

# sec news digest

SECURITIES & EXCHANGE COMMISSION  
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## RULES AND RELATED MATTERS

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### TEMPORARY RULE 23a-2(T) ADOPTED

The SEC today announced the adoption, effective immediately, of Securities Exchange Act Temporary Rule 23a-2(T), which exempts, until March 1, 1976, any broker or dealer who was required to register pursuant to Section 15 of the Securities Exchange Act of 1934 (the Act) solely by reason of changes in that Act effected by the Securities Acts Amendments of 1975, Pub. L. No. 94-29 (June 4, 1975) (the 1975 Amendments) from Securities Exchange Act Rules 15b8-1 through 15b10-11.

The Commission is also publishing for comment proposed amendments to Securities Exchange Act Rules 15b8-1, 15b9-1, 15b9-2 and 15b10-7. The proposed amendments would modify existing exemptions in Rules 15b8-1, 15b9-2 and 15b10-7, add an exemption to Rule 15b9-1, and generally expand the scope of the SECO rules in accordance with the Commission's expended authority under new Sections 15(b)(7), 15(b)(8) and 15(b)(9). (Rel. 34-11964)

## COURT ENFORCEMENT ACTIONS

### COMPLAINT NAMES PALMER PETROLEUM, OTHERS

The Fort Worth Regional Office announced that on December 22 the filing of a civil injunctive complaint in federal district court in Tyler, Texas against Palmer Petroleum of Texas, Inc. and Harold R. Palmer, both of Gladewater, Texas, and Ronald C. Dotson, Longview, Texas.

The complaint alleges violations of the registration and anti-fraud provisions of the federal securities laws in connection with the offer and sale of investment contracts in the form of limited partnership interests in oil and gas leases in Upshur and Barbour Counties, W. Va. and Richland Parish, La. issued by Palmer Petroleum of Texas, Inc. (SEC. v. Palmer Petroleum of Texas, Inc., et al, E/D Tex.) (LR-7221)

### ARNOLD GERSTEIN NAMED IN INJUNCTIVE ACTION

The New York Regional Office announced the filing of a complaint on December 23, 1975 in the U.S. District Court for New Jersey seeking to permanently enjoin Arnold Gerstein, a former salesman at Bache & Co. and Reynolds Securities, Inc. from violations of the anti-fraud provisions of the federal securities laws. Among other things, the complaint alleges that Arnold Gerstein engaged in a fraudulent course of conduct, commonly referred to as a Ponzi scheme, whereby he used customers' monies, totalling approximately \$900,000 which has been completely dissipated, for his own personal benefit and gain. (SEC v. Arnold Gerstein, 75 Civil D.C.N.J.) (LR-7222)

### RICHARD C. MASON ENJOINED

The Denver Regional Office announced that Richard C. Mason of Salt Lake City, Utah, was enjoined by the federal district court in Salt Lake City, Utah on December 12, 1975, from violating the registration and antifraud provisions in connection with the sale of the common stock of Continental Gold and Silver Corporation. Mr. Mason consented to the Court's order without admitting or denying the allegations against him. (SEC v. Continental Gold and Silver Corporation, et al., D. Utah Civil Action No. C 75-414) (LR-7223)

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## TRADING SUSPENSIONS

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### TRADING SUSPENDED IN CONRAC CORP.

The Commission has announced the temporary suspension of exchange and over the counter trading for the single ten-day period commencing on December 31, 1975 and terminating at midnight (EST) on January 9, 1976 of the securities of Conrac Corporation, located in New York, N. Y. The Commission initiated the suspension of trading in the securities of Conrac Corporation because of questions which have arisen concerning the trading activity in the securities of Conrac Corp. (Rel. 34-11968)

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## INVESTMENT COMPANY ACT RELEASES

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### AMERICAN MUTUAL FUND, INC. et al.

An order has been issued on an application filed by 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. The order exempts from the provisions of Section 22(d) a combination offering of AMF shares and NMT units. (Rel. IC-9105 - Dec. 30)-

### DE FUND, INC.

An order has been issued declaring that DF Fund, Inc. has ceased to be an investment company. (Rel. IC-9106 - Dec. 31)

### CHANNING SECURITIES, INC.

An order has been issued declaring that Channing Securities, Inc., has ceased to be an investment company. (Rel. IC-9107 - Dec. 31)

### CHANNING INCOME FUND, INC.

An order has been issued declaring that Channing Income Fund, Inc., has ceased to be an investment company. (Rel. IC-9108 - Dec. 31)

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## HOLDING COMPANY ACT RELEASES

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### YANKEE ATOMIC ELECTRIC COMPANY

An order has been issued authorizing Yankee Atomic Electric Company, an electric utility subsidiary company of New England Electric System and Northeast Utilities, registered holding companies, to issue and sell up to \$20 million of short-term promissory notes to a bank and to a dealer in commercial paper. (Rel. 35-19320 - Dec. 30)

### JERSEY CENTRAL POWER & LIGHT COMPANY

A supplemental order has been issued authorizing Jersey Central Power & Light Company, an electric utility subsidiary company of General Public Utilities Corporation, a registered holding company, to extend from December 31, 1975, to June 30, 1976, the time during which it may enter into a Supplemental Indenture amending a provision of its Mortgage Indenture. (Rel. 35-19321 - Dec. 30)

### OHIO POWER COMPANY

A seventh interim order has been issued authorizing Ohio Power Company, an electric utility subsidiary company of American Electric Power Company, Inc., a registered holding company, to incur short-term borrowings through February 29, 1976, in an aggregate principal amount not to exceed \$181 million outstanding at any one time. (Rel. 34-19322 - Dec. 31)

## CONSOLIDATED NATURAL GAS COMPANY, et al.

A supplemental order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, and three of its subsidiary companies to engage in intra-system financing. (Rel. 35-19323 - Dec. 31)

## THE COLUMBIA GAS TRANSMISSION CORPORATION

An order has been issued approving a proposal of Columbia Gas Transmission Corporation, a wholly-owned subsidiary of The Columbia Gas System, Inc., a registered holding company, whereby Columbia Transmission will issue and sell to Columbia up to \$80 million of unsecured installment notes. The proceeds of the sale will be applied to gas purchase advances and refunds to Columbia Transmission's customers. (Rel. 35-19324 - Dec. 31)

## METROPOLITAN EDISON COMPANY

An order has been issued authorizing Metropolitan Edison Company, an electric utility subsidiary company of General Public Utilities Corporation, a registered holding company, to make, from time to time prior to December 31, 1976, cash capital contributions of up to \$500,000 to its subsidiary, York Haven Power Company. (Rel. 35-19325 - Dec. 31)

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the National Association of Securities Dealers, Inc. The rule change deletes the requirement that signatures on assignments and powers of substitution be witnessed. (Rel. 34-11964)

The Commission has also approved a proposed rule change filed November 17, 1975 by Midwest Stock Exchange, Inc. The rule change removes certain restrictions and requirements relating to the sale of insurance by member firms. (Rel. 34-11965)

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## SECURITIES ACT REGISTRATIONS

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

23 Wall Street, New York, N.Y. - seeks registration of 100,000 American Depositary Receipts for shares of Anglo American Coal Corporation Limited, a South African corporation. (File 2-55230 - Dec. 22)

### (S-1) THE FIRST NATIONAL BANK OF BOSTON POOLED RETIREMENT FUND FOR H.R. 10 PLANS

100 Federal St., Boston, Mass. 02110 - \$12 million of units of beneficial interest. The First National Bank of Boston is a commercial bank and the Pooled Retirement Fund is a pooled fund for the management of sums deposited pursuant to H.R. 10 Plans. (File 2-55268 - Dec. 30)

### (S-14) ROOSEVELT NATIONAL INVESTMENT COMPANY

P.O. Box #5147, Springfield, Ill. 62705 - 574,418 shares of Class A common stock, to be issued in connection with the proposed acquisition of the capital stock of Cattlemen's Investment Company, Oklahoma City, Oklahoma, pursuant to a merger of that company into Roosevelt. The exchange rate is .25 Roosevelt share for each Cattlemen's share. Roosevelt is engaged in the life insurance, real estate development, and nursing home businesses. (File 2-55271 - Dec. 30)

### (S-1) NORTHWEST PIPELINE CORPORATION

315 East 200 South, Salt Lake City, Utah 34111 - 800,000 shares cumulative preferred stock, which are to be offered for sale through underwriters represented by Loeb, Rhoades & Co., 42 Wall St., New York, New York 10005. The company is an interstate natural gas transmission company. (File 2-55273 - Dec. 30)

(S-16) CENTRAL SOYA COMPANY, INC.

1300 Ft. Wayne National Bank Bldg., Ft. Wayne, Ind. 46802 - 381,668 shares of common stock, which may be offered for sale (or pledged) from time to time by certain stockholders at prices current at the time of sale or at the exercise prices provided in certain options. Central Soya is engaged in the acquisition of agricultural products and the resale of such products in both raw and processed forms to the agricultural, industrial and food markets. (File 2-55274 - Dec. 30)

(S-1) UNITED GAS PIPE LINE COMPANY

700 Milam, Houston, Tex. 77002 - \$40 million of debentures, due 1984, to be offered for sale through underwriters represented by White, Weld & Co. Incorporated, One Liberty Plaza, 91 Liberty Street, New York, New York 10005. United Gas Pipe Line Company owns and operates, directly and through subsidiaries, an interstate pipeline and related facilities in the Gulf Coast states and an intrastate pipeline system in Texas for the gathering, transportation and sale at wholesale of natural gas. (File 2-55275 - Dec. 30)

(S-11) OLD DOMINION REAL ESTATE INVESTMENT TRUST ONE

2211 Dickens Rd., Richmond, Va. 23230 - \$2 million of convertible subordinated debentures, due 1995, to be offered for sale on a best efforts basis through Old Dominion Investments, 2211 Dickens Road, Richmond, Va. 23230. The Trust is a real estate investment trust organized under the Virginia Real Estate Investment Trust Act and is currently operating as an "equity" REIT. (File 2-55276 - Dec. 30)

(S-7) PENNSYLVANIA ELECTRIC COMPANY

1001 Broad St., Johnstown, Pa. 15907 - 1,400,000 shares of cumulative preferred stock, Series L, to be offered for sale at competitive bidding. The company is a public utility supplying electric service in parts of Pennsylvania. (File 2-55278 - Dec. 30)

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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