

sec news digest

Issue 74-214

(SEC Docket, Vol. 6, No. 13 - Nov. 19)

U.S. SECURITIES & EXCHANGE COMMISSION November 5, 1974

RECEIVED

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

NOV 6 1974

SECURITY BROKERS ASSOCIATED, INC.,
SECURITY BROKERS INVESTMENT, INC.,
WARD WILLIAM SETZER, JR. AND MARVIN
HARVEY ALKOW SANCTIONED

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The Commission has revoked the broker-dealer registrations of Security Brokers Associates, Inc. (Security Associates) and Security Brokers Investment, Inc. (Security Investment), both of Ft. Lauderdale, Florida, and barred Ward William Setzer, Jr. of Lighthouse Point, Florida, and Marvin Harvey Alkow of Hollywood, Florida, officers and directors of both firms from association with any broker-dealer. One year after the date of the order, Setzer and Alkow may apply to the Commission to become associated with broker-dealers in non-supervisory capacities upon showings of adequate supervision.

The sanctions were based upon findings that at various times between January 1970 to August 23, 1971, Security Associates failed to comply with applicable net capital, free credit balance and recordkeeping requirements. Security Associates was also found to have effected transactions for its customers without being able to consummate them. In addition, it converted customers' funds to its own use. Security Investment, was found to have violated the Exchange Act's recordkeeping requirements. Setzer and Alkow were found to have aided and abetted all of the violations by both firms.

Respondents consented to the findings and sanctions without admitting or denying the charges. (Rel. 34-11070)

COURT ENFORCEMENT ACTIONS

AMENDED COMPLAINT NAMES UNITED STATES
TANK CAR CORP., BERNHARD DOHRMANN

The San Francisco Branch Office announced the filing of an amended complaint on October 25 charging United States Tank Car Corporation (USTC) and Bernhard Dohrmann (Dohrmann) with additional antifraud violations. The alleged violations involve the offer and sale of nine tank cars together with management contracts to eight investors. These cars were never purchased in behalf of investors, and the proceeds received from the sale of the tank cars, amounting to approximately \$270,000, were diverted to the use and benefit of USTC and Dohrmann. USTC and Dohrmann attempted to conceal this fact by sending investors various documents including certificates of ownership, statements of income and checks said to represent rental income. The Commission's original complaint, filed on September 10 sought a temporary restraining order, a preliminary injunction, and the appointment of a receiver. On September 13 the Court issued a temporary restraining order and appointed Eugene Garfinkle as receiver of USTC. The temporary restraining order has been continued by consent until the hearing date for the preliminary injunction, November 14, 1974.

For further information, see Litigation Release No. 6520. (SEC v. United States Tank Car Corporation, N.D. CA.). (LR-6573)

DAVID E. LOBATO ENJOINED

The Denver Regional Office announced that on October 23 the Federal Court in San Diego entered a final judgment of permanent injunction against David E. Lobato enjoining him from violations of the antifraud provisions of the securities laws. Lobato consented to the court order without admitting or denying the allegations. (SEC v. Royal Airline Inc., et al., U.S.D.C. S.D. of Calif., Civ. Action No. 74-202N). (LR-6574)

HOLDING COMPANY ACT RELEASES

PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued authorizing Central and South West Corporation (Central), and its subsidiary, Public Service Company of Oklahoma (Public Service), for Public Service to enter into a loan agreement with the Small Business Administration, and for Public Service to issue a promissory note as security for the loan with Central guaranteeing payment of Public Service's note. (Rel. 35-18642 - Nov. 4)

ALLEGHENY POWER SYSTEM

An order has been issued releasing jurisdiction over fees and expenses to be incurred in the merger of certain subsidiaries of Allegheny Power System, Inc. (APS), a registered holding company, and the sale of assets between certain APS subsidiaries. (Rel. 35-18643 - Nov. 4)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON FIVE TRADING SUSPENSIONS

The SEC has announced the suspension of (a) exchange and over-the-counter trading in the securities of Canadian Javelin Ltd., and over-the-counter trading in the securities of Winner Industries, Inc. and Royal Properties, Inc. for the further ten-day period November 4 - 13, inclusive; and (b) exchange and over-the-counter trading in the securities of BBI, Inc., and over-the-counter trading in the securities of Niccoa Corp. for the further ten-day period November 5 - 14, inclusive.

SECURITIES ACT REGISTRATIONS

(S-16) WETTERAU INCORPORATED

8400 Pershall Rd., Hazelwood, Mo. 63042 - 40,000 shares of common stock, to be offered for sale by certain shareholders through Howard, Weil, Labouisse, Friedrichs Incorporated, 211 Carondelet St., New Orleans, La. 70130. Wetterau distributes and sells food and non-food products to individually owned supermarkets under IGA and Red & White franchises. (File 2-52215 - Oct. 25)

(S-7) THE TOLEDO EDISON COMPANY

300 Madison Ave., Toledo, Ohio 43652 - 1,100,000 shares of common stock, to be offered for sale by underwriters represented by The First Boston Corporation, 20 Exchange Place, New York, N.Y. 10005, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, New York, N.Y. 10006. The company is a public utility which generates, transmits and distributes electric energy. (File 2-52251 - Nov. 1)

(S-16) THE CARBORUNDUM COMPANY

P.O. Box 156, Niagara Falls, N.Y. 14302 - 68,598 shares of common stock, to be offered for sale from time to time by John R. Galvin at prices current at the time of sale. John R. Galvin is an employee of The Carborundum Company and the sole stockholder of G-W Plastic Engineers, Inc. of Bethel, Vermont. The Carborundum Company acquired substantially all of the assets and stated liabilities of G-W Plastic Engineers, Inc. by an Agreement and Plan of Reorganization dated July 3, 1974.

The company is a principal producer of fabricated abrasive products and abrasive crudes and grains and of the machinery and equipment associated with such abrasives for the creation of systems useful in stock removal, polishing, grinding, sanding and cutting. (File 2-52258 - Nov. 1)

(S-12) FIRST NATIONAL CITY BANK

111 Wall St., New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for ordinary shares of General Mining and Finance Corporation, Limited. (File 2-52265 - Nov. 1)

(S-14) HAVEN INDUSTRIES, INC.

557,970 shares of Class C convertible preferred stock, (\$3 par), to be offered to Media Creations, Ltd., under an agreement and plan of reorganization. Haven is a holding company with no present operations. Media produces and distributes commercials for television. (File 2-52139 - Oct. 11)

(S-5) GOLD TRUST OF AMERICA

Clipston Grange, Kemble St., Lenox, Mass. 02410 - 100,000 shares of beneficial interest, to be offered for sale at net asset value. Gold Trust of America is an open-end, no-load investment company, seeking the dual objectives of high current income and capital appreciation through concentration of investments in the securities of gold mining companies. Liberty Advisors, Inc. will be the investment manager. (File 2-52153 - Oct. 15)

(S-7) THE COLUMBIA GAS SYSTEM, INC.

20 Montchanin Rd., Wilmington, Del. 19807 - \$75 million of debentures, due 1989, to be offered for sale at competitive bidding. The Columbia Gas System is a public utility holding company, the subsidiaries of which explore for, produce, purchase, store, transmit, sell and distribute natural gas. (File 2-52157 - Oct. 16)

(S-1) AMERICAN SERVICE BUREAU, INC.

211 East Chicago Ave., Chicago, Ill. 60611 - 10,000 shares of common stock, to be offered for sale to its employees at book value. There are no underwriters. The company performs investigative services for insurance companies. (File 2-52221 - Oct. 29)

(S-1) MAY 1975 DRILLING PROGRAMS
(MAY PETROLEUM INC. - GENERAL PARTNER)

One Energy Sq., Tenth Floor, 4925 Greenville Ave., Dallas, Tex. 75206 - \$25 million of preformation partnership interests in May 1975 Drilling Programs, which will expend the units in May Drilling Partnership 1975-1 and May Drilling Partnership 1975-2, to be offered for sale as 2,500 units at \$10,000 per unit, by selected NASD members. The Programs and Drilling Partnerships are to be formed to drill for and produce oil and gas. (File 2-52219 - Oct. 29)

(S-1) MCCULLOCH OIL CORPORATION

10880 Wilshire Blvd., Los Angeles, Cal. 90024 - \$6 million of limited partnership interests in the McCulloch Geothermal Energy Program (Consisting of two limited partnerships) to be offered for sale in units of \$5,000 by McCulloch Securities, Inc. The limited partnerships will explore for Geothermal Energy. (File 2-52222 - Oct. 29)

(S-2) BARS OF GOLD, INC.

One Wall St., New York, N.Y. 10005 - 2,000,000 shares of capital stock, to be offered for sale by underwriters managed by Bache & Co. Incorporated, 100 Gold St., New York, N.Y. 10038. (File 2-52236 - Oct. 30)

(S-7) WISCONSIN PUBLIC SERVICE CORPORATION

700 North Adams St., Green Bay, Wis. 54305 - 150,000 shares of new preferred stock (\$100 par), 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 and Robert W. Baird & Co. Incorporated, 777 East Wisconsin Ave., Milwaukee, Wis. 53201. The company is an electric and gas utility. (File 2-52241 - Oct. 31)

REGISTRATIONS EFFECTIVE

Oct. 31: Societe Nationale Des Petroles d'Aquitaine, 2-52135.

Nov. 1: Allied Bancshares Inc., 2-52140; Arco Pipe Line Co. Atlantic Richfield Co., 2-52162; Arkansas Power & Light Co., 2-52040, 2-52041; Arwood Corp., 2-52071; Central Illinois Light Co., 2-52069; Columbia Daily Income Co., 2-51727; Corning Glass Works, 2-52173; La Maur Inc., 2-51949; National Bancshares Corp., 2-51888; Nuveen Tax Exempt Bond Fund Series 62, 2-51943.

Nov. 4: Boatmen's Bancshares, Inc., 2-52047; Continental Care Centers, Inc., 2-51857; The Corporate Income Fund, Eleventh Monthly Payment Series, 2-51842; Flying Diamond Corp., 2-51187; Harrington Cattle Co., 2-48416; Hunt Wesson Foods, Inc., 2-52232; Meredith Corp., 2-52150; The Norton Simon Inc., 2-52730, 2-52231, 2-52233; Pepsico, Inc., 2-52185; Scientific Atlanta, Inc., 2-52154; Sigma Income Shares, Inc., 2-51506; Standard Oil Co., 2-52228; Sterner Lighting Systems, Inc., 2-51744; Wells, Rich, Greene, Inc., 2-52095.

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. 20519. 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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