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# sec news digest

U.S. SECURITIES EXCHANGE COMMISSION  
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## COMMISSION ANNOUNCEMENTS

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### PUBLIC FACT-FINDING INVESTIGATION AND RULEMAKING PROCEEDING IN THE MATTER OF "GOING PRIVATE" TRANSACTIONS BY PUBLIC COMPANIES OR THEIR AFFILIATES

The Commission announced today that it has ordered a public investigation and rulemaking proceeding, including public hearings, to ascertain facts, conditions, practices and other matters relating to so-called "going private" transactions by public companies or their affiliates. It invites both oral and written comments from interested persons regarding proposed rules dealing with, as well as various inquiries related to, such transactions. The purpose of this investigatory and rulemaking proceeding is 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 one or more rules under the Securities Exchange Act based in whole or in part on the rules proposed for comment today, denominated for purposes of this proceeding as proposed Rule 13e-3A and proposed Rule 13e-3B.

In announcing this proceeding, the Commission does not wish its position to be misunderstood. The phenomenon of "going private" is important and raises significant questions of investor protection which should be thoroughly explored. It is for that reason that the proceeding has been ordered. The Commission, however, has reached no conclusions with respect to the proposed rules. They are included to provide a framework for the hearing and the comments. Other suggestions will be welcomed.

The public hearings are tentatively scheduled to commence during April 1975, at the Commission's offices in Washington, D.C. Any persons wishing to suggest additional inquiries relating to "going private" transactions which should be examined during the course of the proceeding should submit their suggestions in writing prior to March 15, 1975. In addition, any person wishing to submit specific written comments concerning the proposed rules or the additional inquiries is invited to do so at any time prior to the close of the record of the proceeding. All written comments on the scope or subject matter of the hearing will be part of the public record, should refer to File No. 4-178, and should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549.

During the pendency of this proceeding, the Commission's staff will process filings, the Commission will initiate and its staff will conduct enforcement proceedings where appropriate, and the staff will respond to "no-action", interpretative and exemptive requests regarding so-called "go private" transactions. (Rel. 33-5567)

#### FRANCES L. CISNA APPOINTED BRANCH CHIEF

Alan B. Levenson, Director of the Division of Corporation Finance today announced the appointment of Frances L. Cisna as Branch Chief in the Office of Oil and Gas. Miss Cisna received a B. S. degree in Geology in 1950 and an M. A. degree in Economics in 1952 from the George Washington University. Previously, she had served four years as an officer in the U.S. Navy.

Miss Cisna joined the Commission's staff in 1956 and has served continuously in the Division of Corporation Finance in increasingly responsible positions.

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## COURT ENFORCEMENT ACTIONS

### FINDINGS OF FACT AND CONCLUSIONS OF LAW ISSUED AS TO JOHN W. SURGENT

The New York Regional Office announced that on January 29 U.S. District Court Judge Constance Baker Motley issued findings of fact and conclusions of law in which she ruled that John W. Surgent had aided and abetted violations of the antifraud provisions of the securities laws in the market manipulation of the common stock of Omni-Rx Health

Systems, Inc. The Court found that Surgent knew or should have known that he was aiding and abetting the illegal activity of defendant Ralph T. Iannelli in concealing unauthorized purchases. The Court further found that there was a reasonable likelihood that Surgent might again engage in similar manipulations in the future and that the issuance of injunctive relief is essential. (SEC v. Iannelli, et al., S.D.N.Y., 74 Civil 3417CBM). (LR-6717)

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## INVESTMENT COMPANY ACT RELEASES

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### SUMMIT CAPITAL INVESTMENT PLANS

A notice has been issued giving interested persons until March 5 to request a hearing on a proposal by the Commission to declare on its own motion that Summit Capital Investment Plans, a unit investment trust, has ceased to be an investment company. (Rel. IC-8661 - Feb. 5)

### GENERAL HOST CORPORATION

An order was issued permitting General Host Corporation, formerly a registered closed-end investment company, to purchase retroactively, 437,700 shares of common stock issued by it from The Goldfield Corporation. (Rel. IC-8663 - Feb. 6)

### CG MONEY MARKET FUND

An order has been issued on an application by CG Money Market Fund, Inc., a mutual fund, Connecticut General Life Insurance Company (CG Life), the organizer of the Fund, and CG Equity Sales Company, the principal underwriter of the Fund and a wholly-owned subsidiary of Connecticut General Insurance Corporation, the parent corporation of CG Life, permitting the sale of securities of the Fund with a special schedule of sales loads, that is lower than that ordinarily provided, when such securities are purchased with the proceeds of insurance contracts issued by CG Life. (Rel. IC-8664 - Feb. 6)

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## MISCELLANEOUS

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### BI LIQUIDATING CORPORATION

A notice has been issued giving interested persons until March 3 to request a hearing on an application by BI Liquidating Corporation under Section 12(h) of the Securities Exchange Act of 1934 for an order exempting BI from the reporting requirements of Section 13 of the Act. BI believes that such action would not be inconsistent with the public interest or the protection of investors since it has no operations and is presently distributing its sole asset, Wilson Brothers' common stock, to its shareholders in liquidation, Wilson filed reports with the Commission under Section 13 of the Act. (Rel. 34-11229)

### ROJEAN ENTERPRISES, INC.

An order has been issued denying the application of Rojean Enterprises, Inc., a New York corporation, under Section 12(h) of the Securities Exchange Act of 1934 for an exemption from the provisions of Section 15(d) of the Act. It appeared to the Commission that the granting of the requested exemption would not have been consistent with the public interest or the protection of investors. (Rel. 34-11230)

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## SECURITIES ACT REGISTRATIONS

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### (S-7) ARIZONA PUBLIC SERVICE COMPANY

411 North Central Ave., Phoenix, Ariz. 85004 - \$100 million of first mortgage bonds, due 1982, to be offered for sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York, N.Y. 10005. The company is a public utility principally engaged in the generation of electric energy, and in the purchase and sale of natural gas. (File 2-52778 - Feb. 3)

In a separate statement the company seeks registration of 2,000,000 shares of common stock, to be offered for sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York, N.Y. 10005. (File 2-52779 - Feb. 3)

(S-1) EAST INDIA COMPANY

5423 Jet View Circle, Tampa, Fla. 33614 - \$1,250,000 of common stock, to be offered for sale at \$5 per share through best efforts underwriters headed by McClintock & Associates, Inc., 5423 Jet View Circle, Tampa, Fla., 33614. The company proposes to import products from India to be resold at wholesale and retail in Florida and to export products from Florida for use in India. (File 2-52685 - Jan. 20)

(S-5) WHITEHALL MONEY MARKET TRUST

P. O. Box 823, Valley Forge, Pa. 19482 - \$10 million of shares of beneficial interest, to be offered for sale at net asset value (\$1 per share) with no sales charge. The Trust is a diversified, open-end investment company, whose goal is to obtain the maximum current income, consistent with the preservation of capital and liquidity, that is available through investments in money market instruments. Wellington Management Company is the investment adviser. (File 2-52698 - Jan. 20)

(S-7) THE NARRAGANSETT ELECTRIC COMPANY

280 Melrose St., Providence, R. I. 02901 - \$15 million of first mortgage bonds, Series L, to be offered for sale at competitive bidding. The company distributes and sells electricity at retail. (File 2-52775 - Feb. 4)

(S-1) HOME STATE FINANCIAL SERVICES, INC.

601 Main St., Cincinnati, Ohio 45202 - \$10 million of guaranteed debentures, due not more than ten years from issue date, to be offered for sale in units of not less than \$1,000, by executive officers of the company on a "best-efforts" basis. The debentures are fully guaranteed by Warner National Corporation. The company will be engaged in the finance business (principally commercial). (File 2-52785 - Feb. 4)

(S-1) AVCO FINANCIAL SERVICES, INC.

620 Newport Center Dr., Newport Beach, Cal. 92660 - \$50 million of senior notes, due 1982, to be offered for sale by underwriters led by Salomon Brothers and Kidder, Peabody & Co. Incorporated. The company is engaged primarily in the consumer finance business. (File 2-52790 - Feb. 5)

(S-7) HEUBLEIN, INC.

Farmington, Conn. 06032 - \$125 million of notes, due 1985, to be offered for sale through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. 10005. Heublein's principal business is the production and distribution of alcoholic beverages including distilled spirits and wines and the processing and sale of Kentucky Fried Chicken through retail convenience food outlets and other food products. (File 2-52792 - Feb. 5)

(S-12) FIRST NATIONAL CITY BANK

111 Wall St., New York, N.Y. 10015 - filed two registration statements seeking registration of: 100,000 American Depositary Receipts for stock of 3-1/2% war loan of the United Kingdom of Great Britain and Northern Ireland. (File 2-52758 - Jan. 30)

100,000 American Depositary Receipts for bearer bonds of Emprunt 4-1/2% Amortissable 1973, due 2007, of the Republic of France (Rente Giscard). (File 2-52773 - Jan. 31)

REGISTRATIONS WITHDRAWN

Jan. 23: NVF Co., 2-50868.

Jan. 30: Rowan Companies, Inc., 2-50083.

## 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
COQUINA OIL CORP	2,7,14	12/74
EXXON PIPELINE CO	3	12/74
FUNDING SYSTEMS CORP	11,13	12/74
HMO INTERNATIONAL	3	12/74
SONIC INDUSTRIES INC	1,2,7,9,11,13,14	12/74
STERLING COMPUTER SYSTEMS INC	2	12/74
TRIAD AMERICAN CAPITAL CORP	6,13	11/74
UNICARE SERVICES INC	7,14	11/74
GELCO FELD CORP	NO ITEMS	10/74
GREAT WESTERN PRODUCERS COOPERATIVE	NO ITEMS	12/74
MAPLE PLAIN CO INC	12	08/73
PATENT DEVELOPMENT CORP	12	10/74
<b>AMENDMENTS TO REPORTS ON FORM 8-K</b>		
BUMBLEBERRY ENTERPRISES INC	12	11/74
COMBUSTION ENGINEERING INC	3	12/74
INSYTE CORP	3,11,14	12/74
MARCOR INC	12	09/74
MASS MERCHANDISERS INC	14	06/74
MESA PETROLEUM CO	13	10/74
OHIO REAL ESTATE EQUITIES CO	12,14	10/74
OHIO REAL ESTATE INVESTMENT CO	13,14	10/74
PLAZA GROUP INC	3	12/74
RPM INC	3	11/74
SHASTINA PROPERTIES INC	3	11/74
SIMPLICITY PATTERN CO INC	14	11/74
SKAGGS COMPANIES INC	8,14	10/74
SKELLY OIL CO	13	12/74
STANDARD PACIFIC CORP	7,8	11/74
VALLEY FORGE CORP	13,14	09/74
VTR INC	1,2	11/74
WHITE MARTHA FOODS INC	4,7	10/74
WOMETCO ENTERPRISES INC	4,13	12/74
WOODWAY REALTY CORP	8	10/74

### 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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