

# sec news digest

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 76-145

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July 27, 1976

## RULES AND RELATED MATTERS

### NOTICE OF PROPOSED AMENDMENTS TO FORMS S-7 AND S-16 AND PROPOSED RESCISSION OF FORM S-9

The Commission has published for comment proposed amendments to Forms S-7 and S-16 and a proposal to rescind Form S-9, forms for the registration of securities under the Securities Act of 1933. The proposed amendments, if adopted, would make Forms S-7 and S-16 available for use by more issuers by amending the Rule as to Use of the Forms to: (1) allow their use if the issuer has any class of securities registered on a national securities exchange; (2) require compliance with Sections 13 and 14 of the Securities Exchange Act of 1934 for three calendar years and timely filing thereunder for twelve calendar months; (3) reduce the no-default requirement to three years; (4) reduce the net income requirement to \$250,000 for three of the last four fiscal years, including the latest fiscal year; and (5) eliminate the continuity of management and earned dividends requirements. Certain of these proposals were contained in Securities Act Release No. 5613 (September 11, 1975) and are being republished for comment. The proposed amendment also would make Form S-7 available for use in exchange offers. In addition, certain of the disclosure items of Forms S-7 and S-16 are proposed to be amended, particularly to require certain disclosure if there has been a change of control of the issuer. The Commission will permit registrants to use Forms S-7 and S-16 as proposed to be amended while the proposals are pending.

Interested persons are invited to submit their views to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, no later than September 27, 1976. Reference should be made to File No. S7-646. All comments received will be available for public inspection. (Rel. 33-5728)

## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

### NASD ACTION AGAINST JAMES D. LANG, JR. AND THOMAS A. SARTAIN AFFIRMED

The Commission has affirmed sanctions imposed by the NASD on James D. Lang, Jr., of Fairfax, California, and Thomas A. Sartain of Novato, California, who were associated with the broker-dealer firm of Capital Planning Securities, Inc. Sartain was barred from association with any NASD member and Lang was suspended from any such association for 6 months and fined \$5,000.

The Commission found, as did the NASD, that respondents were responsible for the failure to disclose to purchasers of shares of National Real Estate Fund (NREF) that Capital and NREF were under common control, that such customers were not getting original issue shares and that certain customers were getting the shares of insiders, including Lang and Sartain, who were disposing of their holdings. The Commission also affirmed the NASD's findings that respondents failed to comply with confirmation and customer protection provisions. (Rel. 34-12607)

### JEROME H. SHAPIRO BARRED FROM SUPERVISORY ACTIVITY

The Commission has barred Jerome H. Shapiro, of St. Louis Park, Minnesota, from association with any broker or dealer in a proprietary or supervisory capacity. Shapiro was president and majority shareholder of J. Shapiro Co., formerly a registered broker-dealer whose principal office was in Minneapolis, Minnesota.

The Commission held Shapiro responsible for his firm's violations of the Securities Exchange Act's recordkeeping, net capital, reporting, security-count and hypothecation requirements. (Rel. 34-12615)

The suspension of Archie S. Barnhill, a Dallas, Texas certified public accountant, from appearance or practice before the Commission has become permanent.

In April 1976, the Commission temporarily suspended Barnhill from practice before it on the basis of an injunction entered against him by the U.S. District Court for the Northern District of Texas. That injunction, which was entered with Barnhill's consent and without his admitting or denying the Commission's charges against him, permanently enjoined Barnhill from violations of the registration and antifraud provisions of the securities laws. (SEC v. Tex-A-Chief, Inc., et al).

Barnhill did not petition to lift the suspension within the required time, and it therefore became permanent. (Rel. 34-12629)

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## SECURITIES ACT REGISTRATIONS

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### (S-5) OVERBROOK BOND FUND, INC.

150 Varick St., New York, N.Y. 10023 - 33,333 shares of common stock. It is proposed to offer these shares for sale from time to time at net asset value. The initial offering price will be \$15.00 per share. Overbrook Bond Fund, Inc. is a diversified, open-end investment company with an investment policy of investing in government securities and money market instruments. (File 2-56878 - July 23)

### (S-6) VARIABLE INVESTMENT PLAN

for the accumulation of shares of American General Capital Fund, Inc., 2777 Allen Parkway, Houston, Tex. 77019 - \$4,500,000 face amount of 10 and 15-year periodic payment plans and \$500,000 of single investment plans of a unit investment trust investing in shares of American General Capital Bond Fund, Inc., a registered open-end, diversified, management-type investment company which seeks interest income with conservation of capital, through investments in a diversified portfolio of marketable debt securities, including convertible debentures. Periodic payment plans calling for payments of from \$25 to \$1,000 monthly, with sales charges ranging from 8.85% of payments, scaled down on larger programs to a minimum of 3.5%, and single investment programs of \$750 and up, with sales charges ranging from 8.5%, scaled down on payments of \$15,000 or more, are to be offered through American General Contractual Service, Inc., principal underwriter, and American General Capital Distributors, Inc., national distributor. (File 2-56880 - July 23)

### (S-1) TENNESSEE DALLAS CORPORATION

Tenth Floor, Volunteer State Life Bldg., Chattanooga, Tenn. 37402 - \$2,613,986 of Series A debentures, due 1986. It is proposed to offer these debentures in exchange for the 45,940 shares of common stock of Gilman Paint & Varnish Company (Gilman) held by the majority shareholders at the rate of \$56.90 of Series A debentures plus \$10.54 in cash for each share of Gilman common stock. Also included in this statement is \$2,895,364.50 of Series B debentures, due 1991. It is proposed to offer these debentures in exchange for the 41,069 shares of Gilman common stock held by the minority shareholders at the rate of \$70.50 of Series B debentures plus \$1.94 in cash for each share of Gilman common stock. The payment of the Series A and Series B debentures will be guaranteed by Gilman. No consideration will be received by Gilman for the guaranty. Tennessee Dallas Corporation is a corporation formed to acquire all the issued and outstanding common stock of Gilman Paint & Varnish Company; it has no operating history to date. Gilman Paint & Varnish Company produces and distributes paints and other coatings, and distributes wallpaper and other wallcoverings and painting and decorating accessories made by others. (File 2-56886 - July 26)

### (S-7) PUBLIC SERVICE COMPANY OF INDIANA, INC.

1000 East Main St., Plainfield, Ind. 46168 - 400,000 shares of cumulative preferred stock (\$100 par). Such stock will be sold through a group of underwriters managed by Morgan Stanley & Co., Inc., 1251 Avenue of the Americas, New York, N.Y. 10020 and Dean Witter & Co. Inc., 130 Liberty St., New York, N.Y. 10006. The company principally produces, purchases, transmits, distributes, and sells electricity as a public utility. (File 2-56889 - July 27)

### REGISTRATIONS EFFECTIVE

July 20: AMIC Corp., 2-56608.

July 21: American Science & Engineering, Inc., 2-56452; American Tax-Exempt Bond Trust, Series 11, 2-56668; Conair Corp., 2-56464; The Detroit Edison Co., 2-56680;

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## REGISTRATIONS EFFECTIVE CONT.

E. F. Hutton Corporate Income Fund, Fifth Series, 2-56472; Furr's Cafeterias, Inc., 2-56658; Newpark Resources Inc., 2-56028; Province of Newfoundland, 2-56690; The Tax-Exempt Municipal Trust, Tenth National Series, 2-56620; United Energy Resources Inc., 2-56656.

**NOTE TO DEALERS.** When applicable 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.

## REGISTRATIONS WITHDRAWN

July 9: Arvida Corp., 2-56430; Gold Income Investors Inc., 2-53611; The Mohawk Rubber Co., 2-56424; Wespac & Associates, 2-51220.  
 July 13: Cleveland Professional Basketball Co., 2-55632; Opti-Care Inc., 2-54893.  
 July 20: American General Insurance Co., 2-52621.

## RECENT 8K 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.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. 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 items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
AMERICAN PET CO	6,13	07/76
AMERICAN QUASAR PETROLEUM CO	7	07/76
BREWSTER INDUSTRIES INC	13,14	06/76
BURNHAM AMERICAN PROPERTIES	3,14	07/76
CHESAPEAKE CORP OF VIRGINIA	7	05/76
DAISY CORP	3	07/76
EDUCATIONAL COMPUTER CORP	11,13,14	06/76
HILLCREST CARPETS INC	13,14	06/76
ILC INDUSTRIES INC	13	06/76
ILIKON CORP	4,8,11,12,14	05/76
LIBERTY FABRICS OF NEW YORK INC	11	05/76
MANCHESTER LIFE & CASUALTY MANAGEMENT CO	3,14	06/76
MAPI INC	13,14	07/76
MAULE INDUSTRIES INC	3,11,13,14	05/76
MAULE INDUSTRIES INC	3,6,13	06/76
MINNESOTA POWER & LIGHT CO	13,14	06/76
MORGANS RESTAURANTS INC	2,3,14	03/76
MOUNTAIN FUEL SUPPLY CO	13	07/76
NELLY DON INC	13	07/76
OKAITE PRODUCTS INC	11	04/76
SCHICK INC	13,14	07/76
SPARTON CORP	13	07/76
STERLING FINANCIAL CORP	13,14	06/76
TENNA CORP	7,14	06/76
TRANSDATA CORP	8	06/76
UNICARE SERVICES INC	8	06/76
UNION PACIFIC RAILROAD CO	7,8,14	06/76
UNIVERSAL TELEPHONE INC	3	06/76
WALCO NATIONAL CORP	7	07/76
WILLNER INDUSTRIES	13	05/76
WILSON FREIGHT CO	13,14	07/76
WORLD JAI ALAI INC	7	06/76
WYNDON CORP	2,7,14	07/76

XACRON CORP	2,12	06/76
AMENDMENTS TO REPORTS ON FORM 8-K		
BURNS R L CORP	14	04/76
CHC CORP	8	06/76
EQUIMARK CORP	2	06/76
FABRIC MART DRAPERIES INC	2	03/76
HYNES & HOWES GENERAL PARTNERS	3	04/76
HYNES & HOWES INSURANCE COUNSELORS INC	3	04/76
MPS INTERNATIONAL CORP	12,14	06/76
PACIFIC BANCORPORATION	10	04/76
POTTER INSTRUMENT CO INC	1,13	06/76
QUEBECOR INC	14	02/76
WINKELMAN STORES INC	7,8	06/76

## 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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