



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

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FOR RELEASE January 25, 1972

DECISION IN ADMINISTRATIVE PROCEEDING

SUSPENSION OF BIO-NUCLEAR REGULATION A EXEMPTION MADE PERMANENT. The SEC has made permanent a prior order temporarily suspending a Regulation A exemption from registration with respect to a public offering of 100,000 shares at \$3 per share by Bio-Nuclear International, Inc., of Wayzata, Minn. The Commission found that the issuer had failed to comply with the Regulation by offering and selling its securities without using an offering circular containing the required information and that the offering had been made in violation of the antifraud provisions of the securities laws. After requesting a hearing to determine whether to vacate or make permanent the temporary suspension, the issuer submitted an offer of settlement in which, without admitting the charges, it consented to the above findings and to a permanent suspension. (Rel. 33-5227)

NEW RULES AND RULE PROPOSALS

SEC ADOPTS REVISED FEE SCHEDULE. The Commission has adopted a fee schedule for certain filings and services under the various acts which it administers. Fees will be charged for certain filings and services under these acts where no charges have previously been made, and there will be no refund of any fees. Rule 457 under the Securities Act of 1933 has been amended to provide that no refund of the Securities Act registration fee will be made once the registration statement has been filed. The new fees are effective as of March 1, 1972. (Rel.33-5229)

COURT ENFORCEMENT ACTIONS

LAKE HAVASU ESTATES ENJOINED. The SEC Chicago Regional Office announced January 11 that the Federal court in Minneapolis had preliminarily enjoined Lake Havasu Estates (not to be confused with other organizations of similar names), of Phoenix, Ariz., from violations of the registration provisions of the Federal securities laws in the offer and sale of any securities, including investment contracts, sometimes referred to as agreements for deed or contracts for deed. The court dismissed Lake Havasu's counterclaim against the Commission. (LR-5289)

TRUSTEE APPOINTED FOR ALAN F. HUGHES, INC. The SEC New York Regional Office announced on January 18 that the Federal court in New York appointed William J. Quinlan trustee of the assets of Alan F. Hughes, Inc., a Schenectady broker-dealer upon application by the Securities Investor Protection Corp., which accepted jurisdiction in this matter. Quinlan had previously been appointed a receiver for Hughes' assets. (LR-5291)

INVESTMENT COMPANY ACT RELEASE

HORNBLOWER WEEKS HEMPHILL, NOYES. The SEC has issued a notice giving interested persons until February 11 to request a hearing upon an application of Hornblower Weeks-Hemphill, Noyes, New York, to amend an order issued by the Commission on December 22, 1971 (Rel. IC-6910), so as to reflect the addition of E. F. Hutton & Co., Inc., as a representative of the underwriters in a proposed public offering of 4,000,000 shares of common stock of Chase Convertible Fund of Boston, Inc., and so as to modify the contemplated underwriting agreement to include an option whereby the underwriters may purchase up to an additional 400,000 shares to cover over-allotments, if any. Hornblower Weeks and W. E. Hutton & Co. are the prospective representatives for the offering under the original order. (Rel. IC-6964)

HOLDING COMPANY ACT RELEASES

GEORGIA POWER. The SEC has issued an order authorizing Georgia Power Company, Atlanta subsidiary of the Southern Company, to modify its Indenture to the Chemical Bank of New York as supplemented so as to increase from \$1 billion to \$2 billion the aggregate principal amount of bonds of all series which may be outstanding at any one time under and secured by the indenture and so as to provide that such aggregate amount of bonds, which may be at any one time outstanding may thereafter be increased or decreased from time to time by a supplemental indenture upon approval of its board of directors and stockholders. Jurisdiction is reserved with respect to fees and expenses incurred or to be incurred with the proposed transaction. (Rel. 35-17437)

COLUMBIA GAS. The SEC has issued a notice giving interested persons until February 16 to request a hearing upon an application of Columbia Gas System Service Corporation, Wilmington, Del. subsidiary of The Columbia Gas System, Inc., to issue and sell up to 36,000 shares of common stock (\$100 par) for \$3,500,000 and up to an aggregate of \$4,400,000 of installment promissory notes to the parent. Net proceeds of its financing will be used to reimburse the parent for funds heretofore expended by the parent and for funds required to complete the construction of a new headquarters office building in Wilmington for Service Corp. (Rel. 35-17438)

OVER

SECURITIES ACT REGISTRATIONS

MASTERCRAFT HOMES, INC., 815 Reservoir Ave., Granston, E. I. 02910, filed a registration statement on January 19 seeking registration of 300,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the holder thereof. The offering is to be made (*at \$8 per share maximum) through underwriters headed by New York Securities Co. Inc., 1 New York Plaza, New York 10004. The company is engaged in the design, construction and sale of single family homes on land acquired and developed by it primarily in the Phoenix, Ariz. area. Net proceeds of its stock sale will be used for repayment of existing construction loans and for working capital and other corporate purposes. (File 2-42883)

ZAPATA NORRNESS INCORPORATED, 2000 Southwest Tower, Houston, Tex. 77002, filed a registration statement on January 20 seeking registration of 6,360 shares of common stock deliverable pursuant to an option agreement with Williams-McWilliams Company. (File 2-42884)

CONTINENTAL FIDUCIARY SHARES, INC., One Crown Center, Kansas City, Mo. 64108, filed a registration statement on January 17 seeking registration of 1,000,000 shares of common stock, to be offered for sale at net asset value (*\$25 per share maximum) with no sales charge exclusively to educational, religious and charitable institutions, foundations, pension trusts and other organizations which are exempt from Federal income taxation under Section 501 of the Internal Revenue Code. The Fund is a mutual fund which seeks long-term growth of capital with current income a secondary consideration. Research Management Associates, Inc., is investment adviser. (File 2-42885)

REAL PROPERTIES, LTD.-1972 (the Partnership), 1888 Century Park East, Los Angeles, Calif. 90067, filed a registration statement on January 20 seeking registration of \$3 million of limited partnership interests, to be offered for public sale at \$1,000 per unit with a minimum purchase of five units required. The offering is to be made by Edward D. Jones & Co., 101 N. 4th St., St. Louis, Mo. 63102. The Partnership is newly organized. It intends to invest in and operate residential apartment projects. Shareholders Realty Corporation is the sole general partner. (File 2-42886)

SAINTS PETROLEUM FUND, INC., 610 Marshall St., Lane Bldg., Shreveport, La., filed a registration statement on January 20 seeking registration of \$2 million of units in the 1972 Annual Drilling Fund, to be offered for public sale at \$5,000 per unit. No underwriting is involved. The purpose of the Fund is to engage in oil and gas exploration. The Fund is a wholly-owned subsidiary of E & H Oil, Inc. Thomas E. Hill is president of E & H. (File 2-42888)

DAVIS WATER & WASTE INDUSTRIES, INC., 1828 Metcalf Ave., Thomasville, Ga. 31792, filed a registration statement on January 20 seeking registration of 220,000 shares of common stock, of which 175,000 are to be offered for public sale by the company and 45,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$15 per share maximum) through underwriters headed by Reynolds Securities Inc., 120 Broadway, New York 10005. The company is engaged principally in manufacturing and selling sewage and water treatment and pumping equipment and marketing utilities equipment and supplies for water and sewage systems. Of the net proceeds of its stock sale, \$1,750,000 will be used to retire outstanding short-term bank indebtedness and the balance for working capital and other corporate purposes. (File 2-42887)

MISCELLANEOUS

ORDER RE NEW ENGLAND LIFE FUNDS NOT ISSUED. The News Digest of January 20 inadvertently reported that an Investment Company Act order (Rel. IC-6950) was issued with respect to New England Life Variable Annuity Fund I, New England Life Variable Annuity Fund II and NEL Equity Services Corporation, all of Boston. This order was not issued.

ECOLOGICAL SCIENCE SUSPENSION CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the securities of Ecological Science Corporation for the further ten-day period January 24 through February 2, inclusive.

SECURITIES ACT REGISTRATIONS. Effective January 20: Cogar Corp., 2-42343; Intersil, Inc., 2-42172 (90 days); Micrometric Systems, Inc., 2-41348 (90 days).
Effective January 21: Anglo-Alpha Cement Ltd. First National City Bank, 2-42795; The Chesapeake and Potomac Telephone Co. of Md., 2-42769 and 2-42770; Cinesation Industries, Inc., 2-39129 (90 days); Commercial Bancorporation of Colo., 2-41319 (90 days); DeSoto Inc., 2-42817; W. R. Grace & Co., 2-42587; Norton Simon, Inc., 2-42816.

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.

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