



# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

COMMENCEMENT OF SANCTIONS AGAINST HUTCHINS, MIXTER & PARKINSON, TWO ASSOCIATES, DEFERRED. The SEC has postponed the effectiveness of the part of its order of November 30 which directed that Hutchins, Mixter & Parkinson, Inc., of Boston, Mass., may not act as an underwriter for a period of 45 days beginning with December 6, 1971, and that John Ransom Giles, its president, and William Gurley, in charge of back-office operations, each be suspended from association with the firm for 10 days beginning, respectively, on December 6 and 20, 1971, so that the sanctions as to the firm and Giles will begin to run on February 7, 1972 and that as to Gurley on February 21, 1972.

In addition, with reference to the News Digest item of December 3 reporting sanctions against the firm of Hutchins, Mixter & Parkinson, Inc., of Boston, it was the successor firm of Woodcock, Cummings, Taylor and French of Philadelphia, and not the previous firm Woodcock, Moyer, Fricke and French, Inc., which merged into the Hutchins firm in March 1971.

IRWIN L. GERMAISE AND THOMAS F. QUINN DISQUALIFIED FROM COMMISSION PRACTICE. The SEC today issued a notice that the initial decision of a hearing examiner, disqualifying Irwin L. Germaise and Thomas F. Quinn, members of the New York bar, from appearing or practicing before the Commission, has become final. Germaise is disqualified for 2 years and Quinn is barred with the proviso that if a criminal conviction as to him is reviewed and reversed he may apply to have the bar reduced to a 2 year disqualification.

The disciplinary action was based on findings that Germaise, who represented Bagels U.S.A., Inc., in a public offering of its stock beginning in December 1968, and Quinn, who represented the underwriter in the offering, failed to disclose that they were partners in the practice of law from mid-November 1968, and did not advise the underwriter of that fact. By those omissions, it was held that respondents misled investors and potential investors in contravention of the antifraud provisions of the federal securities laws, misled the Commission, and violated the Canons of Ethics of the American Bar Association by representing clients with conflicting interests without first obtaining their express and informed consent. In addition, respondents, both of whom the examiner noted were well experienced in securities laws, were found to have been responsible, in part knowingly and in part through not properly carrying out their professional responsibilities as attorneys, for the failure of the Bagels offering circular to disclose, as required, various loans to be repaid out of the proceeds of the offering, including short-term loans made to the company by directors and promoters, and a contract to purchase property as well as a recent purchase of equipment, and for misrepresentations in the offering circular concerning the number and identity of the shareholders of corporations acquired by Bagels.

Quinn's conviction was a further factor in the sanction imposed upon him. The conviction, by a Federal District Court and affirmed by a Court of Appeals, was for violations of the registration and antifraud provisions of the Securities Act of 1933 in connection with the sale of stock of Kent Industries, Inc. in 1963.

## COURT ENFORCEMENT ACTION

F. H. SALMON, OTHERS ENJOINED. The SEC Chicago Regional Office announced December 1 that the Federal court in Detroit, Mich. had permanently enjoined Farn H. Salmon, of Hillsdale, Mich., and Jack L. Weston, and Farn H. Weston, all individually and doing business as Central American Drilling Company, from violations of the registration provisions of the Federal securities laws in the offer and sale of fractional undivided interests in oil and gas leases located in Michigan, Indiana and Tennessee. The defendants consented to the court order without admitting the allegations. (LR-5237)

## INVESTMENT COMPANY ACT RELEASES

PITTSWAY CORP. The SEC has issued a notice giving interested persons until December 16 to request a hearing upon an application of Pittway Corporation and Metropolitan Structures, of Northbrook, Ill. for an order permitting, among other things, Pittway to increase its limited partnership participation in Structures so as to permit it to make a \$2,500,000 capital contribution to the construction and operation of an office building ("Blue Cross Building") in Chicago, the construction of which is expected to be completed near the end of 1972 at an estimated cost of \$41,500,000. Structures, a limited partnership engaged in the development of real estate, owns a 54.9% interest in Metropolitan Nuns Island Partnership, a limited partnership engaged with Pittway among others, in the real estate development of Nuns Island, Canada. Because of the intercompany affiliation, Commission approval of the transactions is required. (Rel. IC-6855)

VALUE LINE FUNDS. The SEC has issued a notice giving interested persons until December 22 to request a hearing upon an application of The Value Line Special Situation Fund, Inc., and The Value Line Income Fund, Inc., New York mutual funds, for an order exempting from certain provisions of the Act, among other things, a proposed transaction whereby Special Fund will acquire from Income Fund 250,000 restricted shares of Gulf States Land & Industries, Inc. common stock at a price of 10% below the market value for unrestricted shares of the same class. Income Fund and Special Fund are affiliated persons under the Act since they have common directors, officers and manager and investment adviser. Because of the intercompany affiliation, Commission approval of the transaction is required. (Rel. IC-6856)

OVER

**IMPERIAL EQUITY CORPORATION.** The Commission has issued an order giving interested persons until December 23 to request a hearing on an application of Imperial Equity Corporation of Minneapolis for an order declaring that it has ceased to be an investment company. The company represents, among other things, that in 1965 its shareholders adopted a plan of complete liquidation, that it is exclusively engaged in effecting its complete dissolution and does not hold itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. (Rel. IC-6860)

**FLORIDA CAPITAL CORPORATION.** The Commission has issued an order giving interested persons until December 22 to request a hearing on an application of Florida Capital Corporation of New York for an order declaring that it has ceased to be an investment company as defined in the Investment Company Act. The company states, among other things, that it has invested substantially all of its assets in securities of wholly-owned subsidiaries which are not investment companies and that it is not acting or holding itself out as an investment company within the meaning of the Act and that it will continue to refrain from acting or holding itself out as an investment company. (Rel. IC-6861)

**OPTIONAL RETIREMENT FUND.** The Commission has issued an order giving interested persons until December 23 to request a hearing on an application of Optional Retirement Fund, Inc., of New York, for an order declaring that it has ceased to be an investment company under the Investment Company Act. The company has not offered its securities to the public since June 1969, has never had more than eleven shareholders and is withdrawing registration statement under the Securities Act of 1933 and will deregister under the Act. (Rel. IC-6865)

**TRAVELERS EQUITIES.** The SEC has issued an order declaring that Travelers Equities Accumulation Plan, Hartford, Conn., has ceased to be an investment company as defined in the Act. (Rel. IC-6867)

#### HOLDING COMPANY ACT RELEASES

**OHIO POWER COMPANY.** The SEC has issued an order authorizing Southern Ohio Coal Company (formerly Captina Operating Company), Moundsville, W. Va., subsidiary of Ohio Power Company, in turn, a subsidiary of American Electric Power Company, Inc., to issue and sell, for \$10,000,000, 4,000 shares of common stock to Ohio Power. Proceeds will be used in connection with the development and mining of various coal reserves owned or controlled by Ohio Power to assure a reliable supply of coal for three electric generating units Ohio Power has under construction. (Rel. 35-17383)

**COLUMBIA GAS.** The SEC has issued a notice giving interested persons until December 27 to request a hearing upon an application of The Columbia Gas System, Inc., Wilmington, Del. holding company, and 18 wholly-owned subsidiaries to increase the amount of installment notes two subsidiaries may issue and sell to the parent as follows: Columbia Gas of Maryland, Inc., from \$375,000 to \$775,000, and Columbia Gulf Transmission Company, from \$15,550,000 to \$45,500,000. (Rel. 35-17384)

**CONNECTICUT LIGHT AND POWER.** The SEC has issued an order authorizing The Connecticut Light and Power Company, Berlin subsidiary of Northeast Utilities, to issue and sell \$30 million of first and refunding mortgage bonds, Series X due 2001, and 400,000 shares of preferred stock, Series J (\$50 par), at competitive bidding. Net proceeds of its securities sale will be used to repay short-term borrowings incurred in financing its construction program and which are expected to aggregate \$87 million prior to the time of the proposed transactions. Construction expenditures are estimated at \$269 million for the period 1971-1972. (Rel. 35-17386)

**ALLEGHENY POWER.** The SEC has issued an order upon an application of Allegheny Power System, Inc., New York holding company, and its wholly-owned subsidiaries, Monongahela Power Company (Monongahela), The Potomac Edison Company (Potomac) and West Penn Power Company (West Penn) with respect to certain proposed transactions. Allegheny proposes to issue and sell 2,200,000 shares of common stock at competitive bidding. Net proceeds of its stock sale will be used to acquire shares of common stock of the subsidiaries, as follows: Monongahela, 400,000 for \$20 million; Potomac, 1,000,000 shares for \$20 million; and West Penn, 500,000 shares for \$10 million. Net proceeds, together with other corporate funds, will be used by the subsidiaries to finance their construction program. Construction expenditures for 1972 are estimated at \$56 million for Monongahela, \$51 million for Potomac, and \$78 million for West Penn. (Rel. 35-17387)

#### INVESTMENT ADVISERS ACT RELEASE

**GRANT EXTENSION FOR INSURANCE COMPANIES FILING.** The Commission has issued an order granting an extension of time until January 14, 1972 for filing applications for registration pursuant to Section 203(c) of the Investment Advisers Act with respect to insurance companies which act as investment advisers to investment companies and which have not registered as investment advisers. The application for the order was filed by the Life Insurance Association of America, and the American Life Convention. (Rel. IA-302)

CONTINUED

SECURITIES ACT REGISTRATIONS

CROWN ZELLERBACH CORPORATION, One Bush St., San Francisco, Calif. 94119, filed a registration statement on November 30 seeking registration of 338,254 outstanding shares of common stock, of which 270,000 were issued in exchange for the business and assets of Gulfport Creosoting Company and The Creosote Oil Corporation of Mississippi and 68,254 were issued in exchange for the business and certain assets of Park Lumber Company and Glen E. Park. These shares may be offered for sale by the holders thereof at prices current at the time of sale (\*\$27.50 per share maximum). (File 2-42480)

AMERICAN UNDERWRITERS, INC., 2105 N. Meridian St., Indianapolis, Ind. 46202, filed a registration statement on November 30 seeking registration of 180,000 shares of common stock, to be offered for public sale (\*at \$13.75 per share maximum) through underwriters headed by Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill. 60603. The company was organized to serve as the attorney-in-fact for the subscribers at American Interinsurance Exchange (the Exchange), a reciprocal automobile and fire insurer. Net proceeds will be used to pay short-term bank debt and for investment in guaranty fund certificates of the Exchange. (File 2-42481)

TRANSOK PIPE LINE COMPANY, 712 Petroleum Club Bldg., Tulsa, Okla. 74101 and Public Service Company of Oklahoma, 600 S. Main St., Tulsa, Okla. 74102, filed a registration statement on November 30 seeking registration of \$15 million of first mortgage pipe line bonds, due 1980 of Transok (guaranteed by Public Service Company of Oklahoma), to be offered for public sale at competitive bidding. A wholly-owned subsidiary of Public Service of Oklahoma, Transok will use the net proceeds of its bond sale to repay a portion of short-term borrowings of some \$12 million incurred or to be incurred by Transok from the parent to finance construction expenditures and to finance a part of the future construction and gas reserve development programs of Transok. (File 2-42482)

SCA SERVICES, INC., 15 Spinning Wheel Road, Hinsdale, Ill. 60521, filed a registration statement on November 30 seeking registration of 1,100,000 shares of common stock. Of these shares, 1,000,000 may be offered by the company from time to time in connection with acquisitions of other companies. The remaining 100,000 shares may be issued in connection with the company's Pooled Stock Plan. The company is engaged in providing solid waste management, vending and food, building maintenance and group travel services. (File 2-42483)

INVESTMENT CORPORATION OF FLORIDA, 2101 N. Federal Highway, Ft. Lauderdale, Fla. 33304, filed a registration statement on November 30 seeking registration of 93,361 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\*\$12.94 per share maximum). (File 2-42486)

HAWAII BANCORPORATION, INC., 111 S. King St., Honolulu, Hawaii 96813, filed a registration statement on November 30 seeking registration of 6,624,034 shares of common stock. It is proposed to offer these shares in exchange for the common stock of the Bank of Hawaii, at the rate of four shares for each Bank share held. Bancorporation was organized for the purpose of becoming a bank holding company. (File 2-42485)

THE STARR BROADCASTING GROUP, INC., 1000 Howard Ave., New Orleans, La. 70113, filed a registration statement on November 30 seeking registration of 410,000 shares of common stock, of which 400,000 are to be offered for public sale by the company and 10,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$30 per share maximum) through underwriters headed by First Mid America, Inc., 1001 "O" St., Lincoln, Nebr. 68501. The company is a communication company engaged through subsidiaries in the ownership and operation of radio stations, a television station, a book publishing company, and in related activities. Of the net proceeds of its stock sale, \$10,772,591 will be paid to the seller of stations KABL and the balance for working capital and other corporate purposes. (File 2-42489) 42489

PRUDENTIAL FUNDS, INC., (Prudential), One New York Plaza, New York 10004, filed a registration statement on November 30 seeking registration of 956,969 shares of common stock and 956,969 shares of cumulative convertible preferred stock, Series A (\$5 par). It is proposed to offer these shares in exchange for the oil and gas interests and other assets owned by the participants in the 1967 and 1968 Drilling Fund Programs administered by Prudential. Prudential is engaged in the oil and gas management business. (File 2-42487)

COLORADO NATIONAL BANKSHARES, INC., 918 17th St., Denver, Colo. 80202, filed a registration statement on November 30 seeking registration of 86,715 shares of common stock. It is proposed to offer these shares in exchange for the stock of Boulevard Corporation, at the rate of 7.1725 shares for each Boulevard share held. Bankshares is a bank holding company, which owns substantially all the capital stock of seven banks. Boulevard owns substantially all of the shares of Boulevard National Bank. It also operates a travel bureau and occasionally writes insurance on customers of the Bank. (File 2-42489)

AIRLIPT INTERNATIONAL, INC., P. O. Box 535, Miami International Airport, Miami, Fla. 33148, filed a registration statement on November 30 seeking registration of 13,496 shares of Series A \$6 non-cumulative, convertible preferred stock (\$10 par) and 197,692 shares of Series B \$6 non-cumulative, convertible preferred stock (\$5 par). It is proposed to offer to exchange (a) the A shares for the company's outstanding 6-1/2% convertible subordinated debentures, due 1986, at the rate of 14 A shares for each \$1,000 debenture and (b) the B shares for the company's outstanding 5-3/4% convertible subordinated debentures, due 1987, at the rate of 11 shares for each \$1,000 debenture. Also included in this statement are 5,000 outstanding shares of the Series B preferred shares, which may be offered for sale through Thomson & McKinnon Auchincloss Inc. by the holder thereof at prices current at the time of sale (\*\$2 per share maximum). (File 2-42490)

CONTINUED

MISCELLANEOUS

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "\*\*"):

NO.	O- REGISTRANT	LOCATION
5820	Intl. Postal Systems, Inc	Beverly Hills, Ca.
5822	Hamilton Intl. Corp**	Farmington, Mich.
5824	Metric Resources Corp	Burlingame, Ca.
5836	Transitron Electronic Corp**	Wakefield, Mass.
5837	Oxford Lab's,**	San Mateo, Ca.
5841	E. H. Crump Co's Inc**	Memphis, Tenn.
5842	Kapok Tree Inns Corp**	Clearwater, Fla
5844	Rollins Burdick Hunter Co**	Chicago, Ill.
5845	Fisco, Inc**	Phila. Penna.
5849	Pasquaney Bay Co., Inc**	New York, NY
5850	Perdue Housing Ind., Inc**	Chickasha, Ok
5851	Herzing Institute, Inc**	Milwaukee, Wis
5853	Hytek Intl. Corp**	Medina, Ohio
5855	Zermac, Ltd**	Dowington, Penna.
5858	First Equity Financial Corp**	Tampa, Fla.
5859	Billups Western Petroleum Co**	North Hammond, La.
5860	Recoton Corp**	Long Island City, NY
5861	Mathnetica, Inc**	Princeton, NJ
5863	Resdel Engineering Corp**	Psasdena, Calif.
5864	Berg Enterprises, Inc**	Metuchen, NJ
5865	Ecology, Inc**	Brooklyn, NY
5866	Vaportech Corp	Mt. View, Ca.
5867	The First Provident Co Inc**	Sanford, SC
5868	Wells Fargo Mortgage Instrs.**	El Segundo, Ca
5897	Texas Commerce Bancshares, Inc	Houston Tx
5903	Computax Services, Inc	Chicago, Il
5905	Chattem Drug & Chemical Co	Chattanooga, Tenn.

SECURITIES ACT REGISTRATIONS. Effective December 1: Popular Bancshares Corp., 2-41804 (Mar 2).  
Effective December 3: American Telecommunications Corp., 2-42238; The Connecticut Light and Power Co., 2-42183; New York Telephone Co., 2-42371; Northwest Ohio Bancshares, Inc., 2-41528; Property Investors-'71, 2-37655; Smugglers Attic, Inc., 2-41027 (90 days).  
Effective December 2: Minnesota Mining and Manufacturing Co., 2-42466.

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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