

sec news digest

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July 7, 1975

JUL 8 1975

COMMISSION ANNOUNCEMENTS

R. GREGERSEN AND R. CHATHAM BARRED

LIBRARY.

Administrative Law Judge Max O. Regensteiner has issued an initial decision barring Ronald G. Gregersen and Richard L. Chatham, both of Salt Lake City, Utah, from association with a broker-dealer. The decision is subject to Commission review on petition of a party or on the Commission's own initiative.

Gregersen was the chief executive of Gregersen & Co., Inc., a broker-dealer registered with the Commission from 1970 until February 1974 when its registration was withdrawn. Chatham was the firm's president from October 1972 to April 1973. According to the decision, Gregersen and Chatham permitted the Gregersen firm to continue in business during the period April - August 1973 even though it had massive net capital deficiencies exceeding \$328,000 at one point. They were able to do so by obtaining large, essentially unsecured bank loans for the firm through a cooperative bank official and misrepresenting the nature of these loans to regulatory personnel. While Chatham had resigned as president of the firm in April 1973, the administrative law judge found that he continued to be a de facto official, at least in the net capital area. Gregersen and Chatham were found to have aided and abetted the firm's violations of the net capital rule.

The administrative law judge further found, among other things, (a) that in connection with a Fabri-Glas, Inc. stock offering pursuant to a purported Regulation A exemption, for which the Gregersen firm was underwriter, R. Gregersen aided and abetted violations of registration and antifraud provisions and Chatham of certain antifraud provisions, and (b) that both Gregersen and Chatham aided and abetted violations of the record-keeping, financial reporting and early warning requirements.

TRADING SUSPENSIONS

TRADING SUSPENDED IN CHEMEX CORP.

The SEC announced on July 3 the temporary suspension of over-the-counter trading in the common stock of Chemex Corp., located in Riverton, Wyoming, for a ten-day period beginning at 12:30 p.m. on July 3 and terminating at midnight (EDT) on July 12, 1975.

The Commission initiated the trading suspension because of questions raised with respect to the recent offering of and after-market trading activity in Chemex Corp.'s common stock. (Rel. 34-11523)

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of (a) over-the-counter trading in the securities of Westgate California Corp. for the further ten-day period July 6 - 15, inclusive; and (b) exchange and over-the-counter trading in the securities of Canadian Javelin Ltd. for the further ten-day period July 8 - 17, inclusive.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES PULSOTRONICS, INC., OTHERS

The New York Regional Office announced that on June 30 the Commission filed a complaint in the U.S. District Court for the Southern District of New York against Pulsotronics, Inc. (Pulsotronics), a Delaware corporation with offices in Memphis, Tennessee, Fort Lee, New Jersey and North Miami Beach, Florida, Joseph W. Hafesh of Hallandale, Florida, director and former chairman of the board, treasurer, and president of Pulsotronics, Allen Borkowski of Fort Lee, New Jersey, director and former executive vice-president and treasurer of Pulsotronics, and Bernard Resnik of Paramus, New Jersey, seeking final judgments of permanent injunction for violations and aiding and abetting violations of the antifraud provisions of the securities laws.

The complaint alleges, among other things, that from 1971 to date, Hafesh and Borkowski have prepared and issued false and misleading releases and shareholder reports. The Commission's complaint also alleges that from August 1974 to date, Pulsotronics, Hafesh, Borkowski, and Resnik have manipulated the over-the-counter markets for Pulsotronics stock. (SEC v. Pulsotronics, Inc., et al., U.S.D.C., S.D.N.Y.). (LR-6968)

INVESTMENT COMPANY ACT RELEASES

CONGRESS STREET FUND

An order has been issued on an application by Congress Street Fund, Inc. (Congress) and Second Congress Street Fund, Inc. (Second Congress), both mutual funds, and Fidelity Management & Research Company (Fidelity), the investment adviser to, and a shareholder of, Congress and Second Congress, permitting a proposed merger of Second Congress into Congress and the participation therein of Fidelity and another shareholder of Second Congress. (Rel. IC-8842 - July 2)

TALLEY INDUSTRIES

A notice and order has been issued (1) announcing the filing by Austrian, Lance & Stewart (P.C.). (Austrian) of an application for an order amending the Commission's order of February 10, 1970 (Rel. IC-5977) which exempted from Section 17(a) of the Investment Company Act certain transactions incident to the then proposed merger of Talley Industries Inc. (Industries) with General Time Corporation (General Time) to provide that industries shall pay Austrian counsel fees of \$1 million and expenses with interest from February 10, 1970, and (2) ordering that as a preliminary matter and before the taking of evidence, Austrian, Industries and interested persons may have the opportunity to file briefs by August 8, 1975, and reply briefs by August 22, 1975, on the question of the Commission's jurisdiction with respect to the fees and expenses of participants in Section 17(b) proceedings and related issues specified in the notice and order. The Austrian firm represented various stockholders of General Time in the proceedings in which the Commission issued its order of February 10, 1970. Any person intending to file a brief has until July 21, 1975 to so notify the Secretary of the Commission. (Rel. IC-8843 - July 3)

DIVIDEND SHARES

An order has been issued on an application of Dividend Shares, Inc., a mutual fund, to permit it to acquire substantially all of the assets of Baton Coal Company in exchange for shares of the fund's capital stock at no sales load. (Rel. IC-8844 - July 3)

WELLINGTON FUND

A notice has been issued giving interested persons until July 28 to request a hearing on an application of Wellington Fund, Inc., Windsor Fund, Inc., Ivest Fund, Inc., Exeter Fund, Inc., Explorer Fund, Inc., Trustees' Equity Fund, Inc., Wellesley Income Fund, Inc., W. L. Morgan Growth Fund, Inc., Westminster Bond Fund, Inc., Fund for Federal Securities, Inc., TDP&L Investment Account A, Inc., and Gemini Fund, Inc., all registered investment companies, Wellington Management Company and Thorndike, Doran, Paine & Lewis, Inc., both registered investment advisers, for an order permitting such applicants to sell jointly certain computer software systems and for an order granting confidential treatment to certain documents relating to such sales. (Rel. IC-8845 - July 3)

MULTIPLE MATURITY TAX-EXEMPT BOND TRUST

A notice has been issued giving interested persons until July 25 to request a hearing on an application of Multiple Maturity Tax-Exempt Bond Trust, First Series and Subsequent Series, a registered unit investment trust, for an order (a) exempting the fund from the minimum initial capital requirements of the Act; (b) permitting capital gains distributions more frequently than once per year; (c) exempting certain pricing practices in the offering of units of the fund from Section 22(d) of the Act; and (d) exempting the secondary market operations of the fund's sponsors from the daily pricing requirements of Rule 22c-1. (Rel. IC-8846 - July 3)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES

A notice has been issued giving interested persons until July 28 to request a hearing on an application-declaration of Northeast Utilities (NU), registered holding company, Western Massachusetts Electric Company (WMECO), subsidiary of NU, and The Quinnehtuk Company (Quinnehtuk), subsidiary of NU engaged in real estate activities for the system, regarding the proposed sale of an office building and approximately 46 acres of land by WMECO to Quinnehtuk and the proposed issuance of a note by Quinnehtuk to two banks in the amount of \$1,800,000 secured by a first mortgage on said property. (Rel. 35-19077 - July 3)

SOUTHWESTERN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until July 30 to request a hearing on a proposal of Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to issue and sell \$40 million of first mortgage bonds at competitive bidding. (Rel. 35-19078 - July 3)

JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, to sell a certain substation to an unaffiliated company. (Rel. 35-19079 - July 3)

SECURITIES ACT REGISTRATIONS

(S-14) GENERAL OHIO S&L CORPORATION

500 South Main St., Findlay, Ohio 45840 - 25,000 common shares and 25,000 shares of \$2.50 serial preference stock, Series B, together with common shares issuable on conversion thereof, to be issued in connection with the proposed acquisition of The Athens County Savings and Loan Company, Athens, Ohio. General Ohio is a multiple savings and loan holding company with six present savings and loan subsidiaries. (File 2-54065 July 27)

(S-B) REPUBLIC OF AUSTRIA

\$50 million of bonds, due 1982, to be offered for sale through underwriters headed by Morgan Stanley & Co. Incorporated, Kuhn, Loeb & Co. and Creditanstalt-Bankverein, c/o Morgan Stanley & Co. Incorporated, 1251 Avenue of the Americas, New York, N.Y. 10020. The Republic of Austria is an independent sovereign state. (File 2-54087 - July 1)

(S-1) APACHE OIL AND GAS PROGRAM, 1975-IV

Foshay Tower, Minneapolis, Minn. 55402 - \$3,100,000 of partnership interests, to be offered for sale at \$15,000 per unit on a best efforts basis by Apache Programs, Inc. and other NASD broker-dealers. The partnership will be formed to explore for and develop oil and gas reserves. (File 2-54082 - June 30)

(S-1) INTERNATIONAL BANKNOTE COMPANY, INC.

230 Park Ave., New York, N.Y. 10017 - \$4,896,000 of 6% subordinated convertible debentures, due 1984, 90,000 shares of 5% preferred stock, Series C and 5,448,873 shares of common stock, which may be offered for sale (or pledged) from time to time by certain securityholders at prices current at the time of sale. International Banknote Company, Inc. is a holding company whose principal asset is the capital stock of American Bank Note Company all of which is pledged to secure bank loans. American Bank Note is engaged primarily in the design, steel engraving and printing of food coupons, stock certificates and bonds, currency, travelers checks and other documents of value requiring safeguards against counterfeiting and in the design and printing of commercial products. (File 2-54076 - June 30)

(S-1) GENERAL RESOURCES CORPORATION (GRC)

3355 Lenox Rd., N.E., Suite 842, Atlanta, Ga. 30326 - 376,247 shares of 7% cumulative convertible preferred stock, Series B. It is proposed to offer these shares in exchange for the outstanding common shares of United Financing Corporation, Atlanta, Ga. (UFC), at the rate of one share of Series preferred share for each 10.4926 shares

REGISTRATIONS EFFECTIVE CONT.

of UFC common stock. Also included in this registration statement are the shares of GRC's common stock, into which the Series B preferred stock is convertible (initially 376,247 shares, subject to adjustment). GRC is engaged, through subsidiaries in the ownership, development, management, leasing and sale of real estate, the conduct of a financial services business, and the conduct of life, credit life, health and accident insurance businesses. (File 2-54080 - June 30)

REGISTRATIONS EFFECTIVE

June 23: Owens Corning Fiberglas Corp., 2-53993.
 June 27: Abbott Laboratories, 2-53848; Management Assistance Inc., 2-53837; Worcester Bancorp, Inc., 2-52673.
 June 30: Airborne Freight Corp., 2-53555; Berteau Corp., 2-53870; Community Bancshares Corp., 2-52805; IIA Financial Services Inc., 2-51398; Landmark Banking Corp. of Florida, 2-53175; Lionel Cox, ., 2-48302; Local Finance Corp., 2-53526; Pennwalt Corp., 2-53976; Southwest Petro-Chem, Inc., 2-53955; Steam Corp. of America, 2-49940.

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
ACOUSTIC SYSTEMS CORP	14	03/75
ALTA INDUSTRIES CORP	11	05/75
AMERICAN ALLIED LIFE INSURANCE CO	11,14	05/75
AMERICAN BANCORPORATION OHIO	7,9,11,14	05/75
BREEZE CORPORATIONS INC	1	06/75
CHURCHILL GROUP	2	05/75
CITIZENS GROWTH PROPERTIES	3,10	03/75
COX BROADCASTING CORP	14	05/75
DATA RESEARCH CORP	11	05/75
DIGICON INC	4,7,14	05/75
DOW CHEMICAL CO	11,14	05/75
EVANS INDUSTRIES INC	2,7,14	05/75
FIRST HOME INVESTMENT CORP OF KANSAS INC	3,8,14	05/75
GAY GIBSON INC	7,8,14	05/75
HEXAGON LABORATORIES INC	NO ITEMS	06/75

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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 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.