

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

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

(Issue No. 70-145)

FOR RELEASE July 28, 1970

## COMMISSION ANNOUNCEMENT

**TRADING IN LEASING CONSULTANTS SUSPENDED.** The SEC today ordered the ten-day suspension, through August 6, of over-the-counter trading in the common stock of Leasing Consultants, Incorporated, of Roslyn, N. Y. The suspension was ordered because information recently filed with the Commission by the company concerning its financial condition may be inaccurate; moreover, accurate financial information about the company is not available. Leasing Consultants filed a Form 9-K report on June 30, 1970, which included an unaudited income statement for the six-month period ended February 21, 1970 setting forth operating revenues of \$3,433,475 and net income, including sales of equipment, of \$780,987. The net income from operations amounted to \$398,861. On the same day, Leasing Consultants issued a press release containing substantially the same information. Two top officials of the company resigned as of July 21 and the company was placed under the direction of a new management group. This group has advised the Commission that the income statement filed on June 30 may be inaccurate. It further advises that the company is unable to release accurate financial information concerning the results of its operations for the June 30 period; however, the new management believes that the company is unable to meet current obligations. (Release 34-8944)

## INVESTMENT COMPANY ACT RELEASE

**MISSISSIPPI POWER RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16791) authorizing 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, pursuant to which Mississippi Power took over from Kyso the contracts for installation of two gas turbine sets equipped with electric power generators and waste-heat recovery boilers for steam production ("Units 1 and 2"), at the petroleum refinery in Pascagoula operated by Kyso, and to enter into another contract with Kyso. These changes would provide that Mississippi Power will (1) acquire and install Units 3 and 4 in the Pascagoula petroleum refinery at an aggregate cost of some \$5,500,000, (2) lease these units to Kyso at a monthly rental of \$39,300 per unit and (3) operate them for Kyso at a charge of \$7.25 per turbine per hour. Kyso will supply all fuel, water and other utility services needed for operation of Units 3 and 4 and will own the entire electric and steam output of these units.

## COURT ENFORCEMENT ACTIONS

**NATIONWIDE INVESTMENT, OTHERS ENJOINED.** The SEC San Francisco Regional Office announced on July 23 (LR-4694) that the Federal court in Los Angeles entered an order permanently enjoining violations of the registration and anti-fraud provisions of the Federal securities laws by the following in the offer and sale of securities of Nationwide Investment Corporation: Nationwide Investment Corporation ("NIC"), Nationwide Investment Co. of Delaware ("NIC-Del"), Nationwide Securities Corporation ("NSC"), Eastern Investment Corporation ("EIC") and James C. Hayes, president of NIC, NIC-Del, and EIC a vice president of NSC, Esther Kasle, Oral G. Cox, Howard D. Gatliff, Fletcher M. Glenn and Larry N. Klinger. The defendants consented to the court order without admitting the allegations alleged. The court also approved the filing of voluntary bankruptcy petitions by the defendant corporations.

**D. G. HAFEN ENJOINED.** The SEC Denver Regional Office announced July 21 that the Federal court in Salt Lake City permanently enjoined Darrell G. Hafen, formerly of Salt Lake City, Utah and more recently of San Jose, Costa Rica, from violations of the anti-fraud provisions of the Federal securities laws, arising out of the purchase of securities, including shares of mutual funds, with worthless checks or with the intent to pay for such securities only in the event of a rise in their price. (LR-4695)

**GRAY LINE ENJOINED.** The SEC today announced (LR-4696) that the Federal court in New York City entered an order permanently enjoining Gray Line Corporation from violations of provisions of the Investment Company Act which proscribe certain transactions by unregistered investment companies. Gray Line consented to the court order without admitting the allegations alleged. The court order also directs Gray Line to register under the said Act and to file appropriate periodic and other reports on a continuing basis with the Commission and to notify its shareholders of a special meeting to be held for the purpose of electing directors and auditors and for deciding whether or not Gray Line should be liquidated. Incumbent directors are enjoined from using corporate assets to solicit proxies in connection with such meeting.

OVER

SECURITIES ACT REGISTRATIONS

**NATIONWIDE VAULT PROPOSES OFFERING.** Nationwide Vault Corporation, Anderson St., New Kensington, Pa. 15068, filed a registration statement (File 2-38030) with the SEC on July 24 seeking registration of 330,000 shares of common stock and 110,000 common stock purchase warrants, to be offered for public sale in units, each consisting of three shares and one warrant. The offering is to be made on a best efforts basis by Victor Securities Corp., 15 William St., New York 10005; the offering price is to be supplied by amendment. The company has agreed to pay the underwriter a 10% selling commission plus \$15,000 for expenses. It has also agreed to sell the underwriter and the finder, Roxton Investors, Inc., for \$.001 per warrant, five-year warrants to purchase 30,000 and 6,600 shares, respectively.

Organized in 1965, the company has designed and developed and intends to manufacture and market a burial vault molded from foamed structural plastic material. The vaults are intended to be used as a protective container for a casket. Of the net proceeds of its stock sale, \$400,000 will be used to purchase new machinery, principally an injection molding press and related equipment; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 645,000 common shares, of which Irvin D. Meyers, president and board chairman, owns 13%, George B. Trad, a director, 21.9% and management officials as a group 87%. Purchasers of the shares being registered will acquire a 40.7% stock interest in the company; present stockholders will then own 59.3%, for which they will have paid \$50,000 or 8c per share.

**SOUTHEAST BANCORPORATION PROPOSES EXCHANGE OFFER.** Southeast Bancorporation, Inc., 100 S. Biscayne Blvd., Miami, Fla. 33131, filed a registration statement (File 2-38031) with the SEC on July 24 seeking registration of 71,399 shares of common stock. It is proposed to offer these shares in exchange for all the outstanding shares of common stock of the following banks at the indicated exchange rates: .7 of a Southeast share for each share of Citizens Bank of Brevard, and .666 Southeast share for each share of First National Bank of Satellite Beach. Effectiveness of the exchange offers is contingent upon acceptance by holders of 80% of the outstanding common stock of each bank.

Southeast is a bank holding company with six banking subsidiaries. In addition to indebtedness, it has outstanding 2,388,869 common shares. Harry Hood Bassett is board chairman and Charles J. Zwick president.

**PELOREX TO SELL STOCK.** Pelorex Corp., 885 Niagara St., Buffalo, N. Y. 14213, filed a registration statement (File 2-38032) with the SEC on July 24 seeking registration of 185,000 shares of common stock, to be offered for public sale by Smith, Jackson & Co., Inc., 17 Battery Pl., New York. The offering price (\$9 per share maximum\*) is to be supplied by amendment. The company has agreed to pay the Smith, Jackson firm 90c per share commission plus \$35,000 for expenses and to sell it 18,500 shares at 50c per share, nontransferable for three years.

The company was organized in February for the purpose of engaging in the business of the design, manufacture and sale of aerosol packages and photocopying or other types of image reproduction machines, devices and components. Of the net proceeds of its stock sale, \$169,000 will be used for machinery and \$174,000 for research and development on a new copy process owned by the company and construction of prototype machines; the balance will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 308,334 common shares (with a \$1.22 per share net tangible book value deficit). Joseph M. Rait is president.

**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 June 2 News Digest.

8K Reports for Apr 70

Amerace Esna Corp (9,12,13)	1-4076-2	Roberts Consolidated Industries Inc.	
Beneficial Corp (11,12,13)	1-1177-2	(7,11,13)	0-88-2
CIC Leasing Corp (12)	0-1480-2	Twin City Barge & Towing Co.	
Civic Finance Corp (12)	0-3429-2	(1,9,11)	0-4138-2
Potomat Corporation (3,13)	2-31455-2	U.S. Steel Corp (8)	1-5153-2
General Automotive Parts Corp			
(11,13)	0-1234-2	The Cornelius Company (12,13)	0-2106-2
Ins Corporation (11)	1-5577-2	Emery Industries, Inc. (7)	1-5293-2
King Louis Internatl Inc.		Hershey Foods Corp (7)	1-183-2
May 70(11)	0-881-2	Holiday Airlines, Inc. (3,12)	0-4270-2
Leisure Dynamics Inc. (2,13)	0-2608-2	Mary Kay Cosmetics, Inc.(11)	0-3653-2
Weisner Brothers Inc. (11,13)	1-607-2	S. S. Kresge Co. (7,8,13)	1-327-2
Ozite Corp (4,11,13)	0-2138-2	Lectro Computer Leasing Corp	
Programming and Systems Inc.		(3,7,13)	1-6266-2
Mar 70(7)	0-3164-2	Leds Shoes, Inc. (7,8)	0-2216-2
Riegel Paper Corporation (2,11,13)	1-3959-2	Polarad Electronics Corp (3,6)	1-4258-2
Shell's City, Inc. (2,7,13)	0-4426-2	Reynolds Metals Co. (13)	1-1430-2
South Central Bell Telephone Co.		Robertshaw Controls Co. (13)	1-3452-2
(13)	2-30563-2	Southern Calif. Gas Co. (11,13)	1-1402-2
Strawbridge & Clothier (7,13)	0-1308-2	Y M Corp (2,11,13)	0-1884-2
Terex Corporation (3,7,9,13)	0-2669-2		

CONTINUED

## 8K Reports for Apr 70 (Cont'd)

Midwestern United Life Ins. Co. (7,11,13)	2-11697-2	Liberty Investors, Inc. (3,11)	0-2663-2
New Orleans Public Service Inc. (7)	1-3259-2	Los Angeles Investment Co.(13)	0-736-2
Olson Laboratories Inc. (11,13)	2-31374-2	Lyon Metal Products, Inc. (2,4,7,13)	0-4832-2
Pacific American Industries, Inc. (11,13)	0-3711-2	Nestle Lohr Company (2,13)	1-562-2
Pennsylvania Power & Light Co. (11,13)	1-905-2	Peoples Gas Company (12,13)	1-5548-2
Southeastern Tel Co. (11,13)	0-756-2	Peoples Gas Light & Coke Co. (12)	2-26983-2
AME Incorporated (11,13)	1-785-2	Public Service Electric & Gas Co. (11,13)	1-973-2
Data General Corporation (2,13)	2-34320-2	Reliable Investors Group, Inc.(2)	0-3820-2
Image Systems, Inc. (1,2,7,13) Mar 70(11)	0-4331-2	Restaurant Associates Industries, Inc. (12,13)	1-5722-2
Intertech Research Services, Inc. (11,13)	0-4331-2	Sinkins Industries, Inc. (8)	1-5204-2
Koppers Co., Inc. (8)	1-6093-2	Tootsie Roll Industries, Inc. (7,10,12)	1-1361-2
Kraftco Corp (11,13)	1-3224-2	Werner Continental, Inc. (11)	0-911-2
Long Island Lighting Co. (11,13)	1-1146-2	Bell Television Inc. (9)	0-4094-2
National Securities Inc. (3)	1-3571-2	Bouras, Inc. (3)	1-5257-2
Olin Corporation (11,13)	0-1105-2	Cannon Mills Co. (11,12)	0-758-2
Pan Pacific Lands, Inc. (11)	1-1080-2	Capital Cities Broadcasting Corp (12)	1-4278-2
Quality Data Processing, Inc. (2)	2-33880-2	Consume Foods, Inc. (2,6,11,13)	0-3843-2
Spector Industries Inc. (3,12,13)	1-3206-2	Cleveland & Pittsburgh RR Co.(11)	1-1581-2
Susquehanna Corp (3,10)	1-5515-2	Continental Can Company Inc. (11, 12)	1-489-2
American Equity Investment Trust (7)	0-4869-2	Disc, Inc. (6)	0-1466-2
Astrodata, Inc.(7,9,12,13)	1-4803-2	Dunkin Donuts, Inc. (4,7,13)	0-8456-2
The Bali Company Inc. (12)	1-5378-2	Iowa Southern Utilities Co. (11,13)	0-849-2
Curtis Mathes of Puerto Rico Inc. (2)	0-4271-2	Komatsu Ltd. 6K May 70	2-27993-2
Dekcraft Corp (3,12,13)	0-3763-2	Lahigh Valley RR Co. (11)	1-1112-2
El Paso Electric Co. May 70(11)	0-296-2	Martin-Marietta Corp (11,13)	1-4552-2
International Chemical & Nuclear Corp (2,7,12,13)	1-5965-2	Material Sciences, Inc.(11,13)	2-29016-2
KDI Corporation (2,7,12,13)	0-2556-2	Arthur G. McKee & Co. (11,13)	1-146-2
Pall Corporation (13)	1-4311-2	Movie Star, Inc. (9,13)	1-4585-2
Panhandle Eastern Pipe Line Co (13)	1-2921-2	Pennsylvania Co. (11)	1-4954-2
Puget Sound Power & Light Co.(7)	1-4393-2	The Phila Balt & Wash RR Co. (11)	1-1580-2
Rowe Furniture Corporation (11)	0-232-2	American Bakeries Co. (11,13)	1-74-2
Thermo Electron Corp (9,13)	0-3293-2	Floyd Valley Packing Co.(11,12,13)	0-2015-2
Wards Co., Inc. (12,13)	1-5767-2	Ling-Temco Vought, Inc. Feb 70 (3,13)	1-4368-2
American Biomedical Corporation (11)	0-4741-2	Medequip Corporation (11)	0-4688-2
Delhi Australian Petroleum Ltd. (11,13)	0-581-2	Midwestern Financial Corp (2)	1-5905-2
Dynell Electronics Corporation (12,13)	0-2954-2	Monongahela Power Co (11)	1-5164-2
Gar Wood Industries, Inc.(1,2,8)	1-2711-2	Riley Stoker Corp (11,12)	0-272-2
B. F. Goodrich Co. (11,13)	1-892-2	Rocky Mountain Natural Gas Co(11)	0-1101-2
Itak Corp (11,13)	1-5255-2	Santa Fe International Corp (12)	1-4827-2
Kalvax Inc. (12,13)	1-6356-2	Thomas Industries Inc. (11)	1-5426-2
Keller Industries, Inc. (4,13)	1-4234-2	John R. Thompson Co. (11)	1-6390-2
Magnetic Head Corporation (11)	0-4474-2	Aero Flow Dynamics, Inc. (7,12)	1-690-2
Public Service Co. of Oklahoma (11)	0-343-2	Ald, Inc. (6)	0-254-2
Ramington Arms Company, Inc.(11)	1-3759-2	Capital Reserve Corporation (9)	0-3551-2
Union Fidelity Corp (11,13)	0-3660-2	Genstar Ltd. (2,11)	1-6063-2
Union Financial Corp (11,13)	1-5735-2	Glennora Distilleries Co. Oct 69 (2,7,83)	1-3383-2
American Crystal Sugar Company (12)	1-114-2	May Dept. Stores Co. (13)	1-79-2
Commercial State Corporation (9,11)	2-34283-2	McDonnell Douglas Corp May 70(12,13)	1-3685-2
		Rubbermaid Inc. (11)	1-4188-2
		Science Management Corporation (3,12)	1-8059-2
		Spectra-Strip Corporation(7,11)	0-3705-2
		Sunset Industries Inc. (2,13)	0-3804-2
		Universal Container Corp (11,12,13)	1-4277-2
		Vail Associates Inc. (11)	0-2984-2
		White Motor Corporation (11,13)	1-1363-2

OVER

8K Reports for Apr 70 (Cont'd)

American Electronics Inc. Mar 70 (2,7,11,13)	1-3954-2	Formland U.S.A., Inc. (2)	0-2764-2
Amhouser-Bushh Inc. (11,13)	1-3718-2	Michigan Gas Utilities Co. May 70(11)	1-4919-2
California Shopping Centers, Inc. (7,13)	0-4878-2	Oil Shale Corporation Mar 70 (2,7,9,12,13)	0-877-2
Central Louisiana Electric Co., Inc. (11,13)	1-5668-2	Tennant Company May 70(11)	0-4804-2
Continental Air Lines, Inc. (4,7,13)	1-3661-2	Unilever Limited 6K May 70	1-4546-2
Decorator Industries Inc.(2,7,13)	0-3785-2	Uniservices, Inc. (6)	0-77-2
International Funeral Services Inc. (2,13)	0-3198-2	Vikoa Inc. (11,13)	1-5300-2
LFE Corporation (2,4,7,13)	1-4571-2	Arizona Biochemical Co. (7)	0-2948-2
Lortogs Inc. (11,13)	0-1703-2	Avon Products Inc. (11,13)	1-4881-2
Lynch Corp (12,13)	1-106-2	Coca Cola-Co. May 70(2,11,13)	1-2217-2
McQuay Inc. (11,13)	0-1034-2	Crossway Motor Hotels Inc.(13)	0-2896-2
Pennsylvania Electric Co. (7,13)	1-3522-2	Diversified Realty Inc. (7)	0-2864-2
Phillips Petroleum Co. (4,11,13)	1-720-2	Hanes Corp (4,9,10,11,12,13)	1-5199-2
Piedmont Management Co., Inc.(11)	0-3758-2	Midland Oil Corp (6,13)	0-3610-2
Shorebank Inc. (3,11,12)	0-3818-2	New Park Mining Co. May 70(12)	1-2960-2
Waters Instruments Inc.(7,11,13)	0-1388-2	Central Maine Power Co.(11,12)	1-5139-2
Alabama Power Co. (11,13)	1-3164-2	General Reinsurance Corp (11)	2-8097-2
Bio-Medical Sciences, Inc. Oct 69 (12)	2-32533-2	German Village Products Inc. Jan 70(11)	0-3741-2
Burnup & Sims Inc. (2,7,13)	0-3797-2	Nova-Tech Inc. (3,6,13)	0-3985-2
Dallas Power & Light Co. (7,13)	0-1250-2	Alaska Hotel Properties, Inc. May 70(12,13)	0-3423-2
Edmos Corp (7,11,13)	1-6323-2	Jan 70(7)	0-3423-2
Farah Mfg Co. Inc. (2,13)	1-5400-2	Ameron, Inc. (3,12)	1-6969-2
Granite Management Services, Inc. (11,13)	1-5421-2	John Deere Overseas Capital Corp (11)	1-5246-2
Hydraulic Co. (11)	0-4831-2	Law Research Service, Inc.(3)	0-3301-2
Lincoln First Banks Inc. (4,13)	0-3116-2	McDonald's Corp (11,12,13)	1-5231-2
Papercraft Corp (11,13)	1-4707-2	Rockwell Mfg Co. (7,8,13)	1-5726-2
Peckham Industries Inc. (2,12,13)	2-20178-2	DAL, Inc. (3,11)	1-6033-2
Pioneer Nursing Centers Inc. (2,7,13)	2-33331-2	Collins Foods International, Inc. (4,7,13)	0-3952-2
Robo-Wash Inc. (11)	0-3457-2	Crescent Technology Corp (2,11,13)	0-3848-2
Tally Corp (11)	0-1104-2	Hexcel Corp (11)	0-1204-2
Time, Inc. (11,13)	1-4878-2	Kellogg-American Inc. (11)	0-2546-2
First General Resources Co. (11,13)	0-129-2	Mohasco Industries Inc. (12)	1-3320-2
Florida D & M Company (2,11)	2-32046-2	G C Murphy Co. (8,11,13)	1-2563-2
National Foundation Life Ins. Co. (11,12)	1-6099-2	Pike's Peak Turf Club, Inc. (3,13)	0-4028-2
Phelan Sulphur Company(1,3,13)	0-4144-2	San Juan Racing Assoc Inc.(12)	1-5523-2

SECURITIES ACT REGISTRATIONS. Effective July 27: W W Fleet Lubrication, Inc., 2-37156 (90 days); Fund of the West, Inc., 2-32857; Ideal Toy Corp., 2-37467; Lukens Steel Co., 2-37102; National Diversified Funding Inc., 2-36111 (90 days); Russo Realty Fund/70, Ltd., 2-35729 (90 days); Tenneco Corp., 2-36355 (Sep 5).

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.

---ooo0ooo---