

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

U.S. SECURITIES & EXCHANGE COMMISSION

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JUN 17 1971



Washington, D.C. 20549

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

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(Issue No. 71-117)

FOR RELEASE June 17, 1971

COMMISSION ANNOUNCEMENT

CASEY URGES PROPER PERSPECTIVE OF ENVIRONMENTAL ROLE. In an address given before the American Society of Corporate Secretaries in Los Angeles last Monday, Chairman William J. Casey expressed his deep concern for the environmental problems in the world, but confessed to a strong disposition not to confuse the role of the SEC with that of the Environmental Protection Agency, the HEW or the Department of State. While reiterating his earlier statements that we should require disclosure of any material impact which the need to scrap or modify or design a plant or a product line will have on a company's capital needs or its earnings, he said: "I am going to have trouble justifying in my mind diverting our scarce SEC manpower from its statutory obligation to protect investors to kibitzing on the statutory obligation of other agencies to protect the environment. While I believe that management must look ahead and adopt its policies to the needs of the future, I take a dim view of efforts to force a corporation into new directions on a piece by piece application of social theory."

"I have serious doubts about shareholder proposals, which if carried, would force the investment of a single minority shareholder to be applied in a way which would not have the primary purpose of producing for him the kind of solid long term economic benefit impliedly promised when he purchased his shares."

SEC ORDER CITES TRINITY EQUITIES, OTHERS. The Commission has ordered administrative proceedings involving Andrew A. Williams, Krenar Shaplo, Paula Shaplo, Angelo Rombola and Trinity Equities Corporation.

The proceedings are based on staff allegations that from about January 1968 to July 1970 the respondents: (1) engaged in business as a broker-dealer without being registered with the Commission as required by the Securities Exchange Act of 1934; (2) offered and sold securities of various companies when no registration statement was in effect as to these securities; and (3) made material untrue statements and omissions of fact in offering and selling certain of these securities concerning the identities, backgrounds and numbers of investors to whom such securities were offered and sold and the registration of such securities under the Securities Act of 1933.

A public hearing will be scheduled by further order to determine whether the allegations are true to afford respondents an opportunity to establish any defenses to such allegations and to determine what, if any remedial action is appropriate in the public interest.

DECISION IN ADMINISTRATIVE PROCEEDING

J. H. RAPP CO. AND PRINCIPALS SUSPENDED. The SEC announced the issuance of an order suspending the broker-dealer registration of J. H. Rapp Co., Kenilworth, New Jersey, and suspending Janet Hope Rapp, president, and Robert Rapp, former secretary-treasurer, from association with any broker-dealer, investment company, or investment adviser, pending final disposition of the proceedings against the three respondents.

The suspensions were based upon the Commission's findings that respondents, between July 1 and Dec. 31, 1969, violated the registration, antifraud and anti-manipulative provisions of the securities laws in connection with their activities in the stock of LesStuds Corp. (now Trans-Southern Holding Corp.). According to the decision, Robert Rapp participated in making the newly organized LesStuds Corp, a publicly-held company through a spin-off of 75,000 of its shares to stockholders of publicly-held Atomic Fuel Extraction Corp. Thereafter, trading in the shares began with no information on LesStuds being available to the investing public, and the market for the stock was controlled and manipulated by respondents. Registrant published quotations for the stock at prices which bore no reasonable relationship to its actual value, and respondents purchased the stock from persons engaged in its illegal distribution at prices far below those they artificially maintained, sold the stock at such inflated levels, used fictitious and nominee accounts to conceal the identity of buyers and sellers, and, while distributing the stock, purchased it for accounts in which they had a beneficial interest and induced other persons to purchase it. In addition, respondents made materially false and misleading statements concerning their activities and transactions, the manner in which LesStuds stock became publicly traded, and LesStuds' present and prospective value, corporate history, assets, financial condition, prospects, and acquisition of assets. The Commission further found that between Sept. 1 and Nov. 30, 1969, respondents violated the registration and anti-manipulative provisions in connection with their dealings in the stock of Control Metals Corp.

The Commission's order was issued pursuant to the consent of respondents who, for purposes of these interim proceedings, admitted the charges and consented to the findings and temporary suspensions.

COURT ENFORCEMENT ACTIONS

CONTINENTAL TRAVEL ENJOINED. The Commission today announced the entry of a permanent injunction in the United States District Court for the District of Columbia in Washington, D.C. directing Continental Travel, Incorporated to file within 30 days its annual report on Form 10-K for the fiscal year ended April 30, 1970 and its semi-annual report on Form 9-K for the six-month period ended October 31, 1970. Judge John L. Smith, Jr. entered the final judgment by default on June 11, 1971.

OVER

This is the first injunctive action resulting in a final judgment in the series of injunctive actions filed by the Commission since its announcement of October 15, 1970 (Release 34-8995) expressing concern about delinquent filings and reminding reporting companies of their obligations to file reports on a timely basis. (LR-5036)

RACHAL HUNNICUTT SENTENCED IN TEXAS. The SEC Fort Worth Regional Office announced that on June 11 Federal District court in Texas sentenced Hall Francis Rachal of Midland, former president of Mooney Aircraft, Inc., and Mooney Corporation Kerrville, Texas, to five years imprisonment and a fine of \$10,000 and assessed costs of \$10,000 for violations of the anti-fraud and registration provisions of the federal securities laws, the mail fraud statutes and conspiracy, Edward B. Hunnicutt of Kerrville, Texas was sentenced to three years imprisonment and fined \$5000 and assessed costs of \$10,000. (LR-5037)

SEEK CRIMINAL CONTEMPT ORDER AGAINST SILVER AND BROWN. The SEC Chicago Regional Office announced that on June 9 an application was filed in Federal court in Detroit for an Order to Show Cause why Albert Silver of Flint and Vernon Brown of North Miami should not be punished for criminal contempt for willful disobedience of a decree of August 29, 1969 which permanently enjoined Silver and Brown from committing further violations of the registration and anti-fraud provisions of the federal securities laws in the offer and sale of securities of Turf Enterprises, Inc. (LR-5038)

STANCLIFF CHARGES WITH CONTEMPT IN OREGON ACTION. The SEA Seattle Regional Office announced that on 6/9, an application for an order to show cause was filed in Federal court in Oregon charging Robert O. Stancliff of Prairie City, Ore. with criminal contempt of an injunction decree entered on August 5, 1968 enjoining him from violating the registration and anti-fraud provisions of the federal securities laws in the offer and sale of common stock and evidences of indebtedness. (LR-5039)

COMPLAINT CITES C. H. WAGNER & CO. The SEC Boston Regional Office announced the filing of a complaint in Federal court in Massachusetts seeking to enjoin C. H. Wagner and Co., Inc., a broker dealer, and Clarence H. Wagner, its president, of Boston, Mass. from violating the net capital rules of the Fed. securities laws. (LR-5040)

RECEIVER APPOINTED IN BUDIN CASE. The SEC New York Regional Office announced that on June 7, the Federal court in Newark, New Jersey appointed David N. Ravin, Esq. receiver for the registered broker-dealer firm of Philip S. Budin & Company of Jersey City. (LR-5041)

HOLDING COMPANY ACT RELEASES

CENTRAL INDIANA GAS. The SEC has issued an order under the Holding Company Act authorizing Central Indiana Gas Company, Inc., Muncie subsidiary of American Natural Gas Company, to issue and sell up to \$9 million of unsecured promissory notes from time to time prior to June 16, 1972. Net proceeds will be used to repay \$4.5 million of notes due June 23, 1971, to prepay some \$1.5 million of notes issued to a bank, to reimburse its treasury for funds used initially to retire bonds due May 1, 1971, and to finance, in part, its 1971 construction program, estimated at \$3.6 million. (Release 35-17165)

COLUMBIA GAS SYSTEM. The SEC has issued a supplemental order (Cf. Rel. 35-17131 of May 17, 1971) under the Holding Company Act authorizing four subsidiaries of The Columbia Gas System, Inc., Wilmington, Delaware, to issue and sell installment notes to the parent, as follows: Columbia Gas of Virginia, Inc. (\$425,000), Columbia Gas of Ohio, Inc. (\$15,000,000), the Ohio Valley Gas Company (\$1,400,000) and Columbia Gas of Pennsylvania, Inc. (\$6,100,000). Net proceeds of the subsidiaries' financing will be used for construction purposes. (Release 35-17166)

INVESTMENT COMPANY ACT RELEASE

FOUNDATION PLAN TRUSTS. The SEC has issued an order under the Investment Company Act declaring that Foundation Plan Trust Agreement dated January 1, 1933, Foundation Plan Trust Agreement dated May 1, 1935 and Foundation Trust Shares, Series A, have ceased to be investment companies. (Release IC-6575)

SECURITIES ACT REGISTRATIONS

MERRILL LYNCH SHARES IN REGISTRATION. Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005, filed a registration statement on June 9 seeking registration of 3,000,000 shares of common stock issuable pursuant to the company's 1971 Employee Stock Purchase Plan. (File 2-40698)

CLINTON OIL PROPOSES OFFERING. Clinton Oil Company, 217 North Water St., Wichita, Kans. 67202, filed a registration statement on June 9 seeking registration of \$50 million of participating interests in its 1970-1971 Oil and Gas Program to be offered for public sale in \$5,000 units. No underwriting is involved; company officials and selected NASD members may participate in the offering. R. P. Clinton is board chairman and chief executive officer of the company. (File 2-40700)

***TRANS WORLD AIRLINES TO SELL STOCK.** Trans World Airlines, Inc., 605 Third Ave., New York 10016, filed a registration statement on June 9 seeking registration of 2,000,000 shares of common stock, to be offered for public sale (** at \$30.625 per share maximum). The offering is to be made through underwriters headed by Dillon, Read & Co., Inc., 46 William St., New York 10005.

Net proceeds of its stock sale will be used to reduce the amount of the company's revolving credit notes (domestic) issued to provide funds for general corporate purposes. (File 2-40702)

***MILTON ROY CO. FILES FOR OFFERING AND SECONDARY.** Milton Roy Co., 5000 Park St. North, St. Petersburg, Fla. 33733, filed a registration statement on June 9 seeking registration of 200,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$33 per share maximum) through underwriters headed by G. H. Walker & Co., Inc., 45 Wall St., New York 10005.

The company is engaged in the development, manufacture and sale of specialized industrial and health-care products. Of the net proceeds of its stock sale, \$1 million will be used to repay certain outstanding bank borrowings and mortgage indebtedness and current installments on promissory notes delivered in connection with a 1970 acquisition and the balance for working capital and other corporate purposes. (File 2-40706)

***MOHASCO INDUSTRIES SHARES IN REGISTRATION.** Mohasco Industries, Inc., 57 Lyon St., Amsterdam, N.Y. 12010, filed a registration statement on June 10 seeking registration of 23,297 outstanding shares of common stock. Such shares were issued in exchange for all the outstanding shares of capital stock of Belknap & McClain, Inc. They may be offered for sale from time to time by the holders thereof at the prices current at the time of sale (** \$35-5/8 per share maximum). (File 2-40708)

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 June 3 News Digest.

Bankers Trust New York Corp (7,11,13) 1-5920-2	Illinois Power Co (4,11,13) 1-3004-2	R. R. Donnelley & Sons Co (11) 1-4694-2
General Telephone Company of Kentucky (7,11) 2-4052-2	Industrial Investment Corporation (11) 0-3839-2	El Paso Natural Gas Co (7,13) 1-2700-2
Indian Head Inc (11,13) 1-5264-2	Brockway Glass Co., Inc (4,7,13) 1-6344-2	Financiera Metropolitana S. A. (7) 2-29641-2
Lehigh Coal & Navigation Co (7,13) 0-1760-2	Generics Corporation of America (2,7,13) 0-5465-2	Cincinnati Union Terminal Co (11) 1-839-2
Liberty National Corporation (11) 0-4547-2	Globe Rubber Products Corp (6,12,13) 0-428-2	Cinema 5 Ltd (7,9,13) 1-6595-2
First Lincoln Financial Corp (10,12,13) 0-198-2	Kroger Co (11) 1-303-2	Computer Image Corporation (1) 0-4612-2
General Alloys Co (12) 1-1870-2	Offshore Logistics, Inc (12,13) 0-5232-2	Amico Properties (11) 0-2308-2
Lykes-Youngstown Financial Corp (7) 0-4366-2	American Cement Corp (2,13) 1-4716-2	Arden Mayfair Inc (12) 1-5218-2
Mount Vernon Mills Inc (12) 1-1025-2	First Macon Corp (6) 0-3003-2	Baush & Lomb, Inc (3,12,13) 1-4105-2
American Airlines, Inc (11,13) 1-2691-2	Forum Restaurants, Inc (12) 0-5125-2	C.G.S. Scientific Corporation (11) 0-3351-2
Diplomat Electronics Corp (2,13) 2-33543-2	Granite Management Services, Inc (12) 1-5421-2	California Pacific Utilities Co (7,8,13) 0-489-2
Walt Disney Productions (7) 1-4083-2	Knight Industries Inc (2,3,10,12) 0-3236-2	First Florida Bancorporation (11,12,13) 0-3827-2
Fimaco, Inc (10,13) 0-5408-2	Alpex Computer Corp (12,13) 0-5221-2	Presidential Realty Corp (11,13) 1-4503-2
First S & L Shares, Inc (7,12) 0-5281-2	Bio-Medical Sciences, Inc (9) 2-32533-2	Walgreen Company (12,13) 1-604-2
Government Employees Corp (11) 0-414-2	Charnita, Inc (3,13) 0-4312-2	American Medicorp, Inc (2,7,13) 0-4657-2
Government Employees Financial Corp (11) 0-412-2	Computer-Optics, Inc (6) 0-4783-2	American Regitel Corp (2,13) 0-5078-2
Lee Motor Products Inc (2,3,13) 1-4441-2	Continental Coffee Co (7,8,13) 2-37930-2	Atlantic Richfield Company (7,13) 1-1196-2
Medequip Corporation (1,2,9,12,13) 0-4688-2	Eckmar Corp (2,8,13) 1-5405-2	Bush Universal, Inc (2,3,6,12,13) 1-3047-2
Midwestern Financial Corp (7) 1-5905-2	AIM Companies, Inc (3,7) 1-5843-2	Dart Industries, Inc (7) 1-3894-2
New York Times Co (11,13) 1-5837-2	Alco Standard Corp (7,8) 1-5964-2	Fluor Corp Ltd (7) 1-4084-2
Diodes, Inc (3,13) 1-5740-2	Calvert Exploration Co (2,13) 0-3355-2	Foremost McKesson, Inc (8) 1-1435-2
General Leisure Products Corp (2) 2-35132-2	Cinerama Inc (12,13) 1-4107-2	
	Cone Mills Corp (4) 1-3634-2	

American Agronomics Corp (11) 1-6442-2	Angeles Crest Development Co., Inc (7,9) 0-2813-2	Abbott Laboratories, Inc (7,12,13) 1-2189-2
Central Banking System, Inc (12) 0-3652-2	Commonwealth Industries, Inc (12) 1-5741-2	Air products & Chemicals Inc (7) 1-4534-2
Computing & Software Inc (3,7,) 1-5586-2	Consolidated-Temoka Land Co (1,11) 2-34669-2	Niagara Frontier Services Inc (11) 1-5915-2
Crescent General Corporation (2,7) 1-115-2	Allegheny Power System Inc (13) 1-267-2	Rabco Enterprises, Inc (1,12) 2-36182-2
Fire Engineers Incorporated (2,13) 0-5209-2	Ametek, Inc (12) 1-168-2	Republic Steel Corp (7,12,13) 1-2388-2
Atlas American Corp (13) 0-4813-2	Atlantic Technology Corp (2,7) 0-5442-2	Rochester Telephone Corp (7,13) 1-4166-2
Computer Dimensions, Inc Nov 70 (9,12,13) 0-4541-2	Century Convalescent Center, Inc (2) 0-5014-2	SCM Corporation (13) 1-3143-2
Consurgico Corp (12,13) 0-4344-2	Computer Enterprises Inc (1,12) 2-30737-2	Scott's Liquid Gold Inc (12) 0-5128-2
American Financial Corp (4,7,8,12,13) 0-839-2	Condecor Inc (11,13) 0-5373-2	Siboney Corp (12) 1-3952-2
Avco Financial Services, Inc (12,13) 1-3440-2	Criterion Insurance Co (11) 2-17806-2	South Central Bell Telephone Co (11) 1-6507-2
Stanwick Corp (3) 1-6061-2	Drew National Corporation (11,13) 1-6339-2	Telecredit, Inc (3) 0-3934-2
Alexanders, Inc (7,13) 1-6064-2	Fibreboard Corp (12) 1-271-2	Western Orbis Company (12) 1-4783-2
Alodex Corporation (11,12,13) 0-3434-2	West Penn Power Company (13) 1-2553-2	Air Cargo Equipment Corporation (12) 2-32132-2
American Smelting & Refining Co (12,13) 1-164-2	Ace Industries, Inc (4,7,13) 0-4145-2	General Electric Credit Corp (7,13) 1-6461-2
Ansonia Wire & Cable Co (12,13) 1-4580-2	Ashland Oil Canada Limited (11,13) 1-6489-2	General Tire & Rubber Co (12,13) 1-1520-2
Augat Inc (7,12) 1-6176-2	American District Telegraph Company (3) 1-6084-2	Geodatic (2,7,8,13) 2-32105-2
L. S. Ayres & Co (12) 0-1316-2	American Greeting Corp April 71 (4,13) 0-1502-2	Kaiser Aluminum & Chemical Corp (11) 1-3605-2
Carvel Corporation (3) 0-4704-2	American Zinc Co (2,7,13) 1-59-2	Kirk Corporation (13) 0-4182-2
Charter New York Corp (11) 1-5717-2	Winfred M. Berg, Inc (12) 2-30327-2	Microdyne Corporation (11,13) 0-4384-2
B-O-P Corp (11) 0-4493-2	California Medical Centers (2) 0-3661-2	Prel Corporation (2,12,13) 0-4631-2
Davos, Inc (2,12,13) 0-4018-2	California Water Service Co (8,11) 0-464-2	Viewlex, Inc (2,13) 1-4328-2
Decitron Electronics Corp (12,13) 0-2833-2	Crown Corp (7) 1-6090-2	RMC Corp (2,11,12,13) 0-4212-2
Aberle Industries, Inc (3) 0-5350-2		Galaxy Oil Company (3,13) 0-4130-2

SECURITIES ACT REGISTRATIONS. Effective June 16: American Financial Corp., 2-40547; American Fletcher Mortgage Investors, 2-40369; ARA Services, Inc., 2-40584; The Ballard & Cordell Corp., 2-39604 (40 days); Coit International, Inc., 2-40275; Cubic Corp., 2-40519; The Detroit Edison Co., 2-40551; Michigan Tax Exempt Bond Fund, Sixth Series, 2-40164; Hanover Planning Company, Inc., 2-39800; Harvey Aluminum (Inc.), 2-40555; Homewood Corp., 2-39862 (90 days); Itel Corp., 2-40365; Lawter Chemicals, Inc., 2-40556; Michigan Bell Telephone Co., 2-40635; Occidental Petroleum Corp., 2-38810 (40 days); Phelps Dodge Corp., 2-40566.

Withdrawn May 24: American Protection Inds Inc., 2-35876; **Withdrawn May 25:** Multiphasic Systems, 2-38599.

Withdrawn May 26: Audubon Films, 2-34433; Burtonian Thorobred Breeding, 2-38758; International Exploration Fund, 2-37317; Mediarts, Inc., 2-37411; Pacific Gulf Resources Inc., 2-35197; Twin Fair, 2-36486.

Withdrawn May 27: Athletic Data Devices, Inc., 2-35273; Clary Data Comp Systems, 2-36711; Keyser Glass Container Co., Inc., 2-37668; Recreation Affiliates Intl. Inc., 2-36056.

Withdrawn May 28: Computer Solutions Inc., 2-36146; Egg Foods Inc., 2-37452.

Withdrawn June 1: Stanton L. Triester Intl. Investment & Financial Corp., 2-36513.

Withdrawn June 2: Apache Realty Fund, 2-38682.

Withdrawn June 3: Affiliated Health Services, Inc., 2-36925; Health Organizations Systems & Planning Corp., 2-34790; Creative Cassettes Corp., 2-39299; Ovitron Corp., 2-35977.

Withdrawn June 8: Filmways, Inc., 2-40022; **Withdrawn June 9:** Welded Tube Co. of America, 2-34920.

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.

* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

** As estimated for purposes of computing the registration fee.

1/ Pending distribution of this release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for details of the release.

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