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RULES AND RELATED MATTERS

SEP 13 1976

ADOPTION OF RULES REGARDING GENERAL REQUIREMENTS
FOR PAPERS AND APPLICATIONS UNDER THE INVESTMENT
ADVISERS ACT OF 1940

U.S. SECURITIES AND
EXCHANGE COMMISSION

The Commission announced that it has adopted, effective October 21, 1976, (1) Rules 0-4, 0-5 and 0-6 under the Investment Advisers Act of 1940 regarding the general requirements for papers and applications and the procedure with respect to applications and other matters, including a provision for incorporation by reference; and (2) an amendment to the title of Rule 204-1 under the Investment Advisers Act of 1940 to clarify the fact that it refers only to applications for registration. (Rel. IA-532)

COURT ENFORCEMENT ACTIONS

GERALD M. BARNES SENTENCED TO TWENTY YEARS

The Denver Regional Office announced that on August 30 Gerald M. Barnes and Arthur L. Herzberg, both of the Phoenix, Arizona area, were sentenced in U.S. District Court at El Paso, Texas, to 20 years imprisonment and 15 years imprisonment, respectively. They had been convicted on July 28, 1976 on nine counts of mail fraud in connection with the offer and sale of securities of Bankers Trust Company, Inc. of New Mexico. (U.S. v. Barnes, et al., EP-75-CR-555, W.D. Tex.). (LR-7552)

JOSEPH Z. BRONSTEIN ENJOINED

The Commission announced the filing on September 8 of a civil injunctive complaint against Joseph Z. Bronstein, treasurer and vice-president of the GRI Corporation, of Chicago, Illinois. The complaint alleges that the defendant violated the anti-fraud and securities ownership reporting provisions of the securities laws in connection with the sale of GRI common stock. The Commission alleged that Bronstein sold GRI stock while in possession of material, non-public information concerning GRI's earnings projection for fiscal 1975 and that he failed to file the required Form 4 with the Commission and the American Stock Exchange reporting his sale.

Bronstein consented to a final judgment, without admitting or denying the allegations of the complaint. Pursuant to the judgment, Bronstein is enjoined from future violations of Section 10(b) and 16(a) of the Securities Exchange Act of 1934 and Rule 10b-5 and 16a-1 thereunder. In addition that order provides that Bronstein will disgorge his profits from the sale of GRI stock to the purchasers who bought the stock from him. (SEC v. Joseph Z. Bronstein, N.D. Ill. No. 76C3328). (LR-7556)

INVESTMENT COMPANY ACT RELEASES

SECURE LIFE INVESTMENT TRUST

A notice has been issued giving interested persons until September 28 to request a hearing on a proposal to terminate, on the Commission's own motion, the registration of Secure Life Investment Trust, a registered open-end diversified management investment company. (Rel. IC-9427 - Sept. 3)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., to sell utility assets located in certain

portions of the State of Indiana to United Telephone Company of Indiana, Inc. (Rel. 35-19674 - Sept. 9)

GENERAL PUBLIC UTILITIES CORPORATION

A notice has been issued giving interested persons until October 5 to request a hearing on a proposal of General Public Utilities Corporation (GPU) and two of its subsidiaries, Pennsylvania Electric Company (Penelec) and Waterford Electric Light Company (Waterford), that GPU make a capital contribution of all Waterford's capital stock to Penelec and that subsequently Waterford merge into Penelec. (Rel. 35-19675 - Sept. 9)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Incorporated has filed a proposed rule change under Rule 19b-4 (SR-MSE-76-14) to amend its certificate of incorporation and by-laws regarding the membership structure of its planned options program. Publication of the proposal is expected to be made in the Federal Register during the week of September 13. (Rel. 34-12780)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Pacific Stock Exchange (the PSE). The rule change (SR-PSE-76-25) amends the exemption to the PSE's off-board trading restrictions contained in subparagraph (xii) of Section 4 of PSE Rule XIII to clarify that such exemption is intended to apply only to dually listed securities. (Rel. 34-12772)

The Commission has published and approved a proposed rule change filed by the American Stock Exchange. The rule change (SR-Amex-76-5) conforms certain Exchange rules to the standards of Rule 15c3-1, and adopts a new Exchange Rule 449 which incorporates Rule 15c3-3 by reference. (Rel. 34-12785)

SECURITIES ACT REGISTRATIONS

(S-14) FLAGSTAFF CORPORATION

600 Madison Ave., New York, N.Y. 10022 - up to 826,491 shares of common stock, to be issued pursuant to a merger agreement with Coffee-Mat Corporation, on the basis of one share of Flagstaff common stock for each outstanding share of Coffee-Mat common stock (other than shares held by Flagstaff). Flagstaff, which now owns approximately 51% of Coffee-Mat's outstanding stock, is engaged in the distribution of food and related non-food products to institutional customers in the foodservice or "food away from home" market. (File 2-57077 - Aug. 27)

(S-7) SAMUEL MOORE AND COMPANY

1199 South Chillicothe Rd., Aurora, Ohio 44202 - 250,000 shares of common stock, without par value, to be offered for sale on behalf of a selling shareholder through underwriters headed by Kidder, Peabody & Co. Inc. and Prescott, Ball & Turben, c/o Kidder, Peabody & Co. Inc., 10 Hanover Sq., New York, N.Y. 10005. Samuel Moore and Company designs, manufactures and sells engineered, extruded tubular and wire products for a wide variety of industrial applications. (File 2-57140 - Sept. 8)

(S-7) CENTRAL ILLINOIS PUBLIC SERVICE COMPANY

607 East Adams St., Springfield, Ill. 62701 - \$50 million of first mortgage bonds, Series S, due 2006, to be offered and sold at competitive bidding. The company is an electric and gas utility. (File 2-57141 - Sept. 8)

(S-7) CONSUMERS POWER COMPANY

212 West Michigan Ave., Jackson, Mich. 49201 - \$60 million of first mortgage bonds, due 2006, to be sold at competitive bidding. The company is an electric and gas utility. (File 2-57143 - Sept. 8)

(S-14) PACESETTER FINANCIAL CORPORATION

233 Washington St., Grand Haven, Mich. 49417 - \$2,420.120 face amount of 8% convertible debentures, due 1988 and 1989. It is proposed to offer these debentures in exchange for the outstanding common stock of First Security Bank of Grand Blanc, Grand

Blanc, Michigan at the rate of \$10 face amount of the 1988 debentures and \$30 face amount of the 1989 debentures for each bank share. Also registered are 89,800 shares of common stock issuable upon exercise of the debentures' conversion rights and such additional shares as may be necessary under anti-dilution provisions. Pacesetter Financial Corporation is a registered bank holding company which presently has three Michigan bank subsidiaries. (File 2-57144 - Sept. 8)

(S-1) EXCHANGE BANCORPORATION, INC.

2112 Exchange National Bank Bldg., 610 Florida Ave., Tampa, Fla. 33602 - \$7,560,000 of 10% subordinated debentures, due 1996 (the Debentures). It is proposed to offer the Debentures or an aggregate of \$6,720,000 in cash in exchange for all the outstanding common stock of Security National Bank, Fort Myers, Florida, at the rate of \$18 of Debentures, or \$16 cash, or a combination of Debentures and cash, for each bank share. The company is a bank holding company that presently controls thirteen Florida banks and two non-bank subsidiaries. (File 2-57145 - Sept. 8)

(S-16) THE SEVEN-UP COMPANY

121 South Meramec Ave., St. Louis, Mo. 63105 - 250,000 shares of common stock, to be offered for sale by a stockholder of the company through underwriters represented by The First Boston Corporation, 20 Exchange Pl., New York, N.Y. 10005. The Seven-Up Company manufactures and sells soft drink extracts to independent franchised bottling companies, manufactures and sells to such companies through independent contractors canned and bottled 7UP and Sugar Free 7UP and to a lesser extent engages in the direct sale of soft drinks to retailers. (File 2-57147 - Sept. 9)

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:

- A. G. Edwards & Sons, Inc., St. Louis, Mo. (File 2-57121 - Sept. 2) - 100,000 shares
- The Times Mirror Co., Los Angeles, Cal. (File 2-57125 - Sept. 3) - 600,000 shares
- Federal-Mogul Corp., Southfield, Mich. (File 2-57127 - Sept. 3) - 53,000 shares
- Culligan International Co., Northbrook, Ill. (File 2-57133 - Aug. 30) - 150,000 shares
- United Telecommunications, Inc., Kansas City, Mo. (File 2-57137 - Sept. 7) - 13,547 shares
- United Carolina Bancshares Corp., Whiteville, N.C. (File 2-57153 - Sept. 9) - 120,000 shares

REGISTRATIONS EFFECTIVE

Sept. 9: Canal Electric Co., 2-56915; The Corporate Income Fund, Thirty-Seventh Monthly Payment Series, 2-53096; Gulf Resources & Chemical Corp., 2-56980; Journal Co., 2-56992; Montgomery Ward Credit Corp., 2-57069; Public Service Electric & Gas Co., 2-57023 & 2-57024; Rainier Bancorp., 2-56920.

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.

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
ADVANCE CIRCUITS INC	8,14	08/76
BOGUE ELECTRIC MANUFACTURING CO	13	08/76
CONTINENTAL GROUP INC	3,7,10	05/76
FIRST BOSTON CORP	2,3,13,14	04/76
MILLIPORE CORP	10	07/76
PHOTOTRON CORP	7,14	06/76
REPUBLIC METAL PRODUCTS INC	3,7	04/76
AGS COMPUTERS INC	1	12/75
AMERICAN THERMAL RESOURCES INC	14	06/76
ANHEUSER BUSCH INC	13	08/75
BARNES ENGINEERING CO	10,14	09/76
BARNETT BANKS OF FLORIDA INC	7	08/76
BRISTOL MYERS CO	3,13,14	08/76
CAPITAL RESERVE CORP	11	07/76
CENTURA PETROLEUM CORP	8	09/75
CONTINENTAL TESTING LABORATORIES INC	2	07/76
DIGITAL EQUIPMENT CORP	7,14	08/76
DIPLOMAT ELECTRONICS CORP	7,8,13	06/76
DIVERSITRON INC	3,13	04/76
EQUITABLE LIFE MORTGAGE & REALTY INVESTO	7,14	08/76
FINANCIAL FEDEATION INC	13	08/76
FLICKINGER S M CO INC	7,14	08/76
GLATFELTER P H CO	3,7	08/76
GUARANTY NATIONAL TRUST	2	02/76
HARVEY R J INSTRUMENT CORP	7	08/76
HIBBARD SPENCER BARTLETT TRUST	13	08/76
IMPERIAL BANCORP	3	08/76
KNICKERBOCKER TOY CO INC	7	08/76
MACRODYNE INDUSTRIES INC	13	07/76
MODULINE INTERNATIONAL INC	7	08/76
MONTANA DAKOTA UTILITIES CO	13,14	08/76
OCEANIC RESOURCES INC	13,14	08/76
OLD FORT INDUSTRIES INC	13	08/76
PARKVIEW GEM INC	2,3,6,10	07/76
PETRO SEARCH 1976 EXPLORATION & DEVELOPM	2	08/76
PUBLIC SERVICE CO OF INDIANA INC	7	08/76
REVERE COPPER & BRASS INC	13,14	08/76
REXNORD INC	13	08/76

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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