



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

Washington, D.C. 20549

(Prepared by the SEC Office of Public Information)

(Issue No. 72-107)

FOR RELEASE June 6, 1972

COMMISSION ANNOUNCEMENT

SEC ACCEPTS GREAT SOUTHWEST SETTLEMENT OFFER. The Commission announced that on May 30 it entered an order accepting an offer of settlement submitted by Great Southwest Corporation (GSC) of Los Angeles in connection with an administrative proceeding commenced on December 8, 1971 pursuant to Section 15(c) (4) of the Securities Exchange Act of 1934. The proceeding relates to staff allegations that the financial reporting of three real estate transactions in annual reports filed by GSC with the Commission was materially misleading. GSC without admitting or denying the allegations of the staff consented to the entry of an order by the Commission directing it to file amendments to its annual reports for 1968 and 1969 in accordance with the terms of the settlement which includes excluding profits from the three real estate transactions from GSC's consolidated statement of operations for the fiscal years ended December 31, 1968 and 1969 together with costs related to the transactions and the substitution of the method for presentation of the transactions set forth in the Commission's order. GSC also agreed to amend its annual report for 1970 which was not subject to the proceeding in order to make the continued reporting of the real estate transactions consistent with the amendments to prior annual reports as ordered by the Commission. GSC also agreed to send a copy of any Commission findings and opinions to its shareholders prior to its next annual meeting. (Rel. 34-9629)

END TRADING SUSPENSION IN LEVITZ FURNITURE. The Commission on Friday announced that its suspension of exchange and over-the-counter trading in the securities of Levitz Furniture Corporation terminated on Monday, June 5, 1972 at 10:00 A.M. (EDT).

The New York Stock Exchange halted trading in Levitz securities on May 25, 1972. The Commission ordered a ten-day suspension of all trading in Levitz securities commencing June 1, 1972.

On June 2, 1972 the Commission filed a complaint in the U. S. District Court for the District of Columbia seeking a permanent injunction against Levitz and three of its officers, Ralph Levitz, Chairman; Leon Levitz, President; and Gary Levitz, Executive Vice President. The individual defendants at the same time the Commission filed its complaint consented to Orders of Permanent Injunction. The Commission also on June 2, 1972 issued a Statement of Matters instituting a stop order proceeding concerning a pending registration statement which was filed by Levitz with the Commission on April 11, 1972. A hearing is scheduled for June 12, 1972. For additional information see Litigation Release No. 5412, and Securities Act of 1933 Release No. 5257, and a news release issued today by the Company.

HOLDING COMPANY ACT RELEASE

AMERICAN ELECTRIC POWER. The SEC has issued a notice giving interested persons until June 23 to request a hearing upon an application of American Electric Power Company, Inc. (AEP), New York holding company regarding an increase in the previously authorized capital contributions being made by AEP to two of its subsidiary companies. The capital contributions are to assist the subsidiary companies in financing their respective construction programs and for other corporate purposes. (Rel. 35-17589)

INVESTMENT COMPANY ACT RELEASES

DREYFUS LEVERAGE FUND. The SEC has issued an order granting an exemption from Section 22(d) of the Act so as to permit Dreyfus Leverage Fund, Inc. to issue its redeemable securities at a price other than the current public offering price described in its prospectus, in exchange for substantially all of the assets of The Gibraltar Growth Fund, Inc. (Rel. IC-7211)

GOLDEN GATE FUND. The SEC has issued a notice giving interested persons until June 26 to request a hearing upon an application of Golden Gate Fund, San Jose, Calif. mutual fund, for an order declaring that it has ceased to be an investment company. The application states that the Fund has fewer than 100 shareholders and does not propose to make a public offering. (Rel. IC-7213)

E. F. HUTTON. The SEC has issued a notice giving interested person until June 19 to request a hearing upon an application of E. F. Hutton & Company, Inc. and Alex Brown & Sons, Baltimore, Md., New York City, for an order exempting E. F. Hutton and a group of prospective underwriters of a proposed offering of shares of American General Convertible Securities, Inc. from the provisions of Section 30(f) of the Act to the extent that Section 30(f) adopts Section 16(b) of the Securities Exchange Act of 1934. (Rel. IC-7212)

GENERAL BUSINESS INVESTMENT CORP. The SEC has issued an order declaring that General Business Investment Corporation, West Chester, Pa., has ceased to be an investment company as defined in the Act. (Rel. IC-7214)

OVER

ROSEMOUNT INC., 12001 West 78th St., Eden Prairie, Minn. 55343, filed a registration statement on May 26 seeking registration of 106,000 shares of common stock, of which 30,000 are to be offered for public sale by the company and 76,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$20 per share maximum) through underwriters headed by Dain, Kalman & Quail Inc., 100 Dain Tower, Minneapolis, Minn. The company designs, manufactures and sells precision temperature and pressure sensors and other instruments for industrial, defense, commercial aviation and space applications. Net proceeds will be added to the company's general funds and used for working capital and other corporate purposes. (File 2-44407)

EDUCATIONAL DEVELOPMENT CORPORATION, 1812 First National Bldg., Tulsa, Okla. 74103, filed a registration statement on May 26 seeking registration of 300,000 shares of common stock, of which 158,750 are to be offered for public sale by the company and 141,250 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$9 per share maximum) through underwriters headed by Stifel, Nicolaus & Co., Inc., 314 N. Broadway, St. Louis, Mo. 63102, and Johnston, Lemon & Co., Southern Bldg., Washington, D. C. The company is an educational publisher engaged in developing, producing and manufacturing textbooks, educational materials and electromechanical educational devices. Of the net proceeds of its stock sale, \$1 million will be applied to reduction of bank debt and the balance will be used for working capital and other corporate purposes. (File 2-44408)

GCL GRAPHIC COMMUNICATIONS LIMITED, a Canadian company, 2025 Sheppard Avenue East, Willowdale 425, Ont., Can., filed a registration on May 26 seeking registration of \$5 million of convertible subordinated debentures, due 1984, to be offered for public sale at 100% of principal amount through underwriters headed by S. D. Fuller & Co. Inc., 26 Broadway, New York 10004. The company is engaged in leasing or sale in Canada of dex facsimile transceiver devices manufactured by Graphic Sciences, Inc. Of the net proceeds of its stock sale, \$3 million will be used to purchase dex graphic transceivers from Graphic Sciences World Trade Corp. for leasing or sale by the company and the balance for working capital and other corporate purposes. (File 2-44409)

ELKAY INDUSTRIES, INC., 19 W. 34th St., New York, N. Y. 10 01, filed a registration statement on May 26 seeking registration of 450,000 shares of common stock, of which 225,000 are to be offered for public sale by the company and 225,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$14.50 per share maximum) through underwriters headed by Bear, Stearns & Co., One Wall St., and Wood, Struthers & Winthrop Inc., 20 Exchange Pl., both of New York 10005. The company is engaged in the design, manufacture and distribution of a broad line of children's wear. Net proceeds will be used to reduce short-term indebtedness and for working capital purposes. (File 2-44410)

LEA-RONAL, INC., 272 Buffalo Ave., Freeport, N. Y. 11520, filed a registration statement on May 26 seeking registration of 252,871 shares of common stock, of which 37,500 are to be offered for public sale by the company and 215,371 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$21 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, and First Manhattan Co., 30 Wall St., both of New York. The company is principally engaged in the development, production, sale and distribution of a diversified line of electroplating processes and chemical additives. Of the net proceeds of its stock sale, \$400,000 will be used for the purchase of its present facilities in Freeport, N. Y. and the balance for working capital and other corporate purposes. (File 2-44412)

MISCELLANEOUS

SECURITIES ACT REGISTRATIONS. Effective June 1: Belco Petroleum Corp., 2-42323; Continental Recreation Corporation, 2-43985 (90 days); Dekalb Agresearch, Inc., 2-44131; E. F. Hutton & Co., Inc., 2-43901; International Leisure Enterprises, Inc., 2-43877 (90 days).
Effective June 2: Boston Financial Rehabilitation Partnerships - I, 2-41396 (90 days) & 2-41611 (90 days); DCS Computer Services, Inc., 2-43514 (40 days); Delmedics Company, Inc., 2-40006 (90 days); Equity Funding Corp. of America, 2-44360; General Health Services, Inc., 2-43464; Husky Oil Ltd., 2-44154; Midland-Guardian Co., 2-43575; Resource Management Corp., 2-42812 (Aug 3); The Sallion Fund, Inc., 2-37939.

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---

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