

sec news digest

a daily summary from the securities and exchange commission

Issue No. 73-76

(SEC Docket, Vol. 1, No. 12 - May 1)

April 19, 1973

DECISIONS IN ADMINISTRATIVE PROCEEDING

LEON O. MEYER BARRED. The SEC has announced the issuance of an order barring Leon O. Meyer, Miami, Fla., from association with any broker, dealer or investment adviser, or from otherwise engaging in the securities business. According to the decision, Meyer, formerly president, director, and principal stockholder of a registered broker-dealer, aided and abetted violations of the net capital, broker-dealer, registration and recordkeeping provisions of the securities laws.

Meyer consented to the above findings and sanction, without admitting or denying the allegations in the order for proceedings. (Rel. 34-10107)

COMMISSION ANNOUNCEMENTS

ASSISTANT DIRECTORS NAMED IN DIVISION OF MARKET REGULATION. Lee A. Pickard, Director of the Division of Market Regulation today announced that Nelson S. Kibler and Harry Melamed have been appointed Assistant Director and Assistant Director/Special Projects, respectively, in the Office of Broker-Dealer Financial Responsibility and Securities Transactions, of that Division.

Mr. Pickard stated: "Mr. Kibler will be responsible primarily for the financial regulation and surveillance of broker-dealers and Mr. Melamed will be responsible for special projects pertaining to the financial responsibility of brokers and dealers and the oversight of entities involved in processing of securities transactions."

Since joining the Commission in 1966, Mr. Kibler has served first in the Office of Chief Accountant, and then in the Division of Market Regulation. He was Staff Adviser to the SEC Advisory Committee on Broker-Dealer Reports and Registration Requirements which recommended steps to eliminate duplication in the reporting structure of the securities industry. A native of the northern Virginia area, Mr. Kibler is a graduate of American University (BS/BA) and received his CPA certificate in March of 1966. He is a member of the American and D.C. Institutes of CPAs.

Mr. Melamed joined the Commission in June of 1968 in the then Division of Trading and Markets, and in November of 1972 was named Special Counsel to the Associate Director in the Office of Broker-Dealer Financial Responsibility and Securities Transactions of the Division of Market Regulation.

A native of Chicago, Mr. Melamed is a graduate of Northwestern University (BS), the University of Chicago (MBA) and Northwestern University Law School (JD). He received his CPA certificate in 1966.

REGISTRATION STATEMENT OF MARICULTURE GROWTH INDUSTRIES, INC. QUESTIONED. The SEC has ordered an administrative proceeding pursuant to Section 8(d) of the Securities Act of 1933 with respect to a registration statement filed by Mariculture Growth Industries on June 29, 1972 and amended on October 20, 1972. The registration statement, which did not become effective, is alleged to be misleading because among other things it does not adequately describe its property and the interests of management in certain transactions. The administrative hearing is scheduled to commence at 10:00 a.m. on April 26, 1973 at 500 North Capitol Street, Washington, D.C. 20549. (Rel. 33-5385)

COURT ENFORCEMENT ACTIONS

ORDER ISSUED IN SEC COMPLAINT AGAINST ALDERSGATE FOUNDATION. The SEC Atlanta Regional Office announced that on April 9 the Federal court in Florida (Orlando Division) ordered Aldersgate Foundation, Inc., M. Fred Toms, George A. Gant, J. Craig Biddle and Fred W. Hallauer to precede or accompany all future offers and sales of Aldersgate's first mortgage 7% sinking fund bonds by information fully and fairly disclosing the Foundation's current financial status, that there be no omissions of material facts, and that there be complete disclosure of the ultimate utilization of the bond sales' proceeds. (LR-5852)

DIO AND OSTRER SENTENCED TO JAIL. The SEC New York Regional Office announced that on April 12 the Federal court in Manhattan sentenced John Dioguardi a/k/a Johnny Dio of Federal Penitentiary, Danbury, Connecticut to nine years in jail and a \$30,000 fine and Louis Ostrer, Kings Point, New York, to three years in jail and a \$55,000 fine. Dio and Ostrer had been convicted of conspiracy and three and ten counts of fraud, respectively, in connection with the manipulation of the stock of Belmont Franchising Corp. which rose from about \$5 per share in late February 1970 to about \$42 per share by early May 1970. (LR-5854)

RUBINSON CONVICTED. The SEC New York Regional Office announced that on March 19 Norman Rubinson was found guilty of one count of perjury and not guilty of three counts of perjury. He was fined \$2,000 on March 21. Rubinson's perjurious testimony was elicited during a federal court hearing in 1970 on the Commission's motion for a preliminary injunction in SEC v. Radio Hill Mines Co., Ltd. (LR-5855)

HOLDING COMPANY ACT RELEASES

AMERICAN ELECTRIC POWER CO. The SEC has issued a notice giving interested persons until May 14 to request a hearing upon a proposal of American Electric Power Co., Inc., New York holding company, and two of its subsidiary companies, Appalachian Power Company, and Ohio Power Company, to transfer one-third of a 1300 MW generation unit located near Scary, W. Virginia from Ohio Power Company to Appalachian Power Company for approximately \$80,000,000. The companies state that the transfer is necessitated by Ohio Power Company's inability to permanently finance both the 1300 MW unit and the balance of its construction program, and Appalachian's projected reserve capacity deficiencies which the company states has been caused by delays in the licensing of another plant. (Rel. 35-17933)

INVESTMENT COMPANY ACT RELEASES

KAISER AETNA FUNDING CORP. The SEC has issued a notice giving interested persons until May 8 to request a hearing on an application of Kaiser Aetna Funding Corp. ("Funding"), a Delaware corporation organized by Kaiser Aetna (a general partnership under the laws of California) for the purpose of facilitating the long-term financing of the real estate activities of Kaiser Aetna, for an order exempting Funding, whose only assets will be notes of Kaiser Aetna and which proposes to issue debt securities to institutional investors, from all of the provisions of the Investment Company Act of 1940. (Rel. IC-7774)

SECURITIES ACT REGISTRATIONS FILED

THE REIT INCOME FUND INCORPORATED, 225 Franklin St., Boston, Mass. 02110 - 162,000 shares of \$4.38 cumulative preference stock and 1,000,000 shares of common stock. The preference stock is to be offered for sale (* at \$52 per share maximum) through underwriters headed by Piper, Jaffray & Hopwood Inc., 115 South Seventh Street, Minneapolis, Minn. 55402, and the common (* at \$12 per share maximum) through underwriters headed by James Capel, Division of Winmill Securities, Inc., 209 South LaSalle Street, Chicago, Ill. 60604. The Fund is a closed-end diversified investment company with a leveraged capital structure. GPM REIT Managers, Inc., a subsidiary of Gardner and Preston Moss, Inc., is investment adviser. (File 2-47597 - Apr 5)

THE TOLEDO EDISON COMPANY, 300 Madison Ave., Toledo, Ohio 43652 - 800,000 shares of common stock, to be offered for sale (* at \$30 per share maximum) through underwriters headed by The First Boston Corp., 20 Exchange Place, New York 10005. Net proceeds will be used for repayment, in part, of short-term notes, aggregating \$23,100,000 at March 31, issued in connection with the company's construction program and to defray a portion of the cost of that program. Construction expenditures are estimated at \$236 million for 1973 and 1974. (File 2-47600 - Apr 6)

INCOME PROPERTIES/EQUITY TRUST, 2323 North Broadway, Santa Ana, Calif. 92706 - 2,000,000 shares of beneficial interest, to be offered for sale at \$10 per share through selected NASD members. The Trust was established to invest primarily in income producing properties. (File 2-47601 - Apr 6)

THE DOW CHEMICAL COMPANY, 2030 Dow Center, Midland, Mich. 48640 - 500,000 shares of common stock, issuable under the company's 1973-74 Employees' Stock Purchase Plan. (File 2-47603 - Apr 6)

In a separate statement the company seeks registration of 30,000 outstanding shares of common stock of Dow Chemical, to be purchased by Dow Badische Company (50% of whose stock is owned by Dow Chemical), on the open market or at private sale. Dow Badische proposes to offer these shares under its 1973-74 Dow Badische Employees' Stock Purchase Plan. (File 2-47604 - Apr 6)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

Beech Aircraft Corp., Wichita, Kansas (File 2-47572) - 91,809 shares
 Raytheon Co., Lexington, Mass., (File 2-47582) - 200,000 shares
 Nabisco, Inc., New York, N.Y., (File 2-47584) - 300,000 shares
 N L Industries, Inc., New York, N.Y., (File 2-47585) - 700,000 shares
 General Motors Corp., Detroit, Mich., (File 2-47587) - 2,600,000 shares
 Mountain Fuel Supply Co., Salt Lake City, Utah, (File 2-47588) - 8,186 shares
 Florida Gas Co., Winter Park, Florida, (File 2-47590) - 26,865 shares
 Potlatch Forests, Inc., San Francisco, Calif., (File 2-47593) - 316,216 shares
 Peabody Galion Corp., New York, N.Y., (File 2-47595) - 75,000 shares
 Berg Enterprises, Inc., Metuchen, N.J., (File 2-47598) - 103,000 shares
 Dart Industries, Inc., Los Angeles, Calif., (File 2-47599) - 200,000 shares
 The Superior Oil Co., Houston, Texas - 6,785 shares and Canadian Superior Oil Ltd., Alberta, Canada - 41,176 shares, (File 2-47602)

RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders; and any newly enacted requirements effecting registrant's business.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8K form numbered in the parentheses. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the several items of the form was included in Monday's News Digest.

8K REPORTS FOR MARCH 1973

E.S.B. Inc.(13)	1-5427-2	Interlake Inc.(14)	1-6345-2
E.T. & T. Leasing, Inc. (11,13,14)	2-31898-2	International Health Sciences, Inc.(1)	2-36910-2
Earth Sciences, Inc.(7,8)	0-6088-2	International Paper Co.(7,14)	1-3157-2
Jack Eckerd Corp (13)	1-4844-2	International Seaway Trading Corp (13,14)	1-6774-2
Electronic Associates Inc. (4,7,13,14)	1-4680-2	Investors Funding Corp of NY (7)	1-4600-2
Equitable Bancorporation(11,14)	0-6058-2	Iowa Beef Processors, Inc. (3,11,13,14)	1-6085-2
Extendicare, Inc.(7)	1-5975-2	Iowa Electric Light & Power Co. (7,14)	1-4117-2
Fabri-Tek Inc (2,8,9,11,14)	0-1570-2	Iowa Southern Utilities Co. (7,14)	0-849-2
First Continental Corp (2,14)	0-2403-2	Irwin Union Corp (11,14)	0-6835-2
First National Boston Corp(11)	1-6522-2	Jamesway Corp (13)	1-5898-2
First National City Corp (4,7,11,14)	1-5738-2	Jantzen, Inc.(13)	1-6218-2
First Steuben Bancorp Inc.(13)	0-4622-2	Jerome Underground Transmission Equipment Inc.(1,7,9,11,12,14)	2-40440-2
First Virginia Bankshares, Corp (11)	1-6580-2	Jerrico Inc.(10,14)	0-4071-2
Fortuna Corp (1)	0-1962-2	KMC Mortgage Investors(11,13,14)	2-42312-2
Fourth Financial Corp (4,11,14)	0-4170-2	Kaiser Steel Corp (8,13)	0-433-2
Franklin Electric Co., Inc.(13)	0-362-2	Kay Corp (7,14)	1-4233-2
General Telephone Co. of California (7,14)	1-6417-2	Kenton Corp (3)	1-5909-2
Glasco, Inc. (7)	0-6413-2	Key Pharmaceuticals Inc.(13)	0-3721-2
P.H. Glatfelter Co. (11,14)	1-3560-2	Kimbrough Investment Co. (13)	0-2949-2
Golden Nugget Inc.(3,14)	1-6697-2	Kentucky Utilities Co.(4,11,14)	1-3464-2
Gondas Corp (11)	0-5085-2	Lake Head Pipe Line Co., Inc. (11,14)	2-26815-2
W.R. Grace & Co. (10,14)	1-3720-2	Laser Sciences Inc.(No Items)	0-5217-2
Grand Union Co. (7,14)	1-1123-2	Lawson Products Inc.(7)	0-6231-2
Greit Realty Trust (14)	1-6710-2	Lawyers Financial Corp (3)	0-2736-2
Handschy Chemical Co.(2,7,14)	2-18767-2	Leeds Shoes Inc.(3,6,7,8,14)	0-2216-2
Harcourt Brace Jovanovich Inc. (7,8)	1-4464-2	Lehigh Valley RR Co. (13,14)	1-1112-2
Hardwicke Companies, Inc.(11)	0-5288-2	Levingston Shipbuilding Co. (7,8)	0-2891-2
Henredon Furniture Industries, Inc. (7,14)	0-2207-2	Liquidonics Industries Inc.(7,8)	0-2273-2
Hermetite Corp (3,4,7,14)	0-555-2	Long Island Lighting Co. (13)	1-3571-2
Hittman Corp (7,10)	0-5650-2	Lowe's Companies, Inc.(4,7,14)	0-94-2
Hoffman Products, Inc.(13)	0-2229-2	Lucky Stores, Inc.(3)	1-4839-2
D.H. Holmes Co. Ltd (7)	0-5287-2	Major League Bowling & Recreation, Inc. (7)	0-1958-2
Holyoke Water Power Co.(11,14)	0-645-2	Mallinckrodt Chemical Works (7)	0-1274-2
Honeggers & Co., Inc.(11,14)	0-1893-2	Mangood Corp (4,13,14)	1-5727-2
Hospital Corporation of America (13)	1-6499-2	Marathon Manufacturing Co.(8,9)	1-6617-2
Hospital Financial Corp (7,14)	0-6807-2	Marifarms, Inc.(11)	0-6232-2
Houston Complex Inc (2)	0-4162-2	Marine Resources Inc.(13)	0-4296-2
Hudson General Corp (3)	1-5896-2	Marquette Cement Manufacturing Co. (3)	1-3780-2
Hudson & Manhattan Corp (13)	1-4603-2	Marriott Corp (7,13)	1-5664-2
Husky Oil Ltd (13,14)	1-4307-2	Massey-Ferguson Ltd. (13)	1-5190-2
ICN Pharmaceuticals, Inc.(3,11)	1-5965-2	McCormick & Co., Inc.(11,14)	0-748-2
Ideal Toy Corp (7,14)	1-6988-2	McCulloch Properties Credit Corp (13,14)	1-6597-2
Indian Head Inc. (11,14)	1-5264-2	McNeil Pacific Investors Fund (7)	2-42023-2
Indianapolis Power & Light Co. (7,14)	1-3132-2		
Industralease Corp (8,14)	0-6387-2		
Inexco Oil Co. (3,7,14)	1-6424-2		
Infrared Industries Inc.(12)	0-1648-2		
Ingersoll Rand Co. (7,14)	1-985-2		

8K REPORTS FOR MARCH 1973 CONT.

Medcom, Inc.(13,14)	0-4801-2	Monogram Industries, Inc.(10, 13)	1-6174-2
Medical Computer Systems, Inc. (3,13,14)	0-4797-2	Monsanto Co. (13)	1-2516-2
Merck & Co., Inc. (13)	1-3305-2	Moog Inc. (7,8,14)	1-5129-2
Merrill Lynch, Pierce, Fenner & Smith Inc. (3)	1-6674-2	J.P. Morgan & Co., Inc.(7,11,14)	1-5885-2
Metropolitan Real Estate Investment Trust (1,2,10,11,12,14)	2-42003-2	Mortgage Growth Investors(11, 14)	1-6833-2
Mickelberry's Food Products Co. (7,13,14)	1-67-2	Mountain States Tel & Tel Co. (11)	1-3040-2
Mobile Home Communities (3,13)	0-5308-2	NB Corporation (7)	0-4534-2
Mobile Waste Controls Inc.(13)	0-4313-2	NCNB Corp (10,14)	1-6523-2
Monfort of Colorado, Inc. (2,4,14)	0-5322-2	Nalco Chemical Co. (13,14)	1-4957-2
		Natel Electronic Industries, Inc.(1,7,9)	0-5290-2
		National Apparel Corp (13,14)	0-4743-2

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Star-Glo Industries, Inc. and Crystalography Corporation for the further ten-day period April 19-28, inclusive.

SECURITIES ACT REGISTRATIONS. Effective April 18: ARA Services, Inc., 2-47366; Citizens Mortgage Investment Trust, 2-47382; County National Bancorporation, 2-41720; Foster Grant Co., Inc., 2-47159; Madison Foods Inc., 2-46810 (July 17); Ryder System, Inc., 2-47464; The Seven-Up Co., 2-47251.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail; \$8.25 additional for foreign mailing; \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail; \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.