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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

JOSEPH V. RAILA BARRED

LIBRARY.

The Commission has barred Joseph V. Raila, of Richton Park, Illinois, president of a broker-dealer firm, from association with any broker, dealer, investment adviser, investment company or affiliate of an investment company.

The sanction was based on findings that at various times between about December, 1971 and September, 1972, Raila purchased securities for customers of a registered broker-dealer without revealing the firm's insolvency and inability to meet its current obligations, and at a time when the firm failed to comply with net capital, record-keeping, and credit extension requirements. In addition, Raila was an officer of a registered broker-dealer when a trustee was appointed for it under the Securities Investor Protection Act.

Without admitting or denying the charges against him, Raila consented to the above findings and the indicated sanction. (Rel. 34-11375)

MICHAEL I. SCHORR BARRED: WITHDRAWS
FROM COMMISSION ACCOUNTING PRACTICE

The Commission has barred Michael I. Schorr, of Spring Valley, New York who was an accountant for the former New York City broker-dealer firm of Horizon Securities, Inc. and Nova Equity Ventures, Inc., Horizon's parent, from association with any broker, dealer, investment adviser or investment company. The Commission also accepted Schorr's resignation from practice before it as an accountant.

The proceedings against Schorr were based on charges that he caused Horizon to accept customers' orders at a time when it was insolvent and incapable of consummating transactions. Schorr was also alleged to have made material misstatements to investors in Nova stock with respect to the solvency of Horizon, its principal asset. In addition, Schorr was charged with responsibility for false entries in Horizon's books and records and for that firm's failure to comply with net capital and recordkeeping requirements.

Without admitting or denying the charges against him, Schorr consented to findings based on the charges and to the indicated sanction. (Rel. 34-11377)

JOHN FORMA AND VINCENT FORMA BARRED

The Commission has barred John and Vincent Forma, both of Brooklyn, New York from association with any broker, dealer, registered investment company or registered investment adviser. Vincent Forma, however, may after 2 years apply to the Commission for permission to become so associated in a non-supervisory, non-proprietary capacity. Such an application must be supported by a showing that he will be adequately supervised.

Both Formas were formerly associated with Forma Securities, Inc., an erstwhile Manhattan securities dealer now being liquidated under the Securities Investor Protection Act. John Forma was the firm's president and chairman of its board of directors. Vincent Forma was a vice president. The Commission's staff alleged that the Formas had at various times during the years 1970 to 1973, violated the antifraud provisions of the securities acts in customer's orders, securities and funds. They were also alleged to have aided and abetted the firm's violations of the Exchange Act's record-keeping provisions. In addition, the staff relied on a judgment of the United States District Court for the Southern District of New York permanently enjoining John Forma from violations of the statutory net capital and recordkeeping requirements.

Without admitting or denying the charges against them, respondents consented to findings based on the charges. (Rel. 34-11379)

DECISIONS REVOKING REGISTRATION OF BUSINESS EQUITIES
CORP. AND DU-TEL INVESTMENTS CO., INC., AND BARRING
GASTON R. DESAUTELS FINAL

The decisions of an administrative law judge revoking the broker-dealer registrations of Business Equities Corp. and Du-Tel Investments Co., Inc., both of Miami, and barring Gaston R. Desautels, who controlled both firms, from association with any broker or dealer, have become final.

According to the decisions, the firms, aided and abetted by Desautels, violated the Securities Exchange Act's net capital, bookkeeping and reporting provisions. In addition, Desautels aided and abetted the firms' failure to give the required telegraphic notices of their net capital deficiencies and to file corrective amendments to their broker-dealer registration applications. Moreover Du-Tel, aided and abetted by Desautels, inserted fictitious quotations for the stock of Penn Metal Fabricators. And with respect to two other issues, Du-Tel induced the insertion of fictitious quotations by another broker-dealer. Finally, Du-Tel failed to send statements to customers whose free credit balances were used in Du-Tel's business. Moreover, it extended credit in violation of the Federal Reserve System's Regulation. (Rel. 34-11381)

COMMISSION ANNOUNCEMENTS

THIRD NATIONAL CORPORATION ORDERED TO AMEND ITS REPORTS

The Commission today issued an order requiring Third National Corporation (Third National), a bank holding company based in Nashville, Tennessee, to amend certain of its annual and other periodic reports filed with the Commission to disclose certain facts, with respect to Third National's wholly-owned subsidiary, Third National Bank's (the Bank) correspondent banking practices. The Commission also ordered Third National to disclose the interests of various affiliates of the Bank in several bank acquisitions by Third National. Third National consented to the entry of the order, without admitting or denying the findings in the order and stipulated to the facts as set forth in the order.

In the order the Commission finds that certain directors and former officers of the Bank, through privately owned investment companies, held substantial interests in three banks acquired by Third National in 1973. The original purchase of their interests in these banks by the officers and directors was during the period 1968 to 1971, prior to the organization of Third National, and was financed in part by loans from the Bank. These directors and former officers, through said investment companies, are also major shareholders of a fourth bank which is the subject of a pending acquisition by Third National. The market value of the securities received by the affiliates exceeded by approximately \$3.8 million the securities they held in the banks acquired.

In the order the Commission further finds that the Bank has a practice of making loans to individuals in control or management positions of correspondent banks, in order to finance their purchase of stock of said banks for the purpose of facilitating or promoting the Bank's correspondent banking relationships. Such loans are at terms more favorable than would be available to these borrowers were it not for their positions with the Bank's correspondents. These factors were not disclosed in Third National's filings with the Commission.

In the order the Commission also finds that the Bank's practice of giving benefits in the form of favorable loans to corporate fiduciaries with the expectation of maintaining or receiving business of correspondent banks for which the fiduciaries act is clearly material and should be disclosed. This practice involves risks of which shareholders and the investing public should be aware. The practice could result in the loss of correspondent business or other substantial adverse consequences to the lending bank.

Third National also undertook as part of its consent to, among other things, amend its registration statement with respect to the pending acquisition of the fourth bank and subject to approval of a bank regulatory agency, offer shareholders of the fourth bank the right of withdrawal, and to communicate the contents of the order to its shareholders. (Rel. 34-11396)

COURT ENFORCEMENT ACTIONS

GREAT WESTERN MORTGAGE CO., INC., OTHERS ENJOINED

The Seattle Regional Office announced that on April 24 the Honorable Otto R. Skopil, Jr., U.S. District Judge for the District of Oregon, signed a decree permanently enjoining Great Western Mortgage Co., Inc., a Washington corporation; Great Western Mortgage Co., Inc., an Oregon corporation; Robert G. Garner; and Garland D. Bramble from violations of the registration and antifraud provisions of the securities laws in the offer and sale of securities of the defendant corporations, or any other securities. Defendants consented to the decree of permanent injunction without admitting or denying the allegations of the Commission's complaint filed April 8, 1975. (SEC v. Great Western Mortgage Co., Inc., et al., D. Or., Civ. No. 75-299). (LR-6860)

JAMES E. MIDKIFF, E. LEE FRANKS SENTENCED

The Atlanta Regional Office announced that on April 25 the Honorable William Terrell Hodges, U.S. District Court Judge for the Middle District of Florida, sentenced James E. Midkiff (Midkiff) to a term of from one to four years imprisonment and E. Lee Franks (Franks) to two years imprisonment. Franks' sentence was suspended and he was placed on two years probation. The sentences were imposed as the result of guilty pleas by Midkiff and Franks, both of St. Petersburg, Fla., to charges of violating the antifraud provisions of the securities laws in the offer and sale of common stock of Gulf Investing Corporation. (U.S. v. James E. Midkiff and E. Lee Franks, M.D. Fla., Crim. No. 74-218-CR-T-H). (LR-6861)

INVESTMENT COMPANY ACT RELEASES

AETNA VARIABLE ANNUITY LIFE INSURANCE COMPANY

An order has been issued on an application of Aetna Variable Life Insurance Company (Aetna Variable) declaring that Aetna Variable has ceased to be an investment company. (Rel. IC-8779 - May 1)

HOLDING COMPANY ACT RELEASES

SYSTEM FUELS, INC.

A supplemental order has been issued authorizing System Fuels, Inc., a subsidiary company and the supplier of fuel for the Middle South Utilities, Inc., holding company system, to make expenditures for a feasibility study of a coal slurry pipeline. (Rel. 35-18966 - May 2)

MISCELLANEOUS

ASHLAND OIL FINANCE CORP.

A notice has been issued giving interested persons until May 27 to request a hearing on an application by Ashland Oil Finance Corporation, subsidiary of Ashland Oil, Inc. (Ashland) and successor by merger to Ashland Overseas Finance Corporation (Overseas), under Section 12(h) of the Securities Exchange Act of 1934 for an order exempting Ashland Oil Finance Corp. from the reporting requirements of Section 13 of the 1934 Act. (Rel. 34-11399)

SECURITIES ACT REGISTRATIONS

(S-14) HAMMERMILL PAPER COMPANY

1540 East Lake Rd., Erie, Pa. 16533 - 70,000 shares of common stock. These shares are proposed to be issued in the merger of Smart Supply Company, Incorporated into Hammermill at the rate of 1.408451 Hammermill shares for each share of Smart Supply common stock. Hammermill principally manufactures and sells paper and paper related products. (File 2-53321 - Apr. 11)

(S-14) OAKMONT CORPORATION

13740 Midway Rd., Suite 511, Dallas, Tex. 75240 - 3,944,628 shares of common stock. It is proposed to offer these shares in exchange for all the issued and outstanding capital stock of United Enterprises of America, Inc. of Greenville, Min. in ratios of 14.5 shares for each share United common stock and 7.75 shares for each share of United preferred. Oakmont is engaged in selling, leasing and servicing electronic navigational and communications equipment to the marine transportation and offshore oil drilling industries; in fabricating specialized parts for the railroad car manufacturing industry; in the operation of towboats on the inland waterways; and has recently entered the business of manufacturing custom hydraulic cylinders. (File 2-53369 - Apr. 16)

(S-1) LOCAL FINANCE CORPORATION

333 West Fourth St., Marion, Ind. 46952 - \$20 million of subordinated capital notes, Series A, Series B, Series C and Series D. The notes will be offered at 100% of principal value and may be issued in any multiple of \$100 subject to a \$500 minimum. The issue is not underwritten. The company is a consumer loan company. (File 2-53326 - Apr. 30)

(S-16) THE WILLIAMS COMPANY

National Bank of Tulsa Bldg., Tulsa, Okla. 74103 - 59,924 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 chemical fertilizer and energy business and to a lesser degree in merchandising and investing. (File 2-53530 - Apr. 30)

(S-1) SYSTEM DEVELOPMENT CORPORATION

2500 Colorado Ave., Santa Monica, Cal. 90406 - stock purchase warrants to purchase 54,054 shares of common stock and 50,000 shares of common stock of the company at a purchase price of \$10 per share and \$12 per share, respectively; 104,054 shares of common stock issuable by the company upon the exercise of the stock purchase warrants; and 50,000 shares of common stock of the company presently held by certain stockholders of the company. The principal business of System Development Corporation and its subsidiaries is the analysis, design, development and implementation of computer-based systems which normally consist of computers, computer related equipment, software and personnel. (File 2-53534 - May 2)

(S-7) INDIANAPOLIS POWER & LIGHT COMPANY

25 Monument Circle, P.O. Box 1595B, Indianapolis, Ind. 46206 - 200,000 shares of cumulative preferred stock, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004, Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006 and Salomon Brothers, One New York Plaza, New York, N.Y. 10005. The company primarily generates, distributes and sells electric energy. (File 2-53541 - May 1)

In a separate statement the company seeks registration of 1,700,000 shares of common stock, to be offered for sale through underwriters headed by the same named above. (File 2-53541 - May 1)

(S-7) TEKTRONIX, INC.

14150 S. W. Karl Braun Dr., Tektronix Industrial Park, Beaverton, Ore. 97077 - \$35 million of sinking fund debentures, due 2000, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004. Tektronix designs, manufactures and markets a wide variety of electronic display and measurement equipment, the most important of which are precision cathode ray oscilloscopes. (File 2-53545 - May 1)

(S-B) PROVINCE OF NEW BRUNSWICK

Minister of Finance, Department of Finance, Fredericton, New Brunswick, Canada - \$75 million of debentures, due 2000, to be offered for sale through underwriters headed by Salomon Brothers, One New York Plaza, New York, N.Y. 10004, The First Boston Corporation, 20 Exchange Place, New York, N.Y. 10005, Nesbitt Thomson Securities, Inc., One Battery Park Plaza, New York, N.Y. 10004, Richardson Securities, Inc., 40 Wall St., New York, N.Y. 10005, Pitfield, Mackay & Co., Inc., 30 Broad St., New York, N.Y. 10004 and Levesque, Beaubien Inc., 460 St. James St., Montreal, Province of Quebec, Canada. (File 2-53546 - May 1)

(S-7) LONG ISLAND LIGHTING COMPANY

250 Old Country Rd., Mineola, N.Y. 11501 - \$80 million of general and refunding bonds, to be sold through a negotiated public offering. The company supplies electric and gas service. (File 2-53549 - May 1)

(S-14) SOUTHWEST WATER COMPANY

16340 East Maplegrove St., Valinda, Cal. 91749 - \$2,400,000 of 1 1/2% convertible subordinated debentures, due 1995, and a maximum of 142,000 shares of common stock, to be offered in exchange for the outstanding stock of Suburban Water Systems at the following rates: 8/10 share of Southwest common and \$1.50 cash per share of Suburban common; \$35 and \$21 principal amount of debentures, respectively, per share of Suburban Series "A" preferred and Series "B" preferred. Also 175,000 shares of Southwest common issuable upon conversion of the debentures, at an initial conversion rate of \$14 principal amount per share, and 22,000 shares of Southwest common issuable upon conversion of 8 1/2% convertible junior bonds of Suburban Water Systems, at an initial conversion rate of \$17.33 principal amount per share. Southwest Water Company is an operating public water utility. (File 2-53551 - May 2)

(S-7) THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY

227 Church St., New Haven, Conn. 06506 - 1,000,000 shares of capital stock (\$25 par), to be offered pursuant to the Company's Shareholder Dividend Reinvestment and Stock Purchase Plan. The company is engaged in the business of furnishing communications services, mainly telephone service. (File 2-53552 - May 2)

REGISTRATIONS EFFECTIVE

May 1: Chessie System, Inc., 2-53326; Union Pacific Corp., 2-53284.
May 2: American District Telegraph Co., 2-53398; APCO Oil Co., 2-53341; Florida Power & Light Co., 2-53272; INA Corp., 2-53310; Lubrizol Corp., 2-53340, 2-53338 & 2-53339; Mary Kay Cosmetics, Inc., 2-53146; Maytag Co., 2-53515; Microwave Associates, Inc., 2-53255, 2-53257; Sun-Oil Co., 2-53283; Sunset Funding Corp., 2-53180; Texas International Drilling Fund 1975, 2-52641; Texas Utilities Co., 2-53347.

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
AMENDMENTS TO REPORTS ON FORM 8-K		
SPORTS ARENAS INC	14	12/74
ALUMINUM CO OF AMERICA	7,14	03/75
ANTARENNE INDUSTRIES INC	14	02/75
CADENCE INDUSTRIES CORP	3,14	02/75
CONTINENTAL AIR LINES INC	7	03/75
GREEN GIANT CO	14	03/75
GUIDANCE TECHNOLOGY INC	14	08/74
HOWELL CORP	8	01/75
HOWELL CORP	8,13	02/75
HOWELL CORP	8	03/75
LAS VEGAS HACIENDA INC	14	08/74
MASS MERCHANDISERS INC	14	06/74
NATIONAL TELEPHONE CO INC	7	12/74
PANDEL BRADFORD INC	6	12/74
PIER ONE IMPORTS INC	7,14	03/75

AMENDMENTS TO 8K FILINGS CONT.

REDMAN INDUSTRIES INC	2	03/75
RICE FOOD MARKETS INC	13	12/74
SIGNAL FINANCE CORP	7,14	03/75
SOUTHLAND RACING CORP	1,14	02/75
STONE & WEBSTER INC	3	03/75
VIEWLEX INC	10,13,14	02/75
ATLANTA NATIONAL REAL ESTATE TRUST	13	12/74
DELTA CORP OF AMERICA	3,14	10/74
HYATT CORP	10,14	12/74
HYATT CORP	10,14	02/75
MARITIME FRUIT CARRIERS CO LTD	2,10	12/74
MONTCALM VINTNERS INC	11,14	01/75
MONTCALM VINTNERS INC	1,14	03/75
OAKS INC	10	11/74
ROCKWOOD COMPUTER CORP	13	01/75
SERNCO INC	13	03/75
SURETY FINANCIAL CORP	13	02/75
UNITED STATES BANKNOTE CORP	10,14	02/75
VIACOM INTERNATIONAL INC	8	12/74
VIACOM INTERNATIONAL INC	8	03/75
VIPONT CHEMICAL CO	10	01/75
WELLINGTON TECHNICAL INDUSTRIES INC	6	12/74
ACCELERATORS INC	12,14	02/75
AMERICAN HOSPITAL SUPPLY CORP	10,13,14	02/75
BALDWIN D H CO	8	01/75
BIO MEDICAL SCIENCES INC	9	02/75
CHESSIE SYSTEM INC	10,14	03/75
DETECTO SCALES INC	13	03/75
REMBRANDT ENTERPRISES INC	2,3	02/75
GREAT AMERICAN CORP	13	12/74
LION COUNTRY SAFARI INC	13,14	02/75
MCMORAN EXPLORATION CO	2	03/75
SENTRY FINANCE CO	2,14	05/74
SUTRO MORTGAGE INVESTMENT TRUST	14	03/75
TURNER COMMUNICATIONS CORP	2,13	04/75
CHEM NUCLEAR SYSTEMS INC	12	06/74
COMPUTER TASK GROUP INC	14	02/75
EAGLE INC	NO ITEMS	12/74
LOUISIANA GENERAL SERVICES INC	7	02/75
PACESETTER INDUSTRIES INC	13,14	06/74
SPORTS ARENAS INC	NO ITEMS	03/75

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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