

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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HOLDING COMPANY ACT RELEASES

MICHIGAN-WISCONSIN PIPE LINE RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16776) authorizing Michigan Wisconsin Pipe Line Company, Detroit subsidiary of American Natural Gas Company, to issue and sell up to \$50,000,000 of promissory notes to banks. Michigan Wisconsin will use the proceeds to finance, in part, its 1970 construction program estimated at \$95,000,000 and to provide working capital.

MISSISSIPPI POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16779) giving interested persons until July 23 to request a hearing upon an application of Mississippi Power Company, Gulfport subsidiary of The Southern Company, to amend its 1967 contract with Standard Oil Company ("Kyso" -- formerly Standard Oil Company of Kentucky and now a division of Chevron Oil Company) with respect to the acquisition and installation of two additional turbine-generator-boiler sets at Kyso's petroleum refinery in Pascagoula. Kyso's Pascagoula refinery was produced in boilers owned and operated by Kyso. Mississippi Power proposes to (1) acquire and install the two additional units in the refinery at an aggregate cost of \$5,500,000, (2) lease these units to Kyso at a monthly rate of \$39,300 per units and (3) operate them for Kyso at a charge of \$7.25 per turbine per hour. Kyso will supply, at no expense to Mississippi Power, all fuel, water and other utility services needed for the operation of the units and Kyso will own the entire electric and steam output of these units.

INVESTMENT COMPANY ACT RELEASES

EASTERN STATES CORP. RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6112) declaring that Eastern States Corporation, Baltimore, has ceased to be an investment company as defined in the Act.

CENTENNIAL FUNDS RECEIVE ORDERS. The SEC has issued orders under the Investment Company Act declaring that Centennial Fund, Inc. (Release IC-6113) and Second Centennial Fund, Inc. (Release IC-6114), both of Denver, have ceased to be investment companies as defined in the Act.

FIFTY STATES MUTUAL FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6115) declaring that Fifty States Mutual Fund, Inc. (now Nationwide Transport, Inc.), Columbus, Ohio, has ceased to be an investment company as defined in the Act.

COURT ENFORCEMENT ACTIONS

TANENHAUS & CO. ENJOINED. The SEC New York Regional Office announced June 30 (LR-4667) that the Federal court in New Jersey had enjoined Tanenhaus & Company, Inc., of East Orange, N. J., and Ivor Tanenhaus, its president, from further violations of the net capital and anti-fraud provisions of the Securities Exchange Act. The defendants consented to the injunction without admitting or denying the violations. A receiver has been appointed for the defendant corporation.

F. VON HESSE ENJOINED. The SEC New York Regional Office announced July 2 (LR-4668) that the Federal court in New York City had enjoined Frederick von Hesse, of New York City, from violations of the Securities Act registration requirements in the offer and sale of stock of American Beryllium & Oil.

G T VOLANTE ENJOINED. The SEC New York Regional Office June 30 (LR-4669) that the Federal court in New York City had enjoined violations of its net capital and record keeping rules by Guido T. Volante, a defendant in the Commission's action against Dunhill Securities Corp. and others. Volante consented to the injunction without admitting or denying the violations.

ULTRA JET INDUSTRIES ENJOINED. The SEC Fort Worth Regional Office announced July 7 (LR-4670) that the following had been enjoined by the Federal court in Dallas from violations of the registration and anti-fraud provisions of the Securities Act in the offer and sale of stock of Ultra Jet Industries, Inc.: Ultra Jet Industries, Vernon D. Scottand, David C. McCord, all of Dallas, and Dwight Elwin Parks of Waco, Texas. The defendants consented to the court order without admitting or denying the violations.

OVER

TEXAS AMERICAN OIL FILES FOR RIGHTS OFFERING AND SECONDARY. Texas American Oil Corporation, 300 West Wall St., Midland, Tex. 79701, filed a registration statement (File 2-37883) with the SEC on June 30 seeking registration of 455,622 shares of common stock. It is proposed to offer these shares to common stockholders at the rate of one new share for each 10 shares held. The record date and subscription price (\$3 per share maximum*) are to be supplied by amendment. Also included in this statement are 445,000 outstanding shares of common stock and 180,000 outstanding common stock purchase warrants which may be offered for sale from time to time by the holders thereof at prices current at the time of sale.

The company is principally engaged in exploring, developing and producing oil and gas prospects and purchasing interests in producing and non-producing oil and gas properties. Of the net proceeds of its stock sale, \$463,000 will be used to pay a long-term bank loan and \$500,000 for development drilling costs on its Todd-Federal lease; the balance will be added to the company's general funds and will be available for working capital and other corporate purposes. In addition to indebtedness, it has outstanding 4,556,622 common shares. William F. Judd is president. Enterprise Fund, Inc., Coyn Mateer and Howard Richardson may sell all of 100,000 shares held each and three others the remaining shares being registered; Enterprise Fund may sell all of 55,000 warrants held and two others the remaining warrants being registered.

SHEARSON GROWTH FUND PROPOSES OFFERING. Shearson Growth Fund, Inc., 14 Wall St., New York 10005, filed a registration statement (File 2-37884) with the SEC on June 30 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value plus a sales charge of 8.5% on purchases of less than \$10,000 (\$10 per share maximum*). The Fund is a mutual fund whose investment objective is long-term appreciation of capital. The Shearson, Hammill Management Company, Inc., a wholly-owned subsidiary of Shearson, Hammill & Co. Incorporated ("Shearson-Hammill"), will serve as investment adviser and Shearson-Hammill as distributor of Fund shares. Walter Maynard is president and board chairman of the Fund and vice chairman of Shearson-Hammill.

SHEARSON INCOME FUND PROPOSES OFFERING. Shearson Income Fund, Inc., 14 Wall St., New York 10005, filed a registration statement (File 2-37885) with the SEC on June 30 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value plus a sales charge of 8.5% on purchases of less than \$10,000 (\$10 per share maximum*). The Fund is a mutual fund whose investment objective is to obtain a large and growing income consistent with conservation of capital. The Shearson, Hammill Management Company Inc., a wholly-owned subsidiary of Shearson, Hammill & Co. Incorporated ("Shearson-Hammill"), will serve as investment adviser and Shearson-Hammill as distributor of the Fund's shares. Walter Maynard is president and board chairman of the Fund and vice chairman of Shearson-Hammill.

SHEARSON INSTITUTIONAL FUND PROPOSES OFFERING. Shearson Institutional Fund, Inc., 14 Wall St., New York 10005, filed a registration statement (File 2-37886) with the SEC on June 30 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value plus an 8.5% sales charge on purchases of less than \$10,000 (\$10 per share maximum*). The Fund is a mutual fund whose investment objective is long-term appreciation of capital. The Shearson-Hammill Management Company, Inc., a wholly-owned subsidiary of Shearson, Hammill & Co. Incorporated ("Shearson-Hammill"), will serve as investment adviser and Shearson-Hammill as distributor of Fund shares. Walter Maynard is president and board chairman of the Fund and vice chairman of Shearson-Hammill.

SHEARSON INVESTORS FUND PROPOSES OFFERING. Shearson Investors Fund, Inc., 14 Wall St., New York 10005, filed a registration statement (File 2-37887) with the SEC on June 30 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value with an 8.5% sales charge on purchases of less than \$10,000 (\$10 per share maximum*). The Fund is a mutual fund whose investment objective is long-term appreciation of capital and whose secondary objective is income and income growth. The Shearson, Hammill Management Company, Inc., a wholly-owned subsidiary of Shearson, Hammill & Co. Incorporated ("Shearson-Hammill"), will serve as investment adviser and Shearson-Hammill as distributor of Fund shares. Walter Maynard is president and board chairman of the Fund and vice chairman of Shearson-Hammill.

LONE STAR CEMENT FILES FOR SECONDARY. Lone Star Cement Corporation, One Greenwich Plaza, Greenwich, Conn. 06830, filed a registration statement (File 2-37889) with the SEC on June 30 seeking registration of 290,500 outstanding shares of common stock, of which 157,500 were issued in connection with the acquisition of The Whitecliff Corporation and 133,000 in connection with the acquisition of Palmetto Quarries Company. The holders of such shares may offer them for sale from time to time at prices current at the time of sale (\$19.75 per share maximum*).

The company is a large cement producer. In addition to indebtedness and preferred stock, it has outstanding 9,426,773 common shares. John R. Kringel is board chairman and president. George D. Lott, Jr., may sell 115,031 shares and 12 others the remaining shares being registered.

AVEMCO PROPOSES EXCHANGE OFFER. AVEMCO Corporation, 7979 Old Georgetown Rd., Bethesda, Md., filed a registration statement (File 2-37890) with the SEC on June 30 seeking registration of 397,408 shares of common stock. It is proposed to offer these shares in exchange for securities of Linden Corporation, as follows: (a) 196,856 shares for 393,712 outstanding shares of common stock of Linden, at the rate of 1/2 share for each Linden share; (b) 92,882 shares in exchange for the outstanding \$835,940 of 6% senior subordinated convertible debentures, due 1975, of Linden, at the rate of 111.1 shares for each \$1,000 debenture; (c) 39,544 shares in exchange for \$287,590 of 8% subordinated debentures, due 1970, at the rate of 137.5 shares for each \$1,000 debenture; and (d) 68,126 shares in exchange for \$545,005 of 6% notes, dated February 1, 1968, at the rate of 125 shares for each \$1,000 of such notes.

The company is a holding company, owning and managing four subsidiaries in the fields of insurance and finance. Linden is engaged in owning real estate. AVEMCO has outstanding 2,581,918 common shares. A. G. Hardy is president and board chairman.

SUSQUEHANNA SHARES IN REGISTRATION. The Susquehanna Corporation, Shirley Highway at Edsall Rd., Alexandria, Va. 22314, filed a registration statement (File 2-37892) with the SEC on June 30 seeking registration of 242,450 shares of common stock reserved for issuance pursuant to certain Qualified Stock Option Plans; also, 495,625 common stock purchase warrants, of which 218,959 are outstanding warrants and 276,666 are issuable if certain debt payments are not made in accordance with established schedules. These securities may be offered for sale from time to time by the holders or recipients thereof at prices current at the time of sale (\$7.375 per share maximum*). The company is engaged in a variety of businesses, including mining and processing of uranium ore and sulphur, the manufacture and sale of electronic equipment and building materials, and research, development and production in various fields. In addition to indebtedness and preferred stock, it has outstanding 4,048,675 common shares. SMC Investment Corporation may sell 420,000 warrants and six others the remaining warrants being registered.

INTERNATIONAL UTILITIES FILES FOR SECONDARY. International Utilities Corporation, 200 University Ave., Toronto 1, Ont., Can., filed a registration statement (File 2-37891) with the SEC on June 30 seeking registration of 134,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made through Blyth & Co., Inc., 14 Wall St., New York 10005, and Butcher & Sherrard, 1500 Walnut, Philadelphia, Pa. 19102; the offering price (\$19 per share maximum*) and underwriting terms are to be supplied by amendment.

The company's operations consist of gas and electric utilities in Western Canada and water, sewer and heating utilities in the United States, shipping companies engaged in foreign trade, trucking companies operating principally in the U. S., industrial and service companies including a dairy products company and sugar production and other agricultural enterprises and land development. In addition to indebtedness and preferred stock, the company has outstanding 9,304,331 common shares. Braga Brothers, Incorporated proposes to sell 118,116 shares and Alfonso Fanjul 15,884.

TELEPROMPTER SHARES IN REGISTRATION. Teleprompter Corporation, 50 W. 44th St., New York 10036, filed a registration statement (File 2-37893) with the SEC on June 30 seeking registration of 199,448 shares of common stock. Of these shares, 140,400 are outstanding shares which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\$65 per share maximum*). The remaining 59,048 shares are to be issued in connection with the proposed merger of H & B American Corporation into the company in September 1970.

The company is principally engaged in the cable television business. In addition to indebtedness, it has outstanding 1,248,446 common shares. Irving B. Harris may sell 32,365 of 35,000 shares held and a large number of others the remaining shares being registered.

INTERNATIONAL BANK PROPOSES OFFERING. International Bank, 1701 Pennsylvania Ave., N. W., Washington, D. C. 20006, filed a registration statement (File 2-37894) with the SEC on June 30 seeking registration of \$31,000,000 of secured notes, due 1982, with warrants attached for the purchase of 620,000 shares of common stock, to be offered for public sale through underwriters headed by Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York 10005, and Johnston, Lemon & Company, Southern Bldg., Washington, D. C. 20005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in banking, venture capital, life insurance, fire and casualty insurance and industrial operations. Net proceeds of its financing will be added to the company's general funds and will be available for any corporate purposes, including payment of short-term indebtedness of \$14,909,530 and payment to two wholly-owned subsidiaries of \$9,409,600 which will be used to discharge indebtedness of those subsidiaries; \$5,089,600 will be used by International Bank of Washington, S. A., a wholly-owned subsidiary, to discharge its indebtedness to other company subsidiaries. In addition to indebtedness and preferred stock, the company has outstanding 3,019,505 Class A and 4,549,588 common shares. George Olmsted is board chairman and president.

BESSEMER MORTGAGE INVESTORS PROPOSES OFFERING. Bessemer Mortgage Investors (the "Trust"), Suite 3425, Two Peachtree St., Atlanta, Ga. 30303, filed a registration statement (File 2-37897) with the SEC on July 1 seeking registration of 1,250,000 shares of beneficial interest and \$25,000,000 of convertible subordinated debentures, due 1990, to be offered for public sale in units, each consisting of 50 shares and a \$1,000 debenture, and at \$2,000 per unit. The offering is to be made through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York; the underwriting terms are to be supplied by amendment. Bessemer Securities Corporation intends to purchase 400 of the units.

The Trust was established to provide investors an opportunity to invest in a professionally selected and managed portfolio, to consist primarily of intermediate-term and long-term first mortgage loans and other real estate investments. Net proceeds of the Trust's financing will be invested in first mortgage construction and development loans and other first mortgage loans and participations or other investments. Phipps-Harrington Corporation, a subsidiary of Bessemer Securities Corporation, will serve as investment adviser. Joel H. Cowan is chairman and James L. Starnes president of the adviser; Cowan is also president and Thomas W. Kessee, Jr., chairman of the Trust.

FOOD TOWN FILES FOR OFFERING AND SECONDARY. Food Town Stores, Inc., P. O. Box 1330, Julian Rd., Salisbury, N. C. 28144, filed a registration statement (File 2-37898) with the SEC on July 1 seeking registration of 108,575 shares of common stock, of which 51,575 are to be offered for public sale by the company and 57,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Carolina Securities Corp., Insurance Bldg., 11th Floor, Raleigh, N. C.; the offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates a chain of 11 retail supermarkets and sells a wide variety of groceries, produce, meats, dairy products, seafoods and non-food items. Net proceeds of its sale of additional stock will be used as capital for a new store in Monroe, N. C. and working capital and other corporate purposes, including replacement of capital (\$171,000) used to purchase 120,000 shares of Save-Rite, Inc., and the purchase of equipment and inventory for the Kernersville store. The company has outstanding 348,425 common shares, of which Ralph W. Ketner, president, owns 27.38% and management officials as a group own 49.64%. Ketner proposes to sell 25,000 of 95,425 shares held and nine others (including four management officials) the remaining shares being registered.

MAGNESS 1970 YEAR-END PROGRAM PROPOSES OFFERING. Magness 1970 Year-End Program, Ltd. (the "Partnership") 3535 Northwest 58th St., Oklahoma City, Okla. 73112, filed a registration statement (File 2-37900) with the SEC on July 1 seeking registration of \$2,000,000 of limited partnership interests, to be offered for public sale in minimum amounts of \$10,000 per interest. No underwriting is involved; participating NASD members will receive a 7% selling commission. The Partnership was organized for the purpose of oil and gas exploration. Magness Petroleum Company ("Magness") will serve as the general partner. Of the outstanding common stock of Magness, A. J. Magness, president, owns 54.73%, and Verna P. Magness, his wife, 20%.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

- Bally Manufacturing Corporation, Chicago, Ill. 60618 (File 2-37888) - 75,000 shares
- Cook United, Inc., Maple Hts., Ohio 44137 (File 2-37895) - 275,894 shares
- Howmet Corporation, Greenwich, Conn. 06830 (File 2-37896) - 156,190 shares
- Kalvex Inc., New York 10022 (File 2-37899) - 225,000 shares

MISCELLANEOUS

TRADING BAN CONTINUED. The SEC has ordered the suspension of exchange and/or over-the-counter trading in the securities of Four Seasons Nursing Centers of America, Inc., for the further ten-day period July 12-21, 1970, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 9: Aerovox Corp., 2-37561; American Aggregates Corp., 2-36423; Bakit Industries, Inc., 2-34103 (90 days); Beneficial Standard Corp., 2-37355; Duquesne Light Co., 2-37684; Equity Properties Limited 1970, 2-35761 (90 days); O. N. Fund, Inc., 2-35642; Lewis Business Forms, Inc., 2-36466; Physics International Co., 2-37562; United Gas, Inc., 2-37023 (40 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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