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U.S. SECURITIES & EXCHANGE COMMISSION

April 19, 1974

RULES AND RELATED MATTERS

AMENDMENT OF REQUIREMENTS OF REGULATION S-X RELATING TO CONSOLIDATED FINANCIAL STATEMENTS

The Commission today announced the revision of certain of the requirements relating to consolidated financial statements. The revision rescinds Rule 4-07 of Regulation S-X which has restricted consolidation practices of companies with subsidiaries engaged in financial and nonfinancial activities and makes the financial statements of such companies subject to the general provisions of Rule 4-02(a) that a company shall follow principles of inclusion or exclusion which will clearly exhibit financial position and results of operation. Amendments to Rule 4-02 have been adopted concerning separate financial statements of financial-type subsidiaries and to present consolidation of bank and other subsidiaries which must be divested in accordance with provisions of the Bank Holding Company Act. (Rel. 33-5483)

COURT ENFORCEMENT ACTIONS

SETTLEMENT REACHED WITH TALLEY INDUSTRIES, OTHERS

The SEC announced that it has reached a settlement with Talley Industries, Inc. (Industries), Franz G. Talley (Talley) and Fred G. Schuller of an action filed by the Commission on October 29, 1973 against Industries, Talley, Schuller and Peat, Marwick, Mitchell & Co. (PMM). PMM is not a party to settlement of the Commission's action.

The Commission's complaint, filed in the U. S. District Court for New York and alleging violations of the antifraud, proxy and reporting provisions of the securities laws, arises out of a merger in May 1970 of Talley Industries, a Mesa, Arizona based company engaged in the manufacture and distribution of various products, including products designed for the U. S. Armed Forces, with General Time Corporation. During the period covered by the Commission's complaint, Franz Talley was president of Industries, Fred Schuller served as Industries' treasurer and chief financial officer, and Peat, Marwick was Industries' independent public accountant.

Industries and its two officers have agreed to settle this action without admitting or denying the allegations in the Commission's complaint and have consented to the entry of injunctions against violations of specified antifraud, proxy and reporting provisions of the Federal securities laws. (LR-6330)

CORRECTION RE ANDREW MACDONALD (LONDON) LTD.

The Washington Regional Office announced that the U. S. District Court for the District of Columbia permanently enjoined, by consent, Andrew MacDonald (London) Ltd. of London, England from violations of the registration and antifraud provisions of the securities laws. The court action took place on April 11, not April 1 as reported in the April 16 News Digest.

ORDERS FOR PUBLIC PROCEEDINGS

FIDELITY CONSULTANTS, INC., OTHERS

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934, the Investment Company Act of 1940 and the Investment Advisers Act of 1940 against Fidelity Consultants, Inc., a registered investment adviser, and Tony W. Kozak, Jr., both of Lakewood, Ohio, and Robert R. Yurich of Cleveland, Ohio. Fidelity Consultants has served as investment adviser to IMA Fund, Inc. a registered investment company located in Cleveland, Ohio. Tony W. Kozak, Jr. has served as both president and a director of both IMA and Fidelity since their respective inceptions. Robert R. Yurich was vice president and secretary of IMA from its inception through July, 1972. The Commission's order is based upon alleged violations of the self-dealing, proxy, false filing, redemption, reporting, and record-keeping provisions of the securities laws.

A hearing will be scheduled to take evidence on the staff's allegations and to afford the respondents an opportunity to offer any defenses. The purpose of the hearing is to determine whether the allegations are true, and if any action of a remedial nature should be ordered by the Commission. (Rel. 34-10749)

TRADING SUSPENSIONS

TRADING SUSPENDED IN WINNER INDUSTRIES INC.

The SEC announced the suspension of over-the-counter trading of the securities of Winner Industries Inc. of St. Petersburg, Florida, for a ten-day period beginning April 18 and continuing through April 27, 1974.

The Commission initiated the suspension because of the lack of adequate and accurate information about Winner's financial condition and its operations. There has also been no public disclosure or comment by Winner concerning an involuntary petition in bankruptcy filed in the U. S. District Court for Arizona in January 1974 which is being contested by Winner. In addition, questions have been raised concerning the market activity of the company's securities and the reliability of a recent announcement by Winner. (Rel. 34-10748)

ADDITIONAL ACTION TAKEN ON FOUR TRADING SUSPENSIONS

The SEC has announced the suspension of (a) exchange and over-the-counter trading in the securities of BBI, Inc., and over-the-counter trading in the securities of U. S. Financial, Inc. for the further ten-day period April 19-28, inclusive; (b) over-the-counter trading in the securities of Westgate California Corp. for the further ten-day period April 20-29, inclusive; and (c) exchange and over-the-counter trading in the securities of Electrospace Corp. for the further ten-day period April 21-30, inclusive.

INVESTMENT COMPANY ACT RELEASES

INSTITUTIONAL FUND OF AMERICA

An order has been issued declaring that Institutional Fund of America has ceased to be an investment company. (IC-8311)

ASA LIMITED

The SEC has issued an order on an application by ASA Limited, an investment company organized in South Africa and registered under the Act, declaring that Wesley A. Stanger, Jr., a director of ASA, shall not be considered an "interested person" of ASA solely by reason of his being a registered representative of Edwards & Hanley, a broker-dealer registered under the Securities Exchange Act of 1934. (IC-8312)

OCCIDENTAL LIFE INSURANCE COMPANY OF CALIFORNIA

An order has been issued permitting Occidental Life Insurance Company of California to allow contractholders of deferred variable annuity contracts issued by Occidental and funded by two if its separate accounts to reinvest, without any sales charges, amounts previously withdrawn by them, so long as such reinvestment is made within five years of any such withdrawal and provided that such privilege may be exercised not more than once a year. (IC-8313)

SECURITIES ACT REGISTRATIONS

(S-1) GULF RESOURCES & CHEMICAL CORPORATION

2125 Tenneco Bldg., Houston, Tex. 77002 - 1,902,724 shares of common stock. Of these shares, 800,000 are issuable upon exercise of common stock purchase warrants granted to certain institutional investors; 514,614 are issuable upon conversion of an aggregate of 257,307 outstanding shares of Series A cumulative convertible preferred stock, with a payment of \$10 for each such share converted; and 588,110 are issuable pursuant to the company's Qualified Stock Option Plans for its employees. Gulf produces lead, zinc, silver, coal, lithium, fertilizers, natural gas and gas condensate. (File 2-50659 - Apr. 5)

(S-1) MID-AMERICA FINANCIAL CORPORATION

303 E. Washington St., Bloomington, Ill. 61701 - 500,000 shares of class common stock, to be offered for sale, 460,000 at \$1.0016 per share and the balance at a price determined pursuant to a formula. No underwriting is involved. The company is a new business, organized to provide support services to shareholder owned independent insurance agencies and to place insurance written by such agencies. (File 2-50711 - Apr. 8)

(S-14) MADISON FINANCIAL CORPORATION

400 West Madison St., Chicago, Ill. 60606 - 338,800 shares of common stock. It is proposed to offer these shares in exchange for the outstanding capital stock of Madison Bank and Trust Company, Chicago, Illinois, at the rate of one Madison Financial share for each Bank share. Madison Financial is a newly formed Delaware corporation, which has been organized to become a one-bank holding company of Madison Bank and Trust Company. (File 2-50797 - Apr. 18)

(S-14) MISSISSIPPI RIVER CORPORATION

9900 Clayton Rd., St. Louis, Mo. 63124 - \$16,934,000 of 8% convertible subordinated debentures, due 1994. It is proposed to offer these shares to the public shareholders of Mississippi River Transmission Corporation, an 82.4% owned subsidiary, in connection with the merger of a new wholly-owned subsidiary of Mississippi into Transmission. \$500 principal amount of debentures will be issued for each 25 shares of Transmission common stock. Mississippi has three principal subsidiaries: Missouri Pacific Railroad Company, an operating railroad carrier; Transmission, which operates a natural gas pipeline system; and River Cement Company, a cement manufacturer. (File 2-50786 - Apr. 17)

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:

Florida Gas Company, Winter Park, Fla. (File 2-50754 - Apr. 15) - 32,728 shares
Becton, Dickinson and Company, Rutherford, N. J. (File 2-50755 - Apr. 15) - \$2,737,500 of participations
Aydin Corp., Fort Washington, Pa. (File 2-50756 - Apr. 15) - 306,000 shares
McQuay-Perfex Inc., Minneapolis, Minn. (File 2-50757 - Apr. 15) - 96,540 shares
South Shore Publishing Co., Inc., North Scituate, Mass. (File 2-50758 - Apr. 15) - 59,076 shares
Daniel International Corp., Greenville, S. C. (File 2-50759 - Apr. 15) - 187,500 shares
First Bancgroup-Alabama, Inc., Mobile, Ala. (File 2-50760 - Apr. 15) - 66,814 shares
AMFAC, Inc., Honolulu, Hawaii (File 2-50761 - Apr. 15) - 269,025 shares
Revlon, Inc., New York, N. Y. (File 2-50763 - Apr. 15) - 235,000 shares
Aileen, Inc., New York, N. Y. (File 2-50767 - Apr. 16) - 300,000 shares
Wheeling-Pittsburgh Steel Corp., Pittsburgh, Pa. (File 2-50768 - Apr. 16) - 150,000 shares
Coherent Radiation and Tropel, Inc., Palo Alto, Cal. (File 2-50772 - Apr. 17) - 295,170 shares
The Hanna Mining Company, Cleveland, Ohio (File 2-50775 - Apr. 16) - 200,000 shares
Intel Corp., Santa Clara, Cal. (File 2-50777 - Apr. 17) - 1,200,000 shares of capital stock

REGISTRATIONS EFFECTIVE

April 17: Geduld Investments Ltd., 2-50753; Marievale Consolidated Mines Ltd., 2-50771.

April 18: Alaska International Industries, Inc., 2-49751; American Medical International, Inc., 2-50408; AMP Incorporated, Pamcor, Inc., 2-50630; Bay State Gas Company, 2-50423; Central Hudson Gas & Electric Corp., 2-50276; Corometrics Medical Systems, Inc., 2-50459; Fidelity American Bankshares, Inc., 2-49979 & 2-49980; Harnischfeger Corp., 2-50418; I C Products Company, 2-50475 (90 days); Lone Star Gas Company, 2-50446; New Orleans Public Service Inc., 2-50438; Pfizer Inc., 2-50649; Philadelphia Electric Company, 2-50473; Southwest Subsidiary, Inc., 2-49797.

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.

REGISTRATIONS WITHDRAWN

April 17: CBWL-Hayden, Stone Inc., 2-43818; Citizens And Southern Holding Co., 2-43651; Lee Jeffreys, Inc., 2-41094.

April 18: American Institute Of Science And Technology, Inc., 2-36156 (abandoned); Foodplex, Inc., 2-46744; Montebello Furniture Industries, Ltd., 2-47055.

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 12¢ per page plus postage for mailing within four days (\$2 minimum) and 25¢ per page plus postage for over-night mailing (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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