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RULES AND RELATED MATTERS

MEETING ON PROPOSED
AMENDMENTS TO RULE 10a-1

U.S. SECURITIES AND
EXCHANGE COMMISSION

The Commission has announced that it will hold a meeting, open to all interested persons, to permit self-regulatory organizations an opportunity to comment further on certain proposed amendments to Rule 10a-1 under the Securities Exchange Act of 1934. The meeting will commence at 10:00 a.m. on Monday, April 26, 1976, in the Commission meeting room (Room 825), 500 North Capitol St., Washington, D.C. 20549. (Rel. 34-12342)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

INVESTMENT ADVISER REGISTRATION OF
EQUITABLE EQUITIES, INC. REVOKED

The Commission has revoked the investment adviser registration of Equitable Equities, Inc., (Equitable) of New York City, a former broker-dealer. The revocation is based upon an amendment to the offer of settlement submitted by Equitable. In the same proceedings, based upon an offer of settlement previously submitted, the broker-dealer registration of Equitable was revoked. (See Rel. 34-11698) (Rel. 34-12304)

ORDERS FOR PUBLIC PROCEEDINGS

ALEX. BROWN & SONS

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Alex. Brown & Sons (Registrant), a Baltimore, Maryland registered broker-dealer and investment adviser with offices located in seven states and the District of Columbia. Also named as a respondent is Harry Adler (Adler) of Oxford, Maryland. The order is based on allegations that Registrant and Adler violated the antifraud provisions of the Securities Exchange Act of 1934 (Exchange Act) and manipulated the market price of the securities of AVX Corporation. Additionally, respondents Adler and Registrant are charged with violating the reporting provisions of the Exchange Act in that they failed to file stock ownership reports and made false and misleading statements in stock ownership reports which were filed with the Commission. Registrant is also charged with failing to supervise persons who were subject to its supervision with a view to preventing certain of the above violations.

In anticipation of these proceedings, respondents submitted offers of settlement which the Commission has accepted. On the basis of the offers of settlement and order for proceedings the Commission has censured Registrant and suspended its Baltimore and Easton, Maryland offices from trading on the AMEX for 30 days, except for unsolicited trades by existing customers. A fund of at least \$250,000 will be established by Registrant to repay losses incurred by public investors in transactions involving AVX Corporation stock and Registrant undertakes to institute improvements in its supervisory procedures. Additionally, the Commission has barred Adler from association with any broker-dealer, investment adviser or investment company.

Without admitting or denying the allegations against it, Registrant consented to findings and sanctions against it and Adler consented to the sanction against him. (Rel. 34-12338 and 34-12339)

COMMISSION ANNOUNCEMENTS

THE LOS ANGELES REGIONAL OFFICE ANNUAL SECURITIES COOPERATIVE REGULATORY SEMINAR ANNOUNCED

The Los Angeles Regional Office announces its 7th annual securities cooperative regulatory seminar for accountants, attorneys, financial analysts, broker-dealers, state securities regulators, NASD and stock exchange representatives and other interested persons. The seminar is cosponsored by the California Department of Corporations and the Los Angeles County Bar Association and will be conducted on May 4 and 5 at the Ambassador Hotel, 3400 Wilshire Blvd., Los Angeles, California. Information and registration forms may be obtained from the Los Angeles Regional Office by contacting Joel M. Bolten, (213) 473-4511.

COURT ENFORCEMENT ACTIONS

ALEX. BROWN & SONS, HARRY ADLER ENJOINED

The Washington Regional Office announced that on April 13 a complaint was filed in the Federal District Court in Baltimore, Maryland, seeking to enjoin Alex. Brown & Sons of Baltimore, Maryland, and Harry Adler of Easton, Maryland. The complaint alleges violations of the market manipulation, antifraud and securities holding reporting provisions of the securities laws in connection with the offer, purchase and sale of the common stock of AVX Corporation and its predecessors.

Contemporaneously, the defendants consented to the entry of a permanent injunction without admitting or denying the Commission's allegations. (SEC v. Alex. Brown & Sons, et al., D. Md., Civil Action No. 76-555). (LR-7358)

ROBERT C. DRUCKER, OTHERS ENJOINED

The New York Regional Office announced that on March 30 following a four day plenary trial, the Honorable Lloyd F. MacMahon, U.S. District Court Judge for the Southern District of New York, issued an opinion permanently enjoining the following defendants from violations of the securities laws: Robert C. Drucker (Drucker), vice-president and a director of Commonwealth Chemical Securities, Inc. (Commonwealth), a New York City broker-dealer no longer in existence, and president and a director of DK&B Management, Inc. (DK&B), an inactive New York City registered investment adviser; Julius Kleinman, president, treasurer and chairman of the board of directors of Commonwealth and vice-president, secretary, and a director of DK&B; Mary C. Sharpe (Sharpe), Commonwealth's bookkeeper; Zoltan Guttman, also known as Lou Goodman, Commonwealth's cashier; Commonwealth, DK&B; and Marlane Kleinman, also known as Marcia Klein (M. Kleinman), Kleinman's wife and a stockholder of Beneficial Labs, Inc. (Beneficial), the issuer whose securities were the subject of the defendants' violative activities.

The Commission's complaint, filed on May 8, 1974, essentially charged the defendants with fraud in connection with a public offering of units of Beneficial's securities in that the defendants falsely represented that the required minimum number of units was sold prior to the closing of offering. In addition, the complaint alleged that all defendants participated in a fraudulent scheme to raise the price of Beneficial's securities artificially by manipulating trading after the fraudulent closing.

The Court in its findings of fact and conclusions of law held that Commonwealth, Drucker, and Kleinman violated Section 17(a) of the Securities Act, Sections 10(b), 15(c)(2), and 17(a) of the Exchange Act and Rules 10b-5, 10b-6, 15c2-4, and 17a-3 thereunder, Sections 17(a), 36(a), 37, and 48(a) of the Investment Company Act. In addition, the Court found that Drucker and Kleinman violated Sections 206(1) and 206(2) of the Investment Advisers Act. DK&B was found to have violated the antifraud provisions and the same sections of the Investment Company and Advisers Acts as Drucker and Kleinman. Furthermore, Sharpe, Guttman, and M. Kleinman were found to have violated the antifraud provisions, with Sharpe and Guttman also in violation of the book-keeping provisions.

The Court also granted the Commission's request for ancillary relief in the form of a disgorgement of profits by each defendant. An escrow agent will be appointed by the Court to receive the defendants' payments of such profits and distribute them to members of the public who invested in Beneficial securities during a specified time period. (SEC v. Commonwealth Chemical Securities, Inc., et al., 74 Civil 1984, S.D.N.Y.). (LR-7348)

LIBERTY LOAN CORP., OTHERS ENJOINED

The Fort Worth Regional Office announced that on April 7 the Federal District Court at St. Louis, Missouri entered an order of permanent injunction enjoining Liberty Loan Corporation, a St. Louis based consumer finance company, and two wholly-owned subsidiaries, Oklahoma Morris Plan Company of Tulsa, Oklahoma, and The Morris Plan Company of Wichita, Kansas, from violations of the registration and antifraud provisions of the securities laws in the offer and sale of thrift certificates and single amount certificates issued by Oklahoma Morris Plan Company and The Morris Plan Company to investors in Oklahoma and Kansas. (SEC v. Liberty Loan Corp., et al., E.D. Mo.). (LR-7356)

CONVICTIONS OF POLLACK, OTHERS AFFIRMED

The Denver Regional Office announced that on March 31 the U.S. Court of Appeals for the District of Columbia Circuit affirmed the convictions of Seymour Pollack, now a resident of New Jersey, but formerly a resident of the District of Columbia; Paul Sachs, formerly an attorney practicing law in the District of Columbia; and William Cudd, a resident of Los Angeles, California, of mail fraud, wire fraud and the sale of unregistered securities of Control Metals Corporation, a Utah corporation. (U.S. v. Pollack Nos. 74-1455 & 75-1451). (LR-7357)

INVESTMENT COMPANY ACT RELEASES

ALEX. BROWN & SONS

A notice has been issued giving interested persons until May 7 to request a hearing pursuant to an application of Alex. Brown & Sons for an order by the Commission permanently exempting it from the provisions of Section 9(a) of the Investment Company Act of 1940 operative as a result of an injunction entered against Alex. Brown and Sons in SEC v. Alex. Brown and Sons et al. The Commission has granted applicant's request for a temporary exemption from Section 9(a) pending the Commission's determination of the application for permanent exemption. (Rel. IC-9246 - Apr. 13)

SCUDDER CASH INVESTMENT TRUST

A notice has been issued giving interested persons until May 7 to request a hearing on an application of Scudder Cash Investment Trust, Scudder Managed Reserves, Inc., Scudder, Stevens & Clark Balanced Fund, Inc., and Scudder, Stevens & Clark Common Stock Fund, Inc.; Fidelity Fund, Inc., Puritan Fund, Inc., Fidelity Capital Fund, Inc., Fidelity Trend Fund, Inc., Salem Fund, Inc., Fidelity Equity-Income Fund, Inc., Contrafund, Inc., Congress Street Fund, Inc., Essex Fund, Inc., Magellan Fund, Inc., Fidelity Destiny Fund, Inc., and Fidelity Bond-Debenture Fund, Inc.; Eaton & Howard Balanced Fund, Eaton & Howard Growth Fund, Inc., Eaton & Howard Income Fund, Eaton & Howard Special Fund, Inc., and Eaton & Howard Stock Fund; The George Putnam Fund of Boston, The Putnam Growth Fund, Putnam Investors Fund, Inc., The Putnam Income Fund, Inc., Putnam Convertible Fund, Inc., Putnam Equities Fund, Inc., Putnam Vista Fund, Inc., Putnam Voyager Fund, Inc., Putnam Mariner Fund, Inc., Putnam Daily Dividend Trust, and Putnam Duofund, Inc.; and Diversification Fund, Inc., The Exchange Fund of Boston, Inc.; Depositors Fund of Boston, Inc., Capital Exchange Fund, Inc., Fiduciary Exchange Fund, Inc., Second Fiduciary Exchange Fund, Inc., Leverage Fund of Boston, Inc., Vance Sanders Special Fund, Inc., Vance, Sanders Common Stock Fund, Inc., Vance, Sanders Investors Fund, Inc., and Vance, Sanders Income Fund, Inc. (the Funds), each of which is registered as an investment company (except for Putnam Daily Dividend Trust, which has applied for such registration) under the Investment Company Act of 1940, for an order declaring that Mrs. Hester L. Sargent and Messrs. Dwight L. Allison, Jr., F. Stanton Deland, Hans H. Estlin, Donald J. Hurley and William F. Morton, directors, trustees, and/or nominees as directors or trustees, of one or more of the Funds, shall not be deemed "interested persons" of the Funds or their investment advisers or principal underwriters by reason of their positions with The Boston Company, Inc. and/or Boston Safe Deposit and Trust Company. (Rel. IC-9247 - Apr. 14)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES

A supplemental order has been issued regarding a filing by Middle South Utilities, Inc., a registered holding company, its operating subsidiaries, and System Fuels, Inc., a subsidiary and the supplier of fuel for the Middle South holding-company system, authorizing the proposed issuance and sale by System Fuels, Inc. of up to \$40 million of bank notes outstanding at any one time for an additional period of one year. (Rel. 35-19484 - Apr. 13)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Presley Companies and Continental Vending Machine Corp. for the further ten-day period April 14 - 23, inclusive.

SECURITIES ACT REGISTRATIONS

(S-14) APPLIED DEVICES CORPORATION

60 Plant Ave., Hauppauge, L.I., N.Y. 11787 - 202,000 shares of common stock, to be issued in conjunction with the merger of Applied Devices and Datatrol Inc., with each outstanding share of Datatrol common stock (other than those shares presently held by Applied Devices) being converted into approximately 0.18519 of a share of Applied Devices common stock. Applied Devices is engaged in three primary areas of business: the manufacture of electronic and electromechanical instrumentation and control systems for various agencies of the U.S. Department of Defense and authorized foreign governments; the design and sale of computer programming based information systems and techniques mainly for the petroleum industry; and the manufacture and sale of computer-controlled data entry and retrieval systems. (File 2-55819 - Mar. 26)

(S-1) SWB CORPORATION

2900 Liberty Tower, Oklahoma City, Okla. 73102 - 60,000 shares of common stock and 16,500 shares of 9% cumulative, nonvoting preferred stock. It is proposed to offer these shares in exchange for the outstanding common shares of the Southwestern Bank and Trust Company of Oklahoma City, Oklahoma, at the rate of one common share for each Bank share, and one preferred share for each Bank share held by certain minority shareholders. SWB Corporation is a proposed bank holding company. (File 2-55835 - Mar. 29)

(S-1) FIRST MARINE BANKS, INC.

First Marine Bank Office Bldg., Riviera Beach, Fla. 33404 - maximum of 319,603 shares of common stock. It is proposed that First Marine Banks, Inc. issue the shares in connection with proposed exchange offers at the ratios of exchange of 2.7, 2.1 and 1.4 shares of the common stock of First Marine Banks, respectively, for each public share of capital stock of First Marine National Bank, Palm Springs, First Marine Bank, Palm Beach Gardens and First Marine Bank, Boca Raton. First Marine Banks, Inc. is a bank holding company which has four subsidiaries and six associated banks. (File 2-55991 - Apr. 9)

(S-7) ALLIED STORES CORPORATION

1114 Avenue of the Americas, New York, N.Y. 10036 - 1,000,000 shares of common stock, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004, Goldman Sachs & Co., 55 Broad St., New York, N.Y. 10004 and Paine, Webber, Jackson & Curtis Incorporated, 40 Broadway, New York, N.Y. 10005. Allied Stores Corporation is one of the nation's largest department store organizations, operating 155 department stores, seven regional shopping centers and 10 discount stores. (File 2-56016 - Apr. 13)

(S-7) BARNETT BANKS OF FLORIDA, INC.

100 Laura St., Jacksonville, Fla. 32202 - \$10 million of subordinated investment notes, due 1983, to be offered for sale to the public directly by the issuer through certain of its employees. Barnett is a multibank holding company controlling 58 Florida commercial banks. (File 2-56018 - Apr. 13)

(S-B) THE NEW BRUNSWICK ELECTRIC POWER COMMISSION (ISSUER), THE PROVINCE OF NEW BRUNSWICK (GUARANTOR)

527 King St., Fredericton, New Brunswick, Canada - \$100 million (U.S.) principal amount of debentures, due 2001, unconditionally guaranteed as to principal, premium, if any, and interest by the Province of New Brunswick, to be offered for sale through several underwriters represented by The First Boston Corporation; Salomon Brothers; Richardson Securities, Inc.; Nesbitt Thomson Securities, Inc.; Pitfield, Mackay & Co., Inc.; and Levesque, Beaubien Inc. The Commission is engaged in the generation, transmission and sale of electric energy. (File 2-56019 - Apr. 13)

(S-1) VARO, INC.

2203 West Walnut St., Garland, Tex. 75040 - 1,245,180 shares of common stock, to be offered by selling shareholders at a price fixed by agreement between the selling shareholders and E. F. Hutton & Company Inc., the managing underwriter, One Battery Park Plaza, New York, N.Y. 10004. Varo, Inc. is a manufacturer of military night vision systems and components, and semiconductor high-voltage rectifiers and multipliers. (File 2-56021 - Apr. 13)

(S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK

23 Wall St., New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for Ten Pence Shares of Sime Darby Holdings Limited, an English corporation. (File 2-56023 - Apr. 12)

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:

Modular Computer Systems, Inc., Fort Lauderdale, Fla. (File 2-55993 - Apr. 9) - 200,000 shares
Buttes Gas & Oil Co., Oakland, Cal. (File 2-55997 - Apr. 9) - 200,000 shares
Central Telephone & Utilities Corp., Lincoln, Neb. (File 2-55999 - Apr. 9) - 30,000 shares
Roberts & Porter, Inc., Chicago, Ill. (File 2-56000 - Apr. 12) - 20,000 shares
Johnson & Johnson, New Brunswick, N.J. (File 2-56001 - Apr. 12) - 2,500,000 shares and (File 2-56002 - Apr. 12) - 150,000 shares
EG&G, Inc., Wellesley, Mass. (File 2-56003 - Apr. 12) - 36,113 shares
Thomas & Betts Corp., Elizabeth, N.J. (File 2-56004 - Apr. 9) - 250,000 shares
Falcon Products, Inc., St. Louis, Mo. (File 2-56008 - Apr. 12) - 10,000 shares
Monumental Corp., Baltimore, Md. (File 2-56010 - Apr. 12) - 250,000 shares
Exxon Corp., New York, N.Y. (File 2-56011 - Apr. 12) - 1,628,222 shares, and (File 2-56012 - Apr. 12) - 1,216 shares
General Signal Corp., New York, N.Y. (File 2-56014 - Apr. 12) - 300,000 shares
Raymond Precision Industries Inc., Middletown, Conn. (File 2-56015 - Apr. 13) - 40,000 shares
John H. Harland Co., Atlanta, Ga. (File 2-56017 - Apr. 13) - 40,000 shares
General Recreation, Inc., Albuquerque, New Mexico (File 2-56020 - Apr. 13) - 165,000 shares
Nabisco, Inc., East Hanover, N.J. (File 2-56022 - Apr. 13) - 600,000 shares

REGISTRATIONS EFFECTIVE

March 30: National Standard Co., 2-55467.
April 7: Skaggs Companies Inc., 2-55654.
April 8: Teachers Service Organization Inc., 2-55571.
April 9: Conrac Corporation RFI Inc., 2-55638; Florida Power & Light Co., 2-55923; Fruehauf Corp., 2-55717; Jack Eckerd Corp., 2-55950; Utah Power & Light Co., 2-55762.
April 12: Allied Artists Industries Inc., 2-55712 & 2-55711; Appalachian Power Co., 2-55749; Municipal Investment Trust Fund, Fifty-Second Monthly Pay, 2-55731.

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.

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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