



# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of  
S.E.C. Activities

Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 72-40)

FOR RELEASE March 2, 1972

## DECISION IN ADMINISTRATIVE PROCEEDING

BISHOP AND MAHONEY, BROUILLETTE SUSPENDED. The SEC has suspended, commencing March 6, Bishop and Mahoney, Incorporated, formerly M. H. Bishop & Co., Inc., Minneapolis, Minn., from effecting retail securities transactions and opening new accounts for 15 business days, and Jean T. Brouillette, its chief executive officer, from association with any broker-dealer for 60 calendar days. It was provided that during registrant's suspension it may effect unsolicited liquidating transactions of existing positions of present customers without commissions.

The suspensions were based on findings that respondents, from October 1968 to July 1969, offered, sold and delivered common stock of S & M Industries, Inc., formerly S & M Supply Co., when no registration statement was filed or in effect as to such stock.

The Commission's action was taken pursuant to an offer of settlement in which respondents, without admitting the charges, consented to the findings and suspensions. (Rel. 34-9509)

## COMMISSION ANNOUNCEMENT

HEARING SCHEDULED RE WHITE & CO. In July 1971, the Commission ordered administrative proceedings under the Securities Exchange Act of 1934 against White & Co., St. Louis, Mo. brokerage firm, Edward A. White, president of White & Co., White Capital Corporation and Ivan A. Erzine, of New York (Rel. 34-9260). Pursuant to the hearing's examiner's interim initial decision in this proceeding (announced October 7, 1971) which became the decision of the Commission, it was ordered, pending final determination of the remaining issues, White & Co. could continue to operate as a broker-dealer, providing, among other things, that it notified the Commission if in violation of the net capital requirements. In an amendment to the Commission's order for administrative proceedings, the Commission's staff also alleges that Julian M. White, ~~secretary~~<sup>treasurer</sup> board chairman and a beneficial owner of 25% to 50% of White & Co.'s Class A stock, and Edward A. White from August 21, 1971 to present (a) violated the net capital provisions of the Act in attempting to induce the purchase and sale of securities when White & Co.'s aggregate indebtedness exceeded 2,000% of its net capital and White & Co. did not have and maintain a net capital of not less than \$5,000, and (c) White & Co., aided and abetted by Edward & Julian White, failed to properly advise the Commission of its financial condition and (d) White & Co., Edward White & Julian White failed reasonably to supervise persons subject to their supervision with a view toward preventing the alleged violations.

A public hearing is scheduled to be held at 2103 12th St., St. Louis, Mo. on March 8 for the purpose of taking evidence on the questions set forth in the order for proceedings.

## COURT ENFORCEMENT ACTIONS

ROBERT EISENBERG ENJOINED. The SEC Denver Regional Office announced February 24 that the Federal court in Colorado had permanently enjoined Robert Eisenberg, special counsel of Majestic Capital Corporation, from violating the registration and antifraud provisions of the Federal securities laws in connection with the purchase and sale of securities of Majestic, a Colorado corporation. (LR-5334)

HERITAGE PETROLEUM, OTHERS ENJOINED. The SEC Fort Worth Regional Office announced February 28 that the Federal court in Wichita, Ks., had permanently enjoined Heritage Petroleum, Inc., Petroleum Production, Inc., Larry D. Morgan, Ora Delbert Morgan and Elmer Kuehler, all of Wichita, from violating the registration provisions of the Federal securities laws in the offer and sale of fractional undivided interests in oil and gas leases located in six Kansas counties. The defendants consented to the allegations. (LR-5335)

VERDICTS RE NINE; EIGHT PLEAD GUILTY. The SEC New York Regional Office announced February 28 that the Federal court in New York had returned the following verdicts, all in cases involving New York State residents: Ronald Alpert, of Great Neck, guilty of conspiracy to violate the Federal securities laws and of three counts of stock manipulation; Bernard Weiss, of Brooklyn, guilty of the conspiracy charge and acquitted on the stock manipulation charge; Vincent Gugliaro, Philip Bonodono and Erwin Layne, all of Brooklyn, were acquitted on the charge of stock manipulation and there was a hung jury on the conspiracy charge. Carmine Tramunti, of Whitestone, Vincent Aloï, of Ramapo, Pasquale Fusco, of Cedarhurst, and John Savino, of New York City, were acquitted. Vincent Lombardo, of Miami, Fla., and Michael Helleman, of Queens, N. Y., pleaded guilty to one count of stock manipulation; Frederick Goodman, of New York City, pleaded guilty to one count of conspiracy; Steven Schoengold, of Tarrytown, N. Y., and John M. Kelsey, of Metuchen, N. J., pleaded guilty to one count of sale of unregistered stock; and Ira Schultz, of Dix Hills, N. Y., and Stanleigh Bader, of New York City, pleaded guilty to one count of perjury. John Dioguardi, also known as Johnny Dio, and Robert Frank were severed by the judge, due to the defendants' illness. Dioguardi and Frank, as well as Gugliaro, Bonodono and Layne (the latter three to be tried on the conspiracy charge) are scheduled to stand trial on May 15. (LR-5336)

OVER

INVESTMENT COMPANY ACT RELEASES

NATURAL RESOURCES FUND. The SEC has issued a notice giving interested persons until March 24 to request a hearing upon an application of Natural Resources Fund, Inc., Abington, Pa. mutual fund, for an order declaring that it has ceased to be an investment company. According to the application, the Fund has issued no securities; it has no assets; a proposed public offering of securities has been abandoned because of current market conditions; and its registration statement is being withdrawn. (Rel. IC-7022)

REAL PROPERTY SECURITIES. The SEC has issued a notice giving interested persons until March 17 to request a hearing upon an application of Real Property Securities, Inc. (Securities), Los Angeles, for an order exempting certain transactions from Section 30(f) of the Act to the extent that such section adopts Section 16(b) of the Securities Exchange Act. Real Property proposes to act as the managing underwriter of a group of underwriters to be formed in connection with the proposed public offering of 1,000,000 shares of common stock of First Real Property Fund, a closed-end investment company at \$20 per share. According to the application, the underwriting commitment of any one or more of the underwriters may exceed 10% of the aggregate number of shares of the company's common stock to be outstanding. Section 30(f) subjects every owner of 10% of any class of outstanding securities of a company to the filing requirements of the Act. (Rel. IC-7023)

FIRST HEDGE FUND OF BOSTON. The SEC has issued a notice giving interested persons until March 21 to request a hearing upon an application of First Hedge Fund of Boston, Inc., Pittsburgh, Pa. mutual fund, for an order declaring that it has ceased to be an investment company as defined in the Act. According to the application, the Fund has only 15,053 outstanding shares of common stock with a \$2.40 per share net asset value (or an aggregate value of \$36,127). The Fund has eleven shareholders, all individuals. It represents that it has not offered its securities to the public since November 1970, that it has abandoned its plans to continue the public offering of its securities and does not now intend to offer or sell any securities to the public. (Rel. IC-7028)

ALPHA PLANS. The SEC has issued a notice giving interested persons until March 22 to request a hearing upon an application of Alpha Plans, Atlanta, Ga., declaring that it has ceased to be an investment company. Alpha Plans has requested withdrawal of its registration statement, which had not been made effective. Two privately placed Single Payment Contractual Plans totalling \$100,000, which were issued have been terminated. (Rel. IC-7029)

SECURITIES ACT REGISTRATIONS

GIL-BERN INDUSTRIES, INC., 80 Brook St., Plymton, Mass. 02367, filed a registration statement on February 28 seeking registration of 400,000 shares of common stock, of which 360,000 are to be offered for public sale by the company and 40,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$14 per share maximum) through underwriters headed by G.H. Walker & Co. Inc., 45 Wall St., New York 10005. The company is principally engaged in the production and sale of concrete building materials and components and construction. Of the net proceeds of its stock sale, \$1,338,000 will be used to repay bank loans and the balance for working capital and other corporate purposes. (File 2-43184)

UNITED STATES LEASING CORPORATION, 633 Battery St., San Francisco, Calif. 94111, filed a registration statement on February 28 seeking registration of \$15 million of senior notes, due 1977, to be offered for public sale through underwriters headed by Smith, Barney & Co. Inc., 1345 Avenue of the Americas, New York, and Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The company is primarily engaged in leasing a wide variety of equipment to various industrial and commercial businesses. Net proceeds will be used to reduce short-term borrowings. (File 2-43185)

TROPORO OIL & GAS COMPANY, (General Partner, of Troporo Fund 72, Ltd.) 200 Wilkinson-Foster Bldg., Midland, Tex. 79701, filed a registration statement on February 28 seeking registration of \$3 million of preformation limited partnership units in Troporo Fund 72, Ltd., (the Partnership), to be offered for public sale at \$5,000 per unit. The partnership will engage in the exploration, development, production and operation of oil, gas and other mineral properties. (File 2-43186)

PARK-A-MATIC, INC., 1141 N. Citrus Ave., Orange, Calif. 92667, filed a registration statement on February 28 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$10 per share through underwriters headed by Great Pacific Securities Corp., 17291 Irvine Blvd., Tustin, Calif. 92680. The company is principally engaged in the construction and operation of multi-level, computerized mechanical parking systems. Of the net proceeds from its stock sale, \$1,500,000 will be used to build three to five parking structures, and the balance for working capital and other corporate purposes. (File 2-43187)

AMERICAN EXPRESS CREDIT CORPORATION, 401 Hackensack Ave., Hackensack, N. J. 07601, filed a registration statement on February 25 seeking registration of \$50 million of senior notes, due 1997, and \$20 million of subordinated debentures, due 1992, to be offered for public sale by Salomon Brothers, One New York Plaza, N.Y. and Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York, N.Y. 10005. A wholly-owned subsidiary of American Express Company, the company is engaged in the business of purchasing and financing receivables arising from the use of the American Express Money Card. Of the net proceeds of its financing, \$13 million will be used to prepay, in part, subordinated debt to the parent and the balance to reduce short-term debt. (File 2-43170)

MISCELLANEOUSIMPORTANT NOTICE

Many requests for copies of documents referred to in the daily SEC News Digest have erroneously been directed to the Government Printing Office. They should be addressed: Public Reference Section, Securities and Exchange Commission, Washington, D. C. 20549. The reproduction cost will approximate 12¢ per page, plus postage, for mailing within four days, to 25¢ per page, plus postage, for overnight mailing. Cost estimates given on request.

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. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Changes in Registrant's Certifying Accountant.
- Item 13. Other Materially Important Events.
- Item 14. Financial Statements and Exhibits.

Copies of the reports 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.

8K Reports for Jan 72

New England Elec System (13)	1-3446-2	American Broadcasting Companies Inc	
Princeton Time Sharing Services Inc		(7,13,14)	1-3534-2
(13,14)	0-5228-2	Eastern Airlines Inc (7,8)	1-3049-2
Sedalia-Marshall-Boonville Stage Line		Fla Gas Transmission Co (13)	2-26874-2
Inc Nov 71 (12)	0-3514-2	Media Creations Ltd	
Wheeling Pittsburgh Steel Corp		(2,3,8,12,14)	0-4501-2
(4,14)	1-2394-2	Medical Services Corp (11)	0-4256-2
AABCO Inds Inc (3,6)	0-5188-2	Sedco Inc (7,14)	1-5981-2
Automatic Service Co (11)	1-6539-2	UB Financial Corp (13)	0-5475-2
Central Tel Co Of Illinois		George Banta Co Inc (7,14)	2-36665-2
(7,14)	2-42403-2	Consumers Water Co (13)	0-493-2
Delta Western Systems Inc (11)	2-32931-2	Dynalab Corp (2,13,14)	0-4489-2
D H Holmes Co Ltd (7,14)	0-5287-2	Garan Inc (11)	1-4506-2
Unitec Inds Inc (11,13)	0-3691-2	Nachman Corp (3)	1-1492-2
White Eagle Int'l Inc (7,14)	0-5794-2	Natural Gas Pipeline Co Of America	
American Hydrocarbon Corp (13)	0-212-2	(13)	1-6599-2
Boston Gas Co (7,11)	2-23416-2	Peoples Gas Light & Coke Co	
Downen Zier Knits Inc (13)	2-40192-2	(13)	2-26983-2
Natl Student Marketing Corp		Resorts Int'l Inc (13)	1-4748-2
(3)	0-4854-2	Advanced Memory Systems Inc	
Raytheon Co (7)	1-2833-2	(7)	0-5902-2
Royal Coach Inc (1,13)	0-5588-2	American Metal Climax Inc	
Susquehanna Corp (13,14)	1-5515-2	(3)	1-229-2
AVM Corp (4,7,8,14)	0-439-2	Computer Terminal Corp (13)	0-5253-2
Ferronics Inc (13)	2-32686-2	Maxad Inc (11,13,14)	0-4235-2
General Develmnt Corp		Ohio Water Service Co (13)	0-498-2
(3,8,13)	1-4080-2	Fenna Co (8)	1-4954-2
Glen Gery Corp (7)	1-5010-2	Valley Metallurgical Processing Co Inc	
Natl General Corp (8)	1-3675-2	Dec 71 (9,14)	1-5133-2
New York State Elec & Gas Corp		Mem Co Inc (7)	1-5292-2
(13)	1-3103-2	Time Sharing Resources Inc	
Residex Corp (7,9,14)	0-2318-2	(13,14)	2-33506-2
U I P Corp Nov 71 (2,7,10)	1-4203-2	John R Thompson Co	
		(2,3,10,14)	1-6390-2

8K Reports For Jan 72 Cont'd

Acme Precision Products Inc (11)	1-6135-2
Ashland Oil Canada Ltd (2,7,11,14)	1-6489-2
The Cambridge Corp (2,3,14)	0-3234-2
F & M Schaefer Corp (4,7,13)	1-5853-2
Stewart Information Services Corp Feb 72 (3)	2-36856-2
Sukut-Coulson Inc Nov 71 (13,14)	2-41281-2
American Diversified Inds Corp (3,12)	0-4314-2
Apeco Corp (2,7,14)	1-6081-2

Amended 8K Reports

Bolt Beranek & Newman Inc #1 for Nov 71 (12)	0-1844-2
Coffee-Mat Corp #1 for Jul 71 (12)	1-5367-2
Computer Technology Inc #1 for Dec 71 (2,8)	0-3510-2
Insilco Corp #1 for Nov 71 (12)	1-3348-2
Chadwick Miller Inc #1 for Dec 71 (13)	1-5695-2
Meridian Investing & Develmnt Corp Amdt #1 for Dec 71	0-5981-2
Goldfield Corp #1 for Jun 71 (3)	0-3098-2
LSL Corp #1 for Jun 71 (14)	2-37825-2

Amended 8K Reports

Andersen 2000 Inc #1 for Sept 71 (11)	2-32531-2
Baker Inds Inc #1 for Dec 71 (14)	0-2499-2
Western Empire Financial Inc #1 for Aug 71 (11)	0-1525-2
GAC Corp #1 for Dec 71 (13)	1-3453-2
Varlen Corp #1 for Aug 71 (2,13)	0-5374-2
General Develmnt Corp #1 for Sept 71 (7)	1-4080-2
Wilson Laurel Farms Inc #1 for Dec 71 (10)	1-6359-2
Standard Products Co #1 for Dec 71 (7)	1-2917-2
DL Liquidating Inc #1 for Aug 71 (13)	0-1965-2
United Consolidated Inds Inc #1 for Dec 71 (14)	0-5796-2
Summite Natl Holding Co #1 for Nov 71 (1,7)	0-582-2
Whitecraft Inds Inc #1 for Oct 71 (9)	2-32134-2

SECURITIES ACT REGISTRATIONS, Effective February 29: Alplex Computer Corp., 2-41612; A.P.S., Inc., 2-42960; BancOhio Corp., 2-42573; Fancy Industries, Inc., 2-41211 (90 days); Golden State Foods Corp., 2-42761 (90 days); Intelcom Industries, Inc. 2-42040 (90 days); Keystone Centers, Inc., 2-42454 (40 days); Minnesota Fabrics, Inc., 2-42911; Morse Electro Products Corp., 2-42632; Mountain Banks, Ltd. 2-41922 (90 days); Pittsburgh Brewing Co., 2-42670; Republic Maintenance Corp., 2-42569 (90 days); Saxton Products, Inc., 2-41578 (90 days); Sysco Corp. 2-43082; Texas Eastern Transmission Corp., 2-43042; Union Commerce Corp., 2-42947.

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.

GPO 912-604

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ONLY the SEC News Digest is for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402. All other referenced material must be ordered from the Securities and Exchange Commission, Washington, D. C. 20549.