

sec news digest

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August 22, 1973

COURT ENFORCEMENT ACTIONS

MEMME & CO., INC., OTHERS ENJOINED. The SEC New York Regional Office announced that on August 14, 1973 the Federal court in New York had preliminarily enjoined Memme & Co., Inc., a broker-dealer of New York City, James John Masiello, Robert Barry McDowell, Jules Bean and John Charles Fina, from further violations of the net capital, record-keeping, and supplemental reporting provisions of the Securities Exchange Act of 1934. (LR-6029)

PRUDENTIAL INVESTMENT CO., OTHERS ENJOINED. The Los Angeles Regional Office announced that on August 15 the Federal court in Los Angeles permanently enjoined Prudential Investment Co., formerly known as TSI Financial, and Philip Gardner from violations of the antifraud provisions of the Federal securities laws in the offer and sale of real estate limited partnership or syndication interests. The defendants consented to the court order without admitting or denying the allegations in the Commission's complaint. (LR-6028)

TEMPORARY RECEIVER APPOINTED FOR KLEE & COMPANY, INC. The Chicago Regional Office announced that the Federal court in Cleveland, Ohio on August 10 appointed a temporary receiver for Klee & Company, Inc. until SIPC executes its authority in the matter. The order appointing a receiver was based upon a complaint filed August 10, 1973 alleging violations of the "net capital rule". The defendants consented to the order without admitting or denying the allegations in the complaint. (LR-6030)

CHARLES E. GRAHAM, JR. AND EDWARD HENRY ASHDOWN SENTENCED TO TEN YEARS AND SEVEN YEARS. The Denver Regional Office announced on August 14 that the Federal court in El Paso, Texas, sentenced Charles E. Graham, Jr. of Austin, Texas to ten years in prison and Edward Henry Ashdown of Los Angeles, California to seven years in prison after a Federal jury found both guilty of seven counts of violating the antifraud provisions of the Securities Act of 1933 and three counts of mail fraud involving a scheme to sell stock of Mountain States Development Company, a Utah corporation, in 1968 and 1969. (LR-6031)

COMPLAINT NAMES FIRST U. S. CORP., OTHERS. The Commission today filed a complaint in the Federal court in Memphis seeking to enjoin First U. S. Corporation, a Tennessee municipal bond dealer, Martha Mize, John Michael, Bertsil L. Smith, Ronnie K. Tacker and Charles Dean Bengel from further violations of the registration and record-keeping provisions of the Federal securities laws. The complaint alleges the violative conduct included excessive mark-ups and mark-downs, churning and "reverse trading." It was alleged that the defendants engaged in "reverse trading" by selling bonds to a customer at a price which was slightly below the then current market price, and by simultaneously purchasing bonds from the same customer at a price substantially below the then current market price, thereby deriving a substantial profit from the transaction, all without disclosing to such customers that they were engaged in "reverse trading." (LR-6032)

SECURITIES ACT REGISTRATIONS FILED

(Note: "Per share maximum" prices referred to in the following summaries of registration statements are prices estimated for the purpose of computing the registration fee and are not necessarily prices at which the securities will be sold.)

FINANCIAL SERVICE CORPORATION INTERNATIONAL, 148 Cain St., N. E., Atlanta, Ga. 30303
- 234,846 shares of common stock issuable upon exercise of options. (File 2-48588 - July 11)

ASSOCIATED BANK CORPORATION, 600 Union Arcade Bldg., Davenport, Iowa 52801 - 4,298,957 shares of common stock and 105,000 warrants to purchase common stock. It is proposed to issue these shares in the proposed acquisition of Iowa County Bank Corporation and Iowa County Savings Bank, Marengo, Iowa. Associated is a bank holding company, which owns substantially all of the outstanding shares of Iowa Trust & Savings Bank, Estherville, Iowa. (File 2-48140 - May 25)

WESTERN UNION CORPORATION, 85 McKee Dr., Malwah, N. J. 07430 - 984,897 shares of common stock. It is proposed to offer these shares in connection with the proposed acquisition of National Sharedata Corporation, at the rate of .387 Western Union share for each Sharedata share. Western Union, through a subsidiary, primarily offers telegraph message services to the public. Sharedata provides data processing management services to commercial banking institutions. (File 2-48146 - May 25)

BORNE CHEMICAL COMPANY, INC., 632 South Front St., Elizabeth, N.J. 07207 - 100,000 shares of preferred stock and 2,570,481 shares of common stock. It is proposed to issue these shares (following a 4-1 reverse stock split by Borne) in exchange for the outstanding securities of Hydro Electronics Corporation, at the rate of one Borne common share for each Hydro common share. Borne produces lubricating, and other oils, and related products. Hydro, through subsidiaries, creates, designs and manufactures packaging components and engages in related activities. (File 2-48155 - May 25)

DELTEC INTERNATIONAL LIMITED (an English company), Deltec House, Cumberland and Marlborough Sts., P. O. Box N-3229, Nassau, Bahamas - 4,362,147 ordinary shares. It is proposed to offer these shares in exchange for the outstanding share of Deltec International Limited, an Ontario company, on a share-for-share basis. The exchange is necessitated by recent amendments to Ontario laws regarding nationality and residence of corporation directors, places of Board meetings and compositions of such meetings. (File 2-48228 - June 5)

RELIANCE ELECTRIC COMPANY, 24701 Euclid Ave., Cleveland, Ohio 44117 - 1,945,789 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common shares of Lorain Product Corporation, at the rate of 25.8611 Reliance shares for each Lorain share. Reliance manufactures and sells systems and equipment used in automation of commercial operations and industrial processes and high-speed elevators. Lorain manufactures and sells power and transmission apparatus for the telephone industry. (File 2-48259 - June 8)

WECO DEVELOPMENT CORPORATION, 1818 Western Federal Savings Bldg., Denver, Colo. 80202 - 1,048,186 shares of common stock, to be offered pursuant to common stock purchase warrants, exercisable until May 3, 1978, at \$5 per share. The warrants were issued in connection with a recent acquisition of PetroDynamics, Inc. WECO, through subsidiaries, owns oil and gas properties, engages in land development operations and tungsten operations. (File 2-48400 - June 25)

AMERICAN DEFENDER LIFE INSURANCE COMPANY, 900 Wade Ave., Raleigh, N.C. 27605 - 100,000 shares of common (representing all of the outstanding shares of American Defender, all owned by First Citizens Bank & Trust Company). First Citizens proposes to distribute these shares to First Citizens common stockholders, on a share-for-share basis. American Defender is engaged in the life insurance, accident and health insurance and annuities business. (File 48490 - June 29)

THE ARCADIA COMPANY, 1501 Broadway, New York, N.Y. - \$600,000 of preformation partnership interests, to be offered for sale at \$12,000 per unit. The company was organized to produce a dramatico-musical play entitled "Arcadia." Richard Fields is producer of the play. Austin Pendleton wrote the book; Arthur Rubinstein and Gretchen Cryer are the composer and lyricist. (File 2-48566 - July 9)

BAUSCH & LOMB INCORPORATED, 635 St. Paul St., Rochester, N.Y. 14602 - 35,528 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 (\$19.375 per share maximum) or at negotiated prices. (File 2-48567 - July 9)

RAIL-U.S. LEASING, INCORPORATED, 633 Battery St. San Francisco, California 94111 - \$5 million of participations in Railroad Freight Car Investment and Management Program, to be offered for sale at \$25,000 per unit. Each unit will consist of one railroad freight car and a railroad car management agreement. No underwriting is involved. (File 2-48568 - July 9)

SECURITIES ACT REGISTRATIONS. Effective August 21: American Medicorp, Inc., 2-48515; Eastman Kodak Co., 2-48738; H & R Block, Inc., 2-45337; International Dairy Queen, Inc., 2-45067; Pickwick International, Inc., 2-48689; Squibb Corp., 2-48842.

Effective August 22: Baker Oil Tools, Inc., 2-48798; Citizens Financial Corp., 2-48607; Sunbeam Corp., 2-48629; Texas International Airlines, Inc., 2-48585.

MISCELLANEOUS

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspensions of exchange and over-the-counter trading in the securities of BBI, Inc. and U. S. Financial, Inc., and over-the-counter trading in the securities of Aztec Products, Inc., Beneficial Laboratories and Triex International Corp. for the further ten-day period August 22-31, inclusive.

RECENT FORM 8-K 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, and any newly enacted requirements effecting registrant's business.

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
MANAGEMENT ASSISTANCE INC	9,13,14	07/73
MARLMONT CORP	11,13,14	05/73
MARK FOUR HOMES INC	13	07/73
MARTIN MARIETTA ALUMINUM INC	8,10,14	07/73
MARTIN MARIETTA CORP	7,10,14	07/73
MDL CORP	7,8,13	07/73
MEAD CORP	8	07/73
MEDICAL SERVICES CORP	10	07/73
MEISEL PHOTOCHROME CORP	13	07/73
MEREDITH CORP	10,13	07/73
MERIDIAN INDUSTRIES INC	9	07/73
METRO GULDWIN MAYER INC	10,13,14	07/73
METROPOLITAN DEVELOPMENT CORP	3,14	07/73
MICHIGAN CONSOLIDATED GAS CO	7,11,14	07/73
MID AMERICA INDUSTRIES INC	13	07/73
MID TEXAS COMMUNICATIONS SYSTEMS INC	11	07/73
MIDDLE SOUTH UTILITIES INC	3	07/73
MIDLAND ENTERPRISES INC	13,14	07/73
MINER INDUSTRIES INC	9,14	07/73
MISSISSIPPI RIVER CORP	3	07/73
MISSISSIPPI RIVER TRANSMISSION CORP	3,8	07/73
MOBIL OIL CORP	3	07/73
MOHAWK DATA SCIENCES CORP	7,13,14	07/73
MONARCH CEMENT CO	7,14	07/73
MONOGRAM INDUSTRIES INC	10	07/73
MONTANA DAKOTA UTILITIES CO	13	07/73
MOTHERHOOD MATERNITY SHOPS INC	13	07/73
MUNFORD INC	13	07/73
MUSIC FAIR ENTERPRISES INC	7,14	07/73
NATIONAL CASH REGISTER CO	7,14	10/72
NATIONAL FIRE PROTECTION INC	13	07/73
NATIONAL PATENT DEVELOPMENT CORP	2,14	07/73
NATIONAL PROPANE CORP	4,14	07/73
NATURAL GAS PIPELINE CO OF AMERICA	7,13,14	07/73
NEVADA POWER CO	3	07/73
NEW IDRIA MINING & CHEMICAL CO	2,8,14	07/73
NEW JERSEY POWER & LIGHT CO	3,8,11,14	07/73
NIAGARA FRONTIER SERVICES INC	8,13	07/73
NIAGARA MOHAWK POWER CORP	3	07/73

8K REPORTS CONT.

NOBLE AFFILIATES INC	13	07/73
NORFOLK & CAROLINA TELEPHONE & TELEGRAPH	7	07/73
NORFOLK SOUTHERN RAILWAY CO	13,14	07/73
NORTHERN NATURAL GAS CO	3	07/73
NVF CO	7,8	07/73
OCEAN OIL & GAS CO	7,14	07/73
OHIO POWER CO	11,14	07/73
OPEN ROAD INDUSTRIES INC	2,14	07/73
OUTDOOR SUPPLY CO INC	8	07/73
OWENS ILLINOIS INC	3	07/73
PACIFIC GAMBLE ROBINSON CO	3	07/73
PACIFIC INTERNATIONAL EQUITIES INC	9,14	07/73
PAINE WEBBER JACKSON & CURTIS INC	3	07/73
PALMER BANK CORP	7,14	07/73
PANAM CORP	4,14	07/73
PASCO INC	8	07/73
PENN CENTRAL CO	3,13	07/73
PENN CENTRAL TRANSPORTATION CO	3	07/73
PENN OIL INDUSTRIES INC	8	07/73
PENNSYLVANIA FUNDING PROGRAMS INC	11	07/73
PENNZOIL LOUISIANA & TEXAS OFFSHORE INC	2	07/73
PENNZOIL OFFSHORE GAS OPERATORS INC	2,14	07/73
PERFORMANCE SYSTEMS INC	13	08/73
PHARMACAPS INC	11	07/73
PILGRIM INNS INC	2,7,14	07/73
PLAYBOY ENTERPRISES INC	13	07/73
PLAZA GROUP INC	13,14	07/73
POLLUTION RESEARCH & CONTROL CORP	2,10,14	06/73
PRIMARY MEDICAL COMMUNICATIONS INC	13,14	07/73
PROSHER CORP	13	07/73
PUBLIC SERVICE CO OF NEW MEXICO STOCK PU	7	07/73
PUNTA GORDA ISLES INC	3	07/73
RAINVILLE CO INC	13	07/73
RAMADA INNS INC	7	07/73
RCA CORP	3	07/73
RD PRODUCTS INC	2,7,14	07/73
REDWOOD BANKCORP	3,13	07/73
RELIANCE INDUSTRIES INC	7,14	06/73
RELIANCE INDUSTRIES INC	7,8	07/73
REVELL INC	13,14	07/73
REXHAM CORP	2,10,14	07/73
RICHFORD INDUSTRIES INC	11	05/73
ROBLIN INDUSTRIES INC	10,14	07/73
ROPER CORP	9,14	07/73
RUSS FURNITURE CORP	10	07/73
RUDICK CORP	4,7,8,9,14	07/73
SALEM CARPET MILLS INC	7,14	07/73
SAN JOSE WATER WORKS	3	07/73
SARGENT INDUSTRIES INC	2,8,13,14	07/73
SAUL B F REAL ESTATE INVESTMENT TRUST	13	07/73
SCHAEFER F & M CORP	9,13,14	07/73
SCM CORP	13,14	07/73
SEA WORLD INC	9	07/73
SEATRAN LINES INC	13	07/73
SERV COOP OF AMERICA	7,8	07/73
SHARON STEEL CORP	4,7,14	07/73
SIRCO INTERNATIONAL CORP	13,14	07/73
SKELLY OIL CO	2,13	07/73

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.