

sec news digest

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(SEC Docket, Vol. 7, No. 13 - September 2)

August 22, 1975

AUG 25 1975

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

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STANLEY BURSTEIN BARRED

The Commission has barred Stanley Burstein, of Monsey, N. Y., from association with any broker or dealer.

The sanction was based on findings that during the period from December 1970 to to July 1972, Burstein unlawfully sold unregistered stock of Pied Piper Yacht Charters Corporation; manipulated the market for the stock; and, while engaged in a distribution of the stock, bid for and purchased it. In addition, it was found that he purchased and sold Pied Piper stock while in possession of material, non-public information concerning the business affairs of the company and its affiliates, which he did not disclose; received more underwriting compensation than was disclosed in the Pied Piper offering circular; sold Pied Piper stock to investors in states where the sales violated local securities laws; made untrue statements concerning the future market price of Pied Piper stock and the company's merger and acquisition negotiations; and failed to disclose to investors that he had been protected against loss in his market transactions, that he was effecting transactions on behalf of Pied Piper's management, and that he was acting as a market maker. Finally, it was found that he aided and abetted violations of the recordkeeping requirements.

Burstein failed to answer the charges against him and was deemed in default.
(Rel. 34-11596)

TRADING SUSPENSIONS

BROTHER INTERNATIONAL & TMC MORTGAGE SUSPENDED

The SEC has announced the temporary suspension of exchange and over-the-counter trading for a ten-day period beginning on August 21 and terminating at midnight (EDT) on August 30, 1975 of all securities of: Brother International Corporation, located in New York, New York, and TMC Mortgage Investors, a Massachusetts real estate investment trust, located in Boston, Massachusetts and New York, New York.

The Commission initiated the subject suspensions because the subject issuers failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public. (Rel. 34-11610)

MEDEQUIP CORPORATION SUSPENDED

The SEC has announced the temporary suspension of over-the-counter trading for a single ten-day period beginning on August 21 and terminating at midnight (EDT) on August 30, 1975 of the securities of Medequip Corporation, located in Park Ridge, Illinois.

The Commission ordered the trading suspension at the request of Medequip Corporation because of the lack of current adequate information concerning the company's financial condition and operations. (Rel. 34-11609)

ADDITIONAL ACTION ON ONE TRADING SUSPENSION

The SEC has announced the suspension of over-the-counter trading in the securities of Westgate California Corp. for the further ten-day period August 25 - September 3, inclusive.

INVESTMENT COMPANY ACT RELEASES

AMERICAN VARIABLE ANNUITY LIFE ASSURANCE COMPANY

A notice has been issued giving interested persons until September 15 to request a hearing on an application of American Variable Annuity Life Assurance Company, a Delaware stock life insurance company, and The AVA Income Fund and American Variable Annuity Fund (Fund), both registered open-end management investment companies, and SMA Equities, Inc., the principal underwriter for the Funds, for an order exempting certain pricing practices in the sale of contracts from Section 27(a)(3) and Rule 27a-2 thereunder, and for an order exempting all applicants, except American Variable Annuity Fund, from the custodianship and trusteeship requirements of Section 27(c)(2). (Rel. IC-8895 - Aug. 20)

AMERICAN VARIABLE ANNUITY LIFE ASSURANCE COMPANY

A notice has been issued giving interested persons until September 15 to request a hearing on an application of American Variable Annuity Life Assurance Company, a Delaware stock life insurance company, and The AVA Qualified Income Fund and American Variable Annuity Fund (Fund), both registered open-end management investment companies, and SMA Equities, Inc., the principal underwriter for the Funds, for an order exempting certain pricing practices in the sale of contracts from Section 27(a)(3) and Rule 27a-2 thereunder, and for an order exempting all applicants, except American Variable Annuity Fund, from the custodianship and trusteeship requirements of Section 27(c)(2). (Rel. IC-8896 - Aug. 20)

LUTHERAN BROTHERHOOD FUNDS

A notice has been issued giving interested persons until September 15 to request a hearing on an application of Lutheran Brotherhood Fund, Inc. (Stock Fund), Lutheran Brotherhood Income Fund, Inc. (Income Fund), and Lutheran Brotherhood U.S. Government Securities Fund, Inc., (Government Fund), all of which are open-end, diversified, management investment companies, and Lutheran Brotherhood Securities Corp., the Funds' principal underwriter. The requested order would permit the Stock Fund or the Income Fund to offer to exchange their shares for shares of Government Funds that were purchased from August 19, 1975 to October 17, 1975, under a sales load schedule lower than that applicable to the Income Fund and the Stock Fund, on the basis of relative net asset values plus an amount equal to the difference between the sales charge described in the prospectus for the acquired Fund and the sales charge paid on the Government Fund shares exchanged. (Rel. IC-8897 - Aug. 20)

BEN FRANKLIN INCOME SECURITIES

An order has been issued declaring that Ben Franklin Income Securities, Inc. has ceased to be an investment company as defined in the Act. (Rel. IC-8898 - Aug. 21)

BERKSHIRE GROWTH FUND

A notice has been issued giving interested persons until September 15 to request a hearing on an application of Berkshire Growth Fund for an order that it has ceased to be an investment company. (Rel. IC-8899 - Aug. 21)

CLEVELAND SECURITIES CORPORATION

A notice has been issued giving interested persons until September 15 to request a hearing on an application of Cleveland Securities Corporation for an order declaring that it has ceased to be an investment company. (Rel. IC-8900 - Aug. 21)

COLONIAL EQUITIES

A notice has been issued giving interested persons until September 15 to request a hearing on an application of Colonial Equities, Inc., Colonial Growth Shares, Inc., Colonial Ventures, Inc., open-end registered investment companies, and Colonial Management Associates, Inc., their investment adviser and principal underwriter, for an order pursuant to Section 17(b) of the Act exempting the proposed transactions incident to the merger of Colonial Equities, Inc., and Colonial Ventures, Inc., with and into Colonial Growth Shares, Inc., the surviving company, from the provisions of Section 17(a) of the Act and permitting the sharing and allocation of expenses of the proposed transactions pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder. (Rel. IC-8901 - Aug. 21)

DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING SOUGHT

Notices have been issued giving interested persons until September 5 to request a hearing on applications of the following exchanges for unlisted trading privileges in the common stock of the named companies:

Boston Stock Exchange: Viacom International Inc. (Ohio)
PBW Stock Exchange Inc.: Viacom International Inc. (Ohio)
Midwest Stock Exchange, Inc.: Black & Decker Manufacturing Co.; General Telephone & Utilities Corp.; National Semiconductor Corporation. (Rel. 34-11611)

UNLISTED TRADING GRANTED

Orders have been issued granting the applications of the Boston Stock Exchange for unlisted trading privileges in the common stocks of the following companies: E. F. Hutton Group, Inc. (The); Safeguard Industries, Inc.; First Mississippi Corp; Maytag Company (The); Owens Corning Fiberglas Corp. and Rosario Resources Corp. (Rel. 34-11612)

SECURITIES ACT REGISTRATIONS

(S-2) SIERRA-WESTERN MANAGEMENT CO., INC.

3435 Camino del Rio South, San Diego, Cal. 92108 - \$10 million of cattle feeding plans at \$5,000 per plan, minimum purchase two plans. The offering will be directed by Sierra-Western Management Co., Inc. The company will act as managing agent for individuals engaged in the cattle feeding business. (File 2-54254 - July 28)

(S-1) NEUROSCAN, INC.

3843 Birch St., Newport Beach, Cal. 92660 - 400,000 shares of common stock and 400,000 warrants to purchase 400,000 shares of common stock, to be offered for sale in units, each consisting of one share and one warrant, at \$6 per unit, through underwriters headed by Bond, Richman & Co., Inc., 63 Wall St., New York, N.Y. 10005. The company manufactures and distributes a newly developed radiological diagnostic system utilizing computerized tomography. (File 2-54268 - July 28)

(S-16) INDUSTRIAL NATIONAL CORPORATION

55 Kentucky Plaza, Providence, R.I. 02903 - 5,392 outstanding shares of common stock, which may be offered for sale from time to time by Louis J. Williams, selling stockholder, at prices current at the time of sale. Industrial National Corporation (INC) is a bank holding company whose principal subsidiary is Industrial National Bank of Rhode Island. INC also engages, through other subsidiaries, in real estate financing and development, equipment leasing, mortgage banking, factoring and commercial finance and consumer finance. (File 2-54274 - July 28)

(S-7) KEWANEE INDUSTRIES, INC.

40 Morris Ave., Bryn Mawr, Pa. 19010 - \$45 million of debentures, to be offered for sale through underwriters headed by Blyth Eastman Dillon & Co. Incorporated, One Chase Manhattan Plaza, New York, N.Y. 10005 and Janney Montgomery Scott, Inc., 5 Penn Center Plaza, Philadelphia, Pa. 19102. The company is engaged in the exploration for and development of crude oil and natural gas, the manufacture of chemicals, tanker operations and (through interest in a partnership) coal mining operations. (File 2-54444 - Aug. 20)

(S-7) KENTUCKY UTILITIES COMPANY

120 South Limestone St., Lexington, Ky 40507 - 200,000 shares of cumulative preferred stock, (\$100 par), to be offered for sale through underwriters represented by Blyth Eastman Dillon & Co. Incorporated and J. J. B. Hilliard, W. L. Lyons, Inc. The company is an electric utility. (File 2-54447 - Aug. 21)

(S-7) COMMONWEALTH EDISON COMPANY

One First National Plaza, P.O. Box 767, Chicago, Ill. 60690 - \$100 million of first mortgage bonds, Series 32, due 1981. The holders of record on August 22, 1975 of the company's outstanding \$100 million of first mortgage bonds, Series 20, which will mature on October 1, 1975, will be offered the right to exchange their Series 20 bonds for an equal principal amount of the new issue of Series 32 bonds. Optional cash payments will be accepted from holders of the Series 20 bonds for the purchase, at the price of 100% of the principal amount thereof, of Series 32 bonds which will not be needed to satisfy exchange offer participation. The exchange offer will expire on September 30, 1975, and cash payments must be received by the company not later than that date. The company is principally engaged in the production, purchase, transmission, distribution and sale of electricity. (File 2-54443 - Aug. 20)

(S-7) THE DAYTON POWER AND LIGHT COMPANY

25 North Main St., Dayton, Ohio 45401 - 300,000 shares of common stock (\$7 par), issuable pursuant to the company's Automatic Dividend Reinvestment and Stock Purchase Plan. The company is a utility, primarily engaged in supplying electric energy and natural gas. (File 2-54446 - Aug. 21)

(S-7) ARCHER-DANIELS-MIDLAND COMPANY

4666 Faries Parkway, Decatur, Ill. 62525 - 2,000,000 shares of common stock, to be offered for sale through underwriters headed by Kidder, Peabody & Co. Incorporated, One First National Plaza, Chicago, Ill. 60603. The company processes agricultural products for the food and feed industries. (File 2-54438 - Aug. 20)

(S-1) FIRST MARYLAND BANCORP

25 South Charles St., Baltimore, Md. 21201 - \$25 million of notes, due 1983, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004 and Alex. Brown & Sons, 135 East Baltimore St., Baltimore, Md. 21202. First Maryland Bancorp is a bank holding company with The First National Bank of Maryland as its principal subsidiary. (File 2-54442 - Aug. 20)

REGISTRATIONS EFFECTIVE

Aug. 20: Gamble Skogmo Inc., 2-54222; Sunbeam Corp., 2-54296.
Aug. 21: Corporate Bond Trust Series 4, 2-53420; Crocker National Corp., 2-54404; Eberline Instrument Corp., 2-54072; Pennsylvania Power & Light Co., 2-54299; Portland General Electric Co., 2-54249; Puget Sound Power & Light Co., 2-54196; Tax Exempt Securities Trust Series 3, 2-54041; Third National Corp., 2-54231 & 2-54099.

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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