

2 sec news digest

J. S. SECURITIES & EXCHANGE COMMISSION

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December 3, 1975

RULES AND RELATED MATTERS

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EXTENSION OF TIME FOR BENEFICIAL OWNERSHIP COMMENTS

LIBRARY

On August 25, 1975, the Commission announced various proposals relating to disclosure of beneficial owners and holders of record of voting securities. The time for submitting comments on the proposals expired November 30, 1975, but the Commission has extended the comment period to January 2, 1976. (Rel. 33-5650)

NOTICE OF PROPOSED RULE CHANGE BY SELF-REGULATORY ORGANIZATIONS

The National Association of Securities Dealers, Inc., submitted a proposed amendment under Rule 19b-4 of its By-laws to establish qualifications for a firm to be admitted to membership in the Association, including requirements for specified categories of principals, and to require associated persons to be registered with the Association according to the functions performed by each person. Publication of the submission is expected to be made in the Federal Register during the week of December 1. (Rel. 34-11889)

COMMISSION ANNOUNCEMENTS

FOREIGN RESTRICTED LIST

The Commission placed on the Foreign Restricted List Royal Greyhound and Turf Holdings Limited for the reason that it is publicly offering its shares and debentures to investors in the United States in violation of the registration requirements of Section 5 of the Securities Act of 1933. (Rel. 33-5649)

TRADING SUSPENSIONS

WESTGATE SUSPENSION TERMINATED

The SEC has announced the termination of the temporary suspension of over-the-counter trading in the securities of Westgate California Corporation located in San Diego, California at midnight (EST) on December 2. The Commission initially suspended trading in Westgate's securities on May 11, 1973 in view of the lack of current financial information about the company.

Westgate has not made any periodic filings with the Commission for some time. Furthermore, Westgate's most recent annual report filed with the Commission was for its fiscal year ending December 31, 1971, and the company's independent auditors withdrew their certificates for such report in May 1973. Westgate has advised the Commission that, in view of the current court proceedings under Chapter XI of the Bankruptcy Act and the substantial restructuring of its operations, the company does not believe that it is feasible to make available current information which would provide an informed basis for investment decisions with respect to Westgate's securities.

As noted above, trading in Westgate's securities has been suspended for over two years, and it does not presently appear that adequate and accurate information with respect to Westgate will be available in the near future. Under the circumstances, the Commission has determined to terminate the trading suspensions since it does not seem desirable to prolong the suspension indefinitely and investors should by now be aware that there are major uncertainties with respect to the situation. In that connection, the Commission has been informed that there are significant obstacles to the successful reorganization of Westgate. (Rel. 34-11893)

ADDITIONAL ACTION ON TWO 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 Industries International Inc. for the further ten-day period December 3 - 12, inclusive.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES TIME LENDERS, INC. AND WALTER WENCKE

The Los Angeles Regional Office announced that on October 24 the Commission filed a complaint in U.S. District Court in San Diego seeking injunctions against Time-Lenders, Inc., headquartered in San Diego, California; and Walter Wencke, of Rancho Santa Fe, California; from violations of the reporting and proxy provisions of the securities laws. The complaint also seeks ancillary relief in the form of injunctions compelling the defendants to correct Time-Lenders' reports, the appointment of a Special Agent for Time-Lenders, and an order restraining the defendants from disposing of Time-Lenders' assets pending resolution of the matters set forth in the Commission's complaint.

The Commission's complaint alleges, among other things, that Wencke caused Time-Lenders to amend its articles and thereby reduce the number of its outstanding shares by means of a 100 to 1 reverse stock split and concurrent repurchase of fractional shares. The complaint further alleges that prior to these transactions, Wencke's affiliates owned 100% of Time-Lenders' non-voting stock and 60% of its voting stock; and that after the recapitalization was effected, the number of voting shareholders was reduced from 999 to 44.

The complaint also alleges that Wencke caused Time-Lenders to file an annual report on Form 10-K for 1975, which was materially false and misleading with respect to the purposes, circumstances and legality of the reverse stock split and fractional share repurchase amendments and transactions. In addition, the complaint alleges that the defendants either solicited consents to the reverse stock split and fractional share repurchase amendments without supplying Time-Lenders' shareholders with written proxy statements, or that the defendants failed to supply information to shareholders substantially equivalent to the information which would be required to be transmitted if a solicitation had been made. (SEC v. Time-Lenders, Inc., et al., CV-75-1032-GT, S.D. CA). (LR-7187)

ALLEN M. LINDENBERG ENJOINED

The Washington Regional Office announced that on November 25 the federal court in Pittsburgh, Pennsylvania, permanently enjoined Allen M. Lindenberg of Pittsburgh, Pennsylvania from violations of the registration and antifraud provisions of the securities laws in connection with the offer and sale of securities, namely Computab, Inc. common stock, or any other securities. The defendant consented to the entry of the final judgment without admitting or denying the allegations contained in the Commission's complaint.

Misrepresentations and omissions alleged in the complaint concern, among other things, prospects for a public offering of Computab, Inc. common stock, increases in the market price of said stock, the financial condition of Computab, and offers by others to acquire Computab. (SEC v. Allen M. Lindenberg, W.D. Pa., Civil Action No. 75-1514). (LR-7188)

INVESTMENT COMPANY ACT RELEASES

SHAMROCK FUND

An order has been issued declaring that Shamrock Fund has ceased to be an investment company. (Rel. IC-9060 - Dec. 1)

AMERICAN MUTUAL FUND

A notice has been issued giving interested persons until December 26 to request a hearing on an application of American Mutual Fund, Inc. (AMF), an open-end investment company, American Funds Distributors, Inc., the principal underwriter of AMF, National Municipal Trust, First Insured Discount Series and Subsequent Series (NMT), a unit investment trust, and Thomson & McKinnon Auchincloss Kohlmeyer Inc., the sponsor and principal underwriter of NMT, on April 18, 1975, and amendments thereto on June 30,

July 22, September 5, and November 17, 1975, for exemption from the provisions of Section 22(d) to permit a combination offering of AMF shares and NMT units. (Rel. IC-9061 - Dec. 2)

HOLDING COMPANY ACT RELEASES

CENTRAL POWER AND LIGHT COMPANY

An order has been issued authorizing Central Power and Light Company, a subsidiary of Central and South West Corporation, to amend its charter relating to its earnings test for issuing preferred stock and to pay common stock dividends out of certain restricted earned surplus. (Rel. 35-19271 - Dec. 1)

NEW ENGLAND ELECTRIC SYSTEM

An order has been issued authorizing New England Electric System, a registered holding company, to issue and sell short-term notes to banks, the amount of such notes outstanding at any one time to be not more than \$25 million. (Rel. 35-19272 - Dec. 1)

ALLEGHENY POWER SYSTEM

An order has been issued authorizing Allegheny Power System, Inc., a registered holding company, to issue and sell up to 3,500,000 shares of authorized and unissued common stock, par value \$2.50 per share, at competitive bidding. (Rel. 35-19273 - Dec. 1)

YANKEE ATOMIC ELECTRIC COMPANY

A notice has been issued giving interested persons until December 26 to request a hearing on a proposal of Yankee Atomic Electric Company, a subsidiary of New England Electric System and Northeast Utilities, to issue and sell short-term promissory notes to a bank and to a dealer in commercial paper. (Rel. 35-19274 - Dec. 1)

OHIO EDISON COMPANY

An order has been issued authorizing Ohio Edison Company, a registered holding company, to issue first mortgage bonds for sinking fund purposes and to issue and sell up to 400,000 shares of a new series of preferred stock, \$100 par value, at competitive bidding. (Rel. 35-19275 - Dec. 2)

CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until December 29 to request a hearing on a post-effective amendment regarding proposals of Consolidated Natural Gas Company, a registered holding company, and three of its subsidiaries, to engage in intrasystem financing. (Rel. 35-19277 - Dec. 2)

NATIONAL FUEL GAS COMPANY

A notice has been issued giving interested persons until December 26 to request a hearing on a post-effective amendment of National Fuel Gas Company, a registered holding company, and its subsidiary, regarding the proposed issue and sale of commercial paper and/or notes to a bank by the holding company and the loan of the proceeds thereof to the subsidiary for unsecured short-term notes. (Rel. 35-19278 - Dec. 2)

SECURITIES ACT REGISTRATIONS

(S-7) ILLINOIS POWER COMPANY

500 South 27th St., Decatur, Ill. 62525 - 200,000 shares of common stock, to be offered to employees of the company through an Employee Stock Ownership Plan. The company is an operating public utility engaged in supplying electric and gas service. (File 2-55097 - Nov. 28)

In a separate statement, 50,000 shares are also being offered to employees through an Employee Stock Ownership Plan. (File 2-55098 - Nov. 28)

(S-1) MOUNTAIN VIEW FUTURES FUND

1020 South Wabash Ave., Chicago, Ill. 60605 - 5,000 units of limited partnership interest, to be offered for sale on a best efforts basis at \$1,000 per unit by Conti-Securities, Inc., Board of Trade Building, Chicago, Ill. 60604. The Fund is a limited

partnership which will engage in the trading of commodity futures contracts. (File 2-55106 - Dec. 1)

(S-11) COLDWELL, BANKER EMPLOYEES INVESTMENT-3
(THE PARTNERSHIP)

533 Fremont Ave., Los Angeles, Cal. 90017 - 4,000 units of partnership interest, to be offered for sale at \$500 per unit, to individuals who are full-time employees of Coldwell, Banker & Company (CB), or any of its subsidiaries or independent contractors affiliated with CB or its subsidiaries. The units will be offered through Coldwell Banker Securities Corporation, a wholly-owned subsidiary of CB. The partnership will engage in investment in real estate. (File 2-55105 - Dec. 1)

(S-1) FARMLAND INDUSTRIES, INC.

3315 North Oak Trafficway, Kansas City, Mo. 64116 - certificates ranging from 7% to 9-1/2% and maturing from five to twenty years as follows: \$1,710,000 subordinated certificates of investment; \$132,000,000 subordinated capital investment certificates; \$18,000,000 subordinated monthly income capital investment certificate; and 400 shares of common stock. The company is a farm supply and marketing cooperative. (File 2-55103 - Dec. 1)

(S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK

23 Wall St., New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for ordinary shares of Cadbury Schweppes Limited, an English corporation. (File 2-55101 - Nov. 28)

REGISTRATIONS EFFECTIVE

Nov. 26: Cutler Hammer Inc., 2-54934; Dial Financial Corp., 2-54757; Ferro Corp., 2-54890; Generics Corporation of America (90 days), 2-54066; RB Industries Inc., 2-54859; Reserve Oil and Gas Co., 2-54703; Security Plastics Inc., 2-54228; Southeast Banking Corp., 2-55068; Total Bancshares Corp., 2-54451.
Nov. 28: Dairy Capital Corp. (90 days), 2-54691; Mohawk Data Sciences Corp., 2-54792; The United States Shoe Corp., 2-54503; Vanderbilt Energy Corp. (90 days), 2-54056.
Dec. 1: A. V. C. Corp., 2-54756; Allegheny Power System Inc., 2-54957; BankAmerica Corp., 2-54952; Dauphin Deposit Corp., 2-52786; McNeil Money Market Fund Inc., 2-53863; Mangual Ltd., 2-55054; New York State Electric & Gas Corp., 2-54903; Revlon Inc., 2-55001; The South African Breweries Ltd., 2-55053.

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.

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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