

# sec news digest

a daily summary from the securities and exchange commission

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May 22, 1973

## COMMISSION ANNOUNCEMENTS

**TRADING SUSPENDED IN DEI INDUSTRIES SECURITIES.** The SEC announced the temporary suspension of over-the-counter trading in the securities of DEI Industries, Inc. of Rockville, Maryland, for a ten-day period commencing on May 21 and continuing through May 30, 1973.

The Commission initiated the suspension because of the unavailability of accurate and adequate financial information concerning DEI. The company is delinquent in filing with the Commission its Form 10-K for the year ended December 31, 1972, and its Form 10-Q for the quarter ended March 30, 1973.

The President and Chairman of the Board of DEI advised the Commission that on May 16, 1973 three lending institutions took possession of all of the company's assets. According to unaudited and unadjusted financial figures as of December 31, 1972, assets total \$1.2 million and liabilities \$3 million. The company requested the trading suspension. (Rel. 34-10164)

**INITIAL DECISION REVOKES BROKER-DEALER REGISTRATION OF NAFTALIN & CO., INC. AND BARS NEIL T. NAFTALIN.** Chief Administrative Law Judge Warren E. Blair has filed an initial decision revoking the broker-dealer registration of Naftalin & Co., Inc., of Minneapolis, Minnesota and barring its president, Neil T. Naftalin from association with any broker or dealer. The decision is subject to appeal to the Commission.

The decision is based upon findings that Naftalin & Co., Inc. and its president wilfully violated the anti-fraud provisions of Section 17(a) of the Securities Act of 1933 and of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder by placing orders for the sale of securities by the registrant at prices aggregating approximately \$8,634,000 without disclosing that such sales were actually "short sales", and concealing the fact that registrant did not own the securities which were ordered to be sold. Additionally, it was found that registrant, aided and abetted by its president, wilfully violated the Commission's bookkeeping rules.

## DECISIONS IN ADMINISTRATIVE PROCEEDING

**MUTUAL FUNDS CO. REVOKED, ROBERT L. FORD BARRED.** The SEC announced the issuance of an order revoking the broker-dealer registration of Mutual Funds Co., Inc., of Spokane, Washington, and barring Robert L. Ford, the firm's president from further association with any broker-dealer.

The sanctions imposed were based on findings that, during the period August 1970 - November 1971, respondents violated registration and anti-fraud provisions of the securities acts in connection with the offer and sale of unregistered investment contracts. According to the decision, respondents made material misstatements to investors and omitted material facts concerning the percentage of such contracts previously sold on which payments due investors were in default, the extent of prior investors' losses, the dollar amount of sales, the extent to which documents of title held by investors had been signed, notarized and recorded, the quality and quantity of contracts held in escrow to support those offered and sold to the public, and compliance with the Securities Act by the underwriters and the issuer. It was also found that Ford individually engaged in the securities business as a broker-dealer without having registered with the Commission as required. Moreover, on June 6, 1972, a permanent injunction was entered against him, with his consent, in connection with the foregoing activities. Finally, the firm, aided and abetted by Ford, failed to preserve books and records as required.

Respondents, without admitting or denying the charges against them, consented to the above findings and the indicated sanctions. (Rel. 34-10150)

**CENTURY PROPERTIES FUND SUBJECT TO REPORTING, OTHER REQUIREMENTS.** The Commission has issued an order accepting the stipulation of Century Properties Fund 71-3 with respect to compliance with the provisions of Sections 12(g), 13, 14, 15(d) and 16 of the Securities Exchange Act. Century Properties Fund is a California limited partnership organized for the purpose of acquiring, operating and holding for investment income producing real estate. Its stated objectives are the providing of tax sheltered distributable cash, equity build up through loan amortization and capital appreciation.

Century Properties Fund initially had filed an application for exemption from the above provisions; subsequently it submitted instead a stipulated settlement whereby it would be granted an extension of time to file its first annual report and undertook thereafter to comply with various reporting provisions according to their terms. The Commission granted the extension and accepted the settlement as appropriate in the public interest.

The Division of Corporation Finance has indicated that it will seek substantially the same resolution of any future applications for exemptions involving similar fact situations. (Rel. 34-10151)

## COURT ENFORCEMENT ACTIONS

**CHRISTIAN EVANGELIZERS ASSN., INC., CECIL W. TODD, RESTRAINED.** The SEC Chicago Regional Office announced that on May 16, the Federal Court in Joplin, Missouri, entered a temporary restraining order which enjoins Christian Evangelizers Association, Inc., also known as Revival Fires, and Cecil W. Todd, its President, both of Joplin, Missouri, from violations of the anti-fraud provisions of the Federal securities laws in connection with the offer and sale of securities of Revival Fires. The defendants consented to the court without admitting or denying the allegations. (LR-5900)

## INVESTMENT COMPANY ACT RELEASES

**SAVINGS BANK INVESTMENT FUND.** The SEC has issued an order on an application of Savings Bank Investment Fund, of Boston, Mass., declaring that an amendment of the Funds's charter which permits Massachusetts co-operative banks to purchase the fund's securities, has no effect upon the validity of exemptions granted by a prior order. (Rel. IC-7823)

**EUGENE C. SIT AND JAMES R. JUNDT.** The SEC has issued an order exempting Eugene C. Sit and James R. Jundt from certain provisions of the Act, insofar as any ineligibility to serve or act in the capacities enumerated in Section 9(a) of the Act arises out of the injunction entered against IDS in Securities and Exchange Commission v. Lums, Inc., et al. (Rel. IC-7824)

**CALIFORNIA TAX-EXEMPT BOND FUNDS.** The SEC has issued an order on an application of California Tax-Exempt Bond Fund, Series 1 and Series 2, unit investment trusts registered under the Act, and California Tax-Exempt Bond Funds Incorporated, the sponsor of such trusts, exempting the applicants and all subsequent series from the provisions of Rule 19b-1 under the Act in order to permit distributions of capital gains more than annually. (Rel. IC-7825)

## SECURITIES ACT REGISTRATIONS FILED

**PEABODY GALION CORPORATION,** 450 Park Avenue, New York, N. Y. 10022 - 37,113 shares of common stock, which may be offered for sale by certain shareholders (\* at \$29.50 per share maximum). (File 2-47789 - Apr 23)

**MERIDIAN INCOME SECURITIES, INC.,** 10 Light Street, Baltimore, Md. 21202 - 1,250,000 shares of common stock to be offered for sale (\* at \$20 per share maximum) through underwriters headed by Dean Witter & Co., 45 Montgomery Street, San Francisco, California 94106. The company is a closed-end diversified management investment company, whose primary objective is a high level of current income through investment in fixed income securities. Capital appreciation is a secondary objective. The Indiana National Bank through its Trust Division will act as investment adviser. (File 2-47800 - Apr 23)

**SILICONIX INCORPORATED,** 2201 Laurelwood Road, Santa Clara, California 95054 - 30,650 shares of common stock which may be offered for sale from time to time by certain shareholders at prices prevailing at the time of sale (\* \$8.625 per share maximum). (File 2-47801 - Apr 23)

**SOUTHWEST FLORIDA ENTERPRISES, INC.,** 3333 Cleveland Avenue, Box 5043 South Station, Fort Myers, Florida 33902 - 423,977 shares of common stock. It is proposed to offer these shares for subscription by common stock and common stock option holders, at the rate of one share of common stock for each share of common stock or each option held. The company operates general stores and a greyhound racing track. Of the net proceeds, up to \$4 million will be used to construct a new clubhouse and grandstand facility at the company's race track and the balance for working capital and other corporate purposes. (File 2-47803 - Apr 24)

**AMERICAN CATTLE COMPANY,** 2632 South 24th Street, Phoenix, Arizona 85034 - \$10 million of agency agreements to be offered for sale in minimum amounts of \$60,000. The company acts as agent for investors in managing cattle feeding programs. (File 2-47804 - Apr 23)

## MISCELLANEOUS

**DELISTING GRANTED.** The SEC has issued orders under the Securities Exchange Act of 1934 granting an application of the New York Stock Exchange to strike from listing and registration the Series A \$3 participating cumulative preferred stock of Allied Products Corporation and an application of the Detroit Stock Exchange to strike from listing and registration the common stock of Michigan Chemical Corporation, both effective at the opening of business on May 21. The Allied Products stock is being delisted because only 30,000 shares remain publicly held; the stock remains listed and registered on the Pacific Coast Stock Exchange. The Michigan Chemical stock is being delisted at the request of the issuer. (Rel. 34-10162)

**UNLISTED TRADING GRANTED.** The SEC has issued orders granting applications of the following exchanges for unlisted trading privileges in the common stocks or specified securities of the named companies (a) Boston Stock Exchange: Tidewater Marine Service, Inc.; Valle's Steak House; Wesco Financial Corp.; Wreather Corp. (b) PBW Stock Exchange, Inc.: Airborne Freight Corporation; Atlas Consolidated Mining & Development Corp.; Northwest Industries, Inc. Series C, \$5 cumulative convertible preferred stock; Reynolds (R.J.) Industries, Inc., \$2.25 convertible preferred stock. (Rel. 34-10162)

## RECENT FORM 8-K FILINGS

Form 8-K 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; and any newly enacted requirements effecting registrant's business.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8-K form specified in the middle column. 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 several items of the form was included in Monday's News Digest.

IDEAL BASIC INDUSTRIES INC	3,8,11	04/73
INDUSTRIAL NATIONAL CORP	11	04/73
INLAND INC	2	03/73
INTEL CORP	11,14	04/73
INTER ISLAND MORTGAGE CORP	13	04/73
JOY MANUFACTURING CO	13	04/73
JS INDUSTRIES INC	7,13,14	02/73
LATROBE STEEL CO	11,14	04/73
LEASEWAY TRANSPORTATION CORP	11	04/73
LEESONA CORP	11,14	04/73
LESLIE SALT CO	11,14	04/73
LITCO CORP OF NEW YORK	2,3,7,11,13,14	04/73
LOMAS & NETTLETON MORTGAGE INVESTORS	3	04/73
LOUISIANA PACIFIC CORP	11	04/73
MACMILLAN BLOEDEL LTD	11,14	04/73
MAGNETIC CONTROLS CO	4,7,14	04/73
MAINE CENTRAL RAILROAD CO	11	04/73
MARSH SUPERMARKETS INC	13	04/73
MIDLAND MORTGAGE INVESTORS TRUST	1	04/73
MIDWESTERN GAS TRANSMISSION CO	11,14	04/73
MISSOURI PUBLIC SERVICE CO	7,14	04/73
NATIONAL CAN CORP	11,14	04/73
NBC CO	11	04/73
NEW PROCESS CO	11,14	04/73
NW INVESTORS LIFE INSURANCE CO INC	11,14	04/73
NOLEX CORP	9,11,14	04/73
ORANGE BLOSSOM PRODUCTS INC	2,8,11,14	04/73
PABST BREWING CO	11,13,14	04/73
PACIFIC ASBESTOS CORP	6,12,14	04/73
PACIFIC HOLDING CORP	13	04/73
PACKAGE MACHINERY CO	7,8	04/73
PENNSYLVANIA POWER & LIGHT CO	11,13	04/73
POTT INDUSTRIES INC	7,11	04/73
PRAIRIE OIL ROYALTIES CO LTD	11,13,14	03/73
PRUDENTIAL BUILDING MAINTENANCE CORP	11	03/73
PUBLIC SERVICE CO OF INDIANA INC	4,11,13	04/73
RAYCO INTERNATIONAL INC	7	04/73
RENTEX SERVICES CORP	11,14	04/73
REVERE RACING ASSOCIATION INC	8,13	04/73
ROCKWOOD COMPUTER CORP	10	03/73
SALEM CORP	11,14	04/73
SHERWOOD MEDICAL INDUSTRIES INC	11,14	04/73
SIGNAL COMPANIES INC	3	04/73
SOLMON INC	1,2,4,8,10,11,14	03/73
SOUNDSCRIBER CORP	11	04/73
SOUTHERN UNION PRODUCTION CO	11	04/73
SOUTHWESTERN ELECTRIC POWER CO	11	04/73
SOUTHWESTERN ELECTRIC SERVICE CO	7	04/73
SPORTS UNDERWRITERS INC	11,13	03/73
STANRAY CORP	11,14	04/73
SUBSCRIPTION TELEVISION INC	7	04/73
SUPER VALU STORES INC	13,14	04/73
TBS COMPUTER CENTERS CORP	8	04/73
TENNECO INC	11,14	04/73
TOKHEIM CORP	11	04/73
TONKA CORP	11,14	04/73
TRAVELERS CORP	11	04/73
TRESCO MANUFACTURING CO	11,14	04/73

## FORM 8-K REPORTS CONT.

TUBOS DE ACERO DE MEXICO S A	11	04/73
TULLY CORP OF VIRGINIA	7	04/73
UNITED BANK CORP OF NEW YORK	13	04/73
UNITED JERSEY BANKS	11,13	04/73
UNITED TELECOMMUNICATIONS INC	2,14	04/73
URS SYSTEMS CORP	13	04/73
VAL DOR INDUSTRIES INC	13,14	04/73
WARNACO INC	2,7,8,11,13,14	04/73
WEST PENN POWER CO	11	04/73
WESTERN DECALTA PETROLEUM LTD	11,14	04/73
WESTERN MICROWAVE LABORATORIES INC	11,14	04/73
WISCONSIN NATURAL GAS CO	11	04/73
WOLVERINE PENTRONIX INC	13,14	04/73
WOODMOOR CORP	11,13	04/73
YOUNGSTOWN STEEL DOOR CO	11,14	04/73
ABBOTT LABORATORIES	11,13,14	04/73
ACCESS CORP	11,14	04/73
ACME UNITED CORP	11	04/73
ALUMINUM CO OF AMERICA	11,12	04/73
AMERICAN ELECTRONIC LABORATORIES INC	10,14	04/73
AMERICAN FAMILY LIFE ASSURANCE CO OF CAL	13,14	04/73
AMERICAN FILTRONA CORP	11	04/73
AMERICAN GREETINGS CORP	7,14	04/73
AMERICAN STATES LIFE INSURANCE CO	11	04/73
AMPCO PITTSBURGH CORP	11,13,14	04/73
AMTEL INC	11,14	04/73
ANDERSON CLAYTON & CO	10,14	04/73
ARMCO STEEL CORP	8	04/73
ARVIN INDUSTRIES INC	11,14	04/73
AUGAT INC	11	04/73
AUTO TRAIN CORP	13	04/73
AUTOMATION INDUSTRIES INC	10,14	04/73
AZCCO CORP	3,14,13	04/73
BAKER INDUSTRIES INC	11,14	04/73
BANCOHIO CORP	13	04/73
BANK OF NEW YORK CO INC	11,14	04/73
BEACON PHOTO SERVICE INC	11	04/73
BEAUNIT CORP	10	04/73
BENEFICIAL CORP	13,14	04/73
BITEX CORP	9,13	04/73
BLACKSTONE VALLEY ELECTRIC CO	11	04/73
BRISTOL MYERS CO	8,11	04/73
BUDD CO	11	04/73
CALLAHAN MINING CORP	11,14	04/73
CAMBRIDGE COMPUTER CORP	3	03/73
CAMERON BROWN INVESTMENT GROUP	11,13	04/73
CANYONLANDS URANIUM INC	14	04/73
CARTERPHONE COMMUNICATIONS CORP	2,13,14	04/73
CASTLE & COOKE INC	3	04/73
CENTRAL COAL & COKE CORP	11	04/73

**SECURITIES ACT REGISTRATIONS.** Effective May 21: American Fletcher Corporation, 2-47773; Chemetron Corporation, 2-47369; Marcor Inc., 2-48019; Retail Merchant's Industries, Inc., 2-47781.

**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.

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