

sec news digest

Issue 74-210

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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

CHANCELLOR MANAGEMENT CORP., JEROME RANDOLPH,
JOHN RAWLINGS, III, AND BERTRAM SINGER
SANCTIONED

The Commission has revoked the investment adviser registration of Chancellor Management Corporation, of Los Angeles; barred Jerome Robert Randolph, the firm's president, and John H. Rawlings, III, of Calabasas, California, a co-venturer with Randolph and a former trader with various securities firms, from association with any investment adviser or broker-dealer; and suspended Bertram C. Singer, of Tarzana, California, former vice-president of a broker-dealer firm, from association with any broker-dealer for 30 days effective November 4. After May 31, 1975, Rawlings may apply to become associated with an investment adviser or broker-dealer in a non-supervisory capacity.

The sanctions imposed were based on injunctions entered against respondents in a Commission action involving the purchase, offer and sale of securities of The Seaboard Corporation and related practices. Respondents consented to the injunctions, without admitting or denying the allegations of the complaint, and, as part of their settlement of that action, consented to the administrative sanctions set forth above. (Rel. IA-427)

ORDERS FOR PUBLIC PROCEEDINGS

MEMME & CO., INC., OTHERS

Public administrative proceedings have been instituted against Memme & Co., Inc., a registered broker-dealer of New York City, James John Masiello, Robert Barry McDowell, Jules Bean and John Charles Fina.

The Commission's order is based upon alleged violations of the net capital and record keeping rules, and the supplemental reporting and broker-dealer registration requirements of the securities laws.

A hearing will be scheduled to take evidence on the allegations against the respondents. (Rel. 34-11074)

COURT ENFORCEMENT ACTIONS

M. FRED TOMS ORDERED TO SHOW
CAUSE

The SEC has announced that on October 1 the Honorable Judge John A. Reed of the U.S. District Court for the Middle District of Florida issued an order to show cause why M. Fred Toms of Orlando, Florida should not be held in criminal contempt for violating the Court's order of permanent injunction issued on July 18, 1974 which prohibited violations of the antifraud provisions of the securities laws. Arraignment is set for October 22, 1974 and trial for January 20, 1975. (United States of America Ex Rel. SEC v. Toms, U.S.D.C. M.D. Fla., Crim. No. 74-165-ORL-CR-R). (LR-6564)

PATTERSON CORPORATION, OTHERS,
ENJOINED

The Los Angeles Regional Office announced that on August 16 final orders of permanent injunction by default were entered by Federal District Court Judge Edward J. Schwartz of San Diego, California, against the Patterson Corporation and Joseph Cono Caggiano in a lawsuit arising out of the offer and sale of the stock of Patterson Corporation. Judge Schwartz also entered final orders of permanent injunction against the remaining

defendants in this action, Richard B. Anderson and Dalton Carl Smith on September 9 and 20, 1974, respectively. The orders against Anderson and Smith were entered upon their respective consents. Smith also waived any objection and consented to any order the Court might enter cancelling the Patterson Corporation stock certificates in the names of nominees for himself or Cleo Bullard, another defendant against whom a prior injunction was entered. For further information see Litigation Releases 6316, 6406, and 6413. (SEC v. Patterson Corporation, et al., S.D. CA., 74-167-S). (LR-6565)

INVESTMENT COMPANY ACT RELEASES

INVENT, INC.

An order has been issued on an application of Invent, Inc., of Houston, Texas exempting it from all provisions of the Act. (Rel. IC-8557 - Oct. 29)

UNITED BENEFIT VARIABLE FUND B

An order has been issued on an application of United Benefit Variable Fund B (Fund B), a mutual fund and United Benefit Life Insurance Company exempting Fund B from certain provisions of the Act to permit a schedule of sales load deductions under which the percentage amount of sales load deducted from contributions under corporate variable annuity contracts may vary from contract year to contract year due to sales loads being determined upon the basis of the quantity of purchases made during each contract year. (Rel. IC-8558 - Oct. 29)

HOLDING COMPANY ACT RELEASES

ARKANSAS-MISSOURI POWER COMPANY

A supplemental order has been issued regarding Arkansas-Missouri Power Company, subsidiary of Middle South Utilities, Inc., authorizing an extension of time until December 31, 1975, for Arkansas-Missouri to issue, sell and have outstanding \$8,250,000 of notes to banks. (Rel. 35-18623 - Oct. 25)

ALABAMA POWER COMPANY

A notice has been issued giving interested persons until November 19 to request a hearing on an application of Alabama Power Company, subsidiary of The Southern Company, to enter into an agreement with an agency of the City of Mobile, Alabama, whereby the agency will construct for the company pollution control facilities financed by the agency's issuance and sale of not more than \$29,735,000 of pollution control revenue bonds. Alabama Power will acquire the facilities upon completion thereof under an installment sale agreement. (Rel. 35-18630 - Oct. 25)

DELMARVA POWER & LIGHT COMPANY

An order has been issued authorizing Delmarva Power & Light Company, a registered holding company, to issue and sell 1,500,000 shares of common stock to underwriters on a negotiated basis for public offering. Jurisdiction will be reserved as to the terms and conditions of the sale of the common stock. (Rel. 35-18631 - Oct. 29)

SECURITIES ACT REGISTRATIONS

(S-9) E. I. DU PONT DE NEMOURS AND COMPANY

1007 Market St., Wilmington, Del. 19898 - \$350 million of debentures, due 2004, and \$150 million of notes, due 1981, which will be offered for sale through underwriters headed by Morgan Stanley & Co., 1251 Avenue of the Americas, New York, N.Y. 10020. Du Pont manufactures and sells diversified lines of chemical products and other products related thereto. (File 2-52186 - Oct. 22)

(S-6) THE CORPORATE INCOME FUND, EIGHTH SHORT TERM SERIES

50,000 of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a Unit Investment Trust, is to be created by a trust agreement among Merrill Lynch, as Sponsor, The Bank of New York, as Trustee, and

Interactive Data Services, Inc., as Evaluator. The Fund's primary objective is providing a high level of current income through investment in a fixed portfolio of interest-bearing short-term obligations. (File 2-52189 - Oct. 22)

(S-7) THE CINCINNATI GAS & LIGHT COMPANY

139 East Fourth St., Cincinnati, Ohio 45201 - \$60 million of first mortgage bonds, series due 2004, to be offered for sale through underwriters headed by Morgan Stanley & Co. Incorporated, 1251 Avenue of the Americas, New York, N.Y. 10020, and E. F. Hutton & Company Inc., 1 Battery Park Plaza, New York, N.Y. 10004. The company is an operating public utility company providing electric and gas service. (File 2-52175 - Oct. 18)

(S-7) CENTRAL VERMONT PUBLIC SERVICE CORPORATION

77 Grove St., Rutland, Vt. 05701 - 150,000 shares of preferred stock (\$100 par), to be offered for sale, at a price to be determined, through underwriters managed by The First Boston Corporation, 20 Exchange Place, New York, N.Y. 10005. The company is an electric utility. (File 2-52177 - Oct. 18)

(S-7) MONTANA-DAKOTA UTILITIES CO

400 North Fourth St., Bismarck, N.D. 58501 - \$15 million of first mortgage bonds, due 1999, to be sold to an underwriting group headed by Blyth Eastman Dillon & Co., 14 Wall St., New York, N.Y. 10005. The company is a public utility supplying electric and gas service. (File 2-52019 - Sept. 26)

(S-16) THE WILLIAMS COMPANIES

National Bank of Tulsa Bldg., Tulsa, Okla. 74103 - 40,000 shares of common stock, which may be offered for sale from time to time by certain selling security-holders at prices current at the time of sale. Williams is primarily engaged in the businesses of chemical fertilizers, common carrier petroleum product pipelines, construction of pipelines, sale and distribution of liquefied petroleum gas, steel processing and distribution, merchandising, auto liability insurance and investments. (File 2-52111 - Oct. 7)

(S-14) CARBON INDUSTRIES, INC.

1310 Kanawha Valley Bldg., Charleston, W. Va. 25301 - 2,561,790 shares of common stock. It is proposed to offer these shares in exchange for the common stock of Carbon Fuel Company on a share-for-share basis. Carbon Industries will be the parent holding company of Carbon Fuel and its subsidiaries. (File 2-52113 - Oct. 7)

(S-5) THE KEOGH-SMATHERS FUND, INC.

245 Park Ave., New York, N.Y. 10017 - 50,000 shares of common stock, to be offered for sale by the principal underwriter and investment adviser, CNA Management Corporation, 245 Park Ave., New York, N.Y. 10017. The fund is a no-load diversified open-end investment company having the investment objective of achieving the highest total investment return consistent with prudent risk through a fully managed investment portfolio. (File 2-52126 - Oct. 9)

(S-6) THE MUNICIPAL INCOME FUND,
FIRST DISCOUNT BOND SERIES

\$50 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a Unit Investment Trust, is to be created by a trust agreement among Merrill Lynch, as Sponsor, The Bank of New York, as Trustee, and Standard & Poor's Corporation, as Evaluator. The Fund's primary objective is providing tax exempt income and capital gain through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-52208 - Oct. 24)

REGISTRATIONS EFFECTIVE

Oct. 25: Bache Group Inc., 2-52038; Belden & Blake and Co., Ltd., 2-51959; Herman Miller, Inc., 2-52098; Northeast Utilities, 2-51734; Roy F. Weston, Inc., 2-52117.

Oct. 29: American Resources Management Corp., 2-51501; Continental Oil Co., 2-52142; Eureka Standard Consolidated Mining Co., 2-51972; Northwestern Mutual Life Mortgage and Realty Investors, 2-51621; Pacific Power & Light Co., 2-52120; Parthenon Fund, Inc., 2-50305; Texas Utilities Co., 2-52121; Upjohn Co., 2-52063.

RECENT 8K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
KENTUCKY UTILITIES CO	7,14	09/74
KERR MCGEE CORP	3	09/74
KIMBALL INTERNATIONAL INC	13	09/74
KING OPTICAL CORP	3,9,12,13	09/74
KOPPERS CO INC	7	09/74
LILLY ELI & CO	3	09/74
LINCOLN AMERICAN CORP	8	09/74
LIONEL CORP	11	09/74
LMF CORP	10,14	09/74
LOS ALAMITOS RACE COURSE	2,13,14	09/74
LQ MOTOR INNS INC	4,7,14	09/74
LYNN BARBARA STORES INC	1,14	09/74
MACDERMID INC	3,13	09/74
MADISON SQUARE GARDEN CORP	4,7,14	09/74
MAINE SUGAR INDUSTRIES INC	3,6	09/74
MARLENE INDUSTRIES CORP	3,6	09/74
MAY PETROLEUM INC	13	09/74
MCD HOLDINGS INC	13	09/74
MEDICAL INVESTMENT CORP	2,3,14	09/74
MERCANTILE BANCORPORATION INC	7,8,14	09/74
MERRILL LYNCH & CO INC	10	09/74
METRO GOLDWYN MAYER INC	13,14	09/74
MIDLAND ROSS CORP	10,14	09/74
MISSOURI PACIFIC RAILROAD CO	7,14	09/74
MISSOURI PORTLAND CEMENT CO	13	09/74
MITE CORP	10,13,14	09/74
MODINE MANUFACTURING CO	13	09/74
MONTANA POWER CO	3,13	09/74
MORTGAGE TRUST OF AMERICA	10	09/74
NACHMAN CORP	1,14	09/74
NATIONAL COMMUNITY BUILDERS	13	08/74
NATIONAL COMMUNITY BUILDERS	3,13	09/74
NATIONAL MOBILE CONCRETE CORP	1,7,9,13,14	09/74

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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