

sec news digest

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J. S. SECURITIES & EXCHANGE COMMISSION
RECEIVED December 4, 1975

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

DEC 5 1975

BARBARA YOUNG RICHMOND DOING BUSINESS AS
RICHMOND & CO. DENIED APPLICATION AS
INVESTMENT ADVISER

LIBRARY

The Commission has accepted an offer of settlement of Barbara Young Richmond, doing business as Richmond & Co. of Los Angeles, California, which without admitting or denying the allegations of the order for proceedings provides for an order finding that if she were registered as an investment adviser her registration would be subject to suspension and revocation under the Investment Advisers Act of 1940. On the basis of the offer of settlement, her application as an investment adviser was denied. (Rel. IA-488)

COMMISSION ANNOUNCEMENTS

NOTICE OF AN ORDER OF APPROVAL

The Commission determined on November 26 upon application by the American Stock Exchange, that the new Class A convertible shares, without nominal or par value, of Union Gas Limited (a Canadian corporation) are substantially equivalent to the common shares, without par value, of Union Gas which have had unlisted trading privileges on the American Stock Exchange since 1927.

COURT ENFORCEMENT ACTIONS

JOHN E. MCGOWAN, OTHERS ENJOINED

The Fort Worth Regional Office announced that on December 1 Federal District Judge William M. Taylor, Jr., Dallas, Texas, entered an order of permanent injunction by consent enjoining John E. McGowan, Fort Worth, Texas, Howard L. Strahan, Dallas, and Richard C. Upton, Mesquite, Texas, from violations of the registration and antifraud provisions of the securities laws in connection with the offer and sale of fractional undivided working interests in oil and gas leases issued by Gulf States Energy Corporation.

Additionally, Judge Taylor entered an order of preliminary injunction by consent enjoining Gulf States Energy Corporation and its president, Royal D. Russell, both of Dallas, from violations of the registration provisions of the securities laws in connection with the offer and sale of fractional undivided working interests in the same oil and gas leases.

The defendants consented to the entry of the above orders without admitting or denying the allegations in the Commission's complaint, which was filed September 23, 1975. (SEC v. Gulf States Energy Corp., N.D. Tex.). (LR-7189)

DON W. RODGERS, OTHERS ENJOINED

The Chicago Regional Office announced that on November 13 the Honorable Prentice H. Marshall of the Federal Court in Chicago permanently enjoined Don W. Rodgers, Partnership Management Associates, Inc., International Currency Fund, Shank Nursing Home Associates, Trans Universal, and The Four Million Dollar Company from violations of the antifraud provisions of the securities laws in the offer and sale of securities, namely limited partnership interests. The defendants consented to the above judgment without admitting or denying the allegations of the Commission's complaint. (SEC v. Partnership Management Associates, Inc., et al., N.D. Ill.). (LR-7190)

The Fort Worth Regional Office announced that on November 18 Federal District Judge Carl O. Bue at Houston, Texas entered an order of permanent injunction by consent against Herman William Brann of New York City, New York, forbidding violations of the registration and antifraud provisions of the securities laws. Brann consented to the entry of the order without admitting or denying the allegations in the Commission's complaint. (SEC v. Herman William Brann, S.D. Tex.). (LR-7191)

FRED C. TALLANT, SR. AND WILLIAM M. WOMACK, JR.
SENTENCED

The Atlanta Regional Office announced that on November 21 Fred C. Tallant, Sr. and William M. Womack, Jr., of Atlanta, Georgia, were sentenced by Federal Judge Richard C. Freeman on their pleas of nolo contendere to a twelve-count indictment charging them with violations of the antifraud provisions of the securities laws, the mail fraud statute and the conspiracy statute and Womack with violating the obstruction of justice statute in connection with offers and sales of Preferred Land Corporation's common stock.

Tallant's sentence of three years imprisonment on each of 11 counts was suspended except for three months and he was fined \$40,000. Womack's sentence of three years imprisonment on each of 12 counts was suspended except for 2 months and he was fined \$15,000. (U.S. v. Fred C. Tallant, Sr., et al., CR-74-225A N.D. GA). (LR-7192)

HI-SHEAR CORPORATION AND
GEORGE S. WING ENJOINED

The Los Angeles Regional Office announced that on November 25 the Honorable William P. Gray, Judge, U.S. District Court for the Central District of California, entered an order of permanent injunction by consent against Hi-Shear Corporation (Hi-Shear) and George S. Wing (Wing), president and chairman of the board of Hi-Shear, both of Los Angeles, California. Hi-Shear and Wing consented to the entry of the permanent injunction without admitting or denying the allegations in the Commission's complaint. Under the Court's order, Hi-Shear and Wing are permanently enjoined from violations of the provisions of the proxy soliciting rules promulgated under the Securities Exchange Act of 1934. (SEC v. Hi-Shear Corporation, et al., CV-74-3717-WPG, C.D. CA). (LR-7193)

GOSS AND FIVE OTHERS INDICTED

The Chicago and Denver Regional Offices announced that on November 19 a federal grand jury in Phoenix, Arizona, returned a 51 count indictment against Cadmus L. G. Goss (formerly of Phoenix, Arizona); Richard F. Vande Vegte (Mound, Minnesota); Arthur J. Kirsch (Des Moines, Iowa); Roland S. Moore (formerly of Omaha, Nebraska); Donald W. Sparks (Omaha, Nebraska); and Elary Rinehart (Wayne, Nebraska) alleging violations of the registration and antifraud provisions of the securities laws, the mail fraud statute, conspiracy and the interstate transportation of money obtained by fraud, all in connection with the offer and sale of securities of New Life Trust, Inc., an Arizona land company presently in bankruptcy. (U.S. v. Goss, et al., U.S.D.C., Arizona, Criminal No. 75-560 PHX). (LR-7194)

INVESTMENT COMPANY ACT RELEASES

DF FUND

A notice has been issued giving interested persons until December 29 to request a hearing on an application of DF Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-9063 - Dec. 3)

CHANNING INCOME FUND

A notice has been issued giving interested persons until December 29 to request a hearing on an application of Channing Income Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-9064 - Dec. 3)

SOUTHEASTERN CAPITAL CORPORATION

A notice has been issued giving interested persons until December 23 to request a hearing on an application of Southeastern Capital Corporation (Applicant) for an order permitting Atlanta Capital Management Company (Adviser) to serve as investment adviser to the successor corporation of the proposed merger of Applicant with and into Phoenix, Inc. pursuant to an advisory agreement entered into between Adviser and Applicant. (Rel. IC-9065 - Dec. 3)

HOLDING COMPANY ACT RELEASES

EASTERN UTILITIES ASSOCIATES

A notice has been issued giving interested persons until December 26 to request a hearing on a revised proposal by Eastern Utilities Associates (EUA), a registered holding company, and its subsidiaries, that EUA and its subsidiaries make certain short-term borrowings from banks and that EUA make open account advances to one of the subsidiaries. (Rel. 35-19279 - Dec. 2)

MIDDLE SOUTH UTILITIES

A notice has been issued giving interested persons until December 29 to request a hearing on proposals of Middle South, System Fuels and Mississippi Power & Light whereby (a) System Fuels will sell and lease back oil storage facilities, (b) Middle South will guarantee System Fuels' lease obligations, and (c) Mississippi will execute a ground lease of land related to the storage facilities. (Rel. 35-19280 - Dec. 3)

TRUST INDENTURE ACT RELEASES

CONSUMERS POWER COMPANY

An order has been issued under the Trust Indenture Act of 1939 on an application of Consumers Power Company that the trusteeship of First National City Bank under two indentures, one qualified and one not qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary to disqualify First National City Bank from acting as trustee under the qualified indenture. (TI-421 & 422)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON ONE TRADING SUSPENSION

The SEC has announced the suspension of over-the-counter trading in the securities of Transjersey Bancorp. for the further ten-day period December 4 - 13, inclusive.

SECURITIES ACT REGISTRATIONS

(S-6) THE MUNICIPAL BOND FUND, SERIES 25

c/o Paine, Webber, Jackson & Curtis Incorporated, 140 Broadway, New York, N.Y. 10005 and Hornblower & Weeks - Hemphill, Noyes Incorporated, 8 Hanover St., New York, N.Y. 10005 - 5,000 units. The Trust will be created under a trust indenture among Paine, Webber, Jackson & Curtis Incorporated, 140 Broadway, New York, N.Y. 10005 and Hornblower & Weeks - Hemphill, Noyes, Incorporated, 8 Hanover St., New York, N.Y. 10005, as sponsors, United States Trust Company of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Trust will consist of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territorial possessions of the United States and authorities, agencies and other political subdivisions thereof, the interest on which is, in the opinion of counsel to the issuers of such obligations, exempt from Federal income tax. (File 2-55113 - Dec. 2)

(S-1) KYOTO CERAMIC CO., LTD.

52-11 Inoue-cho, Higashino, Yamashina, Higashiyama-ku, Kyoto 607, Japan - 2,000,000 shares of common stock, of which 1,600,000 are being offered by the company and 400,000 by certain stockholders through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The company is a Japanese corporation which manufactures principally ceramic products for use in the electronics and other industries. (File 2-55115 - Dec. 3)

In a separate statement, First National City Bank seeks registration of 200,000 American Depositary Receipts for common stock of Kyoto Ceramic Co. Ltd. (File 2-55116- Dec. 3)

(S-1) CONVEST ENERGY 1976 OIL & GAS PROGRAM

4605 Post Oak Place Dr., Suite 200, Houston, Tex. 77027 - \$10 million of limited partnership interest in ConVest Energy 1976 Oil & Gas Program, to be offered for sale in

\$1,000 units by soliciting dealers headed by ConVest Securities Distributors, Inc., 100 Federal St., Boston, Mass. 02110. The partnership will engage in exploration for oil and gas. ConVest Energy Corporation is the general partner. (File 2-55117 - Dec. 3)

REGISTRATIONS EFFECTIVE

Nov. 28: Southern Union Gas Co., 2-55017.

Dec. 2: Alexander & Alexander Services Inc., 2-55035; The First Trust of Insured Municipal Bonds, 2-55020; General Telephone Co. of the Southwest, 2-54959 & 2-54960; Ohio Edison Co., 2-54963; Virginia Electric and Power Co., 2-54937.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

REGISTRATIONS WITHDRAWN

Nov. 12: Information Magnetics Corp., 2-51766.

Nov. 13: Arcata National Corp., 2-49326; Canadian Merrill, Ltd., 2-51060.

Nov. 14: Certron Corp., 2-50638.

Nov. 17: Bank Securities, Inc., 2-54037; Hartfield Zody's, Inc., 2-51838; Metpath Inc., 2-54253; Monterey Vineyards, 2-54301.

Nov. 19: William Bond, Inc., 2-52097.

Nov. 20: City of Helsinki, 2-50244; Novo Corp., 2-54563.

Nov. 21: Solar Corp. of America, 2-54780; The Cheapside Dollar Fund Ltd., 2-34215; Midwest Income Investment Co., 2-52242; St. Augustine Ranches Inc., 2-51044.

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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