

sec news digest

Issue 75-190

SEC Docket, Vol. 7, No. 19 - October 14)

U.S. SECURITIES & EXCHANGE COMMISSION

RECEIVED

September 30, 1975

RULES AND RELATED MATTERS

OCT 1 1975

ADOPTION OF RULE 202-1

LIBRARY

The Commission announced that it has under consideration the adoption of a new Rule 202-1 under the Investment Advisers Act of 1940 (the Act) which would exclude from the definition of "investment adviser" for purposes of Section 202(a)(11) any person who offers investment advice to an employee benefit plan sponsored by his employer and who otherwise does not engage in the business of providing investment advice with respect to securities or hold himself out to the public as an investment adviser. Comments on the proposed are requested to be submitted on or before November 14, 1975, and should refer to File No. S7-588. (Rel. IA-478)

DELEGATION OF AUTHORITY TO THE SECRETARY OF THE COMMISSION TO ISSUE FINDINGS AND OPINIONS IN PROCEEDINGS

The Commission announced the amendment, effective immediately, of its regulations governing delegation of authority to the Secretary of the Commission with respect to proceedings conducted pursuant to the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940 and Section 9(b) of the Investment Company Act of 1940, except where the Commission otherwise directs, to issue findings and orders pursuant to offers of settlement which the Commission has determined should be accepted; and to issue findings and orders taking the remedial action described in the order for proceedings where a respondent expressly consents to such action, fails to appear, or defaults in the filing of an answer required to be filed and to grant a request, based upon a showing of good cause, to vacate an order or default, so as to permit presentation of a defense. (Rel. 33-5621)

COMMISSION ANNOUNCEMENTS

COMMISSION POSTPONES COMMENCEMENT OF ORAL HEARINGS ON OFF-BOARD TRADING RULES; EXTENDS COMMENT PERIODS

The SEC announced that it has postponed the commencement of oral hearings on rules of national securities exchanges which limit or condition the ability of members to effect transactions otherwise than on such exchanges. The hearings, originally scheduled to commence on Wednesday, October 1, 1975, will now begin Tuesday, October 14, 1975, at 10:00 a.m., in Room 776, at the Commission's headquarters, 500 North Capitol Street, Washington, D.C. 20549.

The tentative schedule of witnesses for the hearings is as follows:

Tuesday, October 14, 1975

- 10:00 Harry M. Jacobson
Association for the Preservation
of the Auction Market
- 2:00 Jeffrey W. Casdin
Source Securities Corporation
New York, New York
- 3:00 Margaret Cox Sullivan
Organization of Stockholders
of America

Wednesday, October 15, 1975

- 10:00 Elkins Wetherill
George S. Hender
Barry E. Tague
PBW Stock Exchange, Inc.
- 2:00 G. Robert Ackerman
Pacific Stock Exchange, Inc.

Thursday, October 16, 1975

- 10:00 Donald Regan
Merrill Lynch, Pierce, Fenner
& Smith Incorporated
New York, New York
- 2:00 Ralph Saul
INA Corporation

Friday, October 17, 1975

- 10:00 Donald E. Weeden
Weeden & Co. Incorporated
New York, New York
- 2:00 Robert H. B. Baldwin
Morgan, Stanley & Co. Incorporated
New York, New York
- 3:00 Gerald Parsky
Department of the Treasury

Monday, October 20, 1975

- 10:00 David W. Hunter
Ad Hoc Committee of Regional Firms
- 11:00 James E. Dowd
J. Stephen Putnam
Boston Stock Exchange
- 2:00 Tom O'Hara
National Association of
Investment Clubs
- 3:00 H. Virgil Sherrill
Edward I. O'Brien
Securities Industry Association

Tuesday, October 21, 1975

- 10:00 Paul Kolton
American Stock Exchange, Inc.
- 2:00 Michael E. Tobin
Midwest Stock Exchange, Inc.

Wednesday, October 22, 1975

- 10:00 James J. Needham
New York Stock Exchange, Inc.

In conjunction with the postponement of the oral hearing, the Commission has determined to extend the time for submitting comments on off-board trading rules of exchanges. Persons wishing to make written submissions of views, data or arguments should file 30 copies thereof with George A. Fitzsimmons, Secretary of the Commission, Room 892, 500 North Capitol Street, Washington, D.C. 20549, not later than October 1975. Persons wishing to submit written views, data or arguments in respect of submissions made by others or in respect of views, data and arguments presented at the oral hearings may do so until November 10, 1975. All comments should refer to File No. 4-180 and will be available for public inspection. (Rel. 34-11689)

TRADING SUSPENSIONS

AMERICAN HOME SHIELD CORPORATION SUSPENDED

The Commission has announced the temporary suspension of over-the-counter trading in the securities of American Home Shield Corporation (AHSC), located in Dublin, California, for the ten-day period beginning on September 29 and terminating at midnight (EDT) on October 8, 1975.

The Commission ordered the suspension of trading because of questions relating to recent market activity in AHSC's common stock and because of the lack of adequate and accurate public information regarding the company's operations and financial condition. (Rel. 34-11693)

ORDERS FOR PUBLIC PROCEEDINGS

ORDER CITES AMSWISS INTERNATIONAL CORP., OTHERS

Public administrative proceedings have been ordered against Amswiss International Corp., a registered broker-dealer of Jersey City, New Jersey, and Glenn Woo, its president and 50% shareholder. The Commission's order for proceedings are based upon alleged violations by Amswiss and Woo of the registration and antifraud provisions of the securities laws in connection with their offering and selling the common stock of Meridian Fast Food Services, Inc., now known as Radiation Service Associates, Inc. and upon the entry of final judgments of permanent injunction enjoining Amswiss and Woo from further violating and aiding and abetting violations of the registration and antifraud provisions of the securities laws. SEC v. Leonard Cooper, et al., 73 Civil 2508 (S.D.N.Y. 1975).

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. 34-11694)

COURT ENFORCEMENT ACTIONS

EMANUEL FIELDS ENJOINED

The Commission announced that on September 17 a final judgment of permanent injunction and ancillary relief was entered by consent in the U.S. District Court for the Southern District of New York enjoining Emanuel Fields, an attorney with offices located in New York City, from violations of Rule 2(e) of the Commission's Rules of Practice and of an order issued by the Commission on June 18, 1973, pursuant to Rule 2(e), that permanently disqualified him from appearing or practicing before the Commission. Under Rule 2(e), the Commission may take disciplinary action against professionals who practice before it.

In consenting to the final judgment, Fields admitted the allegations in the complaint that he had appeared and practiced before the Commission in contravention of Rule 2(e) and the Commission order of June 18, 1973, but he asserted that, at the time he engaged in the conduct alleged, he did not believe the acts alleged to be in violation of either Rule 2(e) or the Commission order.

The final judgment prohibits Fields (1) from representing or advising any person in any Commission proceeding, whether investigatory or administrative, in any informal inquiry conducted by the staff, in any conference, discussion or communication with the Commission or its staff, and in any proceeding, investigation or hearing conducted by a national securities exchange or a national securities association; (2) from preparing on behalf of any person, or advising any person in connection with the preparation of, any document to be filed with the Commission under the securities laws; (3) from representing or advising, in connection with any matter arising under or relating to the securities laws or the rules and regulations promulgated thereunder or the rules of a national securities exchange or a national securities association, any broker or dealer in securities, national securities exchange, national securities association, investment company, investment adviser, or public utility holding company, registered or required to be registered with the Commission; and (4) from rendering any advice, whether orally or in an opinion letter, concerning the legality of any act, transaction, practice or course of conduct under, the nature of any duty, obligation or liability imposed by, or the interpretation of, any provision of the securities laws or the rules and regulations promulgated thereunder, or the rules of a

national securities exchange or a national securities association. Exceptions are provided with respect to all of the foregoing, however, to permit Fields to represent persons, including the regulated entities enumerated above, in court litigation or in proceedings before other government agencies.

In addition, the final judgment orders disgorgement of any and all fees, compensation or other consideration Fields may have received, or as to which he may have a claim, not only for the services alleged in the complaint, but also for all services rendered by him since June 18, 1973, that are encompassed within the conduct described in the preceding paragraph. The final judgment also directs Fields to inform any issuer or other person who seeks to, or in fact does, employ him in connection with any matter arising under or relating to the securities laws of the fact that he has been permanently disqualified from appearing or practicing before the Commission and further requires him to provide such issuer or other person with a copy of the Commission's order of June 18, 1973 that permanently disqualified him from appearing or practicing before the Commission. (LR-7102)

J. HARLOW TUCKER SENTENCED

The Seattle Regional Office announced that on September 22 J. Harlow Tucker of Spokane, Washington, was sentenced to serve three years in a federal penitentiary following his plea of guilty to five counts of an indictment charging him with fraud in the sale of the securities of the Davenport Hotel, Inc., in violation of the securities laws. (U.S. v. J. Harlow Tucker, E.D. Wash., CR-74-77). (LR-7103)

HILL, BROWN AND WILKINSON ENJOINED

The Denver Regional Office announced that on September 12 Judge Fred M. Winner, U.S. District Court for the District of Colorado, signed an order of preliminary injunction against Jack D. Hill and A. Richard Brown preliminarily enjoining them from violation of the registration and antifraud provisions of the securities laws in connection with the offer and sale of the common stock of Polaris Mining Company, pending final determination of the action. Also, on September 15, 1975, Judge Winner signed an order of preliminary injunction against Robert F. Wilkinson. Wilkinson consented to the preliminary injunction enjoining him from purchasing, selling, or in any way dealing in Polaris Mining Company securities, pending the final determination of the action. (SEC v. Polaris Mining Company, et al., U.S.D.C., Colo. No. 75-W-695). (LR-7104)

INVESTMENT COMPANY ACT RELEASES

SOUTHEASTERN CAPITAL CORPORATION

An order has been issued on an application of Southeastern Capital Corporation (Southeastern), a closed-end investment company under control of Phoenix, Inc. (Phoenix), permitting Southeastern to merge into Phoenix, the surviving corporation, and permitting the surviving corporation, as successor to Southeastern, to satisfy the condition of a prior order granted to Southeastern. (Rel. IC-8961 - Sept. 29)

MUTUAL BENEFIT GROWTH FUND

An order has been issued pursuant to Section 8(f) of the Act declaring that Mutual Benefit Growth Fund has ceased to be an investment company and that Mutual Benefit Growth Fund's registration as an investment company has ceased to be in effect. (Rel. IC-8962 - Sept. 29)

SECURITIES ACT REGISTRATIONS

(S-7) THE CONNECTICUT LIGHT AND POWER COMPANY

Selden St., Berlin, Conn. 06109 - \$50 million of first and refunding mortgage bonds, Series CC, due 2000, and 400,000 shares of preferred stock - Series L, (\$50 par), to be offered for sale at competitive bidding. The company is an electric and gas utility. (File 2-54316 - Aug. 1)

(S-7) INDIANAPOLIS POWER & LIGHT COMPANY

25 Monument Circle, P.O. Box 1595B, Indianapolis, Ind. 46206 - \$60 million of first mortgage bonds, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004. The company is engaged primarily in the generation, distribution and sale of electric energy. (File 2-54441 - Aug. 2)

(S-14) SCIENTIFIC SOFTWARE CORPORATION

First of Denver Plaza - 18th Floor, 633 - 17th St., Denver, Colo. 80202 - 120,692 shares of common stock. It is proposed to offer these shares in exchange for all of the assets of Minerals Management, Inc., Houston, Texas. The company is engaged in the business of developing, marketing and providing services in conjunction with computer software. (File 2-54545 - Sept. 4)

(S-7) SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Ave., Rosemead, Cal. 91770 - 1,000,000 shares of common stock, to be sold pursuant to a Dividend Reinvestment and Stock Purchase Plan. The company is a public utility. (File 2-54670 - Sept. 26)

(S-6) NATIONAL MUNICIPAL TRUST, TWELFTH SERIES

\$7.5 million of units, to be offered for sale through underwriters headed by Thomson & McKinnon Auchincloss Kohlmeier Inc., One New York Plaza, New York, N.Y. 10004. The Fund is a unit investment trust to be created by a trust agreement among Thomson & McKinnon Auchincloss Kohlmeier Inc. and Piper, Jaffray & Hopwood Incorporated, as sponsors, United States Trust Company of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The objectives of the Fund are tax-exempt income and conservation of capital through an investment in a diversified portfolio of municipal bonds. (File 2-54674 - Sept. 26)

(S-1) OCEANEERING INTERNATIONAL, INC.

9219 Katy Freeway, Houston, Tex. 77024 - 1,150,000 shares of common stock, of which 628,240 are to be offered for sale by the company and 467,760 by certain shareholders through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004. The company is an underwater contractor specializing in diving and subsea construction services to the offshore oil and gas industry. (File 2-54676 - Sept. 26)

(S-16) SQUARE D COMPANY

205 South Northwest Highway, Park Ridge, Ill. 60068 - 14,200 shares of common stock, to be offered for sale from time to time by certain selling shareholders at prices current at the time of sale. The company manufactures and sells a broad line of equipment for the control and distribution of electrical power. (File 2-54678 - Sept. 26)

(S-7) OHIO POWER COMPANY

301 Cleveland Ave., S.W., Canton, Ohio 44702 - \$25 million of first mortgage bonds, to be offered for sale at competitive bidding. The company is an electric utility. (File 2-54680 - Sept. 26)

REGISTRATIONS EFFECTIVE

Sept. 24: Cincinnati Bell Inc., 2-54576; Ellis Banking Corp., 2-54464; Nuveen Tax-Exempt Bond Fund, Series 75, 2-54008; Premium Acceptance Corp., (90 days), 2-53090; Public Service Co. of New Mexico, 2-54489; Quaker State Development Co., Ltd. (90 days), 2-54005; The Wickes Corp., 2-54603.

Sept. 25: Bangor Hydro Electric Co., 2-54452; Federal-Mogul Corp., 2-54588; Johnson & Johnson, 2-54250; Monitor Labs, Inc., 2-53974; Northeast Utilities, 2-54494; R. L. Burns Corp., 2-54485; Reading & Bates Offshore Drilling Co., 2-54402; Slater Electric Inc., 2-54273; Whirlpool Corp., 2-54565.

NOTE TO DEALERS. 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

Sept. 19: Petroleum Service Inc. of Delaware, 2-51394; United Jersey Banks, 2-51495.
Sept. 23: Parkview Associates, 2-51036; Rom Amer Pharmaceuticals Ltd., 2-53181.
Sept. 25: The Scotch Market Ltd., 2-48145.
Sept. 26: Kemper Corp., 2-40188; Texas International Co., 2-51590.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission on Schedule 13D the acquisition of more than 5% of the equity securities of another company within 10 days of the acquisition. The following companies or individuals filed Schedule 13D's regarding the acquisition of stock of other companies during the period Sept. 5 - 18, 1975.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
Mutual of Omaha Insurance Co.	United Benefit Life Insurance Co. (Omaha, Nebr.) Capital Stock - 512,182 shs. (71.14%)	9- 5-75
Sunset & Co.	Continental Telephone Corp. (Merrifield, Va.) Series H Preferred Stock - 2,500 shs. (An aggregate of 100,000 shares have been purchased by a group of institutional investors)	9- 8-75
Kalico & Co.	Continental Telephone Corp. (Merrifield, Va.) Series H Preferred Stock - 10,000 shs.	9- 8-75
Ross Dorfman	Rocket Research Corp. (Redmond, Wash.) Common Stock - 132,500 shs.	9- 8-75
Ross Dorfman	Physics International Co. (San Leandro, Cal.) Common Stock - 126,325 shs.	9- 8-75
Galdi Securities Corp.	Espey Mfg. & Electronics Corp. (Saratoga Springs, NY) Common Stock - 21,000 shs.	9- 9-75
Alan V. Iselin	Amadac Industries, Inc. (Albany, NY) Common Stock - 269,333 shs.	9-10-75
James E. Douglas, Jr. Raymond A. Weigel	Kysor Industrial Corp. (Cadillac, Mich.) Common Stock - 375,380 shs.	9-12-75
* First International Reinsurance Co.	Standard Security Life Insurance Co. of New York (New York City) Common Stock - 294,000 shs.	9-12-75
* Precision Polymers, Inc.	Decraform, Inc. (Miami, Fla.) Common Stock - 75,000 shs.	9-12-75
Ampco-Pittsburgh Corp.	Pittsburgh Forgings Co. (Pittsburgh, Pa.) Common Stock - 543,906 shs.	9-12-75
* Trade Development Bank Hldgs. S.A. (Luxembourg) Trade Development Bank (Switzerland) Trade Development Holding B.V. (Netherlands) Safrabank S.A. (Panama) Trade Development Europe Holding B.V. (Netherlands)	Republic New York Corp. (New York City) Common Stock - 1,838,199 shs.	9-12-75
Goldman, Sachs & Co.	Southern California First National Corp. (San Diego, Calif.) Common Stock - 188,297 shs.	9-15-75
Goldman, Sachs & Co.	Pacific United Services Corp., Inc. (Glendale, Calif.) Common Stock - 17,800 shs.	9-15-75
Goldman, Sachs & Co.	Rowland Inc. (Kensington, Conn.) Common Stock - 23,500 shs.	9-15-75
Federated Capital Management Associates, Inc. Neufina AG (Switzerland) Adolf Marcus (Switzerland)	Bates Manufacturing Co., Inc. (New York City) Common Stock - 983,843 shs. (41.9%)	9-15-75

ACQUISITION REPORTS CONT.

* Philip S. Sassower Lawrence I. Schneider Susan O. Sassower Brandon Finanz AG (Switzerland) Neufina AG (Switzerland)	Arcs Equities Corp. (New York City) Common Stock - 900,500 shs. (84%)	9-15-75
Seymour Foods, Inc.	GF Industries, Inc. (Tulsa, Okla.) Common Stock - 859,635 shs. 6% Preferred - 74,500 shs. 4% Preferred - 343,927 shs. (The above shares represent 26.5% of the outstanding voting shares)	9-15-75
United Funds, Inc. Group	International Telephone and Telegraph Corp. (New York City) 8-5/8% Convertible Debentures - \$5,100,000	9-15-75
American Commonwealth Financial Corp. Great Commonwealth Life Insurance Co.	National American Life Insurance Co. (Baton Rouge, La.) Common Stock - 578,444 shs.	9-15-75
Harbor Fund, Inc.	Pizza Hut, Inc. (Wichita, Kans.) Common Stock - 69,225 shs. on conversion of Debentures	9-15-75
Marvin L. Goodman David Goodman Iris Pofsky	Warnaco Inc. (Bridgeport, Conn.) Common Stock - 187,640 shs.	9-15-75
* Alexander & Baldwin, Inc.	Pacific Resources, Inc. (Honolulu, Hawaii) Common Stock - 785,532 shs.	9-15-75
* Source Capital, Inc.	Integrated Resources, Inc. (New York City) Common Stock - 194,908 shs. Common Stock - 171,233 shs. on conversion of Note	9-15-75
Lincoln First Bank of Rochester as fiduciary	Taylor Wine Co., Inc. (Hammondsport, NY) Common Stock - 1,007,075 shs.	9-15-75
Harbor Fund, Inc.	Fischbach and Moore Inc. (New York City) Common Stock - 22,325 shs.	9-15-75
* Cecil L. Van Tuyl	Kustom Electronics, Inc. (New York City) Common Stock - 454,430 shs. (35.81%)	9-15-75
Members of Protective Committee for Responsible Management of Southdown	Southdown, Inc. (Houston, Texas) Common Stock - 91,733 shs.	9-15-75
Source Capital, Inc.	Chieftain Development Co. Ltd. (Alberta, Canada) Common Stock - 220,022 shs. on conversion of Preferred	9-15-75
International City Bank and Trust Co.	United Foods, Inc. (Memphis, Tenn.) Common Stock - 719,600 shs.	9-15-75
* Transco Realty Trust	Hospital Mortgage Group (North Miami, Fla.) Shares of Beneficial Interest - 62,000 shs.	9-15-75
Home Security Life Insurance Co. National Standard Life Insurance Co. National Trust Life Insurance Co. Commonwealth Life Insurance Co. Peoples Life Insurance Co.	Continental Telephone Corp. (Merrifield, Va.) Common Stock - 3,250 shs. Common Stock - 750 shs. Common Stock - 1,000 shs. Common Stock - 8,000 shs. Common Stock - 5,000 shs.	9-15-75

ACQUISITION REPORTS CONT.

* Jack Rubenfeld	Bethlehem Corp. (Bethlehem, Pa.) Common Stock - 65,621 shs.	9-16-75
* Modern Security Life Insurance Co.	LSL Corp. (Denton, Texas) Common Stock - 2,054,214 shs. (42.88%) (Includes shares that may be acquired on exercise of Options)	9-16-75
Mark Lee & Associates, Inc. for a Group of Shareholders	Mountain Banks, Ltd. (Colorado Springs, Colo.) Common Stock - 572,109 shs. to be acquired under an agreement between F. O'Neil Griffin and the Group of Shareholders	9-16-75
John S. Watson, Trustee	Howell Corp. (Houston, Texas) Common Stock - 320,000 shs.	9-17-75
* Robert B. Pamplin	Leath and Co. (Chicago, Ill.) Common Stock - 88,896 shs.	9-17-75
Morton M. Lapidés	Allegheny Beverage Corp. (Baltimore, Md.) Common Stock - 791,104 shs. Common Stock - 312,000 shs. on conversion of Preferred	9-17-75
George Wm. Erikson	Cerberonics, Inc. (Falls Church, Va.) Class A Common - 74,214 shs. Class B Common - 10,026 shs.	9-18-75

* Amended Acquisition Report

The following have made offers to acquire stock of companies listed below pursuant to tender offers as reported to the Commission on Schedule 13D:

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
South Carolina Insurance Co.	Kentucky Insurance Co. (Louisville, KY) Common Stock - 540,182 shs. for cash at \$2.55 net per share	9- 5-75
Protective Life Insurance Co.	National Insurance Co. of America (Grand Forks, ND) Common Stock - All Outstanding shares for cash at \$7.00 net per share (Protective presently owns 106,109 shares Class A Common and 13,894 shares Class B Common (23.4% and 60.2% respectively of the outstanding shares)	9-15-75
Amerace Corp.	Anchor Coupling Co., Inc. (Libertyville, Ill.) Common Stock - All Outstanding shares for cash at \$16.00 net per share	9-16-75

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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