

sec news digest

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U.S. SECURITIES & EXCHANGE COMMISSION

RECEIVED

July 24, 1974

COMMISSION ANNOUNCEMENTS

JUL 25 1974

CHARTER EXTENDED FOR BROKER-DEALER MODEL COMPLIANCE PROGRAM ADVISORY COMMITTEE

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The Securities and Exchange Commission on January 26, 1973 established the Broker-Dealer Model Compliance Program Advisory Committee. The amended charter of that committee was to expire on July 1, 1974, but under the terms of that charter the Commission has determined that it would be appropriate in the public interest in connection with duties imposed on the Commission by law to extend the charter of the Committee until December 31, 1974.

The objective of the Advisory Committee is to advise the Commission in the development of a model compliance program to serve as an industry guide for the broker-dealer community. Assisted by the committee's recommendations the Commission proposes to publish a guide to broker-dealer compliance with the federal securities laws in order to advise broker-dealers of the standards to which they should adhere if investor confidence in the fairness of the market place is to be warranted and sustained. The committee's recommendations are not expected to lead to the expansion of Commission rules governing broker-dealers but, instead, to suggest how best to inform broker-dealers as to existing requirements and how they may comply with them. Accordingly, the committee is to submit to the Commission recommendations on a model compliance program for a broker-dealer's regulatory responsibilities and obligations to customers as well as supervision of its personnel.

The committee has been meeting regularly since its inception last year in order to complete its work by July 1, 1974, as provided in its charter but the preparation of its recommendations to the Commission, however, has taken longer than originally was expected. In view of the importance of broker-dealer compliance guidelines to the investment community the Commission now proposes to extend the committee's charter an additional six months to permit the committee to complete its operations.

COURT ENFORCEMENT ACTIONS

APPEALS COURT REVERSES KOSCOT INTERPLANETARY

The Atlanta Regional Office has announced that on July 15 the Fifth Circuit Court of Appeals reversed the decision in SEC v. Koscot Interplanetary, Inc., 365 F. Supp 588 (N.D. Ga. 1973). The Court held that Koscot's offers and sales of positions in its pyramid selling scheme constituted offers and sales of "investment contracts" and as such were securities subject to the federal securities laws. The Court stated that "the critical issue in this case is whether a literal or functional approach to the 'solely from the efforts of others' [Howey] test should be adopted". The Court said that "we need not feel compelled to follow the 'solely from the efforts of others' test literally," and held that the proper standard in determining whether a scheme constitutes an investment contract is that explicated by the Ninth Circuit in SEC v. Glenn W. Turner Enterprises, Inc., 474 F. 2d 476, cert. denied, 414 U.S. 821 (1973) where the Court ruled that the critical inquiry is "whether the efforts made by those other than the investor are the undeniably significant ones, those essential managerial efforts which affect the failure or success of the enterprise."

The case was remanded for further proceedings consistent with the opinion. (LR-6448)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM

A notice has been issued giving interested persons until August 15 to request a hearing on a proposal of The Columbia Gas System, Inc., to purchase all of the authorized stock of Columbia Alaskan Gas Transmission Corporation, a new subsidiary, for \$1 million. Columbia Alaskan will participate as a partner with other gas producers in a pipeline project for transmission of Alaskan and Arctic gas to Columbia's service area. (Rel. 35-18507)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON FOUR TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Stratton Group, Ltd., and over-the-counter trading in the securities of Franklin National Bank, Franklin New York Corp. and Continental Vending Machines, Inc. for the further ten-day period July 24 - Aug. 2, inclusive.

SECURITIES ACT REGISTRATIONS

(S-11) PDFA MENAUL GALLERIA, LTD.

2211 E. Missouri, El Paso, Tex. 79903 - up to 1400 units of limited partnership interests, to be offered for sale at \$2500 per unit (minimum purchase is two units) through Property Securities of America, Inc., the underwriter. The partnership will purchase a specified parcel of property in Albuquerque, New Mexico, and construct and operate a shopping center. (File 2-51443 - June 28)

(S-11) BRUNSWICK INCOME PROPERTIES 1974 (THE PARTNERSHIP)

1129 Centran Bldg., Akron, Ohio, 44308 - \$10 million of partnership interests, to be offered for sale at \$1,000 per unit with minimum investment of five units through E. F. Hutton & Company Inc., One Battery Plaza, New York, N.Y., and Fulton, Reid & Staples, Inc., Penton Plaza, Cleveland, Ohio, on a best efforts basis. The Partnership is a newly formed Partnership which will invest primarily in existing commercial and residential real estate, subject to net leases or preferred income interests. (File 2-51550 - July 11)

(S-14) SUMMIT SILVER, INC.

202 Johnston Bldg., 111 - North Second St., Coeur d' Alene, Idaho, 83814 - 2,755,423 shares common stock. It is proposed to offer these shares in exchange for the outstanding common shares of Kimberly Gold Mines, Inc., Tacoma, Washington, on a share for share basis. Summit Silver is a mining exploration company and owner of several mining properties of exploratory interest. (File 2-51567 - July 15)

(S-12's) IRVING TRUST COMPANY

One Wall St., New York, N.Y. - seeks registration of American Depositary Receipts for four South African Companies as follows:

- (a) 250,000 for The South African Land & Exploration Company Limited (File 2-51597 - July 22);
- (b) 1,000,000 for Leslie Gold Mines Limited (File 2-51598 - July 22);
- (c) 1,000,000 for Hartebeestfontein Gold Mining Company Limited (File 2-51599 - July 22); and
- (d) 1,000,000 for Loraine Gold Mines Limited (File 2-51600 - July 22).

(S-12) THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION)

1 Chase Manhattan Plaza, New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for Dollar Validated Common Stock (Par Value 50 Yen) of The Metsui Trust and Banking Company, Limited, a Japanese corporation. (File 2-51609 - July 23)

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:

Media General, Inc., Richmond, Va. (File 2-51607 - July 22) - 250,000 shares
Foremost-McKesson, Inc., San Francisco, Cal. (File 2-51606 - July 22) - 200,000 shares
AMCO Industries, Inc., Franklin Park, Ill. (File 2-51605 - July 22) - 50,000 shares
Carter-Wallace, Inc., New York, N.Y. (File 2-51604 - July 22) - 350,000 shares
Del Laboratories, Inc., Farmingdale, N.Y. (File 2-51603 - July 22) - 115,550 shares
Honeywell Inc., Minneapolis, Minn. (File 2-51601 - July 22) - 500,000 shares
Olinkraft, Inc., West Monroe, Louisiana (File 2-51587 - July 18) - 300,000 shares
Kelly Services, Inc., Southfield, Mich. (File 2-51583 - July 18) - 67,500 shares
Telex Corp., Tulsa, Okla. (File 2-51608 - July 22) - 200,000 shares

REGISTRATIONS EFFECTIVE

July 23: American Hoist & Derrick Co., 2-51454; Church & Dwight Co, Inc., 2-50579; Honeywell Inc., 2-51416; Louisiana Pacific Corp., 2-51412; Mission Equities Corp., 2-51521; Restaurant Associates Industries, Inc., 2-51428; The Toledo Edison Co., 2-51429; Urban Improvement Fund Ltd. 1974, 2-50182.

REGISTRATIONS WITHDRAWN

July 18: The Nieuport Co., 2-40853.

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
NACHMAN CORP	1	06/74
NJB PRIME INVESTORS	3,11,13,14	06/74
NORTHERN INDIANA PUBLIC SERVICE CO	3,13,14	06/74
OLD TUCSON CORP	7	06/74
OPTICAL SCANNING CORP	2,14	06/74
PARAGON VINEYARD CO INC	3	06/74
PENTAIR INDUSTRIES INC	3,14	06/74
PEOPLES GAS LIGHT & COKE CO	11,13,14	06/74
PNB MORTGAGE & REALTY INVESTORS	4,14	06/74
PPEC COMPANIES INC	10	06/74
PUEBLO INTERNATIONAL INC	11	06/74
PULLMAN INC	10,14	06/74
PUREPAC LABORATORIES CORP	11,14	06/74

RECENT 8K FILINGS CONT.

PVO INTERNATIONAL INC	3	06/74
RAPID AMERICAN CORP	3,10,14	06/74
RAYBESTOS MANHATTAN INC	13,14	06/74
READE WALTER ORGANIZATION INC	6,7,14	06/74
REALEX CORP	7	06/74
REPUBLIC NATIONAL LIFE INSURANCE CO	10,14	06/74
RICO ARGENTINE MINING CO	11	06/74
ROCKLAND ELECTRIC CO	7,14	06/74
ROWAN COMPANIES INC	7,14	06/74
SHELL OIL CO	3	06/74
SIGMA INTERNATIONAL LTD	13	06/74
SINCLAIR VENEZUELAN OIL CO	13	06/74
SMITHFIELD FOODS INC	2,7,8,14	06/74
SOUTHERN CO	13	06/74
STRATEGIC MEDICAL RESEARCH CORP	1,13	06/74
SUPERMARKETS GENERAL CORP	11,14	06/74
TENNESSEE VALLEY BANCORP INC	2,7,13,14	06/74
TEXTRON INC	3,13,14	06/74
TRI AID SCIENCES INC	11,12	06/74
TWIN CITY BARGE & TOWING CO	3	06/74
UNITED CONSOLIDATED INDUSTRIES INC	8,12,14	06/74
WAINOCO OIL LTD	11,12,14	06/74
WALGREEN CO	13	06/74
WASHINGTON HOMES INC	3	06/74
WESTERN PREFERRED CORP	2,14	06/74
WHITEHALL CEMENT MANUFACTURING CO	7,8	06/74
WUI INC	13	06/74
AIRCO INC	8	06/74
AIRWICK INDUSTRIES INC	1,13	06/74
ALABAMA DRY DOCK & SHIPBUILDING CO	3,7	06/74
ALASKA INTERSTATE CO	13	06/74
ALLERGAN PHARMACEUTICALS	7,11,14	06/74
ALLIED STORES CORP	11,14	06/74
ALPA CORP	12	06/74
AMAREX INC	2,13	06/74
AMERICAN BOOK STRATFORD PRESS INC	13,14	06/74
AMERICAN FAMILY CORP	13	06/74
AMERICAN FINANCIAL CORP	7,8	06/74
AMERICAN FINANCIAL LEASING & SERVICES CO	7,8	06/74
AMERICAN STORES CO	11	06/74
AMERICAN UNITED INNS INC	11,13	06/74
ANHEUSER BUSCH INC	13	06/74
APL CORP	7,13,14	06/74
ARNOLD CONSTABLE CORP	2,10	06/74
ARPEJA CALIFORNIA INC	13	06/74
ASSOCIATES CORP OF NORTH AMERICA	7	06/74
ATLAN TOL INDUSTRIES INC	11	06/74
ATLAS CORP	13,14	06/74
AUTOMATIQUE INC	8	06/74

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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