

sec news digest

Issue 80-34

LIBRARY
FEB 21 1980
U.S. SECURITIES AND
EXCHANGE COMMISSION

February 19, 1980

RULES AND RELATED MATTERS

ADOPTION OF NEW RULES 17a-8, 22d-4 AND 22d-5 AND AMENDMENTS

The Commission announced the adoption of new rules 17a-8, 22d-4 and 22d-5 and the amendment of Rules 17d-1 and 22c-1 under the Investment Company Act of 1940 to modify certain restrictions of the Act, and rules under it, pertaining to sales of investment company securities in connection with a merger, consolidation or offer of exchange. The rules and amendments to rules are exemptive and therefore effective immediately. (Rel. IC-11053)

FOR FURTHER INFORMATION CONTACT: Joseph F. Mazzella at (202) 272-2033

CIVIL PROCEEDINGS

AARON A. KLEINMAN CONSENTS TO INJUNCTION

The Los Angeles Regional Office announced that on January 29 Aaron Albert Kleinman, president and sole shareholder of Manus, Inc., a registered investment adviser, consented to the entry of an order enjoining him from further violations of the registration, antifraud and broker-dealer registration provisions of the securities laws in his operation of Manus, Inc. Kleinman consented to the entry of the injunction without admitting or denying the allegations of the complaint. The complaint, filed on August 24, 1979, on which date defendant Manus, Inc. was enjoined pursuant to its consent to the entry of an injunction and the appointment of a receiver, without admitting or denying the allegations of the complaint. (SEC v. Manus, Inc., et al., U.S.D.C. CD, Cal., Civil Action No. 79-3274-WPG). (LR-9005)

CRIMINAL PROCEEDINGS

RICHARD C. FLICK FOUND GUILTY

The Atlanta Regional Office announced that on February 1 Richard C. Flick of Memphis, Tennessee was found guilty by a Federal Court jury in Raleigh, North Carolina on each count of a five-count indictment charging violations of securities, wire and mail fraud. The indictment arose from Flick's activities as an unregistered broker-dealer doing business as El Taco, Inc. and L.N.I.B. in 1977 and 1978 including the period from April to September 1978 during which he was suspended from association with any broker or dealer as a result of earlier activities at Shelby Bond Service Corp., a now-defunct Memphis, Tennessee municipal bond dealer. The indictment charged Flick with soliciting money from a resident of North Carolina for the purpose of purchasing municipal bonds for the customer and then not delivering the bonds.

Immediately following the jury verdict, Judge F. T. Dupree, Jr. of the U.S. District Court for the Eastern District of North Carolina sentenced Flick to imprisonment for five years on Count I of the indictment, five years on Count II to run consecutively to the sentence imposed on Count I, and five years each on Counts III, IV and V, to run concurrently with the sentences imposed on Counts I and II, and a \$5,000 fine. (U.S. v. Richard C. Flick, U.S.D.C. E.D. N.C., Criminal Action No. 79-20-CR-8). (LR-9004)

INVESTMENT COMPANY ACT RELEASES

EBERSTADT ASSET MANAGEMENT, INC.

The Commission, on February 15, issued a notice of filing of an application by Eberstadt Asset Management, Inc. and Eberstadt Fund Management, Inc., for an order exempting them from the provisions of Section 9(a) of the Investment Company Act of 1940. The application, results from the entry on February 15 of an order, on consent, against Eberstadt Asset and Eberstadt Fund in SEC v. Sun Company, Inc., et al., 78 Civ. No. 1055 (SDNY). The Commission issued an order of temporary exemption pending determination of the application and gave interested parties until March 17, 1980 to request a hearing on the matter. (Rel. IC-11049 - Feb. 15)

SALOMON BROTHERS AND KENNETH LIPPER

The Commission, on February 15, issued a notice of filing of an application by Salomon Brothers and Kenneth Lipper for an order exempting them from the provisions of Section 9(a) of the Investment Company Act of 1940. The application results from the entry on February 15 of an order, on consent, against Salomon Brothers and Kenneth Lipper in SEC v. Sun Company, Inc., et al., 78 Civ. No. 1055 (SDNY). The Commission issued an order of temporary exemption pending determination of the application and gave interested parties until March 17 to request a hearing on the matter. (Rel. IC-11050 - Feb. 15)

BARCLAYS BANK INTERNATIONAL LIMITED

A notice has been issued giving interested persons until March 11 to request a hearing on an application of Barclays Bank International Limited, a bank registered in the United Kingdom which presently proposes to make an offering of commercial paper in the United States, for an order, pursuant to Section 6(c) of the Act, exempting Applicant from all provisions of the Act. (Rel. IC-11051 - Feb. 15)

BARCLAYS BANK LIMITED

A notice has been issued giving interested persons until March 11 to request a hearing on an application of Barclays Bank Limited, a bank registered in the United Kingdom which presently proposes to make an offering of commercial paper in the United States, for an order, pursuant to Section 6(c) of the Act, exempting Applicant from all provisions of the Act. (Rel. IC-11052 - Feb. 15)

HOLDING COMPANY ACT RELEASES

ALABAMA POWER COMPANY

A notice has been issued giving interested persons until March 12 to request a hearing on a post-effective amendment to an application filed by Alabama Power Company, subsidiary of The Southern Company, regarding an installment sale agreement with an agency of the City of Mobile, Alabama, whereby the agency is constructing for the company pollution control facilities heretofore financed by the agency's issuance and sale of \$40,300,000 of pollution control revenue bonds. To meet increased costs of construction, it is now proposed that the agency issue and sell up to an additional \$15 million of such revenue bonds. Alabama Power will acquire the facilities upon completion thereof pursuant to said installment sale agreement. (Rel. 35-21435 - Feb. 13)

THE SOUTHERN COMPANY

A notice has been issued giving interested persons until March 27 to request a hearing on a proposal of The Southern Company, a registered holding company, and three of its subsidiaries, Georgia Power Company, Gulf Power Company and Mississippi Power Company, to issue short-term notes to banks and commercial paper to dealers in commercial papers from time to time through March 31, 1981 in the following maximum aggregate principal amounts: Southern, \$100 million; Georgia, \$615 million; Gulf, \$104 million; and Mississippi, \$65 million. The short-term borrowings will be used to anticipate long term financing of the system's construction budgets, by the subsidiaries directly, and in the case of Southern, in the form of capital contributions to its subsidiaries. (Rel. 35-21436 - Feb. 14)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-14) AMERICAN NATIONAL HOLDING COMPANY, 136 East Michigan Ave., Kalamazoo, Mich. 49007 (616) 383-6700 - \$3,439,475 of 9% convertible subordinated debentures maturing serially 8-10 years from date of issue. (File 2-66676 - Feb. 14)
- (S-1) GEOSOURCE INC., 2700 South Post Oak Rd., Houston, Tex. 77056 - 691,661 shares of common stock. Underwriters: Lehman Brothers Kuhn Loeb Inc., Merrill Lynch White Weld Capital Markets Group and Donaldson, Lufkin & Jenrette Securities Corporation. The company provides products and services for the discovery, development, processing and distribution of petroleum and other natural resources. (File 2-66677 - Feb. 14)
- (S-14) THE BENDIX CORPORATION, Executive Offices, Bendix Center, Southfield, Mich. 48037 (313) 827-5000 - 4,429,464 shares of Series B 9-3/4% cumulative convertible preferred stock. (File 2-66678 - Feb. 14)
- (S-14) CENTRAL TELEPHONE & UTILITIES CORPORATION, 5725 East River Rd., Chicago, Ill. 60631 (312) 399-2500 - 820,000 shares of common stock. (File 2-66679 - Feb. 14)
- (S-7) UTAH POWER & LIGHT COMPANY, 1407 West North Temple St., P.O. Box 899, Salt Lake City, Utah 84110 (801) 535-2000 - \$60 million of first mortgage bonds, Series due March 1, 2010. The company is an electric utility. (File 2-66680 - Feb. 14)
- (S-B) EXPORT DEVELOPMENT CORPORATION, Canadian Embassy, 1746 Massachusetts Ave., N.W., Washington, D.C. 20036 - \$200 million of notes, due March 1, 1985. Underwriters: Salomon Brothers, Wood Gundy Inc., Merrill Lynch White Weld Capital Markets Group and Dominion Securities Inc. (File 2-66681 - Feb. 14)
- (S-16) ILLINOIS POWER COMPANY, 500 South 27th St., Decatur, Ill. 62525 (217) 424-6600 - 3,000,000 shares of common stock. Underwriters: The First Boston Corporation and Merrill Lynch White Weld Capital Markets Group. The company is an electric and gas utility. (File 2-66682 - Feb. 15)
- (S-1) NORTH-WEST TELEPHONE COMPANY, 901 Kilbourn Ave., Tomah, Wis. 54660 (608) 372-4151 - 175,000 shares of common stock. Underwriter: The Milwaukee Company. The company is engaged in providing local and long-distance telephone service. (File 2-66683 - Feb. 15)
- (S-7) OFFSHORE LOGISTICS, INC., 900 East University Ave., Lafayette, La. 70503 (318) 233-1221 - 800,000 shares of cumulative convertible preferred stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Howard, Weil, Labouisse, Friedrichs Inc. The company is engaged in providing international marine and helicopter services. (File 2-66684 - Feb. 15)
- (S-7) MILTON BRADLEY COMPANY, 1500 Main St., Springfield, Mass. 01115 (413) 525-6411 - 825,000 shares of common stock. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company develops, manufactures and sells a broad line of toys and educational materials. (File 2-66685 - Feb. 15)
- (S-8) GENSTAR LIMITED, Suite 4105, 1 Place Ville Marie, Montreal, Quebec, Canada H3B 3R1 (514) 879-1270 - 1,000,000 common shares. (File 2-66686 - Feb. 15)
- (S-16) DUQUESNE LIGHT COMPANY, 435 Sixth Ave., Pittsburgh, Pa. 15219 (412) 456-6000 - 1,200,000 shares of common stock. The company is engaged in the production, purchase, transmission, distribution and sale of electric energy. (File 2-66688 - Feb. 14)

REGISTRATIONS EFFECTIVE

Feb. 8: Cheyenne Resources, Inc., 2-65635.
Feb. 12: Passport Travel, Inc., 2-65456.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FIRST CLASS MAIL

POSTAGE AND FEES PAID
U. S. SECURITIES AND
EXCHANGE COMMISSION



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. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily.

*Subscription rates: \$100.00/yr in U.S. first class mail;
\$125.00 elsewhere.*

SEC DOCKET is published weekly.

*Subscription rates: \$79.00/yr in U.S. first class mail;
\$98.75 elsewhere.*

SEC STATISTICAL BULLETIN is published monthly.

*Subscription rates: \$15.00/yr in U.S. first class mail;
\$18.75 elsewhere.*

The News Digest, the Docket, and the Statistical Bulletin are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.