

sec news digest

Issue 76-225
(SEC Docket, Vol. 10, No. 18 - November 30)

NOV 23 1976

November 19, 1976

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

GEORGE E. WEAVER SUSPENDED FROM APPEARANCE OR PRACTICE BEFORE THE COMMISSION

An order has been issued pursuant to Rule 2(e)(3)(i) of the Rules of Practice, temporarily suspending George E. Weaver, a certified public accountant, from appearing or practicing before the Commission. The order was based on the fact that on June 30, 1975, Weaver was permanently enjoined by the U.S. District Court for the Northern District of Texas, Dallas Division, in a suit brought by the Commission, from violating certain provisions of the Federal securities laws. Weaver consented to the injunction without admitting or denying the allegations in the Commission complaint.

The complaint in the injunctive action alleged that Weaver had violated the securities laws in connection with the offer and sale of common stock of Sports International, Inc. in that he had prepared audited financial statements of First National Holding Corporation containing false and misleading information in furtherance of the alleged violations.

In connection with proposed proceedings for the purpose of determining whether or not Weaver's temporary suspension should be made permanent, Weaver submitted an offer of settlement, which the Commission determined to accept. After June 30, 1980 Weaver may, if he is at that time a certified public accountant in good standing with the Public Accounting Board of the State of Texas, petition the Commission for reinstatement. (Rel. AS-199)

SEIDMAN & SEIDMAN OPINION AND ORDER AMENDED

Paragraph 4 of the Memorandum to the Committee which was Annex B to the offer of settlement on behalf of Seidman & Seidman, et al., in the Rule 2(e) proceeding issued on September 1, 1976 is amended. For further information, see Securities Exchange Act Release No. 12752. (Rel. 34-12991)

COMMISSION ANNOUNCEMENTS

CANCELLATION OF PUBLIC HEARINGS

The SEC announced the cancellation of public hearings scheduled to commence on November 22, 1976 with respect to proposed recordkeeping and preservation requirements filed by the Municipal Securities Rulemaking Board. (Rel. 34-12993)

PERMANENT SUSPENSION OF THE REGULATION B EXEMPTION OF CAVALIER OIL & GAS COMPANY, INC.

An order has been issued permanently suspending the Regulation B exemption from registration under the Securities Act of 1933 with regard to the fractional undivided interests in oil and gas leases in the offering of Cavalier Oil & Gas Company, Inc.--Benefield Estate Lease #1. (Rel. 33-5762)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES INVESTMENT DIVERSIFIED, LTD., OTHERS

The Chicago Regional Office announced that on November 11 a civil injunctive complaint was filed in Federal District Court in Chicago, Illinois against Investment Diversified, Ltd., an Illinois corporation, Seafood Farms, Inc., a Delaware corporation, Coastal Shellfish, an Illinois limited partnership, Dennis M. Keese, of Mundelein, Illinois, Richard D. Smith, of Indialantic, Florida and Lee Shoaf, of Dixon, Illinois, from violations of the registration and antifraud provisions of the securities laws in the offer and sale of limited partnership interests in Coastal Shellfish. The complaint also seeks an accounting from the defendants of all funds received from investors in connection with this offering, the use to which such funds were put and the amount and location of any remaining funds. (SEC v. Investment Diversified, Ltd., et al., N.D. Ill., Civil Action No. 76-C-4184). (LR-7655)

INVESTMENT COMPANY ACT RELEASES

CHESTNUT STREET EXCHANGE FUND

A notice has been issued giving interested persons until December 13 to request a hearing on an application of Chestnut Street Exchange Fund, a limited partnership (Fund), G. Willing Pepper and Robert R. Fortune, (two of the managing general partners of the Fund) pursuant to Section 17(b), for an order of exemption from Section 17(a) to permit Pepper and Fortune to exchange stock of certain public issuers for units of partnership interests in the Fund. (Rel. IC-9534 - Nov. 17)

FIRST INCOME SHARES

An order has been issued on an application of First Income Shares, Inc. (New Fund) and First Investors Fund for Income, Inc. (Old Fund), both open-end, diversified, management investment companies registered under the Act, pursuant to Sections 6(c) and 17(b) of the Act, exempting a proposed underwritten offering of New Fund shares and the purchase by Old Fund of all New Fund's assets in exchange for Old Fund shares from the provisions of Sections 17(a) and 22(d) of the Act and Rule 22c-1 thereunder, and, pursuant to Section 17(d) of the Act and 17d-1 thereunder, permitting participation in those proposed transactions. (Rel. IC-9535 - Nov. 17)

STANDARD SHARES

An order has been issued pursuant to Sections 6(c) and 17(b) of the Act exempting the proposed conversion into preferred stock by Standard Shares, Inc., a registered closed-end company, of up to \$2 million of a \$3,035,000 note issued by Brand Insulations, Inc., a controlled operating affiliate of Standard. (Rel. IC-9537 - Nov. 18)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM

A notice has been issued on the filing of a post-effective amendment giving interested persons until December 9 to request a hearing on a proposal of The Columbia Gas System, a registered holding company, and two of its subsidiaries, The Inland Gas Company, Inc. and Columbia Gas of West Virginia, Inc., whereby Inland proposes to issue and sell, and Columbia proposes to acquire, unsecured installment notes in the amount of \$1,500,000 and Columbia proposes to make an additional \$10 million of open account advances to Columbia of West Virginia. (Rel. 35-19759 - Nov. 16)

NATIONAL FUEL GAS COMPANY

An order has been issued approving a proposal of National Fuel Gas Company, a registered holding company, to issue and sell through a private placement negotiated with institutional investors, up to \$40 million of debentures. The proceeds of the sale are to be invested in National Fuel Gas' subsidiaries, including a new subsidiary created to convert National's depleted gas fields into gas storage facilities for other utilities in the northeast, and to pay its maturing 3-1/4% debentures. National Fuel Gas is granted an exception from the competitive bidding requirements of Rule 50. The terms negotiated will be subject to further authorization. (Rel. 35-19760 - Nov. 17)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Options Clearing Corporation has filed an amendment to the proposed changes to Rule 305, originally filed on May 25, 1976, in accordance with Rule 19b-4 (SR-OCC-76-3), requiring clearing members to file with OCC copies of the SEC FOCUS Reports, Parts I and II. Publication of the amendment is expected to be made in the Federal Register during the week of November 22. (Rel. 34-12990)

SECURITIES ACT REGISTRATIONS

(S-14) THE COCA-COLA COMPANY

310 North Ave., N.W., Atlanta, Ga. 30313 - 1,161,000 shares of common stock, to be distributed to shareholders of The Taylor Wine Company, Inc. (Taylor), Hammondsport, N.Y. 14840, pursuant to the terms of a merger agreement, at the rate of one share of common stock of The Coca-Cola Company for each 3.75 shares of Taylor common stock. The Coca-Cola Company is engaged in the manufacture and sale of beverages, including soft drink syrups and concentrates, and coffee, tea, frozen concentrated orange, lemon and lime juices and ades. (File 2-57647 - Nov. 12)

(S-1) NATIONAL GRAPE CO-OPERATIVE ASSOCIATION, INC.

2 South Portage St., Westfield, N.Y. 14787 - \$4,918,199 of allocation certificates, Series 1976, due 1996, \$1,716,458 of 9% debentures, Series 1976, due 1986, and \$1,265,013 of permanent equity capital credits, to be issued to the registrant's members and non-member patrons as part payment for grapes grown, harvested and delivered to the registrant during calendar years 1974 and 1975. Up to \$10 million in permanent equity capital credits and debt securities which may be issued for the 1977 crop; and up to \$5 million of Series 1977 promissory notes to be sold and issued to registrant's members. The registrant is a non-stock membership cooperative corporation engaged in acquiring grapes on a cooperative basis from its members and non-member patrons for processing and marketing through its wholly-owned subsidiary Welch Foods Inc., a cooperative under the label "Welche's[®]". (File 2-57660 - Nov. 16)

(S-14) HI-SHEAR INDUSTRIES INC.

3333 New Hyde Park Rd., North Hills, N.Y. 11040 - 3,384,222 shares of common stock. It is proposed to offer these shares in exchange for all of the outstanding common stock of Hi-Shear Corporation, Torrance, California, and all of the outstanding capital stock of Midwood Industries, Inc., North Hills, N.Y., upon the merger of Hi-Shear Corporation and Midwood Industries, Inc. into Hi-Shear Industries Inc., a wholly-owned subsidiary of Hi-Shear Corporation formed solely for purposes of implementing the merger. The shareholders (excluding Midwood, but including a wholly-owned subsidiary of Hi-Shear) will receive one share of Hi-Shear Industries Inc. common stock for each share of Hi-Shear they own, aggregating 784,222 shares (20.1%). The shareholders of Midwood will receive an aggregate of 2,600,000 shares (79.9%) of Hi-Shear Industries Inc. common stock. Hi-Shear Corporation manufactures and sells fastener and ordnance systems and pneumatic tools. Midwood Industries, Inc. manufactures and sells flanges and fittings for pressure piping systems. (File 2-57667 - Nov. 16)

REGISTRATIONS EFFECTIVE

Nov. 15: Federated Department Stores, Inc., 2-57585; Samuel Moore & Co., 2-57403.
Nov. 16: Allied Maintenance Corp., 2-57315; Canada Southern Petroleum Ltd., 2-52608; Columbus and Southern Ohio Electric Co., 2-57484; Commonwealth of Australia, 2-57538; Federated Department Stores, 2-57491; The First Trust of Insured Municipal Bonds, Series 20, 2-57433; Independent Financial, Ltd., 2-56832; Loctite Corp., 2-57650; The Municipal Investment Trust Fund, Sixty-Second Monthly Payment Series, 2-57339; Putnam Tax-Exempt Income Fund, 2-57165; S.R.C. Laboratories Inc., 2-56366; Schultz Say-O Stores, Inc., 2-57027; Sears, Roebuck and Co., 2-57607; Shonk Land Co., Ltd., 2-55859; Tektronix Inc., 2-57501.

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.

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 |
|------------------------------------|------------|-------|
| ROWAN COMPANIES INC | 7,14 | 10/76 |
| S&S CORP | 11,13 | 10/76 |
| SAFETECH INC | 12,14 | 10/76 |
| SAINTE JOSEPH LIGHT & POWER CO | 7,14 | 10/76 |
| SAN DIEGO GAS & ELECTRIC CO | 3 | 10/76 |
| SAVIN BUSINESS MACHINES CORP | 13 | 10/76 |
| SCOTT PAPER CO | 3 | 10/76 |
| SERVO CORP OF AMERICA | 7,8,12 | 10/76 |
| SERVOMATION CORP | 8 | 10/76 |
| SHELL PIPE LINE CORP | 3 | 10/76 |
| SHOREWOOD CORP | 2 | 10/76 |
| SOUTHEAST BANKING CORP | 7,8,14 | 10/76 |
| SOUTHWEST FOREST INDUSTRIES INC | 3 | 10/76 |
| STANDARD OF AMERICA FINANCIAL CORP | 3 | 10/76 |
| SUN ELECTRIC CORP | 7 | 10/76 |
| TEJON RANCH CO | 13,14 | 10/76 |
| UIP CORP | 8,14 | 10/76 |
| UMC INDUSTRIES INC | 10 | 10/76 |
| UNION ELECTRIC CO | 3 | 10/76 |
| UNITED AIRCRAFT PRODUCTS INC | 11,14 | 10/76 |
| UNITED HAWAIIAN INVESTMENT CORP | 1,2 | 10/76 |
| VIPONT CHEMICAL CO | 3 | 10/76 |
| VIPONT MINING CO | 3 | 10/76 |
| WASTE MANAGEMENT INC | 3,13,14 | 10/76 |
| WEBB RESOURCES INC | 11 | 10/76 |
| WELLS FARGO & CO | 3 | 10/76 |
| WINN DIXIE STORES INC | 3,11,13,14 | 10/76 |
| WURLITZER CO | 13,14 | 10/76 |
| AMENDMENTS TO REPORTS ON FORM 8-K | | |
| E SYSTEMS INC | 14 | 08/76 |
| PAKCO COMPANIES INC | 10 | 06/76 |
| TRW INC | 8 | 10/76 |
| WESTERN AIR LINES INC | 7 | 09/76 |

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

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SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in

U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.