



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

Washington, D.C. 20549

(Prepared by the SEC Office of Public Information)

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FOR RELEASE February 7, 1973

DECISION IN ADMINISTRATIVE PROCEEDINGS

MCLEAN & COMPANY, INC., ARCHIE MCLEAN, JR. AND GARY MACLEOD SUSPENDED. The SEC has issued an order suspending for 30 calendar days the business of McLean & Company, Inc., a registered broker-dealer in Tacoma, Wash., with the exception of its normal underwriting activities and transactions pending at the commencement of the suspension, and suspending from association with any broker or dealer for 60 calendar and 15 business days, respectively, Archie McLean, Jr. and Gary MacLeod, Medina, Wash. The suspensions are to commence February 20, 1973.

The order was based on findings that from about February 1967 to January 1969, registrant, McLean, then its president, and MacLeod, then a registered representative of another broker-dealer, violated or aided and abetted violations of the antifraud and recordkeeping provisions of the securities laws in connection with conveying benefits to an official of the State of Washington who had primary responsibility for the purchase and sale of securities on behalf of various state funds, and who directed allocations of securities transactions to registrant among various other brokerage firms, on behalf of the funds. Registrant and McLean sold the official securities at less than prevailing market prices and provided him with fees and other monetary benefits in return for a list of institutional investors. MacLeod allocated to the official stock in new issues of securities which were expected to and which did sell at a premium in the aftermarket.

The Commission's action was taken pursuant to offers of settlement in which respondents consented to the findings and sanctions without admitting or denying the allegations. Registrant in its offer also undertook to pay \$10,000 to the Washington State Finance Committee. (Rel. 34-9979)

REGISTRATION OF PROFIT-SHARING INVESTMENTS SUSPENDED AND WITHDRAWN; HOLEFCA SUSPENDED. The SEC has issued an order suspending the broker-dealer registration of Profit-Sharing Investments, Inc., Rochester, Mich., for 3 months, withdrawing its registration at the expiration of the suspension, and suspending Daniel S. Holefca, its president, from association with a broker-dealer for a like period.

The order was based on findings that in 1970-72 the firm, aided and abetted by Holefca, violated the securities laws in that, among other things, it sold and purchased securities at excessive or unreasonable prices, used customers' free credit balances in its business without giving them the required statement, and failed to comply with net capital, recordkeeping, reporting, and credit requirements. The respondents were further found to have failed to exercise reasonable supervision.

The Commission action was taken pursuant to an offer of settlement in which the respondents consented to the findings and sanctions without admitting or denying the charges. (Rel. 34-9982)

NEW RULES AND RULE PROPOSALS

ADOPTION OF RULE 434C. The SEC today announced the adoption of Rule 434C under the Securities Act of 1933 concerning the use of a Japanese prospectus in Japan. Pursuant to an ordinance of the Ministry of Finance of Japan, investment companies may offer their shares in Japan pursuant to a prospectus complying with Japanese law, provided such shares are also registered under the Securities Act of 1933 and offered in the U.S. This latter requirement gives rise to the question of whether the Japanese prospectus is materially different from the U. S. prospectus and thus whether the issuer is in compliance with Section 10(a) of the 1933 Act.

To clarify this situation, Rule 434C, which is applicable to industrial issuers as well as investment companies, states: A prospectus required by the laws of Japan to be used for the offer or sale in Japan of securities which are also registered under the Act shall be deemed to meet the requirements of Section 10(a) of the Act when such offers or sales in Japan are to persons who are not nationals or residents of (including corporations, trusts, partnerships created or organized in) the United States provided that such Japanese prospectus contains substantially the information required in the prospectus filed as part of the registration statement under the Act notwithstanding that such Japanese prospectus (1) contains certain additional information, and (2) differs in form from the United States prospectus. (Rel. 33-5365)

COMMENT PERIOD EXTENDED ON RELEASES 33-5342, 33-5343 and 33-5344. The SEC today announced that it had extended for 30 days the period during which comments will be received on the proposals set forth in Securities Act Releases 5342, 5343 and 5344 calling for additional disclosure regarding accounting practices and tax expense and for a textual statement setting forth information which would help the investor to perceive the quality of earnings. The comment period on these releases will now end on March 19, 1973. (Rel. 33-5367)

OVER

COMMISSION ANNOUNCEMENT

TRADING SUSPENDED IN GREAT NORTHERN STOCK. The SEC on February 6 ordered the temporary suspension of over-the-counter trading in the common stock of the Great Northern, Inc. (Northern), of Las Vegas, Nev., for a ten-day period beginning on February 6 and terminating at midnight February 15, 1973. The trading suspension was ordered because of a complete lack of any current public financial information and because of questions raised concerning the market activity in Northern stock. Furthermore, there is information which tends to show that false and misleading information concerning the extent of Northern's operations and revenues may have been disseminated, which information may have affected the market price of Northern stock. (Rel. 34-9992)

COURT ENFORCEMENT ACTIONS

UNITED PROFESSIONAL PLANNING, AMERICAN PACIFIC SECURITIES CORP., OTHERS ENJOINED. The SEC Los Angeles Regional Office announced that on January 24 the Federal court in Los Angeles permanently enjoined United Professional Planning, Inc. and United Professional Enterprises, Inc. (both Los Angeles real estate syndication firms controlled by Karl L. Wiley) Karl L. Wiley, William Gary Ayers, Los Angeles appraiser, American Pacific Securities Corp. and American Pacific Distributors, Inc. both broker-dealers, from violations of the antifraud provisions of the Federal securities laws in the sale of real estate syndication interests. The defendants consented to the court order without admitting or denying the allegations. (LR-5722)

CHURCH FINANCING, J. L. DAVIS ENJOINED. The SEC Atlanta Regional Office announced on January 31 that the Federal court in Atlanta had permanently enjoined Church Financing, Inc., an Atlanta church bond broker, and J. Lamar Davis, its president, from further violations of broker-dealer registration, financial responsibility, confirmation and notice requirements of the Securities Exchange Act of 1934. The defendants consented to entry of the order without admitting or denying the allegations of the Commission's complaint. (LR-5720)

COMPLAINT NAMES THE CHARTER CORP., OTHERS. The SEC Denver Regional Office announced the filing of a complaint on February 1 in the Federal court in Denver, Colo., seeking to enjoin The Charter Corporation, a Colorado corporation, Adrian F. Doyle, Robert G. Holler, Michael H. Smiley, Douglas A. DeChant, all of Denver, Colo., and Intercontinental Equities, Inc., a Colorado corporation, from violating the registration and antifraud provisions of the Federal securities laws in connection with the offer and sale of limited partnership interests in Ptarmigan I and Ptarmigan II Investment Company and Chimney Branch Investment Company and common stock of The Charter Corporation. (LR-5721)

INVESTMENT COMPANY ACT RELEASES

AMERICAN INVESTMENT COUNSELING FUND. The SEC has issued a notice giving interested persons until March 5 to request a hearing on an application of American Investment Counseling Fund, Inc., of Los Angeles, for an order declaring that it has ceased to be an investment company. (Rel. IC-7663)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS CO. The SEC has issued an order upon an application of Consolidated Natural Gas Company, New York holding company, and two of its non-utility subsidiaries, CNG Development Company Ltd. and CNG Producing Company, authorizing the allocation of consolidated federal income tax liabilities among the system companies in a manner other than the method prescribed by Rule 45(b)(6) under the Holding Company Act. The authorization would permit those subsidiaries to retain consolidated tax benefits arising from their gas exploratory and development programs otherwise allocable to other companies in the Consolidated Natural Gas System. (Rel. 35-17875)

SUSQUEHANNA POWER. The SEC has issued a notice giving interested persons until February 27 to request a hearing upon a proposal of The Susquehanna Power Company, Philadelphia subsidiary of Philadelphia Electric Power Company (PEPCo), to issue and sell up to \$8 million of short-term notes to banks. PEPCo proposes to increase the amount of unsecured promissory notes it may have outstanding at any one time from \$2.1 million to \$5 million. Net proceeds will be used by PEPCo and Susquehanna for construction purposes. (Rel. 35-17877)

MIDDLE SOUTH UTILITIES. The SEC has issued a notice giving interested persons until March 2 to request a hearing on the proposal of Middle South Utilities, Inc., New York holding company, to issue and sell at competitive bidding 3,500,000 shares of common stock. Net proceeds will be applied to repayment of Middle South's then outstanding bank loans. (Rel. 35-17878)

CONTINUED

SECURITIES ACT REGISTRATIONS FILED

FORD ELECTRONICS CORPORATION, 10960 Wilshire Blvd., Los Angeles, Calif. 90024 - 1,071,975 shares of common stock (following a 1:6 reverse stock split). It is proposed to issue these shares to Tylan Corporation pursuant to the proposed merger of Tylan into Ford. According to the prospectus, Ford has long been inactive and, upon consummation of the merger, will assume the name of Tylan. Tylan manufactures and sells instruments and controls that measure and regulate the mass flow rates of gases as well as thermometers that measure and control temperature. (File 2-46923 - Jan 29)

LAKE SHORE FINANCIAL CORPORATION, Hackley Union National Bank Bldg., Muskegon, Mich. - 847,728 shares of common stock. It is proposed to issue such shares in exchange for the outstanding shares of Hackley Union National Bank and Trust Company of Muskegon, which is to be merged into a wholly-owned subsidiary of Lake Shore on a share-for-share basis. Lake Shore was organized to become a one-bank holding company. (File 2-46948 - Jan 29)

CONSOLIDATED FOODS CORPORATION, 135 S. LaSalle St., Chicago, Ill. 60603 - 626,506 shares of common stock. It is proposed to issue such shares in exchange for the outstanding stock of Robert Bruce, Inc. (Bruce), at a rate to be specified later. Consolidated processes and markets branded frozen and processed foods and produces and distributes household and other products. Bruce manufactures and sells men's and boys' apparel. (File 2-46955 - Jan 30)

GOVERNMENT EMPLOYEES FINANCIAL CORPORATION (GEFCO), 5260 Western Ave., Washington, D. C. 20015 - 406,715 shares of \$.84 convertible stock (\$2 par). It is proposed to issue these shares in connection with the merger of a GEFCO subsidiary into Government Employees Corporation (GECO), as a result of which GECO will become a wholly-owned subsidiary of GEFCO. GEFCO is a consumer finance company engaged in making signature and education loans. GECO is principally in the automobile financing business. (File 2-46962 - Jan 31)

GLOBAL GAS CORPORATION, 529 Ft. Worth National Bank Bldg., Ft. Worth, Tex. 76102 - 500,000 shares of common stock, to be offered for sale at \$1 per share by Hyder & Co., 210 Gold Ave., S.W., Albuquerque, New Mexico 87103, and The Heritage Securities Corporation, Inc., 2020 Liberty Bank Tower, Oklahoma City, Okla. 73102. The company was recently organized for the purpose of engaging in the acquisition and exploration of oil and gas prospects. Net proceeds will be used for working capital and other corporate purposes. (File 2-46967 - Feb 1)

THE ML CORPORATE INCOME FUND, Fifth Monthly Payment Series, One Liberty Plaza, 165 Broadway, New York 10006. The Fund was created by a trust agreement between the sponsor, Merrill Lynch, Pierce, Fenner & Smith Inc., the trustees, The Bank of New York, as trustee and The National Shawmut Bank of Boston, as co-trustee, and the evaluator, Interactive Data Services, Inc. The Fund was formed to obtain a high level of current income through investment in a fixed portfolio of long-term debt obligations rated "BBB" or better by Standard & Poor's Corporation or Fitch Investors Services, Inc. or "Baa" or better by Moody's Investors Services or having, in the opinion of the sponsor similar credit characteristics. (File 2-46968 - Feb 1)

ESMARK, INC., 115 W. Jackson Blvd., Chicago, Ill. 60604 - 12,192,683 shares of common stock and 364,850 shares of Class 1, Series A preferred stock. It is proposed to issue these shares in exchange for a similar number of common and preferred shares of Swift & Company pursuant to a plan of merger and reorganization, whereby Esmark, a recently organized corporation, will become the parent of Swift. Swift is engaged in the food business. (File 2-46969 - Feb 1)

FIRST WISCONSIN MORTGAGE INVESTORS (the Trust), 241 W. Wisconsin Ave., Milwaukee, Wis. 53202 - 650,000 shares of beneficial interest, to be offered for sale (*at \$42 per share maximum) through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York and Robert W. Baird & Co. Inc., 731 N. Water St., Milwaukee, Wisc. 53201. The Trust invests primarily in short-term mortgage construction loans. First Wisconsin Mortgage Company is investment adviser. (File 2-46971 - Feb 2)

WESTERN STANDARD CORPORATION, 413 E. Fremont, P. O. Box 1760, Riverton, Wyo. 82501 - 1,600,000 shares of common stock. It is proposed to issue these shares in exchange for the outstanding shares of EMC Energies, Inc., at the rate of one Western share for each 3.84 EMC shares pursuant to a plan of reorganization. The plan also provides that EMC will distribute the Western shares to its stockholders in a liquidating dividend and that EMC will then be dissolved. Western engages in the natural resource and real estate development business. EMC is in the oil and gas business. (File 2-46973 - Feb 2)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:
Air Products and Chemicals, Inc., Allentown, Pa. (File 2-46970) - 40,000 shares
Applied Materials, Inc., Santa Clara, Calif. (File 2-46972) - 108,000 shares

OVER

MISCELLANEOUS

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8K form numbered in the parentheses. 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 the January 2 News Digest.

8K Reports for Dec 72

Kelsey-Hayes Co.(11,134,14)	1-477-2
National Mobile Development Co.(12)0-4595-2	
Nibco Inc.(7,10,11)	0-2662-2
North American Development Corp (13,14)	1-7058-2
North Shore Gas Co. (13)	2-35965-2
Pinehurst Corp Nov 72(12,14)	0-5530-2
Pioneer Insurance Co.(12) Nov 72	2-23340-2
Shaver Food Marts, Inc. Jan 73 (12)	0-1263-2
Superior Equity Corp Nov 72(12)0-5523-2	
Waite & Bond Inc.(12,14)	0-3154-2

Amended 8K Reports

Winslow Technology, Inc. #1 for Dec 72(12)	1-6254-2
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TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of DCS Financial Corporation and exchange and over-the-counter trading in the securities of Goodway Inc. for the further ten-day period February 7-16, inclusive.

SECURITIES ACT REGISTRATIONS. Effective February 6: Applied Magnetics Corp., 2-43096; Audio Vend, Inc., 2-44025 (90 days); Combustion Equipment Associates, Inc., 2-46832; Dyco Petroleum Corp., 2-45828 (90 days); Emery Industries, Inc., 2-46681; Federal-Mogul Corp., 2-46850; Houston Lighting & Power Co., 2-46828; Leslie Fay Inc., 2-46293; O'Neal, Jones & Feldman, Inc., 2-44864 (90 days); Page Airways, Inc., 2-46710; TMC Mortgage Investors & Trust Mortgage Corp., 2-46563 (May 8); John Nuveen & Co. Inc., 2-46618; Tri-South Mortgage Investors, 2-46845.

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.

*As estimated for purposes of computing the registration fee.

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