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SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

(Prepared by the SEC Office of Public Information)

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FOR RELEASE July 17, 1972

COMMISSION ANNOUNCEMENTS

IMPERIAL '400' NATIONAL, INC. ADVISORY REPORT FILED. The Commission has filed an advisory report with the United States District Court for the District of New Jersey on three plans for the reorganization of Imperial '400' National, Inc. under Chapter X of the Bankruptcy Act. The debtor's nationwide motel chain consists of 103 units, 61 operated by partnerships in which it has an interest of 50% or more, 27 wholly owned, 14 operated by franchisees, and one owned by Imperial but leased to and actually operated by an unaffiliated person. Book assets were approximately \$23 million at the end of 1971. Gross revenues for that year were about \$12 million and produced \$927,000 in net income before federal income taxes. The company's common stock and its convertible subordinated debentures are publicly held. Two of the three plans analyzed in the Commission's report were proposed by Burnham & Co., Incorporated, an investment banking firm. (The two Burnham plans are alternative plans; the second was not meant to supersede the first.) The third plan was put forward by a privately owned New Jersey heavy construction contractor, Schiavone Construction Co., Inc.

The Burnham plans call for a cash investment in the reorganized company by a group assembled by Burnham in return for substantial blocks of stock as well as voting control of the reorganized company. Noting that the Burnham plans "are one-sided in the proponents' favor" and that their "wide variety of options, conditions and conversion rights" makes them "too complex for useful analysis", the Commission found them "grossly unfair and patently inequitable". Under the Schiavone plan Imperial and Schiavone would become wholly owned subsidiaries of a new holding company, 12.8% of which would be owned by the Imperial interests with the remaining 87.2% going to Schiavone. The Commission found this allocation of interests unfair to Imperial, but pointed out "the simple capital structure proposed would facilitate substitution of a fair exchange ratio, if the proponent is willing to improve its offer". The Commission concluded by observing that Imperial requires neither fresh money nor new assets so that there is no pressing need for an outside proponent. Accordingly, the Commission urged that "serious consideration be given to the formulation of an internal plan of reorganization, which will turn the company over to its creditors and stockholders". (CR-312)

SEC ORDER CITES IRVIN ELLIOT RICHTER D/B/A AMWELL INVESTMENT ADVISORY SERVICE. The SEC has ordered public proceedings under the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisors Act of 1940 involving Irvin Elliot Richter, Riverside, N. J., d/b/a Amwell Investment Advisory Service, a Somerville, N. J. registered investment advisor with the Commission. The proceedings are based on Richter's conviction for a misdemeanor involving embezzlement and allegations by the Commission's staff that he violated the registration and bookkeeping provisions of the Investment Advisors Act of 1940. A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto for the purpose of determining whether the allegations are true, and if so whether any action of a remedial nature should be ordered by the Commission.

SEC CITES KAUMA INVESTMENT CORP. AND ELDEN ROY KAUMA. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 against Kauma Investment Corporation, applicant for broker-dealer registration, and Elden Roy Kauma, its president, both of Esko, Minn. A postponement of the effective date of the application for registration was also ordered. The proceedings are based on allegations of violations by Elden Roy Kauma of the registration provisions of the Securities Act of 1933 in connection with the offer and sale of various securities of Cochise College Park, Inc., Lake Havasu Estates (an Arizona Corporation) and Corona de Tucson, Inc., and of the broker-dealer registration provisions of the Securities Exchange Act of 1934. A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto for the purpose of determining whether the allegations are true, and if so whether any action of a remedial nature should be ordered by the Commission.

INVESTMENT COMPANY ACT RELEASES

COMMERCE CAPITAL CORP. The SEC has issued an order modifying the conditions of a previously issued order exempting Commerce Capital Corp., Milwaukee, Wisc. from all provisions of the Act. (Rel. IC-7271)

J. P. MORGAN OVERSEAS CORP. The SEC has issued a notice giving interested persons until August 3 to request a hearing upon an application by J. P. Morgan Overseas Corporation of New York, for an order exempting it from all provisions of the Act. All the stock of the corporation is owned by Morgan International Guaranty International Finance Corporation (MGIFC), which is wholly-owned by Morgan Guaranty Trust Company of New York, which in turn is wholly-owned by J. P. Morgan & Co., Inc. The latter companies are in the banking business and exempt from the Act. The Corporation was formed to make investments in, and loans to companies outside the United States which regulations of the Federal Reserve Board prohibit MGIFC from making. Applicant's investments will be subject to regulation by the Board. (Rel. IC-7273)

OVER

THE TRUST FUND SPONSORED BY EPISCOPAL SCHOOL FOUNDATION COLLEGE AWARD PROGRAM, INC. The SEC discontinued a proceeding on an application of the Trust Fund (of Ft. Lauderdale, Fla.). The discontinuance was ordered pursuant to the Trust Fund's request to withdraw its application. (Rel. IC-7274)

ABERDEEN MANAGEMENT CORP. The SEC has issued an order upon an application of Aberdeen Management Corporation, Income Estates of America, Steadman Fiduciary Investment Fund, Inc., and Steadman Security Corporation, all of Washington, D. C., exempting from the provisions of Section 17(a) of the Act certain transactions incident to a proposed combination of Aberdeen Fund (Aberdeen) and Steadman Fiduciary Investment Fund, Inc., both open-end, diversified investment companies, and approving, pursuant to Section 26(b) of the Act, substitution of Fiduciary shares for Aberdeen shares by four unit investment trusts. The four trusts are Aberdeen Investors Programs, Benjamin Franklin Foundation Certificates, Trusteed Income Estates Certificates - Series C and Trusteed Income Estate Certificates - Original Series Trusteed Industry Shares. (Rel. IC-7275)

SECURITIES ACT REGISTRATIONS

DART INDUSTRIES INC., 8480 Beverly Blvd., Los Angeles, Calif. 90048, filed a registration statement on July 12 seeking registration of 3,558 outstanding shares of common stock which are to be offered for sale by the holders thereof at prices current at the time of sale (* \$56.75 per share maximum). The company is engaged in direct selling and in the manufacture and sale of houseware, glass containers, architectural, pharmaceutical and health care products, chemicals and plastics, and in recreational land development. (File 2-44997)

E. F. HUTTON & COMPANY INC., One Battery Park Plaza, New York 10004, filed a registration statement on July 12 seeking registration of \$12,375,000 of units under the Monthly Distribution Plan of E. F. Hutton Tax Exempt Fund, National Series 7. The Fund is the seventh of a series of similar but separate trusts, created under a trust indenture between E. F. Hutton & Company Inc., as sponsor, and United States Trust Company of New York, as trustee. The Fund is a diversified portfolio of interest-bearing municipal bonds, the interest on which is, in the opinion of recognized bond counsel, exempt from all Federal income tax. (File 2-44998)

CITY STORES COMPANY, 500 Fifth Ave., New York 10036, filed a registration statement on July 12 seeking registration of 473,868 shares of common stock, of which 325,418 are outstanding shares and 148,450 have been issued or are issuable pursuant to the company's stock option plans. These shares may be offered for sale from time to time by the holders or recipients thereof at prices current at the time of sale (*\$7 per share maximum). The company is engaged in the operation of retail stores, including department, women's and children's specialty and home furnishing stores. (File 2-44999)

UNITED COMPANIES FINANCIAL CORPORATION, Commerce Bldg., 333 Laurel St., Baton Rouge, La. 70801, filed a registration statement on July 12 seeking registration of 299,472 shares of common stock, to be offered for public sale (*at \$25 per share maximum) through underwriters headed by Dominick & Dominick, Inc., 14 Wall St., New York 10005, and Howard, Weil, Labouisse, Friedrichs Inc., 211 Carondelet St., New Orleans, La. 70130. The company is engaged through subsidiaries in the business of life insurance and mortgage and consumer finance. Net proceeds will be used for working capital and other corporate purposes. (File 2-45005)

DOMINION MORTGAGE & REALTY TRUST, 1410 Liberty Bank Bldg., Buffalo, N. Y. 14202, filed a registration statement on July 12 seeking registration of \$11 million of subordinated debentures, due 1987, and warrants to purchase 600,000 shares of beneficial interest, to be offered for public sale in units, each consisting of \$100 of debentures and four warrants. The offering is to be made (*at \$100 per unit maximum) through underwriters headed by Ball, Burge & Kraus, 1414 Union Commerce Bldg., Cleveland, Ohio 44115, and Hugh Johnson & Co., Inc., Rand Bldg., Buffalo, N. Y. 14203. The Trust invests primarily in first mortgage construction and development loans, junior mortgage loans and equity interest in real property. Great Lakes Advisory Service, Inc. is investment advisor. (File 2-45006)

WALBRO CORPORATION, 6242 Garfield St., Cass City, Mich. 48726, filed a registration statement on July 12 seeking registration of 280,000 shares of common stock, of which 42,000 are to be offered for public sale by the company and 238,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$15 per share maximum) through underwriters headed by Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill. The company is engaged in the development, manufacture and sale of small engine carburetors, electric fuel pumps and injection molded plastic parts. Net proceeds will be used to repay a portion of short-term bank loans. (File 2-45007)

AMERICAN THERMAL RESOURCES, INC. (the general partnership), 5405 Stockdale Highway, Bakersfield, Calif. 93309, filed a registration statement on July 12 seeking registration of \$4,000,000 of limited partnership interests in ATR-1972 Geothermal Energy Drilling Program (the Partnership), to be offered for public sale at \$5,000 per unit with a minimum subscription of two units. No underwriting is involved. The Partnership is to be formed to engage in exploration and drilling for geothermal energy. (File 2-45008)

CLIMATROL CORPORATION, 6900 N. W. 77 Court, Miami, Fla. 33166, filed a registration statement on July 12 seeking registration of 300,000 outstanding shares of common stock, to be offered for public sale by the holders thereof at \$5 per share through underwriters headed by Suplee-Mosley Inc., 1700 Market St., Philadelphia, Pa. 19103. The company sells, designs, manufactures and installs patio and pool enclosures. (File 2-45009)

MISCELLANEOUS

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 July 6 News Digest.

8K Reports for March 1972

Interstate Corp (10)	0-4646-2	Florida Power Corp (11,13)	1-3274-2
Knight Industries Inc (3)	0-3236-2	Gen'l Development Corp (7)	1-4080-2
Morse Shoe, Inc (13)	1-4983-2	Glen Gery Corp (8)	1-5010-2
The Pavelle Corp (13)	0-2885-2	Golden State Foods Corp (7,13)	2-42761-2
Pioneer Nursing Centers Inc			
Mar '71 (2,13)	0-5368-2	Gen'l Motors Corp (13,14)	1-143-2
Jun '70 (2,13)	0-5368-2	Magnetic Head Corp (4,7)	0-4474-2
Plymouth Rubber Co., Inc (13)	1-5197-2		
Project 7 Inc (7,13)	2-33586-2	Roland Int'l Corp (7,13)	1-6919-2
United Financing Corp			
Jan '72 (2)	0-3309-2	Menasco Mfg. Co (3,14)	1-2205-2
		Samuel Moore & Co (3)	0-3787-2

Amended 8K Reports

Gloucester Engineering Co Inc (1,2,3,13)	1-6569-2	AAI Corp	
Medfield Corp (1,2,8,14)	1-5606-2	Amdt #1 for July '71 (9)	0-803-2
Ajax Magnethermic Corp		Keymaster Corp	
Apr 72 (11)	1-5033-2	Amdt #1 for Mar '72 (14)	0-1539-2
Koppers Co Inc (7,14)	1-3224-2		

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the securities of Tanger Industries Inc. for the further ten-day period July 17-26, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 11: The Woodmoor Corporation, 2-43049. Effective July 12: Urban Industries Corp., 2-36381 (90 days). Effective July 13: Adobe Brick and Supply Company, 2-43829 (Oct 11); Advanced Digital Systems, Inc., 2-43574 (Oct 11); American Reserve Corporation, 2-44725; Ball Corp., 2-44694 (90 days); Barnett-Winston Investment Trust, 2-44298 (Oct 11); Digital Computer Controls, Inc., 2-43100; Film Corporation of America, 2-44211 (Oct 11); Carl E. Freeman Associates, Inc., 2-44359 (Oct 11); Genuine Parts Co., 2-44392; H. J. Heinz Co., 2-44846; Natomas Co., 2-44000; Northern States Power Co., 2-44530; Public Service Company of Colorado, 2-44710; The TDP&L Bond Fund Fixed Income Securities Fund, 2-38334; TDP&L Investment Account "A", Inc., 2-38334.

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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