

sec news digest

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August 30, 1973

RULE PROPOSALS AND ADOPTIONS

REGULATION S-X, RULE 5-02-1, RE COMPENSATING BALANCES AMENDED. The Commission today amended Regulation S-X, Rule 5-02-1, deferring until October 31, 1973, the date after which disclosure of compensating balances will be required on interim date balance sheets. (Rel. 33-5418)

COMMISSION ANNOUNCEMENTS

ORECRAFT TRADING BAN TERMINATED. The suspension of over-the-counter trading in the securities of Orecraft, Inc., a Utah corporation with its principal place of business in Woodland Hills, California, will terminate at midnight (EDT) on September 1, 1973. The suspension was initiated because accurate information on the company's operations and financial condition was not available and because of questions about increased market activity of the company's securities.

On August 27, 1973 the Commission filed a complaint in the U. S. District Court for California seeking to enjoin violations of the antifraud provisions of the Federal securities laws by Unity Securities Corporation (a Beverly Hills broker-dealer), Hunter Brooks Brashier (president of Unity), Unity Capital Corporation (parent of Unity), Orecraft, Inc., Leonard Friedman (president and chairman of the board of Orecraft) and Stephen Hunsaker (registered representative at Gregersen and Company, a Salt Lake City broker-dealer). The complaint also alleged that Unity Securities, Orecraft, Friedman and Brashier violated the registration provisions in transactions in securities of Orecraft, and that Orecraft, Friedman, Unity Capital and Brashier violated the periodic reporting provisions.

On April 28, 1972 Orecraft filed a registration statement on Form 10 under Section 12(g) of the Exchange Act. Since that date Orecraft failed to file certain required reports with the Commission. (Rel. 34-10369)

HOLDING COMPANY ACT RELEASES

CENTRAL POWER AND LIGHT COMPANY. A notice has been issued giving interested persons until September 24 to request a hearing on a proposal of Central Power and Light Company (CP&L), subsidiary of Central and South West Corporation, to sell \$46,000,000 of first mortgage bonds at competitive bidding. CP&L will use the net proceeds to retire at maturity 3-1/8% Series A first mortgage bonds, due November 1, 1973, and to finance a part of construction costs to its electric utility properties. (Rel. 35-18071)

DELMARVA POWER & LIGHT COMPANY. An order has been issued authorizing Delmarva Power & Light Company and Delmarva Power & Light Company of Maryland, a wholly-owned subsidiary, to (1) change the maturity dates of \$46,025,000 of outstanding promissory notes sold by the subsidiary to its parent (2) refinance the subsidiary's \$3,760,000 30-year 4% promissory note maturing October 1, 1973, by the issue and sale to the parent of a 30-year promissory note in like amount and (3) for the subsidiary to issue and sell, in equal proportions, up to \$8,550,000 of long-term promissory notes and up to 85,500 shares of its common capital stock (\$100 par) and the acquisition and pledge thereof by the parent. The subsidiary will use the proceeds derived from the sale of the notes and stock to refund its \$3,760,000 note maturing October 1, 1973, for future capital expenditures (estimated at \$3,988,659 for the remainder of 1973 and \$17,893,175 for 1974) and for other corporate purposes. (Rel. 35-18072)

MICHIGAN WISCONSIN PIPE LINE COMPANY. An order has been issued authorizing Michigan Wisconsin Pipe Line Company, a non-utility subsidiary of American Natural Gas Company, to (1) borrow up to \$75 million of promissory notes to banks, or (2) in lieu thereof, to sell up to \$50 million of commercial paper to commercial paper dealers. The subsidiary will use the proceeds for advance payments on gas purchases, to finance its 1973 construction program, estimated at \$100,400,000, and to pay any borrowings incurred for either of these purposes in July and August, 1973 under an existing \$75 million line of credit. (Rel. 35-18073)

UTAH POWER & LIGHT COMPANY. An order has been issued authorizing Utah Power & Light Company, Salt Lake City holding company, to sell 800,000 shares of common stock at competitive bidding. Utah will use the proceeds to pay a portion of its outstanding short-term promissory notes, the proceeds of which are being used for construction purposes. (Rel. 35-18074)

AMFAC. An order has been issued granting an application of Kekaha Sugar Company, Limited, Oahu Sugar Company, Limited, Pioneer Mill Company, Limited, Puna Sugar Company, Limited and The Lihue Plantation Company, Limited, wholly-owned subsidiaries of Amfac, Inc., for exemption from the provisions of the Public Utility Holding Company Act of 1935. (Rel. 35-18075)

EASTERN UTILITIES ASSOCIATES. A notice has been issued giving interested persons until September 27 to request a hearing on a proposal of Brockton Edison Company, a subsidiary of Eastern Utilities Associates (EUA), to (1) increase its capital stock, (2) sell 320,000 common shares to EUA, (3) pledge the new common stock under EUA's indenture, (4) issue and sell 30,000 shares of preferred stock at competitive bidding and (5) sell \$10 million of first mortgage bonds at competitive bidding. (Rel. 35-18076)

GEORGIA POWER COMPANY. A notice has been issued giving interested persons until September 17 to request a hearing on a proposal of Georgia Power Company, Atlanta subsidiary of The Southern Company, to borrow up to \$200 million from four New York banks. Georgia Power will use the commitment only to the extent necessary to backup the issuance of up to \$300 million of commercial paper previously authorized by the Commission. (Rel. 35-18078)

INVESTMENT COMPANY ACT RELEASES

NEUWIRTH FUND. A notice has been issued giving interested persons until September 17 to request a hearing on an application by Neuwirth Fund, Inc., Neuwirth Century Fund, Inc., Neuwirth Income Development Corporation (NIDCO), all registered mutual funds, and Neuwirth Management and Research Corporation, investment adviser to Neuwirth Fund and Century, and Neuwirth Financial Corporation, investment adviser to NIDCO. They requested an order permitting the continuation of such investment advisory relations from June 28, 1973, when the investment advisory contracts relating thereto were terminated by the death of Henry Neuwirth, controlling shareholder of the investment advisers, until October 31, 1973, so that the Funds might have continued management pending shareholder action. (Rel. IC-7961)

INVESTORS VARIABLE PAYMENT FUND. A notice has been issued giving interested persons until September 24 to request a hearing on an application of Investors Variable Payment Fund, Inc., IDS New Dimensions Fund, Inc., and IDS Progressive Fund, Inc., mutual funds whose shares are distributed by and whose investment adviser is Investors Diversified Services, Inc., for an order permitting the Funds to participate in a recapitalization of Fotomat Corporation. (Rel. IC-7962)

INNOVEN CAPITAL CORPORATION. A notice has been issued giving interested persons until September 24 to request a hearing on an application for total exemption from the Act filed by InnoVen Capital Corporation, a company newly organized to make venture capital investments. InnoVen proposes to offer its securities to a limited number of corporate or institutional investors. (Rel. IC-7965)

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.)

ADRS FOR JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED FILED. First National City Bank, 111 Wall St., New York 10015, filed a registration statement seeking registration of 100,000 American Depository Receipts for ordinary shares of Johannesburg Consolidated Investment Company, Limited (a South African corporation). (File 2-48687 - July 25)

ROPER CORPORATION, 1905 West Court St., Kankakee, Ill. 60901 - 160,000 shares of common stock which may be offered for sale from time to time by certain shareholders at prices current at the time of sale (\$18.75 per share maximum). (File 2-48701 - July 27)

CONVEST ENERGY 1974 OIL & GAS PROGRAM (the Partnership), 650 Houston Natural Gas Building, Houston, Tex. 77002 - \$15 million of partnership interests, to be offered for sale at \$1,000 per unit with a minimum purchase of five units by ConVest Securities Distributors, Inc. and Chase Investment Services of Boston, Inc., as dealer managers, Waddell & Reed, Inc., as special dealer, and selected dealers. The partnership will engage in exploring for and producing oil and gas. ConVest Energy Corporation is the general partner. (File 2-48702 - July 27)

GENERAL TELEPHONE COMPANY OF PENNSYLVANIA, 150 West Tenth St., Erie, Pa. 16512 - \$25 million of first mortgage bonds, Series I, due 2003, to be offered for sale at competitive bidding. General is a wholly-owned subsidiary of General Telephone & Electronics Corporation. Net proceeds, together with other funds, will be used toward repayment of short-term loans owing to banks, the parent, and commercial paper, obtained for the financing of its construction program. Construction expenditures are estimated at \$35,403,000 for 1973. (File 2-48703 - July 27)

JENN-AIR CORPORATION, 3035 North Shadeland Ave., Indianapolis, Ind. 46226 - 245,000 shares of common stock. Of these shares 143,700 are to be offered for sale by the company and 101,300 by certain shareholders. The offering is to be made at (\$17.50 per share maximum) through underwriters headed by Shearson, Hammill & Co., Inc., Two First National Plaza, Chicago, Ill. 60670. Jenn-Air manufactures and markets electric ranges with built in ventilating systems, and products for powered ventilation of and distribution of air within institutional, commercial and industrial buildings. Net proceeds will be used to repay bank indebtedness, to purchase equipment, and for working capital and other corporate purposes. (File 2-48706 - July 27)

JERSEY CENTRAL POWER & LIGHT COMPANY, Madison Avenue at Punch Bowl Rd., Morristown, N.J. 07960 - \$50 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. A subsidiary of General Public Utilities Corp., Jersey Central will apply net proceeds to the payment of all or a portion of its short-term bank loans, or to construction costs. Estimated construction expenditures for 1973 are \$205 million. (File 2-48710 - July 27)

VICTORIA BANKSHARES, INC., 120 South Main, Victoria, Tex. 77901 - 905,313 shares of common stock. It is proposed to offer these shares in exchange for the capital stock of the following companies at the specified rates:

- (a) two shares for each share of Victoria Bank and Trust Company;
- (b) 1.86355 shares for each share of Community State Bank;
- (c) 1.87614 shares for each share of Smiley State Bank;
- (d) 2.41015 shares for each share of Farmers State Bank and Trust Company;
- (e) 1.49645 shares for each share of Home State Bank; and
- (f) 1.98782 shares for each share of First National Bank of Nordheim.

(File 2-48712 - July 30)

CLINICAL SCIENCES, INC., 30 Troy Road, Whippany, N. J. 07981 - 200,000 shares of common stock. It is proposed to offer these shares in exchange for all the outstanding capital stock of Purex Laboratories, Inc., at the rate of .29343 CSI shares for each Purex share. Clinical manufactures and markets serological reagents and devices for their use. Purex manufactures extracts of allergens for use by allergists. (File 2-48674 - July 24)

THE OUTLET COMPANY, 176 Weybosset St., Providence, R. I. 02902 - 17,110 shares of \$5 convertible preferred stock, Series PB, 31,090 shares of \$5 preferred stock, Series PA, and 43,228 shares of common stock. These securities are to be offered for sale by certain shareholders at \$100 per preferred share (and \$20 per common share maximum). No underwriting is involved. The company operates a general department store business. (File 2-48705 - July 27)

MASSACHUSETTS MUTUAL VARIABLE ANNUITY FUND 2, 1295 State St., Springfield, Mass. 01111 \$20 million of contracts. The Fund is a separate investment account established by Massachusetts Mutual Life Insurance Company for the purpose of investing net purchase payments received under certain variable annuity contracts. Such payments are used to purchase shares of MML Investment Company, Inc., a mutual fund organized by Mass Mutual for which it acts as investment manager. (File 2-48707 - July 27)

SECURITIES ACT REGISTRATIONS. Effective August 29: The First Connecticut Small Business Investment Company, 2-48393; First National Charter Corp., 2-48882; New England Telephone and Telegraph Co., 2-48820; Provident National Corp., 2-48597; The Scott & Fetzer Co., 2-48829; Vetco Offshore Industries, Inc., 2-48831.

Effective August 30: American Safety Equipment Corp., 2-48016; Real Estate Data, Inc., 2-48653.

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