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RULE PROPOSALS AND ADOPTIONS

PROPOSED RULES FOR DISCLOSURE OF RESTRICTED FUNDS AND THE EFFECTIVE COST OF BORROWING. The SEC today released for comment proposed revisions of Rules 5-02-1, 5-02-18, 5-02-25, 5-02-29 and 5-02-32 of Regulation S-X together with associated interpretations and guidelines which establish five significant new requirements for the disclosure of restricted funds and the effective cost of borrowing, as follows:

1. Provisions for specific balance sheet segregation of compensating balances and certificates of deposit.
2. Requirement that outstanding commercial paper be specifically disclosed.
3. Requirement that weighted average and year-end interest rates as well as terms of short-term borrowings and the maximum amount of such borrowings outstanding during the year be disclosed.
4. Requirement that effective interest rates be computed and disclosed for both short-term and long-term borrowing arrangements.
5. Requirement that the amount and terms of unused lines of credit be disclosed.

The Commission proposed these rules and guidelines to assure that such information will be available to investors to assist them in appraising corporate liquidity, the cost of credit and management's financial policies. (Rel. 33-5384)

WITHDRAWAL OF PROPOSED AMENDMENT TO RULE 10b-13 UNDER THE SECURITIES EXCHANGE ACT OF 1934. The SEC today announced that it had withdrawn the proposed amendment to Rule 10b-13 under the Securities Exchange Act of 1934, which was published on December 27, 1972 in Rel. 34-9920. In view of the comments received on the proposed amendment, the recent increase in the number of tender and exchange offers and the disparate treatment of solicitation fees, the Commission has directed its staff to reexamine the questions presented by this proposed rule and expects, following such consideration, to publish for comment a revised proposal with respect to the treatment of solicitation fees in tender and exchange offers. The Commission is also concerned about the growth of solicitation fees relative to the tender price which has occurred in some instances.

The proposed amendment has been interpreted as prohibiting situations where solicitation fees inure to the benefit of the beneficial owner of tendered shares, except in the case of brokers engaged in arbitrage for their own account. These interpretations are likewise withdrawn. In addition, directors and managers of investment companies are reminded that they may have an obligation to name an affiliated broker to receive commission or solicitation fees and that where this is done, such commissions or fees on the tender of portfolio securities of the fund should not be retained by the affiliate but should inure to the benefit of the fund. See Provident Management Corp., Rel. 34-9029 (Dec. 1, 1970). See also *Moses v. Burgin*, 445 F. 2d 369 (C.A. 1, 1971). (Rel. 34-10102)

COMMISSION ANNOUNCEMENTS

SEC ORDER CITES FUNDS FOR PEOPLE, OTHERS. The SEC has issued an order for administrative proceedings against Funds For People Inc., a now defunct New Jersey broker-dealer and Lois Nerenberg, president of registrant and Jack Nerenberg, secretary-treasurer of registrant, both of Millstone, N. J. for alleged violations of the net capital and books and records provisions of the Federal securities act, Sections 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 and Rule 15c3-1 and Rules 17a-3, 17a-4 and 17a-5, respectively, thereunder.

In addition, violations of Sections 10(b) and 15(c)(1) (failure to disclose control of an issuer) of the Securities Exchange Act of 1934 and Rule 15c-1-5 thereunder have been alleged. Lois Nerenberg and Jack Nerenberg have been charged with aiding and abetting Funds For People in the above cited violations. A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defense thereto for the purpose of determining whether the allegations are true and if so, what if any remedial action should be ordered by the Commission. (Rel. 34-10100)

COURT ENFORCEMENT ACTIONS

INVESTMENT/INDICATORS FUND PERMANENTLY ENJOINED. The SEC Los Angeles Regional and the San Francisco Branch Offices announced that on March 20 the Federal court in California permanently enjoined Investment/Indicators Fund (Fund), a registered investment company, and Investment/Indicators Research & Management, Inc. (IIRM), former adviser to Fund, from violations of the antifraud provisions of the Federal securities laws with respect to Fund's securities or any other securities. Fund and IIRM consented to the court order without admitting or denying the allegations. (LR-5840)

INVESTMENT COMPANY ACT RELEASES

WEIS, VOISIN & CO. The SEC has issued a notice giving interested persons until May 4 to request a hearing on an application of Weis, Voisin & Co., Inc., of New York, for an order exempting it and its co-underwriters from Section 30(f) of the Act in respect of their transactions incident to the proposed distribution of shares of common stock of Steadman Income Securities Fund, Inc., a registered closed-end investment company. (Rel. IC-7762)

TRANSATLANTIC FUND, INC. The SEC has issued a notice giving interested persons until May 7, 1973, to request a hearing on an application of Transatlantic Fund, Inc., a diversified, open-end management investment company registered under the Investment Company Act of 1940 for an order of the Commission pursuant to Section 6(c) of the Act declaring that James H. Walker shall not be deemed an "interested person" of the Fund, within the meaning of Section 2(a)(19) of the Act solely by reason of his status as a director of the Equitable Life Assurance Society of the United States which has registered as a broker-dealer under the Securities Exchange Act of 1934. (Rel. IC-7763)

THE VALUE LINE DEVELOPMENT CAPITAL CORP. The SEC has issued an order permitting The Value Line Development Capital Corporation, a New York close-end management investment company that holds more than 5 per centum of the outstanding stock of Coaxial Communications, Inc., to participate in a proposed reorganization of Coaxial with persons, including Coaxial, who are either affiliated persons of Value Line or affiliated persons of such persons by reason of Value Line's ownership of the Coaxial stock. (Rel. IC-7764)

GROUP SECURITIES. The SEC has issued a notice giving interested persons until May 7 to request a hearing on an application of Group Securities, Inc., of Jersey City, N. J., for an order declaring that Robert H. Craft, a director of the company, shall not be deemed to be an "interested person" of the company solely by reason of his status as a director of Massachusetts Mutual Life Insurance Company, a registered broker-dealer, and as a director of certain other companies affiliated with the broker-dealer. (Rel. IC-7765)

INVESTORS SYNDICATE OF AMERICA. The SEC has issued a notice giving interested persons until May 8 to request a hearing on an application of Investors Syndicate of America, Inc. (Syndicate), a Minnesota corporation registered under the Act as a face-amount certificate company, for an order continuing indefinitely a prior order which had permitted IDS Mortgage Corporation, a wholly owned subsidiary of Investors Diversified Services, Inc., which owns all of the common stock of Syndicate, to engage together with Syndicate and its subsidiary corporations in the financing of real estate development, and in connection with such transactions to provide services to Syndicate and its subsidiaries and to receive fees for such services. (Rel. IC-7766)

THE FIRST BOSTON CORP. The SEC has issued a notice giving interested persons until April 25 to request a hearing on an application of The First Boston Corporation, of New York, for an order exempting it and its co-underwriters from Section 30(f) of the Act in respect of their transactions incident to the proposed distribution of shares of common stock of CNA Income Shares, Inc. a newly registered closed-end investment company. (Rel. IC-7767)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES. The SEC has issued an order authorizing Northeast Utilities, Springfield, Mass. holding company, to amend its Declaration of Trust in order to broaden and clarify the provisions applicable to the indemnification by Northeast of its Trustees and officers against liabilities and expenses, including reasonably incurred counsel fees, resulting from litigation in which any trustee or officer acting as such in good faith may be involved. The proposed amendment requires the approval of the holders of 66-2/3% of Northeast's outstanding common capital stock, to be voted at the annual stockholders' meeting on April 24, 1973. (Rel. 35-17928)

NATIONAL FUEL CO. The SEC has issued a notice giving interested persons until May 7 to request a hearing upon a proposal of National Fuel Gas Company, of New York, and three of its gas utility subsidiaries, Iroquois Gas Corp., United Natural Gas Co. and Pennsylvania Gas Co. National proposes to issue and sell \$14,500,000 of long-term promissory notes to a bank. Net proceeds will be used to purchase long-term notes of Iroquois, United and Pennsylvania in aggregate amounts of \$12,000,000, \$2,000,000 and \$500,000 respectively. The subsidiaries will use the proceeds to make utility plant additions and to increase and replenish working capital. Iroquois, United and Pennsylvania will also issue and sell from time to time during 1973 to a group of local banks short-term promissory notes in aggregate amounts of \$8,000,000, \$7,000,000, and \$4,000,000 respectively. These proceeds will be used by the subsidiary companies to finance the cost of gas purchased and stored underground for inventory purposes. (Rel. 35-17929)

GENERAL PUBLIC UTILITIES CORP. The SEC has issued an order authorizing General Public Utilities Corp., a New York holding company, to amend its articles of incorporation to increase from 40,000,000 to 55,000,000 the aggregate number of authorized shares of common stock. On April 2, 1973, the necessary majority of holders of common stock approved the amendment. (Rel. 35-17930)

SECURITIES ACT REGISTRATIONS FILED

PETROLEUM EXPLORATION & DEVELOPMENT FUNDS, INC., (the general partner), 744 Hickory St., Abilene, Tex 79604 - \$5 million of preformation partnership interests in 1973/E Program, Ltd., to be offered for sale at \$5,000 per unit with a minimum purchase of \$10,000 through selected NASD members. The Program is to be formed to acquire oil and gas interests and drill wells thereon. (File 2-47503 - Mar 30)

In a separate statement, the general partner seeks registration of \$5 million of preformation partnership interests in 1973/D Program, to be offered for sale in \$5,000 units with a minimum purchase of \$10,000 through selected NASD members. The Program will be formed to acquire oil and gas interests and drill wells thereon. (File 2-47504 - Mar 30)

HOWMET CORPORATION, 475 Steamboat Rd., Greenwich, Conn. 06830 - 975,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of common stock of Texas Aluminum Company, Inc. (Aluminum), at the rate of 73.702 shares for each 100 aluminum shares held. Howmet primarily manufactures and sells aluminum and aluminum products and precision castings for use in gas turbine engines. Aluminum produces aluminum extrusions and fabricates extrusions into various aluminum products. (File 2-47505 - Mar 30)

LIFE INVESTORS FUND EXCHANGE CORPORATION, Waco, Tex., - 1,500,000 shares of common stock, to be offered for sale at \$2.25 per share by Affiliated Securities Corp., First State Bank Bldg., P. O. Box 1541, Denton, Tex. 76201. The company, which is in the development stage, proposes to operate as a life insurance holding company. Of the net proceeds, up to \$1,432,750 will be used to exercise an option to purchase Founders Preferred Life Insurance Company and the balance for other corporate purposes. (File 2-47522 - Mar 30)

I.M.S. INTERNATIONAL, INC., 37 Queen Sq., London, WC1N 3BH, England - 434,464 shares of common stock, which are to be offered for sale by certain shareholders. The offering is to be made (* at \$28.25 per share maximum) through underwriters headed by White, Weld & Co. Inc., 20 Broad St., New York 10005. The company gathers and processes statistical information, primarily relating to sales of health and personal care products, and sells it in syndicated reports principally to pharmaceutical companies. (File 2-47523 - Mar 30)

CAMCO FINANCIAL CORPORATION, 814 Wheeling Ave., Cambridge, Ohio 43725 - 121,500 shares of common stock and 562 shares of Series M preferred stock. It is proposed to offer these securities in exchange for the outstanding permanent stock of The Marietta Savings & Loan Company, at the rate of either 5.4 Camco shares for each Marietta share or (for those owning at least 40 shares of Marietta stock) may tender not more than 10% of the total number of Marietta shares in units of four shares each, each unit to be exchanged for one Camco preferred share and the balance at the rate of 5.4 Camco shares for each Marietta share. Camco is a savings and loan holding company. (File 2-47541 - Apr 2)

ADVANCED MEMORY SYSTEMS, INC. (AMS), 1276 Hammerwood Ave., Sunnyvale, Calif. 94086 - 124,510 shares of common stock. It is proposed to offer these shares in exchange for substantially all of the assets of Computer Microtechnology, Inc. (CMI) to a wholly-owned subsidiary of AMS. AMS shares are then to be distributed to Microtechnology shareholders, at the rate of 1/35 AMS share for each CMI share. AMS manufactures and markets memory products primarily for digital computer systems. CMI produces and sells semiconductor digital integrated circuits for use primarily in computer memories. (File 2-47544 - Apr 2)

FOUR-PHASE SYSTEMS, INC., 10420 North Tantau Ave., Cupertino, Calif. 95014 - 600,000 shares of common stock, to be offered for sale (* at \$14 per share maximum) through underwriters headed by Blyth Eastman Dillon & Co. Inc., 1 Chase Manhattan Plaza, New York 10005. The company manufactures, markets and services multi-terminal video-display computer systems. Net proceeds will be used to repay bank borrowings and to finance the cost of equipment to be leased to customers. (File 2-47545 - Apr 2)

TRIBAL CORPORATION, 2424 One Main Place, Dallas, Tex. 75250 - 400,000 shares of common stock, of which 340,000 are to be offered for sale by the company and 60,000 by certain shareholders. The offering is to be made (* at \$12.50 per share maximum) through underwriters headed by Loeb, Rhoades & Co., 42 Wall St., New York 10005. The company is engaged in oil and gas exploration and related activities. Of the net proceeds, \$1,767,750 will be used to retire debt and the balance for working capital and other corporate purposes. (File 2-47546 - Apr 2)

INFONATIONAL, INC., 620 "C" St., San Diego, Calif. 92101 - 61,519 shares of common stock, issuable upon exercise of warrants issued in June 1969 as part of 80,000 units, each consisting of two shares and one warrant. (File 2-47550 - Apr 2)

AMERICAN INSURANCE SERVICE, INC., 1737 Chestnut St., Philadelphia, Pa. 19103 - 275,000 shares of common stock, to be offered for sale at \$7.50 per share through underwriters headed by Delphi Capital Corporation, 1700 Market St., Philadelphia, Pa. The company through a subsidiary writes fire and casualty insurance. Of the net proceeds, 95% will be used to purchase stock in the subsidiary for the purpose of increasing its capital and surplus and the balance for other corporate purposes. (File 2-47551 - Apr 2)

SUTTON DISTRIBUTORS, INC., 960 East Hazelwood Ave., Rahway, N.J. 07065 - 585,000 shares of common stock, of which 435,000 are to be offered for sale by the company and 150,000 by certain shareholders. The offering is to be made (* at \$8.25 per share maximum) through underwriters headed by Ladenburg, Thalmann & Co. Inc., 25 Broad St., New York 10004. The company is a wholesale merchandiser of phonograph records and pre-recorded stereo tapes sold as promotional items by chain and variety stores and others. Of the net proceeds, about \$400,000 will be used to construct an addition to its facility in Rahway and the balance for working capital and other corporate purposes. (File 2-47552 - Apr 2)

4 UNION PLANTERS CORPORATION (UPC), 67 Madison Ave., Memphis, Tenn. 38103 - 76,633 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of capital stock of Percy Galbreath & Son, Inc., at the rate of 1.703 shares for each Galbreath share. UPC is a bank holding company which owns Union Planters National Bank of Memphis. (File 2-47553 - Apr 2)

PIEDMONT FUNDING CORPORATION, 177 North Dean St., Englewood, N.J. 07631 - \$25 million of Programs for the Acquisition of Mutual Fund Shares and Insurance. The mutual fund shares are sold by the company's affiliate, Piedmont Capital Corporation, and the insurance by Pacific Fidelity Life Insurance Company, also an affiliate. (File 2-47555 - Apr 2)

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:

- Information Magnetics Corporation, Goleta, Calif. (File 2-47542) - 123,130 shares
- Colonial Penn Group, Inc., Philadelphia, Pa. (File 2-47547) - 380,000 shares
- Norton Company, Worcester, Mass. (File 2-47548) - 199,800 shares
- Ethyl Corporation, Richmond, Va. (File 2-47549) - 1,017,857 shares

MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued notices under the Securities Exchange Act of 1934 giving interested persons until April 25 to request a hearing upon applications of the following exchanges for unlisted trading privileges in the common stocks or specified securities of the named companies:

Boston Stock Exchange - Rapid-American Corporation. PBW Stock Exchange Inc. - Airborne Freight Corporation, Atlas Consolidated Mining & Development Corp., Florida East Coast Railway Company, Great Western United Corporation, Interstate Brands Corporation, Jefferson Stores, Inc., Louisiana Pacific Corporation, Mitchell Energy & Development Corporation, National Detroit Corporation, Pubco Petroleum Corporation, Putnam's (G. P.) Sons, Signet Corporation, Southwestern Investment Company, Williams Companies, Wrather Corporation, Champion International Corporation - \$1.20 cumulative convertible preference stock (\$1 par), City Investing Co. - \$2 cumulative convertible preference stock - Series B (\$1 par), Ethyl Corporation - \$2.40 cumulative convertible preference Series A stock (\$10 par), General Host Corp. - 5% convertible subordinated debentures, Great Western United Corp. - \$1.88 cumulative preferred stock, Northwest Industries, Inc. - \$5 cumulative convertible preferred stock, Reynolds (R.J.) Industries, Inc. - \$2.25 convertible preferred stock. (Rel. 34-10101)

SECURITIES ACT REGISTRATIONS. Effective April 11: H. F. Ahmanson & Co., 2-47392; American Building Maintenance Industries, 2-47271; Chessie System, Inc., 2-47167; General Motors Corp., 2-47587; Nashua Corp., 2-47258; Pan American World Airways, Inc., 2-47254; TCI Travel Corp., 2-46218.

*As estimated for purposes of computing the registration fee.

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