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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

HAROLD FRANKLIN, MORTON H. FRANKLIN SANCTIONED

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The Commission has suspended Harold Franklin, of University Heights, Ohio, and Morton H. Franklin, of Lyndhurst, Ohio, from association with any broker or dealer for a period of one year, effective May 5, 1975. And it has barred them from any such association thereafter except as supervised employees in non-supervisory and non-principal capacities.

The sanctions were based on findings that from about March 1971 to May 1973 respondents aided and abetted violations of broker-dealer registration provisions by failing to report that each was the beneficial owner of more than 16% of the authorized shares of Schrieber Bosse & Co., Inc., a former Cleveland, Ohio broker-dealer firm. Each Franklin owns one-third of the stock of Corporate Management Company, which owns 50% of the stock of Schrieber Bosse.

The Commission's action was based on offers of settlement in which respondents, without admitting or denying the charges against them, consented to the indicated findings and sanctions. (Rel. 34-11372)

HAVENER SECURITIES CORP., OTHERS SANCTIONED

The Commission has revoked the broker-dealer registration of Havener Securities Corp. of New York City. It also barred Martin Feuer, Meyer Lang and Joel Lawrence Halpern, former officers of the firm, from association with a broker, dealer, investment company or investment adviser, with the proviso that after 2 years from the date of the order they may apply to the Commission to become associated with a broker-dealer in supervised and non-proprietary capacities.

The sanctions imposed were based on findings that respondents violated the antifraud provisions of the securities acts by purchasing for the firm's accounts securities of Power Conversion, Inc. at a time when the firm was insolvent and by failing to disclose such fact. It was also found that the firm, aided and abetted by the other respondents, violated the net capital and recordkeeping provisions of the Exchange Act. Lastly, it was found that the respondents had been enjoined from violating the net capital rule and that a trustee had been appointed to liquidate the firm under the Securities Investor Protection Act.

Without admitting or denying the charges against them, respondents consented to the above findings and sanctions. (Rel. 34-11380)

ORDERS FOR PUBLIC PROCEEDINGS

INVESTOR RESEARCH CORPORATION, OTHERS

Administrative proceedings under the Securities Exchange Act of 1934, the Investment Company Act of 1940 and the Investment Advisers Act of 1940 have been ordered against Investors Research Corporation, a Kansas City, Missouri investment adviser, James E. Stowers, president, director and shareholder of Investors Research Corporation, Mullaney, Wells and Company, a Chicago broker-dealer, Richard H. Driehaus, an officer, director and shareholder of Mullaney, Wells and Company, and Olde and Company, a Detroit broker-dealer. The proceedings are based upon alleged willful violations of the antifraud provisions of the securities laws, willful violations of the affiliated transaction provisions of the Investment Company Act of 1940 and willful violations of the provisions of the Securities Exchange Act of 1934 relating to the maintenance and preservation of books and records. A hearing will be scheduled to take evidence on the charges against the respondents and to afford the respondents an opportunity to offer any defenses thereto. (Rel. 34-11393)

COMMISSION ANNOUNCEMENTS

INITIAL DECISION IMPOSES SANCTIONS ON JOHN R. RADIN, SR., OTHERS

Administrative Law Judge Edward B. Wagner has filed an initial decision barring John R. Radin, Sr., a principal of J. R. Radin & Co., Inc., 70 Wall Street, New York, New York, from association with any broker or dealer. Continental Consultants Corp., 95-20 63rd Road, Rego Park, N.Y., and its principals, Herman R. Gans and Hy Wilstein were suspended for a 45-day period. The decision is subject to Commission review on petition of a party or on the Commission's own initiative.

The decision is based upon findings that in 1972 Radin wilfully aided and abetted net capital and bookkeeping violations of Radin, Inc. and failed reasonably to supervise with respect to violations by Consultants of the net capital, bookkeeping and reporting provisions. The decision found that Consultants in 1972 wilfully violated the net capital, bookkeeping and reporting provisions and that Gans and Wilstein wilfully aided and abetted such violations.

Charges against Consultants, Gans and Wilstein of wilfully aiding and abetting and failing to supervise with respect to the Radin, Inc. violations were dismissed.

TRADING SUSPENSIONS

TRADING SUSPENDED IN FOUR COMPANIES

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of D.C. Transit Systems, Inc., a Delaware corporation, located in Washington D.C., and over-the-counter trading in the securities of Valley Forge Corporation, a Georgia corporation, located in Valley Forge, Pa. and Dowdle Oil Corporation of Midland, Texas for the ten-day period beginning on May 1 and terminating at midnight on May 10, 1975. The Commission also announced the suspension of trading in all securities of General Refractories Company for a ten-day period beginning May 2 through May 11, 1975.

The suspensions of D.C. Transit and Valley Forge were initiated because the companies failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public.

The Dowdle suspension was initiated because of the unavailability of adequate and accurate information about the company, its financial condition and operations, as well as questions which arose concerning the accuracy of recently published financial statements of Dowdle. Previously filed Forms 10-Q for the periods ending June 30, 1974 and September 30, 1974, each reflected a profit resulting from the sale of overriding royalty interests in shale oil leases by Dowdle. The sale was not consummated and adjustments to the financial data contained in the previously filed Form 10-Q's resulted in net losses for those periods rather than the profits previously reported. Furthermore, the financial portion of Dowdle's annual report on Form 10-K for the period period ended December 31, 1974, has not been filed.

The Commission initiated the suspension of trading in the securities of General Refractories Company on April 22, 1975 because of the unavailability of current and accurate information concerning business transactions conducted by General Refractories with a principal European stockholder and companies under his control and because of questions concerning the identity of that stockholder and the extent of his holdings. This initial suspension by the Commission expires on May 1, 1975. (Rel. Nos. 34-11390, 34-11391, and 34-11392)

ADDITIONAL ACTION ON THREE TRADING SUSPENSIONS

The SEC has announced the suspension of over-the-counter trading in the securities of American Agronomics Corp., Winner Industries, Inc. and Royal Properties, Inc. for the further ten-day period May 3 - 12, inclusive.

INVESTMENT COMPANY ACT RELEASES

TAX-EXEMPT SECURITIES TRUST

An order has been issued on an application of Tax-Exempt Securities Trust (Series 1 and subsequent National and State Series), a registered unit investment trust, granting exemption from (1) initial net capital requirements, (2) limitations upon frequency of capital gains distribution requirements and (3) daily pricing requirements for the secondary market operations of the trust's sponsor. (Rel. IC-8776 - May 1)

STANDARD & POOR'S/INTERCAPITAL INCOME SECURITIES, INC.

An order has been issued on the application of Dr. Irwin Friend and Standard & Poor's/Intercapital Income Securities, Inc. (S&P), a diversified closed-end investment company, declaring that Dr. Friend, a director of S&P, shall not be deemed an interested person of S&P by reason of his status as a director of PMI Investment Corporation, a registered broker-dealer. (Rel. IC-8777 - May 1)

HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY

A notice has been issued giving interested persons until May 19 to request a hearing on a proposal by The Southern Company, a registered holding company, to issue and sell 11,000,000 shares of common stock aggregating approximately \$110 million under a negotiated sale with a group of underwriters. (Rel. 35-18962 - Apr. 30)

CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until May 27 to request a hearing on proposals of Consolidated Natural Gas Company, and six of its subsidiaries to engage in intrasystem financing, and the issuance of commercial paper and notes to banks by the holding company. (Rel. 35-18964 - May 1)

PENNSYLVANIA ELECTRIC COMPANY

A notice has been issued giving interested persons until May 27 to request a hearing on a proposal of Pennsylvania Electric Company (Penelec), subsidiary of General Public Utilities Corporation, to amend its first mortgage indenture and to solicit bondholders' proxies in connection therewith. (Rel. 35-18965 - May 1)

SECURITIES ACT REGISTRATIONS

(S-7) FIRST NATIONAL OF NEBRASKA, INC.

One First National Center, Omaha, Neb. 68103 - \$6,200,000 of floating rate notes, due 1990, to be offered for sale in multiples of \$1,000, through underwriters headed by First Mid America, Inc., 1221 "N" St., Lincoln, Neb. 68508. The company is a one bank holding company, First National Bank of Omaha is its subsidiary. (File 2-53372 - Apr. 16)

(S-7) AGWAY, INC.

333 Batternut Dr., DeWitt, N.Y. 13214 - \$5 million of 8-1/2% subordinated debentures, due 1999, and \$10 million of 8% subordinated debentures, due 1999, to be offered for sale in units of \$100 per unit. Agway functions as an agricultural cooperative directly engaged in product manufacturing, processing and distribution; wholesale purchasing and the manufacturing of commodities for its farmer members and other patrons. (File 2-53521 - Apr. 30)

(S-1) THE SHOREWOOD CORPORATION

1220 Waterway Blvd., Indianapolis, Ind. 46202 - 178,256 shares of common stock, to be distributed as a dividend by Indianapolis Water Company to its common stockholders of record at the close of business on May 9, 1975, on the basis of one Shorewood share for each 12 shares of common stock of Indianapolis Water Company held on that date; and \$3 million of subordinated debentures of Shorewood to be issued or reserved for

issuance under a proposed offer by Shorewood to its common stockholders to exchange common stock for subordinated debentures at a ratio of \$5.00 principal amount of subordinated debentures for each share of common stock tendered. Shorewood is engaged principally in the business of developing and selling real estate and in the holding of real estate for investment. (File 2-53522 - Apr. 30)

(S-1) USM CORPORATION

140 Federal St., Boston, Mass. 02107 - 60,000 shares of common stock, which may be offered for sale from time to time by certain shareholders (at prices current at the time of sale) acquiring such shares under an employees' savings plan or a bonus plan. The company is a diversified manufacturer of machinery, chemical products and fasteners. (File 2-53535 - May 1)

REGISTRATIONS EFFECTIVE

Apr. 30: American Brands, Inc., 2-53370; Cities Service Co., 2-53226; CNA Income Shares, Inc., 2-52266; Colgate-Palmolive Co., 2-53299; Columbia Pictures Industries, Inc., 2-53033; Crouse-Hinds Co., 2-53225; Eastern Gas and Fuel Associates, 2-53391; First Chicago Corp., 2-53188; Four-Phase Systems, Inc., 2-53305; Inter-Regional Financial Group, Inc., 2-53289; Mid-Continent Telephone Corp., 2-53290; Olin Corp., 2-53294; Pacific Gas and Electric Co., 2-53336; Pacific Lighting Corp., 2-53237; Pfizer Inc., 2-53332; Quaker State Oil Refining Corp., 2-53471; San Diego Gas & Electric Co., 2-53293; Squibb Corp., 2-53421, 2-53422; Superior Oil Co., 2-53307; United Aircraft Corp., 2-53256.

May 1: American Hospital Supply Corp., 2-53407; Baker Industries, Inc., 2-53365; Boston Oil Ltd. 1975, 2-52811; Brown Co., 2-53071; The Corporate Income Fund, Nineteenth Monthly Payment Series, 2-53176; Fairchild Camera and Instrument Corp., 2-53400; Ford Motor Co., 2-53361; Emerson Electric Co., 2-53350; Hart Schaffner & Marx, 2-53426; Lone Star Gas Co., 2-53054; Pacific Lighting and Southern Gas Co., 2-53537; Pacific Power & Light Co., 2-53229; Prudential Insurance Company of America, 2-52715, 2-52714, and 2-52589; St. Joe Minerals Corp., 2-53355; Rorer Amchem, Inc., 2-53344; Texas Eastern Transmission Corp., 2-53337; Texas Gas Transmission Co., 2-53314; Texas Oil & Gas Corp., 2-53353; Westinghouse Electric Corp., 2-53311, 2-53312; Wetterau Inc., 2-53380.

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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