

sec news digest

Issue 75-179
SEC Docket, Vol. 7, No. 17 - September 30)

September 15, 1975

RULES AND RELATED MATTERS

INSTRUCTIONS TO FORM ADV

The Commission today announced the adoption, effective September 27, 1975, of a new instruction to Form ADV, the registration form for investment advisers, and a related amendment to Instruction 6 on the Instruction Sheet to Form ADV.

The new instructions serves to: (1) advise applicants that disclosure of social security numbers is no longer mandatory, and (2) make certain disclosures required by the Privacy Act of 1974. The amendment to Instruction 6 is intended to make that instruction consistent with the new instruction. (Rel. IA-472)

NOTICE OF FILING OF PROPOSED RULE CHANGES BY INTERMOUNTAIN STOCK EXCHANGE

The Intermountain Stock Exchange submitted on July 21 a proposed rule change under Rule 19b-4 to amend Article VI, Rule 10 of the Exchange. The amendment changes the hours of trading on the Exchange from 9 a.m. to 12 noon, to 11 a.m. to 12 noon.

Publication of the submission is expected to be made in the Federal Register during the week of September 15, 1975. Interested persons are invited to submit written data, views and arguments concerning the submission before September 19, 1975. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, Securities and Exchange Commission, 500 North Capitol St., Washington, D.C. 20549. Reference should be made to File No. SR-ISE-75-1. (Rel. 34-11647)

COMMISSION ANNOUNCEMENTS

COMMISSION ACTION ON FOIA REQUEST

The Commission has partially granted the appeal of Anthony P. David from the denial of his request under the Freedom of Information Act for access to investigatory and other files concerning Administrative Proceeding No. 3-4635, In the Matter of Chase Investment Services, Inc., et al.

The Commission reaffirmed its previous determination that Section 210(b) of the Investment Advisers Act of 1940 prohibits disclosure of files compiled in the course of investigations under that Act only to the extent that disclosure would violate the confidentiality of the relationship between an investment adviser and its client. Such records would be "specifically exempted from disclosure by statute" and therefore exempt from disclosure under the Freedom of Information Act, 5 U.S.C. 552(b)(3), 17 CFR 200.80(b)(3). The Commission also determined not to disclose material that would constitute trade secrets and privileged or confidential commercial or financial information, 5 U.S.C. 552(b)(4), 17 CFR 200.80(b)(4), and inter-agency or intra-agency memoranda, 5 U.S.C. 552(b)(5), 17 CFR 200.80(b)(5). (FOIA-26)

TEMPORARY SUSPENSION OF THE REGULATION A EXEMPTION OF AMERICAN SOLAR ENERGY CORPORATION

The Commission has issued an order temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed offering of securities of American Solar Energy Corporation (Solar), 2960 Westwood Street, Unit No. 20, Las Vegas, Nevada 89102.

Pursuant to a notification filed May 16, 1974, and later amended, Solar proposed to offer 22,500 shares of \$1.00 par value common stock at \$2.00 per share, and 2,500 shares of \$20.00 par value 8% preferred stock at \$20.00 per share, for an aggregate offering price of \$91,050.

According to the order, the Commission has reason to believe that: (a) the notification and offering circular of Solar contain untrue statements of material facts and omit to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, particularly with respect to the failure to disclose that on June 12, 1975, Solar filed a voluntary petition in bankruptcy with the U.S. District Court for the District of Nevada; the failure to disclose its actual financial condition in its financial statements; the failure to disclose that Alexander R. Tarsey is an affiliate of Solar in that he is a controlling person owning over 10% of each class of stock outstanding; and the failure to disclose that the number of common and preferred shares offered under the notification, when added to those amounts already outstanding, would exceed the amounts which the issuer is authorized to issue pursuant to its Articles of Incorporation; (b) the issuer failed to cooperate with the Commission in that Solar and its principle officer, Alexander R. Tarsey, have resisted numerous attempts by the Commission and its staff to assist Solar in complying with the requirements of Regulation A in that, inter alia, Solar has failed or refused to reply to a January 31, 1975 comment letter and four telephone requests from the Commission's staff with respect to the amending of the notification and offering circular or to its withdrawal; and (c) the offering, if permitted to occur, would be made in violation of Section 17 of the Securities Act of 1933, as amended. (Rel. 33-5615)

TRADING SUSPENSIONS

SYSTEMATIC TAX TRADING SUSPENDED

The SEC has announced the temporary suspension of over-the-counter trading in the securities of Systematic Tax, Inc. for an additional ten-day period beginning on September 12 and continuing through midnight (EDT) on September 21, 1975. Systematic Tax is located in Passaic, N.J.

The Commission originally suspended trading in the securities of Systematic Tax, Inc. on August 14, 1975 (Rel. 34-11566) due to questions relating to recent market activity in the securities of Systematic Tax, Inc. The suspension of trading is being continued for the following reasons. Systematic Tax, Inc. was purportedly reorganized in June of 1975. The name of the issuer was changed to Physiodata Corporation and the amount of common stock issued and outstanding was apparently increased from 237,500 shares to 4,000,000 shares. The substantial increase in the amount of common stock outstanding was attributed to the acquisition of certain assets. The publicly available information concerning the assets acquired by Systematic Tax, Inc. and the circumstances surrounding the acquisition appear to be inadequate. Further, questions have arisen with respect to the adequacy and accuracy concerning information submitted to the National Quotation Bureau concerning Systematic Tax, Inc. (Rel. 34-11648)

VALHI SUSPENSION TERMINATED

The SEC announced the termination of the suspension in trading of the common stock of Valhi, Inc. (Valhi) effective midnight (EDT) September 13, 1975.

The Commission initiated the suspension of trading because of questions as to who constituted the Board of Directors and management of Valhi. Contran, Inc. (Contran), as the result of a tender offer had acquired in excess of 50% of the outstanding common stock of Valhi and had purported to remove the board of directors of Valhi and insert a new board. Such purported removal was made without any notice to Valhi's other shareholders. (Rel. 34-11650)

COURT ENFORCEMENT ACTIONS

JACK FACER CONVICTED

The Denver Regional Office announced that recently a jury for Salt Lake County, State of Utah after trial, convicted Jack Facer of Salt Lake City, Utah and Las Vegas, Nevada on one count of violating the antifraud provisions of the Utah Uniform Security Code in connection with the securities of Great Northern, Inc. The investigation leading to the indictment and conviction of Mr. Facer was conducted by both the Office of the Attorney General for the State of Utah and the Denver Regional Office. (State of Utah v. Jack Facer, Salt Lake County, State of Utah). (LR-7081)

IRVIN D. KAPLAN INDICTED

The Fort Worth Regional Office announced that on September 4 nine indictments were returned by a Harris County grand jury against Irvin D. Kaplan, Houston, Texas,

charging him with violations of the Texas Securities Act involving the purchase of over \$3,000,000 worth of bonds in early April 1975. The indictments allege that Kaplan issued personal checks for the purchase of the bonds when he knew there were insufficient funds on deposit to cover the checks, and that Kaplan intended to appropriate the bonds for his own personal use and benefit. (State of Texas v. Irvin D. Kaplan, State District Court, Houston, Tex.). (LR-7082)

SANFORD DVORIN FOUND GUILTY

The Fort Worth Regional Office announced that Federal District Judge William M. Taylor, Jr. at Dallas on August 25 found Sanford Dvorin, Dallas, guilty of criminal contempt following his plea of nolo contendere to one count of a criminal information charging him with contempt of a prior order of preliminary injunction entered by Judge Taylor on February 21, 1974 in a civil injunctive action filed by the Commission styled SEC v. Olympic Petroleum Corporation, et al. On September 2, 1975 Judge Taylor entered an order in the civil matter, permanently enjoining Dvorin from violations of the registration and antifraud provisions of the securities laws. Dvorin consented to the order without admitting or denying the allegations of the complaint. Sentencing has been set by Judge Taylor for September 12, 1975. (U.S. v. Sanford Dvorin, N.D. Tex.). (LR-7083)

INVESTMENT COMPANY ACT RELEASES

JOHN HANCOCK INVESTORS

An order has been issued by the Commission pursuant to Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder to permit John Hancock Investors, Inc., a registered closed-end investment company, and John Hancock Mutual Life Insurance Company to engage in certain transactions involving investments in debt securities of the Gates Rubber Company. (Rel. IC-8930 - Sept. 11)

EQUITABLE VARIABLE LIFE INSURANCE COMPANY

The Commission announced today, that pursuant to request it has determined to extend the period for comment until October 11 on the application for exemption, pursuant to Section 6(c) of the Investment Company Act of 1940 (Act) from Sections 8(b), 13(a), 14(a), 15(a), 15(c), 18(i), 22(d), 22(e), 27(c), 27(f), 27(h) (1) of the Act and Rules 22c-1 and 27f-1 thereunder of Equitable Variable Life Insurance Company and others. Notice of the application was published on August 13, 1975. (Rel. IC-8931 - Sept. 11)

HAMILTON FUNDS

A notice has been issued giving interested persons until September 29 to request a hearing on an application of Hamilton Funds, Inc., Hamilton Growth Fund, Inc. and Hamilton Income Fund, Inc. (Funds) all open-end diversified management companies, for an order of the Commission declaring that Robert M. Kirchner, a director of the Funds, shall not be deemed an interested person of the Funds or their investment adviser, Hamilton Management Corporation, solely by reason of Kirchner's status as a director and employee of Kirchner, Moore & Company, a registered broker-dealer under the Securities Exchange Act of 1934. (Rel. IC-8932 - Sept. 11)

NATIONAL MUNICIPAL TRUST

An order has been issued on an application of National Municipal Trust, First Insured Discount Series and Subsequent Series, a registered unit investment trust exempting the trust from the initial net worth requirements of Section 14(a) and from the limitations on the distribution of capital gains contained in Rule 19b-1; and exempting from Rule 22c-1 the secondary market operations of the trust's sponsor. (Rel. IC-8933 - Sept. 12)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, to issue and sell \$60 million of first mortgage bonds and 300,000 shares of preferred stock (\$100 par) at competitive bidding. (Rel. 35-19166 - Sept. 12)

A supplemental order has been issued authorizing Massachusetts Electric Company, subsidiary of New England Electric System (NEES), to increase its short-term borrowings from banks and/or NEES. (Rel. 35-19167 - Sept. 12)

MASSACHUSETTS ELECTRIC COMPANY

An order has been issued authorizing Massachusetts Electric Company, subsidiary of New England Electric System, to issue and sell \$40 million of first mortgage bonds at competitive bidding. (Rel. 35-19168 - Sept. 12)

SECURITIES ACT REGISTRATIONS

(S-1) EMPIRE ASSOCIATES, INC.

7685 Parklawn Ave., Edina, Minn. 55435 - 225,298 shares of common stock. It is proposed to offer these shares in exchange for the remaining outstanding common shares of Crown Auto Stores, Inc., at the rate of one share for each Crown share. Also included in this statement are 5,000 shares of common stock to be issued upon exercise of outstanding Crown stock options. The company operates leased retail automotive stores and service centers and is also engaged in the erection and installation of power generating and pollution control equipment in power plants. (File 2-54585-Sept 11)

REGISTRATIONS EFFECTIVE

Sept. 10: Brooks Fashion Stores, Inc., 2-54360; Frank B. Hall & Co., Inc., 2-54435; Mesa Petroleum Co., 2-54306; Wien Air Alaska, Inc., 2-54068.
Sept. 11: Indianapolis Power & Light Co., 2-54441; Whirlpool Corp., 2-54337.

REGISTRATIONS WITHDRAWN

Sept. 3: Irvin Industries Inc., 2-42675.

NOTE TO DEALERS	<p>The 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.</p>
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RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

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| <ul style="list-style-type: none"> Item 1. Changes in Control of Registrant Item 2. Acquisition or Disposition of Assets Item 3. Legal Proceedings Item 4. Changes in Securities Item 5. Changes in Security for Registered Securities Item 6. Defaults upon Senior Securities Item 7. Increase in Amount of Securities Outstanding Item 8. Decrease in Amount of Securities Outstanding | <ul style="list-style-type: none"> Item 9. Options to Purchase Securities Item 10. Revaluation of Assets or Restatement of Capital Share Account Item 11. Submission of Matters to a Vote of Security Holders Item 12. Changes in Registrant's Certifying Accountant Item 13. Other Materially Important Events Item 14. Financial Statements and Exhibits |
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The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
ARCHER DANIELS MIDLAND CO	7,14	08/75
BANKERS INVESTMENT CORP	2,14	08/75

RECENT 8K FILINGS CONT.

CITIZENS & SOUTHERN REALTY INVESTORS	10,11,14	07/75
ELECTRONIC ARRAYS INC	11	08/75
FREMONT FIRST NATIONAL CO	7	08/75
INTER CONTINENTAL COMPUTING INC	6,7,14	07/75
INTERNATIONAL TELEPHONE & TELEGRAPH CORP	3,7,10,13,14	12/74
LYNCH COMMUNICATION SYSTEMS INC	3,11	08/75
MID ATLANTIC REAL ESTATE INVESTMENT TRUS	1,10,11,13,14	07/75
MPS INTERNATIONAL CORP	12	08/75
NATHANS FAMOUS INC	11	08/75
NATIONAL MORTGAGE FUND	6,13,14	08/75
NORFOLK & CAROLINA TELEPHONE & TELEGRAPH	13	07/75
PACER PHENIX CORP	2,14	06/75
PACIFIC AMERICAN REAL ESTATE FUND 1972	6,14	08/75
RECORD RETENTION & RETRIEVAL CORP	14	07/75
SHELTER CORP OF AMERICA INC	3,13	08/75
STOCKER & YALE INC	2,7,14	08/75
SYSTEM DEVELOPMENT CORP	13	08/75
AMF INC	7,8,14	08/75
ASPRO INC	4,7,14	08/75
BOMAINE CORP	10,14	08/75
COMPAC CORP	2,6	07/75
INTERSTATE BRANDS CORP	3,13,14	08/75
MARSHALL INDUSTRIES	14	08/75
ROTEX CORP	3	08/75
SENECA OIL CO	13	08/75
STERLING ELECTRONICS CORP	13	08/75
ANDERSON STOKES INC	13	03/75
ARLEN REALTY & DEVELOPMENT CORP	3	07/75
ATLA NATIONAL INVESTMENTS CORP	10,14	06/75
DERAND REAL ESTATE INVESTMENT TRUST	3	06/75
DERAND REAL ESTATE INVESTMENT TRUST	13	07/75
DERAND REAL ESTATE INVESTMENT TRUST	10	08/75
DRESSEN BARNES ELECTRONICS CORP	2,10,14	07/75
KEITHLEY INSTRUMENTS INC	3	06/75
MERRILL BANKSHARES CO	13	08/75
MICHIGAN GENERAL CORP	7,14	08/75
NEW MEXICO & ARIZONA LAND CO	13	08/75
NORFOLK & CAROLINA TELEPHONE & TELEGRAPH	13	08/75
NORTHWESTERN PUBLIC SERVICE CO	13	08/75
PACIFIC AMERICAN CORP	1	06/75
PARK INVESTMENT CO	11	07/75
POTTER INSTRUMENT CO INC	1,2,3,13	05/75
SENECA FOODS CORP	13	08/75
SOLID STATE TECHNOLOGY INC	10	08/75
SPRINGS MILLS INC	7,8,13,14	08/75
STEELMET INC	7,14	07/75
TMC MORTGAGE INVESTORS	3	08/75
VENDO CO	1	08/75
WICKES CORP	13	08/75
WISCONSIN PUBLIC SERVICE CORP	3	08/75
WORCESTER CONTROLS CORP	7	08/75

AMENDMENTS TO REPORTS ON FORM 8-K

ACCELERATORS INC	3	06/75
ANHEUSER BUSCH INC	3	05/75
BONANZA INTERNATIONAL INC	7,14	07/75
CHURCHILL GROUP	2,14	05/75
COLONIAL COMMERCIAL CORP	13,14	03/75
CONSUMERS POWER CO	13	06/75
PACESETTER INDUSTRIES INC	4,14	06/75
PEOPLES DRUG STORES INC	13	07/75
PRUDENTIAL FUNDS INC	13	06/75
SAFETY FUND CORP	14	06/75
TERRA RESOURCES INC	2	06/75
THIRTY SEVEN TWENTY FIVE NORTH DUNLAP ST	2,8,11,14	06/75
WARWICK ELECTRONICS INC	7	05/75
WINKLER SCHEID VINEYARDS INC	2	05/75
PENTAIR INDUSTRIES INC	13,14	04/75
CLC OF AMERICA INC	7	05/75
DUQUESNE LIGHT CO	3	07/75
FEDERATED INVESTORS INC	14	01/75

RECENT BK FILINGS CONT.

BARWICK E T INDUSTRIES INC	14	07/75
HILLHAVEN INC	8	12/74
KAWECKI BERYLCO INDUSTRIES INC	7	04/75
MIDDLE STATES BANCORPORATION INC	3	07/75
NEI CORP	14	07/75
OHIO BELL TELEPHONE CO	7	06/75
PENNSYLVANIA LIFE CO	3,11,13	06/75
ROBERTS & PORTER INC	9	05/75
TERRAMAR CORP	7,14	06/75
WALKER B B CO	14	06/75
ZENITH RADIO CORP	7,14	04/75
PIONEER CORP TEXAS	7	06/75
DOMINION MORTGAGE & REALTY TRUST	13,14	06/75
FIRST BUILDERS BANCORP	2	01/75
FIRST INTERNATIONAL BANCSHARES INC	14	06/75
FURNTEC INDUSTRIES INC	12,14	04/75
KAPPA SYSTEMS INC	2	02/75
KAY CORP	13	07/75
PROVIDENT NATIONAL CORP	14	07/75
RAPOCA ENERGY CORP	1	07/75
WILLIAMS COMPANIES	14	06/75
CARLSBERG MOBILE HOME PROPERTIES LTD 73	3	12/74
COOK INDUSTRIES INC	13	04/75
FIRST VIRGINIA MORTGAGE & REAL ESTATE IN	14	07/75
FLYING TIGER LINE INC	11,14	06/75
GSC ENTERPRISES INC	13,14	06/75
HARWOOD COMPANIES INC	10,14	02/75
MARCO DENTAL PRODUCTS INC	4,11	07/75
NELSON L B CORP	14	07/75
OLD STONE CORP	14	07/75
PIER ONE IMPORTS INC	11	07/75
ROPER CORP	9	07/75
STATE EXPLORATION CO	10	07/75
VOCATIONAL ADVANCEMENT SERVICES INC	1,2	12/74
ELECTRONIC RESEARCH ASSOCIATES INC	7	07/75
PACIFIC COAST PROPERTIES INC	3	05/75
ATLANTIC RICHFIELD CO	14	07/75
ATLAS AMERICAN CORP	13	07/75
GREATER OHIO CORP	13	07/75
IPON MOUNTAIN INC	10	06/75
KAISER INDUSTRIES CORP	14	11/74
MICHIGAN NATIONAL CORP	7	06/75
NBC CO	11,14	04/75
DAYTON POWER & LIGHT CO	7,13	06/75
DIAMOND M DRILLING CO	14	05/75
POTTER INSTRUMENT CO INC	13	04/75
DC TRANSIT SYSTEM INC	14	07/75
HOFFMAN ROSNER CORP	1,7,8,14	06/75
STATE EXPLORATION CO	14	07/75

RECENT 8K FILINGS CONT.

AMERITEL ENTERPRISES INC		
CITIZENS GROWTH PROPERTIES	11,14	04/75
DEFLECTA SHIELD INDUSTRIES INC	2	11/74
ELCOR CHEMICAL CORP	14	07/75
EQUIMARK CORP	7	07/75
EQUITY INVESTORS OF AMERICA INC	3	06/75
EXCEPTICON INC	14	06/75
HYDRO FLAME CORP	13,14	07/75
MPS INTERNATIONAL CORP	3	06/75
PHILIPSBORN INC	10,12	08/75
RECLAMATION SYSTEMS INC	1	08/75
REPUBLIC HOUSING CORP	13	07/75
REYNOLDS R J TOBACCO CO	14	06/75
TENNEY ENGINEERING INC	2	07/75
ZURN INDUSTRIES INC	1	07/75
CONROY INC	14	05/75
GULF OIL CORP	8	07/75
GULF STATES UTILITIES CO	3	06/75
HALLS MOTOR TRANSIT CO	13,14	12/73
HUYCK CORP	12	07/75
HYDRO FLAME CORP	14	06/75
TONKA CORP	13	05/75
UNITED HAWAIIAN INVESTMENT CORP	9	06/75
UNIVERSITY REAL ESTATE TRUST	3	07/75
	2	06/75

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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 SEC DOCKET is published weekly. Subscription rates: \$43.70 yr in U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.