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U.S. SECURITIES & EXCHANGE COMMISSION

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RULES AND RELATED MATTERS

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RESCISSION OF RULES 3c-4 AND 202-1 FOR VARIABLE LIFE INSURANCE

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The Commission today announced the rescission of Rule 3c-4 under the Investment Company Act of 1940 and Rule 202-1 under the Investment Advisers Act of 1940 for variable life insurance. These Rules provided total exemption from the Investment Company and Investment Advisers Acts for life insurance separate accounts issuing certain variable life insurance contracts and their advisers. The rescission of Rules 3c-4 and 202-1 is effective July 30, 1975. (Rel. Nos. IC-8826 and IA-463)

COMMENT PERIOD EXTENDED ON COMMISSION'S INTENTION TO PROPOSE A RULE UNDER SECTION 6(e) OF THE INVESTMENT COMPANY ACT, FOR VARIABLE LIFE INSURANCE

The Commission has extended the time to comment on its Notice of Intention to propose a rule under Section 6(e) of the Investment Company Act of 1940 to August 29, 1975. An exemptive rule under Section 6(e) would exempt issuers of certain variable life insurance contracts, and affiliated persons thereof, from certain provisions of the Investment Company Act. (Rel. IC-8827)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES BERNARD H. HOROWITZ, OTHERS

The SEC announced the filing of a complaint on June 6 in the U.S. District Court for the Southern District of Florida seeking to enjoin Bernard H. Horowitz and David J. Horowitz from violations of the securities laws in connection with the securities of Equitable Development Corporation (Equitable) of Miami Beach, Florida.

The Commission's complaint charges violations of the registration and antifraud provisions of the securities laws in the offer and sale of investment contracts and promissory notes issued by Equitable. The complaint in particular alleges that the defendants made false and misleading statements and omissions of material facts concerning: the financial condition of Equitable; Equitable's ability to pay interest on monies invested; the mortgages accompanying the securities as being first mortgages; the use of the proceeds from the securities sales; and Equitable's inability to operate or meet its obligations without the sale of promissory notes and investment contracts.

In a related matter, on June 6, a Bankruptcy Judge in the Southern District of Florida appointed a bankruptcy receiver for Equitable in the Chapter XI proceedings of Equitable on June 3, 1975. (SEC v. Bernard H. Horowitz, et al., S.D. Fla., Civil Action No. 75-1009-Civ-JLK). (LR-6934)

BOWEN AND BOWEN AND ASSOCIATES, INC. TEMPORARILY ENJOINED

The Atlanta Regional Office announced that on June 4 the Honorable Richard Freeman, U.S. District Judge for the Northern District of Georgia, entered a temporary restraining order restraining defendants Bowen and Bowen and Associates, Inc., an Atlanta investment adviser, and Robert B. Bowen, Jr., its president, from violating the anti-fraud provisions of the securities laws and the books and records provisions of anti-fraud provisions of the Investment Adviser Act of 1940.

A hearing is scheduled for June 12, 1975 on the Commission's motion for a preliminary injunction and application for the appointment of a receiver for Bowen and Bowen and Associates, Inc. (SEC v. Bowen and Bowen and Associates, Inc., et al., N.D. GA, Atlanta Div., Civil No. C75-1059A). (LR-6935)

SPORTS INTERNATIONAL, INC., OTHERS

The Fort Worth Regional Office announced that on May 28 Federal District Judge William M. Taylor, Jr., at Dallas, Texas, entered default judgments against Sports International, Inc., First National Holding Corporation and Harold W. Clark. Judge Taylor also entered orders of permanent injunction by consent against Chester A. Hamby on May 15 and against Harold W. McKinney on May 7, 1975.

Each of the defendants was enjoined from violations of the registration and antifraud provisions of the securities laws in the offer and sale of common stock of Sports International, Inc.

Both Hamby and McKinney consented to the entry of the orders without admitting or denying the allegations contained in the Commission's complaint. (SEC v. Sports International, Inc., et al., N.D. Tex., Dallas Div.). (LR-6936)

COMPLAINT NAMES SIAMERICAN SECURITIES, LTD.

The SEC announced that on June 12 a complaint was filed in the U.S. District Court for the District of Columbia alleging that Siamerican Securities, Ltd. (Siamerican), a Thai and Hong Kong corporation, aided and abetted by Charles W. Kirkwood (Kirkwood) of Arlington, Virginia, violated the broker-dealer registration and antifraud provisions of the securities laws in connection with Siamerican's activities as a broker-dealer abroad in the purchase and sale of securities for American customers. The complaint seeks judgments of permanent injunction against the defendants from further violations of the above provisions.

Simultaneously with the filing of the Commission's action, the defendants consented to the entry of final judgments of permanent injunction as prayed for in the Commission's complaint, without admitting or denying any of the allegations contained therein. In addition, the defendants consented to the appointment of a special counsel by the court to conduct an accounting of the customer accounts at Siamerican, and the creation of a fund into which Kirkwood undertakes to pay such amounts as may be due those customers who elect to participate in the fund, subject to a specified limit, to be distributed to those customers. (SEC v. Siamerican Securities, Ltd., U.S.D.C., D.C.). (LR-6937)

JAMES RAY HOUSTON CITED FOR CONTEMPT

The Denver Regional Office announced that on May 28 U.S. District Chief Judge Roger D. Foley entered an order adjudging defendant James Ray Houston in civil contempt and committing him to the custody of the Attorney General of the United States, and by him to be imprisoned until the defendant purges himself of contempt by providing the court with an accounting of all funds received from investors in connection with the silver investment agreements of Western Pacific Gold and Silver Exchange Corporation, or until defendant James Ray Houston shows good reason why he should not be required to provide said accounting. (SEC v. Western Pacific Gold and Silver Exchange Corporation, et al., U.S.D.C. Nevada, Civil Action No. LV-74-188RDF). (LR-6938)

TOM R. ROGERS PLEADS GUILTY

The Fort Worth Regional Office announced that on June 9 Tom R. Rogers, Dallas, Texas, plead guilty in Federal District Court at Dallas, Texas, to the second count of a two-count information charging him with criminal contempt of an order entered by the Court on June 26, 1972, permanently enjoining him from violating the registration, antifraud and the broker-dealer registration provisions of the securities laws. Count two alleged that defendant Rogers violated the permanent injunction by continuing, subsequent to the entry of the injunctive order, to act as an unregistered broker-dealer. Judge Sarah T. Hughes set sentencing for June 27, 1975. (U.S. v. Tom R. Rogers, N.D. Tex.). (LR-6939)

JOHN C. CARRUTHERS PLEADS GUILTY

The Washington Regional Office announced that on June 6 before the federal court in Washington, D.C., John C. Carruthers of Potomac, Maryland, pleaded guilty to a criminal information charging him in a single count with mail fraud in connection with his activities while affiliated with The Inserco Corporation, a now-defunct investment adviser formerly registered with the Commission. Sentencing has been scheduled for a later date. (U.S. v. John C. Carruthers, U.S.D.C., D.C., Criminal No. 397-75). (LR-6940)

INVESTMENT COMPANY ACT RELEASES

THE PAUL REVERE LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until July 11 to request a hearing on an application of Paul Revere Investors, Inc. (Fund), a closed-end, non-diversified management investment company, and The Paul Revere Life Insurance Company (Insurance Company), parent of the Fund's investment adviser, for an order amending a Commission order issued September 30, 1971, which permits an arrangement under which the Insurance Company and the Fund invest concurrently in all issues of securities suitable for purchase by the Fund which are purchased by the Insurance Company or the Fund at direct placement, so as to permit the Fund to elect not to participate in direct placements in which the Insurance Company wishes to invest when insufficient cash is available to the Fund and the Fund's directors have determined that liquidation of portfolio securities to obtain cash to make the investment would not be in the best interests of the Fund. (Rel. IC-8825 - June 16)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS COMPANY

An order has been issued approving a proposal of the Consolidated Natural Gas Company, a registered holding company, to issue and sell \$100 million of debentures. The net proceeds of the sale of the debentures will be used to pay part of the 1975 capital expenditures of Consolidated's subsidiary companies. (Rel. 35-19043 - June 16)

NATIONAL FUEL GAS COMPANY

A supplemental order has been issued authorizing National Fuel Gas Distribution Corporation and National Fuel Gas Supply Corporation, subsidiaries of National Fuel Gas Company (National), to issue and sell long-term notes to National aggregating \$15,116,600 and \$5,883,400, respectively. (Rel. 35-19044 - June 16)

THE COLUMBIA GAS SYSTEM

A supplemental order has been issued regarding The Columbia Gas System, Inc., and its subsidiary, Columbia Gas Transmission Corporation, authorizing the issuance of notes to banks by the holding company, intrasystem financing, and advances by the subsidiary company to a nonassociate company. (Rel. 35-19045 - June 16)

CENTRAL AND SOUTH WEST CORPORATION

An order has been issued authorizing Central and South West Corporation, a registered holding company, to issue and sell short-term notes to banks and or to sell commercial paper to a dealer in commercial paper and to make loans to its subsidiary companies. (Rel. 35-19046 - June 17)

THE SOUTHERN COMPANY

A supplemental order has been issued releasing jurisdiction over the terms and conditions of the sale by The Southern Company, a registered holding company, of 11,000,000 shares of common stock under negotiated underwriting. (Rel. 35-19047 - June 17)

NEW ORLEANS PUBLIC SERVICE

An order has been issued authorizing New Orleans Public Service Inc., subsidiary of Middle South Utilities, Inc., to issue and sell short-term notes to a group of commercial banks in an aggregate amount outstanding at any one time not to exceed \$18 million. (Rel. 35-19048 - June 17)

JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued releasing jurisdiction regarding the terms of the issue and sale of 250,000 additional shares of Jersey Central's cumulative preferred stock. (Rel. 35-19049 - June 17)

SECURITIES ACT REGISTRATIONS

(S-7) PRENTICE-HALL, INC.

Englewood Cliffs, N.J. 07632 - 91,000 shares of common stock, which may be offered for sale from time to time by certain stockholders at prices current at the time of sale. Goldman, Sachs & Co. has been appointed exclusive broker for the sale of these shares. Prentice-Hall, Inc. is in the publishing business. (File 2-53960 - June 16)

(S-14) STORAGE TECHNOLOGY CORPORATION

2270 South 88th St., Louisville, Colo. 80027 - 293,962 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of common stock of Ultimacc Systems, Inc. on the basis of one-half STC share for each Ultimacc share. STC is engaged in the development, manufacture and sale of computer equipment. (File 2-53962 - June 16)

REGISTRATIONS EFFECTIVE

June 10: Cutler-Hammer Inc., 2-53412; E. F. Johnson Co., 2-53637; The First Trust of Insured Municipal Bonds, 2-53722; Southern Star Land and Cattle Co., Inc., 2-52848.

June 11: A-T-O Inc., 2-52457; Community Psychiatric Centers, 2-53103; Consolidated Oil & Gas Inc., 2-53464; Datapoint Corp., 2-53792; Dynalectron Corp., 2-53618; EMI Ltd., 2-53197 & 2-53681; First National Financial Corp., 2-53817; First Union Real Estate Equity & Mortgage Investments, 2-53672; Province of Ontario, 2-53806; Public Service Electric & Gas Co., 2-53745; Southern California Edison Co., 2-53632; Squibb Corp., 2-53754; Teleflex Inc., 2-53664 & 2-53666; Texas Eastern Transmission Corp., 2-53703 & 2-53704; Texas International Co., 2-53643.

June 13: Northwestern Bell Telephone Co., 2-53778; Nuveen Tax-Exempt Bond Fund, 2-53601; Republic New York Corp., 2-53568; Wisconsin Gas Co., 2-53558.

June 16: Consolidated Natural Gas Co., 2-53711; Ixex Minerals, Inc., 2-53390; Ball Corp., 2-53793; Brock Exploration Corp., 2-52750; Certain-Teed Products Corp., 2-53784 & 2-53785; Continental Oil Co., 2-53820; Cordis Corp., 2-53751; First Wichita Bancshares Inc., 2-53110; Free State Saaiplas Gold Mining Co., Ltd., 2-53073 & 2-53388; Hart Schaffner & Marx, 2-53795.

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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