

# sec news digest

Issue 75-75

(SEC Docket, Vol. 6, No. 15 - April 29)

U.S. SECURITIES & EXCHANGE COMMISSION

RECEIVED

April 17, 1975

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## RULES AND RELATED MATTERS

APR 21 1975

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### COMMENT PERIOD EXTENDED ON PROPOSAL TO RESCIND RULE 3c-4 AND RULE 202-1

### LIBRARY.

The SEC has further extended from April 18 until June 2, 1975, the period within which written views and comments may be submitted on the proposal to rescind Rule 3c-4 under the Investment Company Act of 1940 and Rule 202-1 under the Investment Advisers Act of 1940. The proposal to rescind was announced on February 27, 1975 (Rel. IC-8690 and Rel. IA-439) and the original comment period was extended from March 31 to April 18, 1975, on March 5, 1974 (Rel. IC-8706 and Rel. IA-443). (Rel. IC-8761 and Rel. IA-453)

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### COMMENT PERIOD EXTENDED ON NOTICE OF INTENTION TO PROPOSE A RULE UNDER SECTION 6(e) OF THE INVESTMENT COMPANY ACT OF 1940 FOR VARIABLE LIFE INSURANCE

The SEC has extended from April 18 until June 2, 1975, the period within which written views and comments may be submitted on the notice of intention to propose a rule under Section 6(e) of the Investment Company Act of 1940 for variable life insurance. The notice of intention to propose a rule was announced on February 27, 1975 (Rel. IC-8691 and Rel. IA-440). (Rel. IC-8760 and Rel. IA-452).

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## COMMISSION ANNOUNCEMENTS

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### NEW PROPOSALS ISSUED ON INTERIM FINANCIAL REPORTING; COMMISSION ORDERS HEARINGS

The Commission today issued for comment additional proposals covering the disclosure of interim results and the involvement of independent accountants in the interim reporting process of registrants. These proposals, which supplement those previously issued in Securities Act Release No. 5549 (December 19, 1974), among other things would: (1) permit the footnote which includes limited quarterly data to be labeled "unaudited"; (2) expand the note requirement to include data for full quarters in any stub period income statements presented; (3) specify the limited review procedures independent public accountants would be expected to follow when this unaudited note is included in audited financial statements; (4) permit (but not require) independent public accountants to be associated with data on Form 10-Q when they have performed certain specified review procedures; (5) permit registrants, who do not meet the current financial tests for using the less costly registration Form S-7, to use this form if their independent accountants have been associated with the three most recently filed Form 10-Q's; and (6) require the chief financial officer of the registrant to sign Form 10-Q. (Rel. 33-5579)

In addition to requesting comments on this alternative proposal, the Commission has determined to hold hearings on interim financial reporting and the independent accountant's role therein. The hearings will begin at 10 a.m. on June 2, 1975 and continue at such times and places as the designated hearing officer may determine through June 18, 1975. Any person wishing to appear at the hearing should contact George D. Sergio in the Office of the Chief Accountant (202) 755-1177. (Rel. 34-11354)

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## COURT ENFORCEMENT ACTIONS

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### COMPLAINT NAMES NORTHROP CORPORATION, OTHERS

The SEC announced the filing of a complaint in the U. S. District Court for the District of Columbia against Northrop Corporation, Thomas V. Jones and James Allen. In essence, the Commission's complaint alleges that the defendant violated Sections 13(a)

and 14(a) of the Securities Exchange Act, and certain rules promulgated thereunder, by filing with the Commission annual reports and soliciting proxies from shareholders of Northrop Corporation which failed to disclose that the defendants and others created a fund of \$476,000 of corporate monies which was used for political campaign contributions and other purposes. Additionally, it is alleged that during the period of 1971 through 1973, the defendants committed Northrop to disburse approximately \$30 million to consultants and others without adequate records and controls sufficient to insure not only that such disbursements were made for the purposes indicated, but also whether services rendered in return for such disbursements were commensurate with the amounts of such disbursements. The Commission's complaint further alleges that the annual reports and proxy materials filed with the Commission failed to disclose these activities and that the financial statements of Northrop Corporation filed with the Commission falsely stated the income and expense of the company. (SEC v. Northrop Corporation, et al., U.S.D.C., D.C.). (LR-6839)

#### COMPLAINT NAMES GREAT WESTERN MORTGAGE CO., INC., OTHERS

The Seattle Regional Office filed a complaint on April 8 in federal district court, Portland, Oregon, seeking to enjoin Great Western Mortgage Co., Inc., Robert G. Garner and Garland D. Bramble, all of Portland, from violating the registration and antifraud provisions of the securities laws. The alleged violations involved sales of unregistered "receipt and disbursement certificates," "investment certificates," and real estate mortgage "participation certificates" by and through Great Western Mortgage Co., Inc. The complaint alleges that defendants made untrue representations as to the use of proceeds, and that defendants fraudulently mishandled participation certificates. (SEC v. Great Western Mortgage Co., Inc., et al., D. Ore., Civ. Action File No. 75-299) (LR-6834)

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## INVESTMENT COMPANY ACT RELEASES

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#### WESTERN CAPITAL FUND

An order has been issued declaring that Western Capital Fund, Inc. has ceased to be an investment company. (Rel. IC-8758 - Apr. 16)

#### MUTUAL BENEFIT FUND

An order has been issued on an application of Mutual Benefit Fund (Benefit) and Mutual Benefit Growth Fund (Growth), both mutual funds, exempting from certain provisions of the Act the proposed reorganization of Growth into Benefit. (Rel. IC-8759 - Apr. 16)

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## HOLDING COMPANY ACT RELEASES

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#### THE PROVIDENCE GAS COMPANY

An order has been issued approving an application for exemption filed by The Providence Gas Company. Providence, a holding company by virtue of its ownership of 45% of the capital stock of Tiverton Gas Company, claims an exemption under the Act pursuant to Section 3(a)(1) and 3(a)(2). (Rel. 35-18938 - Apr. 16)

#### GEORGIA POWER COMPANY

An order has been issued denying motions of the Georgia Power Project (Project) to consolidate for hearing proceedings relating to the system short-term financing program of The Southern Company, a registered holding company, and Georgia Power Company and Alabama Power Company, subsidiaries of Southern, and to intervene in the short-term financing program of Alabama. (Rel. 35-18923 - Apr. 9)

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## TRADING SUSPENSIONS

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#### ADDITIONAL ACTION ON FOUR 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., Industries International, Inc. and Westgate California Corp. for the further ten-day period April 17 - 26, inclusive.

## SECURITIES ACT REGISTRATIONS

### (S-16) APCO OIL CORPORATION

1700 Houston Natural Gas Bldg., Houston, Tex. 77002 - 54,992 shares of common stock, which may be offered for sale from time to time by certain shareholders at prices current at the time of sale. Apco Oil Corporation is an integrated oil company. (File 2-53341 - Apr. 14)

### (S-16) NATIONAL STARCH AND CHEMICAL CORPORATION

10 Finderne Ave., Bridgewater, N.J. 08876 - 44,900 shares of common stock, to be offered for sale from time to time by certain shareholders at prices current at the time of sale. National Starch manufactures adhesives and related products, starches and related products and chemical products. (File 2-53348 - Apr. 14)

### (S-14) EMERSON ELECTRIC CO.

8100 West Florissant Ave., St. Louis, Mo. 63136 - 205,000 shares of common stock. It is proposed to offer these shares in exchange for the net assets of ACDC Electronics Inc., Oceanside, California, at the rate of 0.961 Emerson share for each ACDC share. Emerson's primary business is the design, manufacture and sale of a broad range of electrical-electronic products and systems. These include products and systems that drive, measure and control production and process operations, a line of electrical products, systems and equipment for the construction markets and electronic systems for government and defense. (File 2-53350 - Apr. 14)

### (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 Oil Search Limited, an Australian corporation. (File 2-53343 - Apr. 11)

### (S-10) GUADALUPE EXPLORATION CORPORATION (GECO)

4131 North 24th St., P.O. Box 15327, Phoenix, Ariz. 85060 - \$750,000 of nonproducing fractional undivided working interests in the GECO Smackover Prospect No. I covering 645 acres of oil and gas leases in Kaufman County, Texas. GECO is an independent operator engaged in the business of exploring for an developing oil or gas reserves. (File 2-53345 - Apr. 14)

### (S-7) TEXAS OIL & GAS CORP. (TXO)

2700 Fidelity Union Tower, Dallas, Tex. 75201 - \$50 million of first mortgage bonds, Series F, due 1995, to be offered for sale through underwriters headed by Kuhn, Loeb & Co. and The First Boston Corporation. TXO and its subsidiaries are engaged principally in gathering, processing, transporting and selling natural gas. (File 2-53353 - Apr. 15)

### (S-7) ASARCO INCORPORATED (AMERICAN SMELTING AND REFINING COMPANY)

120 Broadway, New York, N.Y. 10005 - \$50 million of notes, due 1983 and \$100 million of sinking fund debentures, due 2000, to be offered for sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York, N.Y. 10005. The main business of ASARCO is the mining, smelting and refining of nonferrous ores and concentrates producing therefrom principally copper, lead, zinc and silver and related byproducts. (File 2-53357 - Apr. 15)

### (S-7) GULF STATES UTILITIES COMPANY

285 Liberty Ave., Beaumont, Tex. 77704 - 3,000,000 shares of common stock, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman, Sachs & Co., and Kidder, Peabody & Co. Incorporated, c/o One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Company furnishes electric service. (File 2-53359 - Apr. 15)

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:

American Telephone and Telegraph Co., New York, N.Y. (File 2-53281 - Apr. 8) - 5,000,000 shares

Sun Oil Co., St. Davids, Pa. (File 2-53283 - Apr. 8) - 3,000,000 shares

Kentucky Central Life Insurance Co., Lexington, Ken. (File 2-53285 - Apr. 8) - 500,000 shares

Philadelphia National Corporation, Philadelphia, Pa. (File 2-53286 - Apr. 8) - 50,000 shares

Inter-Regional Financial Group, Inc., Minneapolis, Minn. (File 2-53289 - Apr. 8) - 100,000 shares

Mid-Continent Telephone Corp., Hudson, Ohio (File 2-53290 - Apr. 9) - 250,000 shares

Papercraft Corp., Pittsburgh, Pa. (File 2-53292 - Apr. 9) - 154,500 shares

San Diego Gas & Electric Co., San Diego, Cal. (File 2-53293 - Apr. 9) - 600,000 shares

Olin Corp., Stamford, Conn. (File 2-53294 - Apr. 9) - 1,500,000 shares

General Motors Corp., Detroit, Mich. (File 2-53295 - Apr. 9) - 7,000,000 shares and (File 2-53296 - Apr. 9) - 100,000 shares

Allis-Chalmers Corp., West Allis, Wis. (File 2-53298 - Apr. 9) - 300,000 shares

Colgate-Palmolive Co., New York, N.Y. (File 2-53299 - Apr. 9) - 1,172,413 shares

D. H. Baldwin Co., Cincinnati, Ohio (File 2-53300 - Apr. 9) - 500,000 shares

Industrial National Corp., Providence, R.I. (File 2-53303 - Apr. 9) - 109,090 shares

Airco, Inc., Montvale, N.J. (File 2-53304 - Apr. 9) - 533,695 shares

Four-Phase Systems, Inc., Cupertino, Cal. (File 2-53305 - Apr. 10) - 598,300 shares

Rancho Primero, Inc., Los Angeles, Cal. (File 2-53307 - Apr. 10) - 71,317 shares

INA Corp., Philadelphia, Pa. (File 2-53310 - Apr. 10) - 250,000 shares

Westinghouse Electric Corp., Pittsburgh, Pa. (File 2-53311 - Apr. 10) - 1,200,000 shares and (File 2-53312 - Apr. 10) - 5,000,000 shares

Texas Gas Transmission Corp., Owensboro, Ken. (File 2-53314 - Apr. 11) - 34,101 shares

Crocker National Corp., San Francisco, Cal. (File 2-53315 - Apr. 11) - 500,000 shares

Florida Power Corp., St. Petersburg, Fla. (File 2-53318 - Apr. 11) - 40,000 shares

Beech Aircraft Corp., Wichita, Kan. (File 2-53319 - Apr. 10) - 65,650 shares

Jack Eckerd Corp., Clearwater, Fla. (File 2-53320 - Apr. 11) - 4,000,000 shares

Interway Corp., New York, N.Y. (File 2-53324 - Apr. 11) - 438,884 shares

Chessie System, Inc., Baltimore, Md. (File 2-53326 - Apr. 11) - 1,000,000 shares

Data 100 Corporation, Minneapolis, Minn. (File 2-53328 - Apr. 11) - 50,750 shares

Marlennan Corp., New York, N.Y. (File 2-53330 - Apr. 11) - 80,000 shares

Pfizer Inc., New York, N.Y. (File 2-53332 - Apr. 11) - 1,500,000 shares

Hughes Tool Co., Houston, Tex. (File 2-53334 - Apr. 14) - 8,261 shares

Pacific Gas and Electric Co., San Francisco, Cal. (File 2-53336 - Apr. 14) - 5,000,000 shares

The Lubrizol Corp., Wickliffe, Ohio (File 2-53338 - Apr. 14) - 300,000 shares and (File 2-53339 - Apr. 14) - 300,000 shares and (File 2-53340 - Apr. 14) - 75,000 shares

Texas Eastern Transmission Corp., Houston, Tex. (File 2-53337 - Apr. 14) - 1,174,000 shares

Instron Corp., Canton, Mass. (File 2-53342 - Apr. 14) - 50,000 shares

Rorer-Amchem, Inc., Fort Washington, Pa. (File 2-53344 - Apr. 14) - 550,000 shares

Smithkline Corp., Philadelphia, Pa. (File 2-53346 - Apr. 10) - 150,000 shares

Texas Utilities Co., Dallas, Tex. (File 2-53347 - Apr. 14) - 800,000 shares

V.F. Corp., Wyomissing, Pa. (File 2-53349 - Apr. 14) - 549,546 shares

Phillips Petroleum Co., Bartlesville, Okla. (File 2-53352 - Apr. 14) - 638,461 shares

St. Joe Minerals Corp., New York, N.Y. (File 2-53355 - Apr. 14) - 200,000 shares

Pennzoil Co., Houston, Tex. (File 2-53351 - Apr. 15) - 650,154 shares

Howmet Corp., Greenwich, Conn. (File 2-53356 - Apr. 14) - \$5,960,000 of participations in plan

Milton Roy Co., St. Petersburg, Fla. (File 2-53358 - Apr. 15) - 182,199 shares

American Broadcasting Companies, Inc., New York, N.Y. (File 2-53360 - Apr. 14) - 4,100 shares

Revlon, Inc., New York, N.Y. (File 2-53363 - Apr. 16) - 75,000 shares

Crown Cork & Seal Company, Inc., Philadelphia, Pa. (File 2-53364 - Apr. 14) - 375,000 shares

## REGISTRATIONS EFFECTIVE

Apr. 11: APS Inc., 2-52761; Cleveland Electric Illuminating Co., 2-52989.

Apr. 14: American Can Co., 2-53217; Central Illinois Light Co., 2-53166; Com Share Incorporated, 2-49086; Iowa Illinois Gas and Electric Co., 2-52890; Lubrizol Corp., 2-53259; Ryder System, Inc., 2-52122; Transok Pipe Line Co., 2-53046.

Apr. 15: C. R. Bard, Inc., 2-53040; Chesebrough Pond's Inc., 2-53163, 2-53164; Cordura Corp., 2-53014; The Kroger Co., 2-53114; Ohio Edison Co., 2-53059; South Central Bell Telephone Co., 2-52978; Southern Indiana Gas and Electric Co., 2-53005; Standard Oil Co., 2-53139; Williams Companies, 2-52991.

Apr. 16: Browning Ferris Industries, Inc., 2-52793; Bucyrus Erie Co., 2-53067; Crutcher Resources Corp., 2-53020; Landmark Banking Corp. of Florida, 2-52532; Stauffer Chemical Co., 2-53065.

## ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission on Schedule 13D the acquisition of more than 5% of the equity securities of another company within 10 days of the acquisition. The following companies or individuals filed Schedule 13D's regarding the acquisition of stock of other companies during the period March 27-April 7.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Husky Petroleum Corp. (Wholly-owned by Husky Oil Ltd. (Canada) thru its wholly-owned subsidiary, Husky Oil Co. of Del.)	Husky Exploration, Ltd. (Denver, Col.) Ltd. Partnership Interests - \$10,244	3-27-75
* Foreign Imports, Inc. Donovan Wire & Iron Co.	Apollo Industries, Inc. (North Miami, Fla.) Common Stock - 293,241 shs. Common Stock - 532,226 shs. on exercise of Warrants and conversion of Debentures	3-28-75
* Cott Enterprises, Inc.	Mickelberry Corp. (New York City) Common Stock - 42,420 shs.	3-28-75
Group of Shareholders	Alleghany Corp. (New York City) Common Stock - 398,200 shs.	3-28-75
National Life and Accident Insurance Co.	Liberty Corp. (Greenville, SC) Common Stock - 356,234 shs.	3-28-75
Haitian Equities, S.A. (Haiti)	Basic Food Industries, Inc. (South Miami, Fla.) Common Stock - 450,000 shs.	3-31-75
Prevor-Mayrsohn Group	Prevor-Mayrsohn International, Inc. (Bronx, NY) Class A Common - 207,272 shs.	3-31-75
Richard D. Corley	Raymond Precision Industries, Inc. (Middletown, Conn.) Common Stock - 33,200 shs.	3-31-75
Holly Sugar Corp.	Hubinger Co. (Keokuk, Iowa) Common Stock - 45,100 shs.	3-31-75
* Helen C. Marlas	Mickelberry Corp. (New York City) Common Stock - 46,430 shs.	3-31-75
Donald F. U. Goebert	Vesco Corp. (West Chester, Pa.) Common Stock - 400,000 shs.	3-31-75
* Lee B. Stern	AAR Corp. (Elk Grove Village, Ill.) Common Stock - 106,800 shs.	3-31-75

ACQUISITION REPORTS CONT.

* Penn-Dixie Industries, Inc.	Diversified Industries Inc. (Clayton, Mo.)	3-31-75
* Amended Acquisition Report	Common Stock - 714,300 shs.	
Sidney Shapiro	Datatab, Inc. (New York City)	4- 1-75
	Common Stock - 41,368 shs.	
Salvatore Parisi	Datatab, Inc. (New York City)	4- 1-75
	Common Stock - 34,919 shs.	
Paul J. Spiewak	Datatab, Inc. (New York City)	4- 1-75
	Common Stock - 1,500 shs.	
Richard Gruner (Liechtenstein)	American Airlines, Inc. (New York City)	4- 2-75
	Common Stock - 1,550,200 shs.	
Group of Shareholders	Baruch-Foster Corp. (Dallas, Texas)	4- 2-75
	Common Stock - 441,916 shs.	
Richard W. Jones	Mitchum, Jones & Templeton, Inc.	4- 2-75
	(Los Angeles, Calif.)	
	Common Stock - 71,100 shs. (15.55%)	
Ampco-Pittsburgh Corp.	Pittsburgh Forgings Co. (Pittsburgh, PA)	4- 2-75
	Common Stock - 528,406 shs.	
Great Midwest Corp.	Anco Industries, Inc. (Carol Stream, Ill.)	4- 2-75
	Common Stock - 1,191,364 shs.	
	to be acquired pursuant to a	
	Purchase Agreement with certain	
	shareholders and on exercise of	
	Option granted by certain	
	shareholders	
Richard A. Reichter	DASA Corp. (Andover, Mass.)	4- 3-75
	Common Stock - 235,871 shs.	
Keystone Custodian Fund, Series S-4	Tymshare, Inc. (Cupertino, Calif.)	4- 3-75
	Common Stock - 105,800 shs.	
Keystone Custodian Fund, Series S-4	Advanced Micro Devices, Inc.	4- 3-75
	(Sunnyvale, Calif.)	
	Common Stock - 131,500 shs.	
Keystone Custodian Fund, Series S-4	U.S. Home Corp. (Clearwater, Fla.)	4- 3-75
	Common Stock - 508,000 shs.	
Southwire Co.	Orbit Gas Co. (Owensboro, Ky.)	4- 3-75
	Common Stock - 252,250 shs.	
* Diversified Retailing Co., Inc.	Berkshire Hathaway Inc. (New Bedford, Mass.)	4- 3-75
	Common Stock - 124,631 shs.	
* Berkshire Hathaway Inc.	Affiliated Publications, Inc.	4- 3-75
	(Boston, Mass.)	
	Common Stock - 190,300 shs.	
* Grosvenor Corp.	Equity Oil Co. (Salt Lake City, Utah)	4- 3-75
	Common Stock - 62,400 shs.	
Chester O. Bell	Johnson Hill's, Inc. (Wisconsin Rapids, Wisc.)	4- 4-75
	Common Stock - 161,386 shs.	
Fick of Texas, Inc.	Mitre Industries, Inc. (Dallas, Texas)	4- 4-75
	Common Stock - 384,079 shs.	

ACQUISITION REPORTS CONT.

J. P. Guerin & Co.	Mitchum, Jones & Templeton, Inc. (Los Angeles, Calif.) Common Stock - 23,100 shs.	4- 4-75
* Penn-Dixie Industries, Inc.	Diversified Industries Inc. (Clayton, Mo.) Common Stock - 300,000 shs.	4- 4-75
* Edwin Doerr, Sr. Lee A. Doerr	Time Holdings, Inc. (Milwaukee, Wisc.) Common Stock - 116,314 shs.	4- 4-75
Provident Mutual Life Insurance Co. of Phila.	Central Maine Power Co. (Augusta, Maine) \$11.25 Series Preferred - 20,000 shs.	4- 4-75
* United Funds, Inc.	Williams Companies (Tulsa, Okla.) Common Stock - 273,400 shs.	4- 7-75
* United Funds, Inc.	Fairchild Camera & Instrument Corp. (Mountain View, Calif.) Common Stock - 177,200 shs.	4- 7-75
* Gulf & Western Industries, Inc.	Alberto-Culver Co. (Melrose Park, Ill.) Common Stock - 581,000 shs.	4- 7-75
Mutual Savings Life Insurance Co. of Decatur, Ala.	ICB Corp. (New Orleans, La.) Common Stock - 281,339 shs.	4- 7-75
Joyce B. Cowin	Arnold Constable Corp. (New York City) Common Stock - 21,500 shs. Common Stock - 30,000 shs. on conversion of Note	4- 7-75
Daniel Cowin	Arnold Constable Corp. (New York City) Common Stock - 48,000 shs.	4- 7-75
* First Manhattan Co.	Lea-Ronal, Inc. (Freeport, NY) Common Stock - 104,565 shs.	4- 7-75
* American General Insurance Co.	Monarch Capital Corp. (Springfield, Mass.) Common Stock - 716,100 shs.	4- 7-75
* Amended Acquisition Report		

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. 20519. 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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