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# sec news digest

U.S. SECURITIES & EXCHANGE COMMISSION

Issue 75-76  
(SEC Docket, Vol. 6, No. 15 - April 29)

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April 18, 1975

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## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

### SUSPENSION OF REGULATION A EXEMPTION OF AMERICAN RECREATION AND LAND CO. MADE PERMANENT **LIBRARY.**

An order has been issued making permanent the suspension of the Regulation A exemption from the Securities Act's registration requirements claimed by the American Recreation and Land Company, of Bloomington, Minnesota with respect to a \$500,000 offering of its subordinated debentures.

The Commission's temporary suspension order alleged that the company's offering circular was materially false and misleading with respect to the use to be made of the proceeds of the offering and the fact that it owed approximately \$84,842 to an affiliate, Equitable Mortgage Investment Company. The temporary order also charged that the company's report to the Commission about the manner in which the proceeds had actually been used was false.

The only request for a hearing, made by a former officer of the company, was later withdrawn. (Rel. 33-5578)

## COMMISSION ANNOUNCEMENTS

### SEC REPORT COORDINATING GROUP (ADVISORY) MEETINGS ANNOUNCED

The Commission's Report Coordinating Group (Advisory) will hold a meeting on May 12, 1975 at the Securities and Exchange Commission, 500 North Capitol St., Room 876, Washington, D.C. The meeting will commence at 10:00 a.m. local time and will be for the purpose of discussing the FOCUS Report of financial and operational information and the development of simplified trading forms and assessment forms.

The Group's meetings are open to the public. Any interested person may attend and appear before or file statements with the advisory committee. Said statements, if in written form, may be filed before or after the meeting. Oral statements shall be made at the time and in the manner permitted by the Report Coordinating Group.

The Group was formed to assist the Commission in developing a coherent, industry-wide, coordinated reporting system. In carrying out this objective, the Group is to review all reports, forms and similar materials required of broker-dealers by the Commission, the self-regulatory community and others. The Group is expected to advise the Commission on such matters as eliminating unnecessary duplication in reporting, reducing reporting requirements where feasible, and developing the FOCUS Report of financial and operational information. (Rel. Nos. 34-10612, 34-10959 and 34-11140).

Information concerning the meeting, including the procedures for submitting statements to the Group, may be obtained by contacting: Mr. Daniel J. Piliero II, Secretary, SEC Report Coordinating Group, Securities and Exchange Commission, Washington, D.C. 20549.

## COURT ENFORCEMENT ACTIONS

### ORDER ENTERED RE SOLITRON DEVICES INC.

The SEC announced settlement of Securities and Exchange Commission v. Solitron Devices Inc. (Solitron) a civil action commenced by the Commission in the District of Columbia in March 1975 to restrain violations of the antifraud and reporting requirements of the securities laws and to compel restatement and correction of its financial statements from 1967 to the present. Defendant Solitron has consented to the entry of an

order mandating that in the future Solitron make full and complete disclosure of the material facts pertaining to its financial condition in its financial statements and public statements, to the correction and restatement of its financial statements from 1967 to the present, and to the appointment of a Special Counsel satisfactory to the Commission to ensure that the order is carried out. The District Court has retained jurisdiction to ensure enforcement of its order. (SEC v. Solitron Devices Inc., Civil Action No. 75-0388, U.S.D.C., D.C.). (LR-6841)

**ZIM UNIFIED SECURITIES, INC. AND  
AARON H. ZIMMERMAN INDICTED**

The New York Regional Office announced that on March 24 a Federal Grand Jury in the Southern District of New York returned a two-count indictment against Zim Unified Securities, Inc. (Zim Unified) and Aaron H. Zimmerman (Zimmerman) charging them with violations of the antifraud and reporting provisions of the securities laws. The indictment alleges that Zim Unified and its president Zimmerman engaged in fraudulent conduct in connection with Zim Unified's business as a broker-dealer and defrauded customers, creditors, prospective customers and other broker-dealers. Additionally, the indictment charges that Zim Unified and Zimmerman failed to make, keep and preserve accurate books and records. A bench warrant was issued for the arrest of Zimmerman. (LR-6840)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **COMSTOCK FUND**

An order has been issued on an application of Comstock Fund, Inc., Enterprise Fund, Inc., Fletcher Fund, Inc., Harbor Fund, Inc., Legal List Investments, Inc. and Pace Fund, Inc. (Shareholders Funds), all mutual funds, and Channing Company, Inc., Shareholders Funds' principal underwriter, which permits the Shareholders Funds to offer to exchange their shares for shares of American General Reserve Fund, Inc. (AGR) on the basis of net asset value plus an amount equal to the difference between the sales charge of the Shareholders' Fund whose shares are being acquired and the lesser sales charge paid on the AGR shares. (Rel. IC-8762 - Apr. 17)

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## **HOLDING COMPANY ACT RELEASES**

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### **WEST PENN POWER COMPANY**

A notice has been issued giving interested persons until May 9 to request a hearing on a proposal by West Penn Power Company, Monongahela Power Company and The Potomac Edison Company, subsidiaries of the Allegheny Power System, that West Penn lease 212 rail cars for purposes of transporting coal, that it sublease undivided 25% interests in those cars to the other two subsidiaries and that West Penn assume a debt portion of the financing of those cars. (Rel. 35-18939 - Apr. 16)

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## **MISCELLANEOUS**

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### **FIRST FACTORS**

An order has been issued granting First Factors an exemption from the broker-dealer registration requirements of Section 15(a)(1) of the Securities Exchange Act of 1934. First Factors, a California co-partnership, intends to make loans to eligible small business concerns under the loan guarantee program of the United States Small Business Administration and to sell the guaranteed portion of any such loans to institutional investors through broker-dealers registered with the Commission. (Rel. 34-11355)

### **CREATIVE LOGIC CORPORATION**

An order has been issued granting the application of Ventura International Inc., a Nevada corporation, under Section 12(h) of the Securities Exchange Act of 1934 for an exemption from the provisions of Sections 13 and 15(d) of the Act. It appears to the Commission that the requested exemption is not inconsistent with the public interest or protection of investors. (Rel. 34-11357)

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## TRADING SUSPENSIONS

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### ADDITIONAL ACTION ON ONE TRADING SUSPENSION

The SEC has announced the suspension of over-the-counter trading in the securities of Continental Vending Machine, Corp. for the further ten-day period April 20 - 29, inclusive.

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## SECURITIES ACT REGISTRATIONS

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### (S-16) ILLINOIS CENTRAL INDUSTRIES, INC.

One Illinois Center, 111 East Wacker Dr., Chicago, Ill. 60601 - 782,652 shares of common stock, to be offered for sale by certain selling stockholders. These shares were received by them in connection with certain acquisitions by Illinois Central. Illinois Central, through subsidiaries, is a diversified enterprise with five operating groups: commercial products, consumer products, transportation, real estate and financing services. (File 2-53362 - Apr. 16)

### (S-7) GEORGIA-PACIFIC CORPORATION

900 S. W. Fifth Ave., Portland, Ore. 97204 - \$100 million of convertible subordinated debentures, due 2000, to be offered for sale through underwriters headed by Blyth Eastman Dillon & Co. Incorporated, One Chase Manhattan Plaza, New York, N.Y. 10005. The company is engaged in the forest products business. (File 2-53367 - Apr. 16)

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

285 Liberty Ave., Beaumont, Tex. 77704 - \$40 million of first mortgage bonds, due 2005, to be offered for sale through underwriters headed by Halsey, Stuart & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, White, Weld & Co. Incorporated and Smith, Barney & Co. Incorporated, c/o 100 Gold St., New York, N.Y. 10038. The company furnishes electric service. (File 2-53371 - Apr. 16)

### (S-7) EL PASO ELECTRIC COMPANY

215 North Stanton St., El Paso, Tex. 79999 - 500,000 shares of common stock, to be offered for sale by underwriters managed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, New York, N.Y. 10006. The company is a public utility which produces, transmits, distributes and sells electric energy. (File 2-53376 - Apr. 17)

### REGISTRATIONS EFFECTIVE

Apr. 16: Independent Bankshares Corp., 2-53178; North American Royalties, Inc., 2-53240; Tucson Gas & Electric Co., 2-53122.

Apr. 17: Harsco Corp., 2-53056; Michigan Consolidated Gas Co., 2-53077; Societe Nationale Des Chemins De Fer Francais, 2-53125; Standard Oil Company of California, 2-53106; Tax-Exempt Securities Trust Series 1, 2-52798; United Aircraft Corp., 2-52928; United Telecommunications, Inc., 2-53081.

## 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 |
|------------------------------------|--------------|-------|
| ALABAMA DRY DOCK & SHIPBUILDING CO | 3            | 03/75 |
| ALCAN ALUMINIUM LTD                | 11,13,14     | 03/75 |
| AMERADA HESS CORP                  | 3            | 03/75 |
| AMERICAN AGRONOMICS CORP           | 13,14        | 03/75 |
| AMERICAN BRANDS INC                | 7,14         | 03/75 |
| AMERICAN SMELTING & REFINING CO    | 3,13,14      | 03/75 |
| AMERICANA INVESTMENT CO            | 1            | 03/75 |
| AMSTED INDUSTRIES INC              | 3            | 03/75 |
| ARCHON PURE PRODUCTS CORP          | 7,14         | 03/75 |
| ARLANS DEPARTMENT STORES INC       | 2,14         | 03/75 |
| AVC CORP                           | 8,14         | 03/75 |
| BALTIMORE BUSINESS FORMS INC       | 13           | 03/75 |
| BEARD OIL CO                       | 7,13,14      | 03/75 |
| BELL TELEPHONE CO OF PENNSYLVANIA  | 11           | 03/75 |
| BETHLEHEM STEEL CORP               | 7,14         | 03/75 |
| BRIARCLIFF CANDY CORP              | 3,13         | 03/75 |
| CENTRAL HUDSON GAS & ELECTRIC CORP | 3            | 03/75 |
| CHAMPION HOME BUILDERS CO          | 14           | 03/75 |
| CHARTER NEW YORK CORP              | 3,11,14      | 03/75 |
| CHATTEN DRUG & CHEMICAL CO         | 13           | 03/75 |
| CINCINNATI MILACRON INC            | 8            | 03/75 |
| CITIZENS FINANCIAL CORP            | 2,10,14      | 03/75 |
| CLEVELAND CLIFFS IRON CO           | 3            | 03/75 |
| COASTAL STATES CORP                | 10,14        | 03/75 |
| COMBINED INSURANCE CO OF AMERICA   | 11           | 03/75 |
| COOK UNITED INC                    | 2,4,10,13,14 | 03/75 |
| CROWN CRAFTS INC                   | 13,14        | 03/75 |
| DATA GENERAL CORP                  | 3            | 03/75 |
| DIVERSIFIED MORTGAGE INVESTORS     | 13,14        | 03/75 |
| EL PASO ELECTRIC CO                | 7,14         | 03/75 |
| ELLIMAN DOUGLAS L & CO INC         | 2,7,14       | 03/75 |
| EMHART CORP                        | 3,4,7,14     | 03/75 |
| FAMILY RECORD PLAN INC             | 10           | 03/75 |
| FILMWAYS INC                       | 3,13,14      | 03/75 |
| FIRST VALLEY CORP                  | 13,14        | 03/75 |
| FITCHBURG GAS & ELECTRIC LIGHT CO  | 11           | 03/75 |

### 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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