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SECURITIES EXCHANGE COMMISSION
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RULES AND RELATED MATTERS

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COMMENT PERIOD EXTENDED ON PROPOSAL TO STANDARDIZE MONEY MARKET FUND YIELD QUOTATIONS

The Commission on June 12, 1975 published for comment proposed Guidelines which, if adopted would standardize money market fund yield quotations on the basis of the yield to average life of the fund's portfolio (Rel. IC-8816). The Commission has received several requests for additional time to study this proposal. In view of the significance and complexity of the proposed Guidelines, the Commission has extended from July 31, 1975 to August 31, 1975, the period within which written views and comments may be submitted on this proposal. (Rel. IC-8879) (S7-568)

ADOPTION OF RULE 22d-3 AND AMENDMENT TO RULE 0-1(e) FOR REGISTERED SEPARATE ACCOUNTS

The Commission has announced the adoption of Rule 22d-3 and the amendment of Rule 0-1(e) under the Investment Company Act of 1940. Rule 22d-3 provides a conditional exemption from Section 22(d) for certain registered separate accounts established to fund variable annuity contracts, while the amendment to Rule 0-1(e) will make the exemption granted by Rule 22d-3 subject to the same conditions as all other exemptions for separate accounts.

The rule provides an exemption from Section 22(d) to permit variations of the sales load and certain other deductions from purchase payments for variable annuities, based upon differences in costs or services, subject to the conditions that the prospectus discloses the amount of the variations and the circumstances in which such variations shall be available, or describes the basis for such variations and the manner in which entitlement shall be determined, and any variations reflect differences in costs or services and are not unfairly discriminatory against any person. The Commission also adopted a conforming technical amendment to Rule 0-1(e).

The adoption of Rule 22d-3 and the amendment to Rule 0-1(e) are effective August 15, 1975. (Rel. IC-8878)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

DECISION PERMANENTLY SUSPENDING REGULATION A EXEMPTION OF THE ALL AMERICAN BURGER, INC. FINAL

The decision of an administrative law judge permanently suspending the Regulation A exemption from registration under the Securities Act of the All American Burger, Inc., of Los Angeles, has become final. The exemption related to a public offering of 80,000 shares of common stock at \$3 per share.

The decision was based primarily on findings that the company's notification and offering circular contained untrue statements concerning the inclusion in its financial statements of \$50,000 claimed to have been received from the sale of a franchise. In fact, no such sum had been received. The franchisee's obligation to pay was contingent on the success of the offering. Although the offering was ultimately successful and although the franchisee eventually did pay, the administrative law judge found the offering circular fraudulent. His decision pointed out that the misstatements with respect to this \$50,000 item rendered the financial statements in the offering circular materially false. (Rel. 33-5602)

SUSPENSION OF REGULATION A EXEMPTION OF ROBERT SHELLEY PRODUCTIONS, LTD., MADE PERMANENT

An order has been issued making permanent the suspension of the claimed Regulation A exemption from the Securities Act's registration requirements with respect to an offer-

ing of 300,000 shares of common stock by Robert Shelley Productions, Ltd. (now known as National Cultural Industries, Inc.), of Englewood Cliffs, New Jersey.

The permanent suspension order was based on findings that the company's offering circular was false and misleading in stating that the company owned certain assets (which it did not own at the commencement of the offering), listing an individual as a director, and stating that an advance against royalties in the amount of \$10,000 was paid to the author of a certain stage play. It was also found that the New York State Supreme Court issued an injunction against the issuer.

Without admitting or denying the allegations in the temporary suspension order, the company consented to the indicated findings and order making the suspension permanent. (Rel. 33-5603)

DECISION BARRING AURRE & CO., INC., AND
GREGORY AURRE, JR., FINAL

An administrative law judge's initial decision barring Aurre & Company, Inc. and Gregory Aurre, Jr., its president, both of New York City, from association with any broker or dealer has become final. Aurre & Company, Inc. (formerly known as Alpha Resources Corp.) was itself a broker and dealer from 1970 to 1973, when it withdrew its registration.

The administrative law judge's conclusions were based on his finding that Aurre and his firm made a fraudulent and a manipulated market in the stock of Marcon Electronics Corporation. According to the decision, all of Marcon's assets had been sold at public auction pursuant to the Bankruptcy Act and the proceeds distributed to its creditors before Aurre began to make a market in the issue "in reckless disregard of the elementary duties devolving upon a broker-dealer." The decision also noted that Aurre's marketmaking activities in Marcon did not begin until after the company's certificate of incorporation had been revoked for nonpayment of franchise taxes. (Rel. 34-11563)

DAN ANFANG AND STANLEY SCHWARTZ BARRED

The Commission has barred Dan Anfang, of New York City, and Stanley Schwartz, of Melville, Long Island, New York, from association with any broker-dealer. Anfang was formerly a salesman with a registered broker-dealer and Schwartz was president of Atlantic Securities, Inc., a formerly registered broker-dealer firm.

The sanctions are based on findings that Anfang and Schwartz had been convicted on their pleas of guilty to crimes involving the purchase and sale of the common stock of Automated Information Systems, Inc.

Anfang and Schwartz failed to answer the charges against them, and were deemed in default. (Rel. 34-11567)

CARL WESLEY MARTIN BARRED

The Commission has barred Carl Wesley Martin of Malta, Utah, from association with any broker-dealer. The sanction was based on findings that during the period July 1972 to September 1973, Martin participated in a fraudulent and manipulative scheme involving the common stock of Epoch Corporation. Martin was a promoter and owned a controlling interest in Epoch. Sales of Epoch stock were effected through nominee accounts, and bids were published and purchases made at successively higher prices in order to create the appearance of a market and raise the stock's price. In addition, certain broker-dealers were induced to enter bid and ask quotations, material misstatements were made to purchasers concerning the safety of an investment and the existence of a bona fide independent market for the stock.

The Commission's action was based on an offer of settlement in which Martin, without admitting or denying the charges against him, consented to the above findings and indicated sanction. (Rel. 34-11568)

COMMISSION ANNOUNCEMENTS

EXTENSION OF TIME FOR FILING BRIEFS AS TO THE EFFECT OF THE SECURITIES ACTS AMENDMENTS OF 1975 ON PENDING CASES INSTITUTED UNDER FORMER SECTION 15(b)(7) OF THE SECURITIES EXCHANGE ACT

Until June 4, 1975, the Securities Exchange Act expressly authorized the Commission to conduct administrative proceedings thereunder against and to impose remedial sanctions on "any person." The pertinent section of the Exchange Act was former Section 15(b)(7). That section has now been modified. The Securities Acts Amendments of 1975, which

became law on June 4: (a) repealed former Section 15(b)(7); (b) replaced it by present Section 15(b)(6); and (c) substituted the phrase "any person associated, or seeking to become associated, with a broker or dealer" for the former words "any person."

Hence questions are presented as to the present status of cases instituted under the Exchange Act, as it stood before June 4, against people who are not alleged to have been broker-dealers, or persons associated with broker-dealers, or persons seeking to become so associated. The Commission has invited briefs as to those questions. (Rel. 34-11500). Because the questions presented are difficult and important the Commission has extended the time within which briefs may be filed up to and including August 18, 1975.

Such memoranda must show proof of service on the Commission's Division of Enforcement. The memorandum of an affected respondent in a specific proceeding should bear the caption of that proceeding. Memoranda filed by others should be captioned "In the Matter of A. P. Montgomery & Co., Inc. et al., Administrative Proceeding File No. 3-4424." Reply memoranda with proof of service will be due on September 19, 1975. All persons filing memoranda should be sure to file the original and seven copies with the Commission's Secretary. (Rel. 34-11565)

ORDERS FOR PUBLIC PROCEEDINGS

ORDER CITES LAMB BROTHERS, INC., OTHERS

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Lamb Brothers, Inc. and Clyde C. Lamb, Jr., its president and controlling stockholder, both of Portland, Oregon.

The proceedings are based on staff allegations of violations of the net capital and broker-dealer financial reporting provisions of the securities laws, and the issuance of a permanent injunction against the respondents. (Rel. 34-11577)

ORDER CITES FINANCIAL SERVICE CORPORATION OF AMERICA, INC., OTHERS

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Financial Service Corporation of America, Inc. (Financial Service), an Atlanta, Georgia broker-dealer, Bobby D. Anderson, its president, William W. Wilkes, its treasurer, Donald E. Hall, its former executive vice-president, Roy L. Poppell, its former treasurer, Financial Service Corporation International, Inc., the parent company of Financial Service, FSC Properties, Inc. (Properties) an affiliate corporation, and Joseph H. Harman, former president of Properties.

The proceedings are based upon allegations of the Commission's staff that Financial Service and respondents violated bookkeeping and antifraud provisions of the securities laws in the offer and sale of investment contracts in the nature of limited partnerships sold by Financial Service. (Rel. 34-11578)

COURT ENFORCEMENT ACTIONS

FRANK G. CONGLETON ENJOINED

The Denver Regional Office announced that on July 28 the Honorable Sherman G. Fine-silver, District Judge of the U.S. District Court for the District of Colorado entered orders by consent permanently enjoining Frank G. Congleton from selling unregistered securities in the form of silver investment agreements or any other security whatsoever absent an available exemption and from making any misleading statements or omitting material facts necessary in order to make the statements made in the light of the circumstances under which they were made not misleading with respect to the purchase or sale of any security. The orders also permanently enjoined the defendant from altering, destroying, or disposing of any books, records, documents, correspondence, funds or assets within the care, custody, or control of the defendants Continental Silver Corporation of Nevada, Continental Silver Corporation of Colorado and Continental Silver Corporation. The Commission agreed to dismiss that portion of the prayer of the complaint asking for restitution and disgorgement against the defendant in view of the accountings furnished to the Court by the defendant Congleton.

The orders and stipulation stem from a complaint filed on April 22, 1974 charging Congleton and others with having violated the securities laws with respect to the offer for sale, sale, offer to purchase and purchase of securities of Continental Silver Corporation of Nevada in the nature of silver investment agreements. (SEC v. Continental

INVESTMENT COMPANY ACT RELEASES

PINE TREE CORPORATION

A notice has been issued giving interested persons until September 3 to request a hearing on an application of Pine Tree Corporation (formerly Pine Tree Fund, Inc.), of Menlo Park, California, for an order declaring that it has ceased to be an investment company. (Rel. IC-8877 - Aug. 6)

KIKIKTAGRUK INUPIAT CORPORATION

An order has been issued on an application by Kikiktagruk Inupiat Corporation (Kotzebue), a registered closed-end management investment company, Arctic Amusement Co., Inc., Mutual Enterprise, Inc., and Donald Ferguson, permitting the purchase by Kotzebue from Arctic and Mutual of certain real property located in Kotzebue, Alaska. (Rel. IC-8880 - Aug. 7)

SECURITIES ACT REGISTRATIONS

(S-7) FLORIDA POWER CORPORATION

3201 34th St. South, St. Petersburg, Fla. 33711 - \$30 million of 8.50% electric consumer capital notes, due 1977, and \$20 million of 9.10% electric consumer capital notes, due 1980, to be offered for sale at 100% of principal amount. The company is engaged in the electric utility business. (File 2-54346 - Aug. 6)

(S-7) NIAGARA MOHAWK POWER CORPORATION

300 Erie Blvd. West, Syracuse, N.Y. 13202 - 3,000,000 shares of common stock, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., New York, N.Y. 10005. The company is engaged in the electric and gas utility business. (File 2-54349 - Aug. 6)

(S-1) WATERS ASSOCIATES, INC.

Maple St., Milford, Mass. 01757 - 280,000 shares of common stock, of which 150,000 shares are to be offered for sale by the company and 130,000 shares by certain shareholders through underwriters headed by Alex. Brown & Sons, 135 East Baltimore St., Baltimore, Md. 21203. The company is engaged in the development, manufacture and marketing of high-performance liquid chromatography instruments, accessories and supplies. (File 2-54350 - Aug. 6)

REGISTRATIONS EFFECTIVE

Aug. 6: The Corporate Income Fund, Twenty Second Monthly Payment Series, 2-53715; G. R. I. Corp., 2-53953; Philadelphia Electric Co., 2-54182; Taco Bell, 2-54123; Vico Corp., 2-53965.

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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