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LIBRARY RULE PROPOSALS AND ADOPTIONS

RULES 10b-20 AND 10b-21 AND AMENDMENTS TO RULES 17a-3(a)(6) AND 17a-3(a)(7) AFFECTING SHORT SALES PROPOSED. The Commission today issued for public comment a proposal to adopt Rules 10b-20 and 10b-21 and to amend Rule 17a-3 under the Securities Exchange Act of 1934. Proposed Rule 10b-20 makes explicit the duty placed on broker-dealers (and others) to refrain from explicitly or implicitly demanding from their customers any payment or consideration in addition to the announced offering price of any securities. Proposed Rule 10b-21 is designed to prevent the manipulation of trading markets in securities at a time when registration statements covering secondary offerings of the same class of securities are pending. Subparagraph (a)(1) of this rule would prohibit short sales by any person who has outstanding an indication of interest to purchase or proposes to purchase shares in the secondary offering. Subparagraph (a)(2) would prohibit, with certain exemptions, any person who has made a short sale of any security within five days of the effective date of a secondary offering of the same class of security, and whose short sale remains uncovered at the effective date, from covering such short sale until five days following the effective date of the registration statement (or Regulation A notification) covering the secondary offering or until the completion of the offering, whichever occurs earlier. The proposed amendments to Rule 17a-3 (the Commission's broker-dealer recordkeeping rule) would require that broker-dealer memoranda of sale orders for over-the-counter securities be marked as "long" or "short" sales. The proposed amendments are intended to assist broker-dealers in complying with provisions relating to short sales under the securities laws, and most notably Regulation T (the broker-dealer margin provisions) promulgated by the Board of Governors of the Federal Reserve Board.

The Commission also stated its view that short sales made prior to the effective date of a pending registration statement filed with the Commission covering securities of the same class of the same issuer as those sold short, which short sales, are covered, as planned at the time of sale, with shares obtained in the registered offering, raise serious questions under Section 5 of the Securities Act of 1933.

Comments should be submitted to the Commission by April 15, 1974 and bear the file number S7-510.

COMMISSION ANNOUNCEMENTS

PROCEEDINGS ORDERED AGAINST A. P. MONTGOMERY & CO., OTHERS. Public administrative proceedings under the Securities Exchange Act of 1934 have been ordered against A. P. Montgomery & Co., Inc., JAB Securities Co., Inc., New York broker-dealers; Dixon, Dolce & Co., Inc., New York broker-dealer presently in liquidation; Richard S. Friedman, president of A. P. Montgomery; Joseph Dolce, vice president of Dixon Dolce; and Joseph A. Buongiorno, president of JAB. Other respondents are: VFN Associates and Vincent F. Naddeo of New York; Sequoia Partners, Sierra Associates, Clyde W. Engle and Roger Weston of Chicago; Financial Investment Corp. and Edward Stewart of Memphis; Taurus, Inc., Taurus Management Corp. and Eugene Phelan, Jack R. Cooper doing business as Carter Industries and Jack R. Cooper, Kingswood Growth Fund, Harvest Growth Fund and Rudolf Maurizi all of New York; Stonehenge Growth Fund and Francis M. Stefurak of Brielle, N. J.; and The Malta Fund, The Elba Fund and John M. Toal of New York.

The proceedings are based upon allegations of the Commission's staff that respondents made short sales of certain securities prior to the effective dates of registration statements covering secondary offerings of securities of the same issuer, which short sales caused or contributed to causing a decline in the market price for such securities and affected the pricing of such offering shares. It is alleged that the respondents manipulated the market for such securities, covered the short sales with shares purchased in such offerings and failed to disclose their purpose and activities in connection with such short sales. Based upon such activities, it is alleged that the respondents, among other things, violated the antifraud and antimanipulative provisions of the securities laws.

A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses. The hearing is to determine whether the allegations are true; and, if so, whether any action of remedial nature should be ordered by the Commission. (Rel. 34-10637)

DECISIONS IN ADMINISTRATIVE PROCEEDING

NASD SANCTIONS AGAINST DANIEL S. BRIER & CO. AND PRESIDENT MODIFIED. The Commission has sustained the NASD's findings in disciplinary proceedings against Daniel S. Brier & Co., Inc., New York City, and its president, Daniel S. Brier of net capital violations during 1970. The sanctions were modified, however, to censure and a \$1000 fine, in view of various factors, including the fact that respondents had already served suspensions imposed in administrative broker-dealer proceedings based in part on the same violations. (Rel. 34-10627)

INVESTMENT COMPANY ACT RELEASES

AMERICAN GENERAL LIFE INSURANCE COMPANY. A notice has been issued giving interested persons until March 6 to request a hearing on an application by the American General Life Insurance Company of Delaware and its separate account, American General Life Insurance Company of Delaware Separate Account D, a unit investment trust registered under the Act, for an order exempting applicants from certain provisions of the Act so as to permit the following: (1) the elimination of sales and administrative charges in certain circumstances upon the purchase of certain variable annuity contracts issued by applicants, and (2) the elimination of the requirement that an independent trustee or custodian hold the assets of the separate account. (IC-8224)

PEOPLES EQUITY CORP. The Commission issued an order declaring that Peoples Equity Corp. is no longer an investment company as defined in the Act. (IC-8225)

MISCELLANEOUS

CANCELLATION OF REGISTRATION OF DELINQUENT INVESTMENT ADVISERS PROPOSED. A notice has been issued giving interested persons until March 5 to request a hearing upon a proposal of the Commission to cancel the registration of 63 investment advisers. These registrants have not paid the \$100 annual assessment for calendar year 1972 imposed by the Investment Advisers Act and all communications addressed to them, including five mailings during 1973 concerning the annual assessment, have been returned by the Postal Service as undeliverable. (Rel. IA-400)

SECURITIES ACT REGISTRATIONS. Effective February 8: Boatmen's Bancshares, Inc., 2-49587; Great Universal Stores Limited, 2-49995 & 2-49996; Kansai Electric Power Company, Incorporated, 2-49871; Reading & Bates Offshore Drilling Company, 2-50139.

TRADING SUSPENSIONS. The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Equity Funding Corp. and over-the-counter trading in the securities of Industries International for the further ten-day period February 11-20, inclusive.

COMPANIES WHICH RECENTLY ACQUIRED STOCK OF OTHER COMPANIES. Companies and individuals must report to the Commission on Schedule 13D the acquisition of more than 5% of the stock of another company within 10 days of the acquisition. During the period December 21-January 31 the following companies or individuals filed Schedule 13D's regarding the acquisition of stock of other companies.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Save and Prosper Group Ltd.	Investment Annuity, Inc. Common Stock - 500,000 shs. on conversion of Debentures Common Stock - 250,000 shs. on exercise of Warrant	12-21-73
* Samuel P. Mandell et al	CP Financial Corp. Common Stock - 375,678 shs.	12-26-73
* Norbat Corp (Wholly-owned subsidiary of Northwest Industries, Inc.)	General Battery Corp. Common Stock - 2,295,888 shs. (Above shares constitute 98.02% of the outstanding shares)	12-27-73
Fitzwilliam Resources Ltd.	Intercontinental Energy Corp. Common Stock - 134,000 shs.	1-7-74
* National Heritage Life Insurance Co.	Modern Security Life Insurance Co. Common Stock - 101,150 shs.	1-7-74
* Martin J. Wygod Abert M. Weis Merchant investors Corp.	Susquehanna Corp. Common Stock - 58,100 shs. Preferred Stock - 110,700 shs.	1-7-74
* Philip Messinger	New Yorker Magazine, Inc. Common Stock - 17,719 shs.	1-9-74
* First Manhattan Co.	I. L. C. Industries, Inc. Common Stock - 20,400 shs.	1-9-74
* First Manhattan Co.	Lea-Ronal, Inc. Common Stock - 107,929 shs.	1-9-74
* Getty Oil Co.	Skelly Oil Co. Common Stock - 422,700 shs. Common Stock - 8,603,000 shs. are owned by Mission Corp. (Getty Oil owns approximately 87.9% of the outstanding shs. of Mission)	1-10-74
American National Insurance Co. (A wholly-owned Subsidiary of American National Financial Corp.)	Dillard Department Stores, Inc. Class A Common - 168,733 shs.	1-25-74
KB Marketing Systems, Inc.	Epko Shoes, Inc. Common Stock - 144,238 shs.	1-28-74
USI Stockholders Committee Members	U.S. Industries, Inc. Common Stock - 1,738,637 shs. Common Stock - 303,638 shs. on conversion of Preference Special Preference Ser. D - 36,250 shs. Special Preference Ser. E - 4,001 shs.	1-28-74
Elizabeth S and Neil H. Ellis	First Hartford Corp. Common Stock - 710,478 shs.	1-28-74

13D REPORTS CONT.

Sun Ventures, Inc.	Plastic Development Corp. Common Stock - 448,916 shs.	1-28-74
Unionamerica Mortgage and Equity Trust	Fabri-Tek, Inc. Common Stock - 250,000 shs. on exercise of Warrants	1-28-74
* James B. Tobias, M.D.	Medfield Corp. Common Stock - 50,240 shs. Common Stock - 10,000 shs. on exercise of Options	1-28-74
* Alabama Farm Bureau Mutual Casualty Insurance Co., Inc.	American Fidelity Life Insurance Co. Common Stock - 228,555 shs. (Shares which American Fidelity has a right to acquire are included)	1-28-74
Netter International Ltd.	Standard Security Life Insurance Company of New York Common Stock - 90,400 shs.	1-28-74
Teachers Insurance and Annuity Assn. of America	Tolchin Instruments, Inc. Common Stock - 65,000 shs. on exercise of Warrants	1-28-74
Keystone Custodian Fund, Series S-4	Payless Cashways, Inc. Common Stock - 127,200 shs.	1-29-74
* Sylvia Martin Mann	Cinema 5 Ltd. Common Stock - 148,700 shs.	1-14-74
* Missouri Pacific RR Co.	Chicago & Eastern Illinois RR Co. Common Stock - 2,527,911 shs.	1-14-74
* Harbor Fund, Inc.	McCulloch Oil Corp. Common Stock - 159,400 shs. on conversion of Debentures	1-14-74
* Harbor Fund, Inc.	Otis Elevator Co. Common Stock - 77,092 shs.	1-14-74
* Harbor Fund, Inc.	Budd Co. Common Stock - 71,220 shs. on conversion of Debentures	1-14-74
* Sierra Pacific Industries	Welsh Corp. Common Stock - 51,000 shs.	1-14-74
* Cypress Partners, Ltd.	Norris Oil Co. Common Stock - 15,000 shs.	1-14-74
* Younker Brothers, Inc.	Paul Harris Stores, Inc. Common Stock - 80,248 shs.	1-14-74
* City Investing Co.	Cayman Corp. Common Stock - 921,052 shs. on conversion of Note	1-14-74
* Robert W. Adenbaum et al	Jaeger Machine Co. Common Stock - 144,285 shs.	1-14-74
* Tweedy, Browne & Knapp	Cambridge Fund, Inc. Capital Stock - 167,257 shs.	1-15-74
* James B. Tobias, M.D.	Medfield Corp. Common Stock - 50,240 shs. Common Stock - 10,000 shs. on exercise of Options	1-15-74

13D REPORTS CONT.

Robert Kisberg Shepherd Schaffer Jay Brill	Private and Computer Schools, Inc. Common Stock - 121,664 shs. Common Stock - 138,000 shs. on consummation of purchase agreement with the sellers Common Stock - 25,000 shs. on exercise of Options	1-15-74
* Mrs. C. A. Johnson	Central Securities Corp. Common Stock - 369,612 shs. Common Stock - 36,063 shs. on conversion of Preference	1-16-74
Charter Co.	Downe Communications, Inc. Common Stock - 475,400 shs.	1-16-74
Jerry A Whatley	Worldcom, Inc. Common Stock - 239,600 shs.	1-16-74
* DPF Inc.	Scot Lad Foods, Inc. Common Stock - 149,400 shs.	1-16-74
* Frank E. Snell	Intercontinental Portfolios Ltd. Common Stock - 2,888,110 shs. (Above shs. constitute 59.2% of the outstanding shares, Preferred Enterprises, Inc. of which Mr. Snell is the sole stockholder, owns 1,250,000 shs. of above.)	1-16-74
* Jerome J. Nudelman	Moore Clear Co. Common Stock - 38,050 shs. Common Stock - 154,000 shs. on exercise of Options	1-16-74
* Charles E. Smith, D. D. S.	Lancer Pacific Inc. Common Stock - 62,700 shs. Common Stock - 150 shs. on exercise of Warrants Common Stock - 1,000 shs. on exercise of Options	1-17-74
State Mutual Life Assurance Company of America	Gulf Resources & Chemical Corp. Common Stock - 24,000 shs. on exercise of Warrants	1-25-74
State Mutual Securities, Inc.	Gulf Resources & Chemical Corp. Common Stock - 24,000 shs. on exercise of Warrants	1-25-74
Alan J. Grant	Wavecom Industries Common Stock - 75,000 shs. Common Stock - 25,000 shs. on exercise of Options (Grant Investment Associates in which Mr. Grant has a 60% interest, has entered into an Agreement of Sale to acquire 250,000 shares and warrants to purchase an additional 350,000 shares)	1-25-74
Keystone Custodian Fund, Series S-4	Williams Companies Warrants to purchase shares of Common Stock - 92,000 shs.	1-29-74
Sun Ventures, Inc.	Process Systems, Inc. Common Stock - 632,961 shs. Common Stock - 100,000 shs. on exercise of Warrants	1-29-74

13D REPORTS CONT.

Continental Assurance Co.	American Motor Inns, Inc. Common Stock - 72,000 shs. on exercise of Warrants	1-29-74
Ampco-Pittsburgh Corp.	Pittsburgh Forgings Co. Common Stock - 410,568 shs.	1-29-74
* N-Ren Corp.	St. Paul Ammonia Products, Inc. Common Stock - 5,751,313 shs. Common Stock - 1,176,073 shs. on conversion of Preferred	1-29-74
* Alleghany Corp.	USM Corp. Common Stock - 934,100 shs.	1-29-74
Keystone Custodian Fund, Series S-4	Mission Equities Corp. Common Stock - 200,000 shs.	1-29-74
* Rhinechem Corp.	Cutter Laboratories, Inc. Class A Common - 1,767,954 shs. Class B Common - 449,819 shs. (Above shares were purchased pursuant to a tender offer and constitute approximately 84% and 90% of the outstanding Class A and B shares respectively)	1-29-74
Canadian and Foreign Invest- ment Trust Ltd. (Scotland)	Invent Inc. Common Stock - 20,000 shs.	1-30-74
Scottish American Investment Co., Ltd. (Scotland)	Invent Inc. Common Stock - 51,000 shs.	1-30-74
Scottish Northern Investment Trust Ltd. (Scotland)	Invent Inc. Common Stock - 60,000 shs.	1-30-74
Standard Life Assurance Co. (Scotland)	Invent Inc. Common Stock - 75,000 shs.	1-30-74
Warren G. Christianson	Despatch Industries, Inc. Common Stock - 37,200 shs.	1-30-74
Robert L. McNeil, Jr.	Cable Funding Corp. Common Stock - 114,500 shs.	1-31-74
Western Pioneer Life Insurance Co.	Citizens Security Life Insurance Co. Common Stock - 56,609 shs. Common Stock - 240,000 shs. on consummation of Purchase Agreement with two directors of Citizens Security (Above 296,609 shs. constitute approximately 22.2% of the outstanding shares)	1-31-74
* David J. Greene and Co.	Cowles Communications, Inc. Capital Stock - 325,581 shs.	1-31-74
* Pechiney Ugine Kuhlmann Corp.	Howmet Corp. Common Stock - 7,485,796 shs. (Above shs. constitute approximately 70% of the outstanding shares)	1-31-74
Sidney Popkin	Automatic Service Co. Common Stock - 71,100 shs.	1-31-74

* Amended Acquisition Report

RECENT FORM 8-K FILINGS. Form 8-K is used by companies to file current reports on the following events:

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| Item 1. Changes in Control of Registrant. | Item 9. Options to Purchase Securities. |
| Item 2. Acquisition or Disposition of Assets. | Item 10. Revaluation of Assets or
Restatement of Capital Share Account. |
| Item 3. Legal Proceedings. | Item 11. Submission of Matters to a Vote of Security Holders. |
| Item 4. Changes in Securities. | Item 12. Changes in Registrant's Certifying Accountant. |
| Item 5. Changes in Security for Registered Securities. | Item 13. Other Materially Important Events. |
| Item 6. Defaults upon Senior Securities. | Item 14. Financial Statements and Exhibits. |
| Item 7. Increase in Amount of Securities Outstanding. | |
| Item 8. Decrease in Amount of Securities Outstanding. | |

The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
AG MET INC	7	12/73
AMELCC CORP	13	01/74
AMERICAN INCOME FUND LTD	2	12/72
APRIL INDUSTRIES INC	2,12,13	12/73
AUTOMATED PROCESSES INC	7	01/74
BIOMEDICAL INDUSTRIES INC	2,14	01/74
BGSTON GAS CO	7,11,13,14	12/73
BRIGADIER INDUSTRIES CORP	10,14	03/73
CARHART PHOTO INC	2,7,14	01/74
CCA ELECTRONICS CORP	7,14	12/73
CCNTRAN CORP	2	01/74
EQUITABLE GENERAL CORP	1,14	12/73
FAYS DRUG CO INC	3	12/73
FIRST STEUBEN BANCORP INC	13	01/74
FLUID CONTROLS INC	13,14	01/74
GENERAL COMPUTER SYSTEMS INC	7	09/73
GOLDSMITH BROTHERS	2,8,14	12/73
HANOVER SQUAKE REALTY INVESTORS	11,14	12/73
HAWAII CORP	3	10/73
IMPERIAL AMERICAN RESOURCES FUND INC	14	11/73
INCCME PROPERTIES EQUITY TRUST	2,7	12/73
MID CONTINENT INDUSTRIES INC	13	01/74
NATIONAL ENVIRONMENTAL CONTROLS INC	2,14	10/73
NATIONAL ENVIRONMENTAL CONTROLS INC	2,9,13,14	12/73
NATIONWIDE NURSING CENTERS INC	11	12/73
NOLEX CORP	13,14	12/73
PIONEER INSURANCE CO	3,14	09/73
PIONEER NURSING CENTERS INC	14	11/73
PIXIELAND CORP	2,6,10,11,13,14	12/73
PLAIN N FANCY DONUTS OF AMERICA INC	2,10,13,14	01/74
PRUDENTIAL BUILDING MAINTENANCE CORP	3	12/73
RADIATION TECHNOLOGY INC	6	12/73
SOUTHWEST MORTGAGE & REALTY INVESTORS	13	12/73
SUPERIOR EQUITY CORP	3,14	08/73
UNITED BUCKINGHAM FREIGHT LINES	2,3,14	12/73
UNITED PUBLISHING CORP	8	12/73
URBAN IMPROVEMENT FUND LTD	2,14	12/73
URBAN IMPROVEMENT FUND LTD 1973	2,14	08/73
WESTVACO CORP	14	12/73
WHITEHALL CEMENT MANUFACTURING CO	7	12/73
AMENDMENTS TO REPORTS ON FORM 8-K		
ABERDEEN MANUFACTURING CORP	14	12/73
AMERICAN HEALTH SERVICES INC	13	03/73
AVON PRODUCTS INC	14	11/73
CALUMET INDUSTRIES INC	14	09/73
DANA CORP	14	12/73
DANNERS INC	13	12/73
FIFTH AVENUE CARDS INC	13	12/73
FINANCIAL LAND CORP	9	04/73
GENERAL CRUDE OIL CO	1	11/73
GRAINGER W W INC	7	12/73

8K AMENDMENTS CONT.

ITEL INVESTORS GROUP I	2	09/73
ITEL INVESTORS GROUP I	2	10/73
LACLEDE STEEL CO	14	09/73
LADD ENTERPRISES INC	12	10/73
RAINBC PHOTO COLOR INC	2	10/73
REFAC TECHNOLOGY DEVELOPMENT CORP	12	08/73
REPUBLIC AUTOMOTIVE PARTS INC	14	12/73
SCHLITZ JOSEPH BREWING CO	10	09/73
TILAR INDUSTRIES INC	12,14	12/73

IMPORTANT NOTICE

Many requests for copies of documents referred to in the daily SEC News Digest have erroneously been directed to the Government Printing Office. They should be addressed: Public Reference Section, Securities and Exchange Commission, Washington, D. C. 20540. The reproduction cost will approximate 12¢ per page, plus postage, for mailing within four days. to 25¢ per page, plus postage, for overnight mailing. Cost estimates given on request.

Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$35.45 a year, first class mail; \$8.90 additional for foreign mailing) and the SEC Docket (\$21.35 a year, first class mail; \$5.35 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.