

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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FOR RELEASE October 22, 1970

DECISION IN ADMINISTRATIVE PROCEEDING

GARY BOOKER BARRED. The SEC today announced a decision in administrative proceedings under the Securities Exchange Act (Release 34-9002) in which it barred Gary G. Booker, Riverdale, Md. from association with any broker or dealer by reason of violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of securities of Svanholm Research Laboratories. Booker did not respond to charges contained in an order authorizing the proceedings. According to the Commission's decision, Booker in 1969 offered and sold bonds of Svanholm in violation of the Securities Act registration requirement. In addition, he made false and misleading statements concerning, among other things, the speculative nature of and the unusual high risk involved in an investment in Svanholm bonds, the absence of any guarantee of repayment of the bonds and its poor financial condition, the use of the proceeds of sales for the personal benefit of the persons who owned and controlled SRL, and that SRL was a non-profit corporation. Violations of the confirmation and margin rules also were found.

HOLDING COMPANY ACT RELEASE

NEW ENGLAND ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16876) authorizing seven subsidiaries of New England Electric System ("NEES"), Westboro, Mass., to issue \$41,840,000 of unsecured short-term promissory notes to banks and/or to NEES. Such notes represent an increase of \$4,330,000 in the \$37,510,000 of notes authorized on February 9, 1970, by the Commission (Release 35-16600) to be issued by the subsidiaries.

COURT ENFORCEMENT ACTION

OTIS OIL RESTRAINED. The SEC San Francisco Regional Office announced October 15 (LR-4784) the entry of an order by the Federal court in San Francisco, temporarily restraining Otis Oil and Gas Corporation and its president, David Dixon, from further violations of the anti-fraud provisions of the Federal securities laws in connection with the dissemination of information about the business activities of Otis Oil. A hearing is scheduled for November 20 on the Commission's motion for a preliminary injunction.

ALL AMERICAN FUND, OTHERS ENJOINED. The SEC San Francisco Regional Office announced October 19 (LR-4785) that All American Fund, Inc., a registered investment company, Cabot Management Corporation, investment adviser to the Fund, Kennedy, Cabot & Co., a principal underwriter of Fund shares, and David P. Kane, president of the Fund, have consented, without admitting the allegations, to the entry of an order by the Federal court in Los Angeles permanently enjoining violations of the antifraud and related provisions of the Investment Company Act.

SECURITIES ACT REGISTRATIONS

NATIONAL REALTY INVESTORS PROPOSES OFFERING. National Realty Investors (the "Trust"), 31 Milk St., Boston, Mass. 02109, filed a registration statement (File 2-38626) with the SEC on October 20 seeking registration of 600,000 shares of beneficial interest. Of these shares, 555,500 are to be issued in connection with a plan of acquisition of real property. The balance of 44,500 shares are outstanding shares issued in connection with the acquisition of an 80-unit garden apartment complex and a 237 unit apartment complex; the holders or recipients of such shares may offer them for sale from time to time at prices current at the time of sale (\$10 per share maximum*).

The Trust provides investors with an opportunity to participate in diversified, professionally acquired and managed real estate investments consisting primarily of equity interests in income-producing commercial and residential property, such as shopping centers, office buildings and apartment houses. It has qualified as a real estate investment trust under the Internal Revenue Code. It has outstanding 1,270,654 shares of beneficial interest, of which management officials as a group own 4.1% and Massachusetts Mutual Life Insurance Company 15.3%. R. Norman Wood is president of the Trust. James D. Dement may sell 20,000 shares, Howard C. Grubb 22,500 and Otis Crandall Addington 2,000 shares.

1970 TREECROP PROPOSES OFFERING. 1970 Treecrop Company (the "Partnership"), 2150 Franklin St., Oakland, Calif. 94612, filed a registration statement (File 2-38627) with the SEC on October 20 seeking registration of \$2,500,000 of limited partnership interests, to be offered for public sale at \$2500 per unit. No underwriting is involved; participating broker-dealers will receive an 8% selling commission. The Partnership was organized through the efforts of Buttes Gas & Oil Co. ("Buttes") to engage in the development of agricultural land and the production and distribution of agricultural products. Treegrove 1970 Management Corp., a wholly-owned subsidiary of Buttes, is the general partner. John Boreta is president of the general partner and of Buttes.

OVER

MONTROSE INVESTORS TO SELL STOCK. Montrose Investors, Incorporated, 1140 Connecticut Ave., N. W., Washington, D. C. 20036, filed a registration statement (File 2-38628) with the SEC on October 20 seeking registration of 40,000 shares of common stock, to be offered for public sale at net asset value (\$15 per share maximum*) with no sales charge. The Fund is an open-end, diversified investment company with the objective of capital appreciation. Advanced Investors Management, Inc., will serve as investment adviser and principal distributor of Fund shares. Louis Schwartz is board chairman and Milton Zatsinsky president of the Fund and the adviser.

EQUITY FUNDING PROPOSES OFFERING. Equity Funding Corporation of America, 1900 Avenue of the Stars, Los Angeles, Calif. 90067, filed a registration statement (File 2-38630) with the SEC on October 20 seeking registration of \$20,000,000 of debentures, due 1990, and common stock purchase warrants, to be offered for public sale in units, each consisting of a \$1,000 debenture and an unspecified number of warrants. The offering is to be made through underwriters headed by New York Securities Co. Inc., 140 Broadway, New York 10005; the number of warrants, offering price and underwriting terms are to be supplied by amendment.

The company is an integrated financial services organization primarily engaged, through subsidiaries, in the sale of life insurance and mutual fund shares, either separately or in coordinated acquisition plans ("Programs"). Of the net proceeds of its securities sale, \$10,000,000 will be used to finance existing and future Program loans, \$4,000,000 for the expansion of real estate operations, \$2,000,000 to repay short-term borrowings originally incurred to meet working capital needs and \$1,500,000 to finance the expansion of its natural resources business; the balance will be added to the company's working capital. In addition to indebtedness and preferred stock, the company has outstanding 5,926,836 common shares, of which management officials as a group own 7.6%. Stanley Goldblum is president and board chairman.

SOUTHEASTERN EXPLORATION PROPOSES OFFERING. Southeastern Exploration Ltd. (1971) (the "Partnership"), 558 First National Bank Bldg., Jackson, Miss. 39205, filed a registration statement (File 2-38631) with the SEC on October 21 seeking registration of \$10,000,000 of limited partnership interests, to be offered for public sale in minimum amounts of \$10,000 and in multiples of \$5,000. Shearson, Hamill & Co., Inc., 14 Wall St., New York 10005, has agreed to head a group of dealers which will solicit purchases of the interests; the dealer managers will receive up to \$25,000 for expenses and the selling commission is to be supplied by amendment. The Partnership will be formed to engage in an oil and gas program, emphasizing exploration in and offshore Mississippi, Alabama and Florida. C & K Petroleum, Inc. and Southeastern Exploration Company, a wholly-owned subsidiary of Florida Gas Company, are the general partners. C. Fred Chambers is president and W. D. Kennedy executive vice president of C & K Petroleum and W. J. Bowen is president of Southeastern Exploration. Chambers and Kennedy and their associates own 32% of C & K Petroleum.

ALABAMA POWER PROPOSES OFFERING. Alabama Power Company, 600 N. 18th St., Birmingham, Ala. 35202, filed a registration statement (File 2-38632) with the SEC on October 21 seeking registration of \$60,000,000 of first mortgage bonds and 100,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale at competitive bidding. A subsidiary of The Southern Company, the company will use the net proceeds of its financing, together with \$24,000,000 from the sale of common stock to its parent (\$10,000,000 received in September 1970 and \$14,000,000 proposed to be received prior to December 31, 1970), some \$47,526,000 of funds expected to be accumulated from internal sources and a net increase of \$17,140,000 in notes payable, to finance its 1970 construction expenditures and for other corporate purposes. Property additions and improvements are estimated at \$158,666,000 for 1970 and \$542,017,000 during 1970 through 1972.

REPUBLIC STEEL TO SELL DEBENTURES. Republic Steel Corporation, Republic Bldg., Cleveland, Ohio 44101, filed a registration statement (File 2-38634) with the SEC on October 21 seeking registration of \$100,000,000 of sinking fund debentures, due 1995, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., and Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., both of New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the production of steel and the manufacture of alloy and stainless steels. It will use \$75,000,000 of the net proceeds of its debenture sale to repay borrowings from banks under a revolving credit agreement and the balance for general corporate purposes. In addition to indebtedness, the company has outstanding 16,175,734 common shares. T. F. Patton is board chairman and chief executive officer and W. B. Boyer president.

AT&T PROPOSES FINANCING. American Telephone and Telegraph Company, 195 Broadway, New York 10007, filed a registration statement (File 2-38635) with the SEC on October 21 seeking registration of \$150,000,000 of notes, due 1977, and \$350,000,000 of debentures, due 2002, to be offered for public sale through underwriters headed by Morgan Stanley & Co. Inc., 2 Wall St., New York 10005. The interest rates, offering prices and underwriting terms are to be supplied by amendment. The company will use \$140,000,000 of the net proceeds of its financing to refinance debentures maturing in December 1970, \$200,000,000 to refinance debentures maturing in February 1971 and the remainder for advances to subsidiary and associated companies, the purchase of stock of such companies, extensions, additions and improvements to its communications systems and general corporate purposes. Construction expenditures are estimated at \$7,000,000,000 for 1970, somewhat larger for 1971 and to continue at such levels for the foreseeable future.

DELMARVA POWER TO SELL BONDS. Delmarva Power & Light Company, 600 Market St., Wilmington, Del. 19899, filed a registration statement (File 2-38636) with the SEC on October 21 seeking registration of \$30,000,000 of first mortgage and collateral trust bonds, due 2000, to be offered for public sale at competitive bidding. A public utility, the company will apply the net proceeds of its bond sale toward the cost of the construction program of the company and its two subsidiaries, including the retirement of all or a portion of unsecured short-term notes and/or commercial paper issued prior to such sale (\$2,500,000 at October 21). Construction expenditures for the last four months of 1970 and the year 1971 are estimated at \$155,735,000.

CONTINUED

NCNB CORP. TO SELL DEBENTURES. NCNB Corporation, 200 S. Tryon St., Charlotte, N. C. 28202, filed a registration statement (File 2-38637) with the SEC on October 21 seeking registration of \$40,000,000 of sinking fund debentures, due 1995, to be offered for public sale through underwriters headed by Salomon Brothers, One New York Plaza, New York 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment.

A one-bank holding company, the company's principal asset is the stock of North Carolina National Bank. It also has other subsidiaries engaged in businesses related to banking and finance. Of the net proceeds of its debenture sale, \$7,000,000 will be used to reduce short-term borrowings incurred principally to finance the acquisition and expansion of its wholly-owned subsidiary, Stephenson Finance Company, Incorporated; \$25,000,000 will be invested (subject to approval of the Comptroller of the Currency) in capital notes of the banking subsidiary, to be applied to repayment of \$10,000,000 of outstanding capital notes and to support growth of the Bank; and the balance will be added to the company's general funds and used for general corporate purposes, including acquisition of other businesses and expansion of existing businesses. In addition to indebtedness, the company has outstanding 6,680,217 common shares, of which Jefferson-Pilot Corporation owns 11.6%. Addison H. Reese is board chairman and Thomas I. Storrs president.

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:

A. & E. Plastik Pak Co., Inc., Industry, Calif. 91747 (File 2-38633) - 443,829 shares
Systems Engineering Laboratories, Incorporated, Fort Lauderdale, Fla. 33310 (File 2-38639) - 650,000 shares

MISCELLANEOUS

CORRECTION RE BRESLIN ASSOCIATES. The action reported in the third item of the SEC News Digest of October 16 involved Daniel J. Breslin, not David J. Breslin.

CONTINENTAL VENDING SUSPENSION 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 October 23 through November 1, 1970, inclusive.

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 October 5 News Digest.

8K's for Aug 1970

Clear Creek Corp(6)	0-1379-2	ESE Inc (12)	1-5427-2
Fotomat Corp Jul 70(3,11,12,13)	0-4916-2	National Diversified Funding Inc(7, 9,12)	2-36111-2
Holly Resources Corp(9,11)	1-4343-2	Southern Pacific Transportation Co (7)	1-6146-2
Chas Pfizer & Co(3)	1-3619-2	USM Corp(3,12)	1-1599-2
Southwestern Bell Tel Co(7,13)	1-2346-2	Winnebago Industries Inc(3)	1-6403-2
Alpha Portland Cement Co(12)	1-954-2	American Life Underwriters Inc Jul 70 (6)	0-1024-2
Trans Caribbean Airways Inc(11, 12)	1-3922-2	Heritage Rembrandt Corp(12,13)	0-4199-2
Allen Dental-Medical Development Corp May 69(12)	2-30585-2	Maule Industries Inc Jul 70(4,7)	1-4081-2
Alside Inc June 69(2,13)	0-3521-2	Northwestern National Life Insur Co Jun 70(3,13)	2-21453-2
Omega Equities Corp(3,12,13)	0-188-2	Remington Arms Co Inc(13)	1-3759-2
Sunshine-Fifty Inc(3,6)	0-4318-2	Strauss Stores Corp(11,12)	0-4374-2
K B Marketing Systems Inc(12)	0-4176-2	Unit Inc(8,12,13)	0-3588-2
Walter Reade Organization Inc (2,13)	0-1043-2	United Bancshares of Fla Inc(12)	0-4471-2
T. I. M. E. DC Inc(2,7,13)	0-1338-2	Carter & Churchill Co Inc(9,12)	0-4991-2
Travelers Corp(7)	1-5799-2	Depositors Corp(12,13)	1-5649-2
Gondas Corp(7,9,11,13)	0-5085-2	First Fidelity Investment Trust (2)	2-35007-2
Republic Franklin Inc(12,13)	0-4771-2	Peoples Gas Co(12,13)	1-5540-2
Sterling Communications Inc(1,2,7, 9,12,13)	0-3885-2	Nytronics Inc(2,13)	1-5617-2
Stokely-Van Camp Inc(12)	1-2944-2	Pennsylvania Co(8)	1-4954-2
Pacific American Industries Inc(12)	0-3711-2	RCA Corp(12,13)	1-978-2
Supermarkets General Corp(4,7, 13)	1-5287-2	R T National Corp(11,13)	0-4436-2
Zimmer Homes Corp(12)	1-5712-2	Sirco International Corp(12)	0-4465-2
		Stratton Group Ltd(11,13)	1-4733-2

8K's for Aug 1970

Booz-Allen-Hamilton Inc(7)	2-35623-2	Retention Communications Systems, Inc.	
First Mississippi Corp Apr 70		(4,7,9,13)	2-34009-2
(7,9,13)	0-1866-2	Southwestern States Gas Company	
Qatron Corp(3,7)	0-4014-2	(12,13)	1-6430-2
Real Petroleum Co(2,7)	2-35041-2	U. S. Filter Corp (9,12,13)	1-4097-2
Zenith Radio Corp(12)	1-4115-2		
		Reynolds Metals Co. (4,13)	1-1430-2
Ex-Lax Inc Jul 70(11,13)	0-776-2	Rocket Research Corporation (3)	0-2412-2
Grand Union Co(7,8)	1-1123-2	Western Nuclear, Inc. (10)	1-4360-2
Jet Capital Corp(11,13)	2-32968-2		
Southern California Edison Co(3)	1-2313-2	Brandon Applied Systems, Inc.	
		(2,12)	0-2594-2
Walter E Heller International Corp		Parvin-Dohrmann Co. (1)	1-2762-2
Jul 70(9)	1-5919-2	Sequoyah Industries, Inc.(3)	1-6194-2
National Utilities & Industries Corp		Sterling Savings and Loan Assoc.	
(3)	0-4293-2	(12)	0-3746-2
Pet Inc(11,13)	1-242-2	Tab Products Inc. (11)	0-3996-2
Standard Milling Co(11)	2-6137-2	Wriking Food Beverage Systems, Inc.	
		(3,12)	0-3869-2
Joy Mfg Co(12)	1-3156-2		
Piedmont Devel & Invst Corp(2,7,		Coleman Co. Inc. May 70(4,13)	1-988-2
12,13)	0-3371-2	Collins Foods International, Inc.	
Riverside Press Inc(8)	0-4382-2	(11,13)	0-3952-2
United States Lumber Co(12)	0-601-2	Computer Resources, Inc. Jul 70	
		(6)	0-4326-2
AAA Enterprises Inc Amdt #1 for Apr 70		P & A Industries, Inc. (11,12)	1-4475-2
(13)	0-4926-2	Pennsylvania Power & Light Co.	
Teledata, Inc.(2,7,8,9,13)	0-4088-2	(3,12,13)	1-905-2
United Standard Asset Growth Corp		Perfect Film & Chemical Corp.	
(2,13)	0-2378-2	(6,12)	1-2991-2
Akzo N.V. 6K for July 70	2-10219-2	Reserve Oil and Minerals Corp.	
Armac Enterprises, Inc. (7)	0-5017-2	(11,13)	0-3492-2
Baltimore & Ohio RR Co. Jul 70		San Juan Racing Assoc. Inc. Jul	
(7,13)	1-923-2	70(12)	1-5523-2
Filter Dynamics International, Inc.		Saxon Industries, Inc. (7,13)	1-4111-2
Jul 70(2,7,13)	1-5935-2	Sperti Products Inc.(2,8,11,13)	0-2995-2
Foto Mem Inc. (12)	0-3879-2	Star Supermarkets, Inc.(9,12)	1-5108-2
Prochemco, Inc. (12)	0-2242-2	Texdahl Corporation (3)	2-30969-2
Prosher Corp (2,13)	0-3574-2	Jul 70(11)	2-30969-2
Rice Food Markets, Inc. (8)	0-3703-2		
Ski Park City West, Inc. (7,12)	0-4150-2	Broadway-Hale Stores, Inc.	
Terminal Equipment Corporation(12)	0-4354-2	(1,4,7,11)	1-3025-2
Tropicana Pools, Inc. (11)	0-4975-2	First Mortgage Investors (11)	1-6278-2
Viewlex, Inc. (7,13)	1-4328-2	Park Electrochemical Corporation	
		(7)	1-4415-2
Consolidated Accessories Corporation		Pentair Industries, Inc. Jul 70	
(2,7,13)	0-4897-2	(3,12,13)	0-4689-2
Faness Leasing Corporation Jul 70		Rand Development Corp (7,12)	0-2774-2
(9,11,13)	2-30876-2	Rapid American Corp (7,13)	1-750-2

SECURITIES ACT REGISTRATIONS. Effective October 21: Africa U.S.A., Inc., 2-37497 (90 days); Anvil Equities, Inc., 2-36444; Bache & Co., Inc., 2-38316; Bankers Trust New York Corp., 2-38422; The William J. Burns International Detective Agency, Inc., 2-38416; Compucan, Inc., 2-38495; Cybermatics, Inc., 2-38393; Ginter Corp., 2-35509 (90 days); Illinois Power Co., 2-38521; The Kroger Co., 2-38419; New Jersey Natural Gas Co., 2-38344; Northern Natural Gas Co., 2-38545; Public Service Co. of North Carolina Inc., 2-38259 (40 days); Sonics International, Inc., 2-38541; Southern Packaging Design Corp., 2-36176 (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.