food Industries, Inc. (3) | 0-3372-2 |
| Overnite Transportation Co. (7,13) 1-4747-2 | Haweye National Investment Co. (2,13) | 0-2651-2 |
| Zenith Radio Corp. (12) 1-4115-2 | Central Telephone Co. (7,13) | 1-6492-2 |
| Inexco Oil Co. (7,12) 1-6424-2 | Globe Industries, Inc.(12) | 0-4425-2 |
| Inexco Funds Co. (12) 2-31384-2 | Lee Enterprises, Inc. (12,13) | 1-6227-2 |
| Jamesbury Corporation Aug 1970 (3) 0-1813-2 | Curtiss Wright Corp. (7,13) | 1-134-2 |

SECURITIES ACT REGISTRATIONS. Effective December 7: Philadelphia Electric Co., 2-38849; U. S. Industries, Inc., 2-38675; Walworth Co., 2-38092 (40 days); Weeden & Co., 2-38899. Withdrawn December 4: Disbro Equity Leasing Corp., 2-36233; The Ford Model Agency Inc., 2-33321; Tousley Development Corp., 2-36688; Tolchin Instruments, Inc., 2-37140; UMC Electronics Co., 2-36682.

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.