

sec news digest

Issue 74-175
(SEC Docket, Vol. 5, No. 5 - Sept. 24)

September 9, 1974

COMMISSION ANNOUNCEMENTS

PUBLIC FACT-FINDING PROCEEDING ON BENEFICIAL OWNERSHIP, ACQUISITIONS AND TAKEOVERS BY DOMESTIC AND FOREIGN PERSONS

The Commission announced today that it has ordered a public fact-finding investigatory proceeding, including public hearings, to develop a factual record concerning conditions and practices relating to acquisition and beneficial ownership of securities and corporate takeovers by domestic and foreign persons. The proceeding is not to be conducted for enforcement purposes, but rather to develop a factual basis for determining whether it is necessary or appropriate in the public interest or for the protection of investors for the Commission to adopt or amend rules, regulations or forms under the Securities Act of 1933 and the Securities Exchange Act of 1934 or to recommend to Congress further legislation concerning these subjects. Specifically, the proceeding will cover: the scope of the term "beneficial owner" for the purposes of reporting and disclosure under the Securities Act and the Exchange Act (except for purposes of Section 16 of the Exchange Act); the scope of the terms "tender offer," "group," and "acquisition" for purposes of Sections 13(d) and 14(d) under the Exchange Act (the "Williams Act"); the adequacy of the disclosure requirements of Schedules 13D and 14D; disclosure relating to issuers making tender offers for their own securities including when issuers attempt to "go private"; notice and dissemination requirements with respect to tender offers; and the necessity for legislative amendments relating to any of the above.

The public hearings, to be conducted by the Division of Corporation Finance, are tentatively scheduled to begin on Tuesday, November 12, 1974 at the Commission's offices in Washington, D.C. Persons wishing to suggest additional topics relating to beneficial ownership, takeovers and acquisitions for consideration during the proceeding should submit their suggestions in writing prior to October 11, 1974. Written comments relating to the specified subject matter may be submitted at any time prior to the close of the record of the proceeding. All written comments on the scope or subject matter or the hearing will be part of the public record, should refer to File No. 4-175, and should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549. Persons wishing to make an oral presentation at the hearings should contact Mary E. T. Beach, Chief of the Division of Corporation Finance's Office of Disclosure Policy and Proceedings (202-755-1750). Oral presentations will generally be limited to 20 minutes and will have to be preceded by 25 copies of a written statement. (Rel. 33-5526)

HEARINGS SCHEDULED ON INTERPRETATION OF NASD'S ANTI-RECIPROCAL RULE

The hearings on the interpretation of the National Association of Securities Dealers, Inc.'s (NASD) Anti-Reciprocal Rule (Article III, Section 26(k) of the NASD's Rules of Fair Practice), will commence at 10:00 a.m. on September 10, 1974, in Room 776 at 500 North Capitol Street, N. W., Washington, D. C. The schedule of the witnesses who will appear at the hearings is as follows: (See page 2)

SEC
40th
ANNIVERSARY

REMEMBER SEC 40TH ANNIVERSARY

The SEC 40th Anniversary Celebration will be held on October 24, 1974, at the Statler Hilton, 16th and K Sts., N.W., Washington, D.C. For additional information and registration form see page 7 of the Digest.

Tuesday, September 10, 1974

10:00 National Association of Securities Dealers, Inc.
11:15 Investment Company Institute
2:00 Securities Industry Association
3:00 Independent Broker-Dealers Trade Association

Wednesday, September 11, 1974

10:00 Capital Research and Management Company
10:30 The Putnam Companies, Inc.
11:00 Keystone Custodian Funds, Inc.
11:30 Pilgrim Management Company
12:00 Mutual of Omaha Fund Management Company
2:00 North Star Fund, Inc.
2:30 Merrill Lynch, Pierce, Fenner & Smith, Incorporated

Thursday, September 12, 1974

10:00 Lord Abbett & Company
11:00 Pershing & Company
2:00 Scudder, Stevens & Clark
2:30 Investment Counsel Association of America, Inc.

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

MIDWESTERN SECURITIES CORPORATION, LLOYD SAHLEY AND LOUIS GOLDBLATT SANCTIONED

The SEC has affirmed the administrative law judge's initial decision which concluded that the broker-dealer registration of Midwestern Securities Corporation, Cleveland, Ohio, be revoked, and that Midwestern be expelled from membership in the NASD. He also concluded that Lloyd W. Sahley, who was president of Midwestern, and Louis Goldblatt, who was chairman of its board, be barred from association with any broker-dealer, with the proviso that after six months Goldblatt may apply for permission to become so associated in a non-supervisory capacity upon a showing that he will be adequately supervised.

The administrative law judge found that Midwestern, aided and abetted by the individual respondents, violated the antifraud provisions and, aided and abetted by Sahley, the prospectus-delivery provisions of the securities laws in connection with transactions in the securities of Transceiver Corporation of America; that Midwestern, aided and abetted by Sahley, violated the reporting, net capital and recordkeeping provisions of the Securities Exchange Act; and that registrant and Sahley were subject to injunctions entered by the U.S. District Court for the Southern District of New York. (Rel. 34-10992)

INVESTMENT COMPANY ACT RELEASES

THE CAMBRIDGE FUND, INC.

An order has been issued on an application of The Cambridge Fund, Inc., a registered closed-end, non-diversified management investment company, NCD Financial Corporation, Inc., Tweedy, Browne & Knapp, and Robert Waller permitting the sale by Cambridge Fund of certain of its portfolio securities to Waller and NCD. (Rel. IC-8486)

PITTWAY CORPORATION

A notice has been issued giving interested persons until September 25 to request a hearing on an application of Pittway Corporation, a subsidiary of Standard Shares, Inc., closed-end, non-diversified management investment company, for an order permitting Pittway to engage the Metropolitan Construction Corporation, a wholly-owned subsidiary of Metropolitan Structures, an affiliate of Pittway, to construct a plant for Pittway's BRK Electronics Division. (Rel. IC-8487)

TUDOR CAPITAL FUND

An order has been issued on an application of Tudor Capital Fund declaring that Tudor has ceased to be an investment company. (Rel. IC-8482 - Sept.5)

MANHATTAN FUND

An order has been issued on an application of Manhattan Fund, Inc., and TMR Appreciation Fund, Inc., both mutual funds, exempting from certain provisions of the Act the proposed merger of Appreciation into Manhattan. (Rel. IC-8483 - Sept. 5)

PUTNAM INVESTORS FUND

A notice has been issued giving interested persons until September 25 to request a hearing on an application of Putnam Investors Fund, Inc. of Boston, Massachusetts, a mutual fund, for exemptions from certain provisions of the Act in connection with the exchange of its shares for substantially all the assets of Dominick Fund, Inc. of New York, New York, a closed-end investment company registered under the Act. (Rel. IC-8485 - Sept. 5)

DELMARVA POWER & LIGHT COMPANY

An order has been issued authorizing Delmarva Power & Light Company of Virginia to issue 30-year promissory notes to its parent, Delmarva Power & Light Company. The notes will be in an aggregate principal amount not to exceed \$2,750,000 and will be pledged with a bank. (Rel. 35-18553 - Sept. 5)

HOLDING COMPANY ACT RELEASES

SYSTEMS FUELS, INC.

The SEC has authorized System Fuels, Inc., a subsidiary of Middle South Utilities, Inc., to make payments aggregating up to \$67.5 million for future deliveries of fuel oil from a new refinery under construction by ECOL Ltd., a non-affiliate. The prepayments, to be stretched over a period of about two years, will constitute part of the total financing required to construct the Refinery. (Rel. 35-18554)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON THREE TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Equity Funding Corp., and over-the-counter trading in the securities of Zenith Development Corp. and Industries International, Inc. for the further ten-day period September 9-18, inclusive.

SECURITIES ACT REGISTRATIONS

(S-7) SIERRA PACIFIC POWER COMPANY

100 East Moana Lane, Reno, Nev. 89510 - 500,000 shares of common stock, and 300,000 shares of cumulative preferred stock, Series D, (\$50 par), to be offered for sale by underwriters headed by Dean Witter & Co. Incorporated, 14 Wall St., New York, N.Y. 10005, and Stone & Webster Securities Corporation, 90 Broad St., New York, N.Y. 10004. (File 2-51863 - Aug. 30)

(S-6) MUNICIPAL INVESTMENT TRUST FUND, TWENTY EIGHTH MONTHLY PAYMENT SERIES

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a Unit Investment Trust, is to be created by a trust agreement among Merrill Lynch, Bache & Co. Incorporated and Reynolds Securities Inc., as Sponsors, The Bank of New York, as Trustee, and Standard & Poor's Corporation, as Evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-51864 - Aug. 30)

(S-6) AMERICAN TAX-EXEMPT BOND TRUST,
SERIES 12

215 North Main St., West Bend, Wis. 52095 - \$4,725,000 of units, to be offered for sale at net asset value (\$1,050 maximum). The Trust is the second of a series of unit investment trusts created under a trust indenture among B. C. Ziegler and Company as sponsor, United States Trust Company of New York, as trustee, and Standard & Poor's Corporation, as evaluator. It consists of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal Income tax under existing law. (File 2-51866 - Sept. 3)

(S-7) SECURITY NEW YORK STATE CORPORATION

One East Avenue, Rochester, New York 14638 - \$10 million of floating rate notes, due 1994, to be offered for sale at par through a best efforts basis by Sage, Ruddy & Co., Inc., 45 Exchange St., Rochester, New York 14614. Security New York is a registered multi-bank holding company which owns nine commercial banks in upstate New York through which it offers a full range of commercial banking and trust services (File 2-51867 - Sept. 3).

(S-12's) FIRST NATIONAL CITY BANK

111 Wall St., New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for the following: (a) shares of Transvaal Consolidated Land and Exploration Company, Limited, a South African corporation (File 2-51885 - Sept. 4); and (b) ordinary shares of Free State Development and Investment Corporation Limited, a South African corporation. (File 2-51886 - Sept. 4)

REGISTRATIONS EFFECTIVE

Sept. 6: American Buildings Co., 2-51699; First Kentucky National Corp., 2-51754; James River Corporation of Virginia, 2-51822; South Carolina Electric & Gas Co., 2-51760; Springs Mills, Inc., 2-51776; Westrans Industries, Inc., 2-51464.

REGISTRATIONS WITHDRAWN

Aug. 16: Baldor Electric Co., 2-47319.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- | | |
|--|---|
| <i>Item 1. Changes in Control of Registrant</i> | <i>Item 9. Options to Purchase Securities</i> |
| <i>Item 2. Acquisition or Disposition of Assets</i> | <i>Item 10. Revaluation of Assets or Restatement of Capital Share Account</i> |
| <i>Item 3. Legal Proceedings</i> | <i>Item 11. Submission of Matters to a Vote of Security Holders</i> |
| <i>Item 4. Changes in Securities</i> | <i>Item 12. Changes in Registrant's Certifying Accountant</i> |
| <i>Item 5. Changes in Security for Registered Securities</i> | <i>Item 13. Other Materially Important Events</i> |
| <i>Item 6. Defaults upon Senior Securities</i> | <i>Item 14. Financial Statements and Exhibits</i> |
| <i>Item 7. Increase in Amount of Securities Outstanding</i> | |
| <i>Item 8. Decrease in Amount of Securities Outstanding</i> | |

The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
ADOBE OIL & GAS CORP	13	07/74
ADVANCED SYSTEMS INC	7,13	07/74
ALLIS CHALMERS CORP	3	07/74
AMBINA CORP	11,13,14	07/74
AMERICAN BOOK STRATFORD PRESS INC	3,8,13,14	07/74
AMERICAN NUCLEAR CORP	13	07/74
ANALOG DEVICES INC	14	07/74
ANDERSON STOKES INC	13	07/74

RECENT 8K REPORTS CONT.

ARCS EQUITIES CORP	3,13,14	07/74
ARGUS INC	13	07/74
AUTOCOMP INC	13,14	03/73
AUTOCOMP INC	11,13,14	08/73
AUTOCOMP INC	10,14	10/73
AUTOCOMP INC	12,13,14	01/74
AUTOCOMP INC	13,14	06/74
AVM CORP	6,13,14	07/74
BATES MANUFACTURING CO INC	1,3,7,8,13,14	07/74
BELL TELEPHONE CO OF PENNSYLVANIA	7,14	07/74
BITEX CORP	3,10,13,14	07/74
BRILUND MINES LTD	11,13,14	07/74
BUILDEX INC	13	07/74
CAMELOT ENTERPRISES INC	2,14	07/74
CANAL RANDOLPH CORP	3,7,14	07/74
CARLSBERG MOBILE HOME PROPERTIES LTD 72	2,3,13	07/74
CHEMICAL EXPRESS CO	7	07/74
CIC FINANCIAL CORP	14	07/74
CIMARRON CORP OF AMERICA	NO ITEMS	06/74
COMPUTER TRANSCIVER SYSTEMS INC	11,13	07/74
CONTINENTAL CONNECTOR CORP	2,14	07/74
CONTINUED CARE FACILITIES INC	2,14	07/74
COPPER RANGE CO	4,7,14	07/74
CORTERRA CORP	6,13,14	08/74
CUBB PAC CORP	11,12,14	06/74
CUMMINS ENGINE CO INC	7,8,14	07/74
CUTLER FEDERAL INC	13,14	07/74
CYBERMATICS INC	13,14	07/74
DATA DIMENSIONS INC	9,14	07/74
DATA DISC INC	7	07/74
DELTA AIR LINES INC	7	04/74
DESIGNCRAFT JEWEL INDUSTRIES INC	2	07/74
DURR FILLAUER MEDICAL INC	7,14	07/74
DYNALECTRON CORP	7	07/74
EARTH ENERGY INC	11	07/74
FABRI TEK INC	9	07/74
FIRST FARWEST CORP	13	07/74
FIRST NATIONAL STORES INC	10,13,14	07/74
FIRST PENNSYLVANIA MORTGAGE TRUST	3,4,14	07/74
FIRST REALTY INVESTMENT CORP	7,8,14	07/74
FLORIDA FIRST EQUITIES CORP	13,14	07/74
FRANKLIN NEW YORK CORP	2,6	05/74
GENERAL PORTLAND INC	10,14	07/74
GENERAL RESOURCES CORP	2,14	07/74
GPI INC	13	08/74
GREEN GIANT CO	11,14	07/74
GUARDIAN MORTGAGE INVESTORS	11,14	07/74
HARMAN INTERNATIONAL INDUSTRIES	13,14	07/74
HEALTH INDUSTRIES INC	13	07/74
HEALTH MANAGEMENT SERVICES INC	11,14	07/74
HEMDALE ENTERPRISES INC	13,14	07/74
HERITAGE BANCORPORATION	2,14	07/74
HOUSTON OIL & MINERALS CORP	7,11,14	06/74
HYATT INTERNATIONAL CORP	11	07/74
HYNES & HOWES SECURITIES CO	2,3,14	07/74
INDEPENDENCE MANAGEMENT CORP	6,14	08/74
INTEGON CORP	2,14	07/74
INTER CONTINENTAL SERVICES CORP	8	08/74
INTERNATIONAL MINING CORP	2,10	07/74
INVESTMENT CORP OF FLORIDA	3,9,13	07/74
INVESTORS REIT TWO	13	07/74
ITI CORP	2,7,14	07/74
JERRICO INC	7,8	07/74
KEYSTONE CUSTODIAN FUNDS INC	2,8,13,14	06/74
KIMBALL INTERNATIONAL INC	11,13,14	07/74
KIMBERLY CLARK CORP	3	07/74
KODICOR INC	13	08/74
KOOLY KUPP INC	13	07/74
KOPPERS CO INC	7	07/74
LADD ENTERPRISES INC	NO ITEMS	07/74
LEXITRON CORP	4,7,14	07/74
LEXTON ANCIRA REAL ESTATE FUND LTD 1972	3,8,14	07/74

RECENT 8K REPORTS CONT.

LEXTON ANCIRA REAL ESTATE INCOME FUND LT	2,8,14	07/74
LEXTON ANCIRA REAL ESTATE INCOME LTD 19	13,14	07/74
LOMMA INTERNATIONAL INC	3	07/74
LOUISIANA PACIFIC RESOURCES INC	1,3,11	07/74
MARIFARMS INC	13	07/74
MARION LABORATORIES INC	3	07/74
MARK SYSTEMS INC	1,2,4,8,13	07/74
MATTHIESSEN & HEGELER ZINC CO	2,7,13,14	07/74
MAXA CORP	2,3,8,14	07/74
MEMOREX CORP	10,14	07/74
MISSISSIPPI CHEMICAL CORP	2	07/74
MISTER HANGER INC	3,13,14	07/74
MOHAWK DATA SCIENCES CORP	13,14	07/74
MONOGRAM INDUSTRIES INC	13	07/74
NATIONAL AIRLINES INC	7,8,13	07/74
NATIONAL COMMUNITY BUILDERS	3,6,13	07/74
NATIONAL INDUSTRIAL SERVICES CORP	10,14	07/74
NATIONWIDE REAL ESTATE INVESTORS	11,13	07/74
NORTHERN INVESTMENT PROPERTIES	13,14	07/74
NORTHERN REAL ESTATE TRUST	13,14	07/74
NORTHERN VIRGINIA BANKSHARES INC	11	08/74
NORTHWEST ACCEPTANCE CORP	3	07/74
OPTEL CORP	4,7,9,14	07/74
ORMONT DRUG & CHEMICAL CO INC	3,14	07/74
PAN AMERICAN WORLD AIRWAYS INC	8,13,14	07/74
PATENT DEVELOPMENT CORP	11	07/74
PATO CONSOLIDATED GOLD DREDGING LTD	2,10,14	07/74
PAXALL INC	11	07/74
PETRO LEWIS OIL INCOME PROGRAM 72 6 73 3	NO ITEMS	01/74
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	10/73
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	11/73
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	12/73
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	01/74
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	02/74
PETRO LEWIS OIL INCOME PROGRAM 73 8 74 5	NO ITEMS	03/74
PETROMINERALS CORP	2	06/74
PORTEC INC	10,13,14	07/74
POWER PHYSICS CORP	7	07/74
PP&C COMPANIES INC	8	07/74
PUBLIC SERVICE ELECTRIC & GAS CO	3,13	07/74
RELIANCE INDUSTRIES INC	7	07/74
RESIDEX CORP	6,7,8,10,12,13,14	07/74
RICHMOND CORP	13	07/74
ROYAL SCOTSMAN INNS CORP	11	07/74
SEAFIRST CORP	3,10,13,14	07/74
SEAPORT CORP	13	07/74
SENTRY FINANCE CO	13	05/74
SHELL PIPE LINE CORP	3	07/74
SOUTHERTON CORP	2,14	07/74
SOUTHLAND PAPER MILLS INC	7,14	07/74
SPERTI DRUG PRODUCTS INC	3,13	07/74
STANDARD DREDGING CORP	2	11/73
STANDARD DREDGING CORP	2,13,14	12/73
STANDARD DREDGING CORP	3	03/74
STANDARD DREDGING CORP	3,13,14	05/74
STANDARD DREDGING CORP	3,13,14	07/74
STANDARD OIL CO OF OHIO	3	07/74
STIRLING HOMEX CORP	14	07/74
SUN OIL CO	7	07/74
SUPREME OIL & GAS CORP	3,13	07/74
TEMPO INSTRUMENTS & CONTROLS CORP	2,14	08/74
TERRAMAR CORP	13	07/74
TEXAS INSTRUMENTS INC	14	07/74
TEXAS OIL & GAS CORP	7	07/74
TRANSCONTINENTAL GAS PIPE LINE CORP	3	07/74
TRANSNET CORP	3	10/73
TRANSNET CORP	7,14	01/74
TRANSNET CORP	2,14	03/74
TWENTIETH CENTURY FOX FILM CORP	3,14	07/74
UNION PLANTERS CORP	10,13,14	07/74
UNITED AMERICA GROUP INC	6,13,14	05/74
UNITED FINANCING CORP	1,2,7,14	07/74

The SEC wishes to invite all past employees to attend its 40th Anniversary Celebration to be held on October 24, 1974, at the Statler Hilton in Washington. The price will be \$25 per person for all former employees. The dress is optional.

Many past staff members may wish to sit together as a group, or even reserve an entire table for 12. Priority will be given to requests for such special arrangements whenever possible. To avoid confusion, however, only one of such group should request the special seating arrangement--but each person in a group should be identified and in the manner in which his or her name should appear in the Anniversary Program. You may use the registration form on this page. We cannot finalize our plans with the Hotel until we have rather definite information as to the number expected to attend, so we request that you make your reservation as soon as possible. Tickets will be mailed to the purchasers.

Please notify any past SEC friends, get together a group, and come help us celebrate!
DINNER RESERVATION & REGISTRATION FORM

To The SEC Anniversary Committee:

Herewith is my check or money order in the amount of \$_____ for which please issue _____ tickets to the SEC 40th Anniversary Celebration for the following persons (please PRINT names as they should appear in the Anniversary Program, listing married couples as "Mr. and Mrs."):

Please send the tickets to:

(Name) _____
(Address) _____

Please seat the persons listed above with the following additional persons (please PRINT names):

Make checks or money orders payable to "SEC Anniversary Committee," and mail to

SEC Anniversary Committee, Room 856
Securities and Exchange Commission
Washington, D. C. 20549

Present staff members and employees may make payment to Lawrence A. Friend, Treasurer, in Room 502.

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.

SEC NEWS DIGEST is published daily. Subscription rates: \$35.45/yr in U.S. first class mail; \$44.35 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$21.35/yr in U.S. first class mail, \$26.70 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.