

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

Brief summary of financial proposals filed with and actions by the S.E.C.



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## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

**R. M. GREEN REVOKED AND BARRED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-9091) in which it revoked the broker dealer registration of Robert Melvin Green, doing business as Financial Planning Services and American Option Company, Hayward, Calif., barred him from association with any broker-dealer and expelled him from membership in the National Association of Securities Dealers, Inc., for failing to file a report of financial condition for 1969 as required. The action was based upon Green's default, by reason of his failure to answer the charges.

**AGRICULTURAL AND INDUSTRIAL DEV., MADILL BARRED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-9092) in which it barred Agricultural and Industrial Development, Inc., ("AID"), which was sole owner of a registered broker-dealer ("registrant"), and Wayne J. Madill, AID's president, from being associated with any broker or dealer for a period of one year commencing February 25 for violations of the registration and anti-fraud provisions of the Federal securities laws. According to the Commission's decision, from February 1968 to October 1970, AID and Madill (1) offered, sold and delivered stock of AID when no registration statement had been filed with respect to such securities and (2) engaged in practices which created the appearance of a bona-fide independent market for the securities of AID, Hi-Plains Enterprise, Inc., and Hays Land and Cattle Company when in fact they controlled and manipulated the market for and arbitrarily and regularly raised the price of such securities, charged unreasonable markups and markdowns, and made false and misleading statements concerning the registration, value and speculative nature of such securities, prospective increases in the prices for and stock exchange listing of these securities, and the relationship of the respondents to the issuer. In addition, AID and Madill failed to disclose to registrant's customers before the latter contracted for the purchase and sale of AID securities that registrant was owned and controlled by AID.

In an offer of settlement submitted by the respondents, they waived a hearing, and without admitting or denying the allegations, consented to Commission findings of violations and to imposition of the indicated sanctions.

## HOLDING COMPANY ACT RELEASES

**MISSISSIPPI POWER RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-17018) authorizing Mississippi Power & Light Company, Jackson subsidiary of Middle South Utilities, Inc., to issue and sell up to \$24,000,000 of short-term promissory notes (including commercial paper) to banks and/or to a dealer in commercial paper. Net proceeds of its financing, together with other funds available to the company, will be used for construction and for other corporate purposes. Construction expenditures are estimated at \$37,000,000 during 1971 and \$44,000,000 for 1972.

**GENERAL PUBLIC UTILITIES SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-17020) giving interested persons until March 26 to request a hearing upon an application of General Public Utilities Corporation, New York holding company, to make cash capital contributions to certain of its subsidiaries up to the following amounts: New Jersey Power & Light Company, \$4,900,000; Metropolitan Edison Company, \$34,800,000; Pennsylvania Electric Company, \$16,000,000 and Waterford Electric Company, \$100,000. The proposed capital contributions will be used by the subsidiaries for the purpose of financing their respective businesses as public utilities, including the construction of additional facilities and the increase of their working capital.

## COURT ENFORCEMENT ACTIONS

**COMPLAINT NAMES UTILITIES LEASING, THE QUEEN LTD., ELEVEN OTHERS.** The SEC today announced the filing of a complaint in U. S. District Court in Philadelphia seeking to enjoin Utilities Leasing Corporation, Philadelphia, The Queen Ltd., and the following from violating the registration, anti-fraud and reporting provisions of the Federal securities laws: David Neifeld, J. Gerald McElroy, Robert Cosden, Edward Moldt and Robert Seltzer, present or former officers and/or directors of Utilities Leasing and The Queen, Ltd.; Arthur Andersen & Co., Utilities Leasing auditors, John Sterious, Irwin Rosenthal, attorney for The Queen Ltd., Jay Kattleman, and two corporations controlled by J. Gerald McElroy. (LR-4916)

**COMPLAINT CITES STAN INGRAM AND ASSOCIATES.** The SEC San Francisco Regional Office announced on February 22 (LR-4917) the filing of a complaint in Federal court in Los Angeles seeking to enjoin violations of the anti-fraud provisions of the Federal securities laws and the Commission's net capital and record-keeping provisions, and the appointment of a temporary receiver of Stanford M. Ingram and Marianne E. Ingram, a partnership doing business as Stan Ingram & Associates, registered broker-dealer of Santa Ana, Calif. The complaint seeks the appointment of a temporary receiver until such time as the Securities Investor Protection Corporation determines that the defendants have failed or are in danger of failing to meet their obligations to customers, and appoints a trustee.

OVER

MORGAN, SCHUBERT, OTHERS PLEAD GUILTY TO CONTEMPT. The SEC San Francisco Regional Office announced February 22 (LR-4918) that the following have pleaded guilty in Federal court in Las Vegas to criminal contempt of injunctions against violations of the registration provisions of the Federal securities laws in the offer and sale of securities of Jet Craft, Ltd.: John E. Morgan, Las Vegas, Belden Schubert, Pomona, Calif., Noel Pennington, Belmont, Calif., and George Losier, Newhall, Calif. All were indicted on September 2, 1969 charging violations in the sale and delivery of unregistered Jet Craft Ltd. securities and for conspiracy. After acceptance of guilty pleas on contempt charges, the original indictments were dismissed against all defendants and sentenced will be imposed on April 2, 1971.

#### SECURITIES ACT REGISTRATIONS

DELMARVA POWER & LIGHT PROPOSES OFFERING. Delmarva Power & Light Company, 600 Market St., Wilmington, Del. 19899, filed a registration statement (File 2-39464) with the SEC on February 23 seeking registration of 1,015,958 shares of common stock and 150,000 shares of \$100 par preferred stock. It is proposed to offer the common stock for subscription by stockholders of record on March 25, 1971, at the rate of one share for each ten shares held. The subscription price (\$18 per share maximum\*) is to be supplied by amendment. Any unsubscribed shares are to be offered for subscription by employees and former employees of the company and its subsidiaries (not more than 300 shares per employee). The remaining unsubscribed common shares and the preferred shares are to be offered for public sale at competitive bidding. A public utility, the company will apply the net proceeds of its stock sale toward the cost of its construction program and that of its subsidiaries for the year 1971 and the retirement of all or a portion of unsecured short-term notes, including commercial paper, issued prior to the stock sale (\$5,500,000 at February 23). Construction expenditures are estimated at \$14,229,000 for 1971.

EQUITABLE PETROLEUM PROPOSES OFFERING. Equitable Petroleum Corporation, 50 Rockefeller Plaza, New York 10020, filed a registration statement (File 2-39465) with the SEC on February 23 seeking registration of \$15,000,000 of preformation joint venture interests and limited partnership interests in Equitable Petroleum 1971-A (the "Limited Partnership"), to be offered for public sale in \$5,000 units. No underwriting is involved; participating NASD members will receive up to a 5% selling commission. Equitable Drilling Program 1971 (the "General Partnership") will invest as the sole limited partner in the Limited Partnership which is to be formed to drill and explore for oil and gas. Equitable Petroleum Corporation will be manager of the General Partnership and general partner in the Limited Partnership. Joseph R. Wier, president, and Straton C. Podaras, executive vice president of the manager, own 25.5% each and management officials as a group own 75.8% of the outstanding stock of the manager.

BANKERS TRUST N. Y. CORP. TO SELL DEBENTURES. Bankers Trust New York Corporation, 280 Park Ave., New York City 10017, filed a registration statement (File 2-39466) with the SEC on February 23 seeking registration of \$25,000,000 of debentures, Series B, due 1978, to be offered for public sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N. Y. 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company was organized in May 1965 for the purpose of becoming a bank holding company and in May 1966 acquired all the outstanding capital stock of Bankers Trust Company and three other banks. It has since acquired additional banks. Net proceeds of its debenture sale will be added to the company's general funds and temporarily used for the purchase of loans from affiliates and for other corporate purposes. In addition to indebtedness, the company has outstanding 10,264,546 common shares. Lewis A. Lapham is president and William H. Moore board chairman.

INTRAMERICAN DRILLING FUND PROPOSES OFFERING. Intramerican Drilling Fund 1971 Annual Program (the "Partnership"), Guaranty Bank Plaza, Corpus Christi, Tex. 78401, filed a registration statement (File 2-39467) with the SEC on February 23 seeking registration of \$3,000,000 of limited partnership interests, to be offered for public sale at \$5,000 per unit (with a minimum purchase of two units required). The offering is to be made on a "best efforts" basis by Janney, Battles & E. W. Clark, Inc., 1401 Walnut St., Philadelphia 2, Pa., which will receive a 7½% commission plus \$15,000 for expenses; participating NASD members will receive a 6% selling commission. The Partnership is being organized to invest in semi-proven and exploratory oil and gas drilling projects. Intramerican Capital, Inc. and Charles R. Scoggins, its president, are the general partners. Albert J. Berkow is board chairman of Intramerican Capital. Scoggins Petroleum Corporation (wholly-owned by Charles Scoggins) owns 46.7%, Berkow 23.3% and the underwriter 17.5% of the outstanding stock of Intramerican Capital.

RESERVE OIL AND MINERALS SHARES IN REGISTRATION. Reserve Oil and Minerals Corporation, 523 Third St., N. W., Albuquerque, New Mex. 87101, filed a registration statement (File 2-39471) with the SEC on February 24 seeking registration of 50,000 outstanding shares of common stock. These shares may be offered for sale from time to time by the holder thereof at prices current at the time of sale (\$7.25 per share maximum\*).

The company is engaged in acquiring, exploring, developing and dealing in various interests in uranium mining properties for its own account and in working arrangements with other companies in the field. In addition to indebtedness, the company has outstanding 1,216,719 common shares, of which James J. Melfi, president, owns 15.1%, management officials as a group 19.3% and James W. McKee 20.5%. McKee may sell 50,000 shares.

**PRESIDIO OIL FUNDS PROPOSES OFFERING.** Presidio Oil Funds, Inc. ("management company"), 1900 Avenue of the Stars, Los Angeles, Calif. 90067, filed a registration statement (File 2-39472) with the SEC on February 24 seeking registration of \$1,000,000 of participating units in its 1971 Year-End Oil and Gas Exploration and Development Fund (the "Program"), to be offered for public sale in minimum amounts of \$5,000. No underwriting is involved; participating broker-dealers will receive up to a 7% selling commission. Under the Program, Presidio Exploration, Inc., will be engaged by management company to explore for oil and gas. Management company is a wholly-owned subsidiary of Presidio Exploration. Louis A. Walstrom, Jr., is president of management company and president and a majority stockholder of its parent.

**EARTH RESOURCES SHARES IN REGISTRATION.** Earth Resources Company, 303 Expressway Tower, Dallas, Tex. 75206, filed a registration statement (File 2-39473) with the SEC on February 24 seeking registration of 150,000 shares of common stock issuable pursuant to options granted or to be granted by the company.

**HARTFORD NATIONAL TO SELL DEBENTURES.** Hartford National Corporation, 777 Main St., Hartford, Conn. 06115, filed a registration statement (File 2-39474) with the SEC on February 24 seeking registration of \$25,000,000 of sinking fund debentures, due 1996, to be offered for public sale through underwriters headed by Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company was organized in September 1968 as a one-bank holding company. In addition, through a subsidiary (HNC Realty Company--"HNC"), it is engaged in other financing activities and services. Of the net proceeds of its debenture sale, \$1,000,000 will be invested in the equity of HNC, and further advances will be made in amounts sufficient to meet loan commitments (at February 5, \$7,885,000 of loans were outstanding and firm commitments were made to lend an additional \$9,215,000); the balance will be made available to finance activities of the bank and other subsidiaries, including the possible acquisition of businesses of a financial nature which are closely related to banking. In addition to indebtedness, the company has outstanding 2,846,964 common shares. David C. Hewitt is board chairman and Charles E. Lord president.

**LANE CO. FILES FOR SECONDARY.** The Lane Company, Incorporated, Altavista, Va. 24517, filed a registration statement (File 2-39476) with the SEC on February 25 seeking registration of 142,700 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004; the offering price (\$35 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of wood and upholstered furniture. In addition to indebtedness and preferred stock, it has outstanding 2,477,500 common shares. Adrian M. Pearsall and Richard L. Pearsall, directors, propose to sell 65,000 shares each of 149,547 and 149,857 shares held, respectively, and five others the remaining shares being registered.

**MERCANTILE BANCORPORATION PROPOSES EXCHANGE OFFER.** Mercantile Bancorporation Inc., 721 Locust St., St. Louis, Mo. 63101, filed a registration statement (File 2-39477) with the SEC on February 25 seeking registration of 115,200 shares of common stock. It is proposed to offer these shares in exchange for outstanding shares of common stock of The Southern Missouri Trust Company, at the rate of 4.8 shares for each Bank share. Effectiveness of the exchange offer is contingent upon acceptance by holders of at least 80% of the outstanding Bank stock.

A bank holding company, Bancorporation owns all the stock (except directors' qualifying shares) of two banks. It has outstanding 4,694,487 common shares, of which Mercantile Trust Company National Association holds in fiduciary capacities 14.6%. Donald E. Lasater is board chairman and Harrison F. Coerver is president of Bancorporation.

**UNIVERSAL METALS FILES FOR SECONDARY.** Universal Metals & Machinery, Inc., 5906 Armour Dr., Houston, Tex. 77020, filed a registration statement (File 2-39478) with the SEC on February 25 seeking registration of 206,500 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made through underwriters headed by S. D. Fuller & Co. Inc., 26 Broadway, New York 10004; the offering price (\$8 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Fuller firm, for \$200, five year warrants to purchase 20,000 shares, exercisable initially (after one year) at 107% of the offering price; the selling shareholders have agreed to pay the Fuller firm \$15,000 for expenses.

The company is engaged in importing and distributing stainless steel products to distributors and jobbers, and buying and selling new and used machines and machine tools to a variety of industrial users. In addition to indebtedness, the company has outstanding 375,000 common shares, of which Sterling Electronics Corporation owns 50% and Julius Feinstein 49.1% (including shares owned by family members). Sterling Electronics proposes to sell 150,250 of 187,500 shares held and five others (including three Feinsteins and a Feinstein trust) the remaining shares being registered.

#### MISCELLANEOUS

**TRADING BAN CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten day period March 2-11, 1971, inclusive.

**O/C REGISTRATIONS REPORTED.** The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "\*\*"):

OVER

File No.	O-Registrants	Location	File No.	O-Registrants	Location
5350	Aberle Industries, Inc.**	Stowe, PA.	5347	Loctite Corporation**	Newington, CT
5353	Alliance Medical Inns Inc**		5328	MPC Educational Systems Inc**	West Haven, CT
5335	Amarex Inc	Stratford, CT.	5386	Major D Corp	Monrovia, CA
5338	Atron Corp**	Oklahoma, OK	5341	Medical Mortgage Investors**	Boston, MA
5330	Brenner Industries Inc**	Winston-Salem, NC	5382	Mille Lacs Industries Inc	Ogilvie, MN
5340	Commercial State Corp**	St. Louis, MO	5383	Pell Industries Inc	Paterson, NJ
5351	Danalab Inc**	Newport Beach, CA	5348	Sonics International Inc**	Dallas, TX
5339	Data General Corp**	Southboro, MA	5342	Todhunter International Inc	West Palm Beach, FL
5329	Hemisphere Hotels Corp**	Miami, FL	5345	Union Service Industries Inc	Memphis, TN
5331	Hunt Building Marts Inc**	El Paso, TX	5344	Willow Industries Inc**	Hewlett, NY
5327	Imperial-American Resources Fund Inc**	Denver, CO			

**RECENT FORM 8-K FILINGS.** The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the February 5 News Digest.

United International, Inc Dec 1970 (1,2,7,9,12,13)	0-3779-2	New England Lower Co Dec 1970 (7,11,13)	1-6564-2
San Juan Racing Assoc. Inc Nov 1970 (12)	1-5523-2	Tilco, Inc Dec 1970 (7)	0-5303-2
Suscuehanna Corp Dec 1970 (7,13)	1-5515-2	Monfort of Colorado, Inc Dec 1970 (11)	0-5322-2
Technitrol, Inc Dec 1970 (12,13)	1-5375-2	Sun Oil Co #1 for Dec 1970 (7)	1-2223-2
Transairco, Inc Dec 1970 (2,7,12)	1-3461-2	Permeator Corporation Dec 1970 (2,13)	0-1081-2
Pace Industries Inc Nov 1970 (1,3,12,13)	0-5006-2		

**SECURITIES ACT REGISTRATIONS. Effective February 26:** Extendicare, Inc., 2-39061 & 2-39344; Gulf & Western Industries, Inc., 2-39176; Norison Corp., 2-39435; Integrity Entertainment Corp., 2-38272 (90 days); International Harvester Co., 2-39415; Joremi Enterprises, Inc., 2-36879 (90 days); C. F. Kirk Laboratories, Inc., 2-38470 (40 days); The National Oil Co., 2-37904 (90 days); Southern California Minority Capital Corp., 2-38441 (90 days); Winston Network, Inc., 2-38276 (90 days).

**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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