

sec news digest

U.S. SECURITIES AND
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LIBRARY

RULES AND RELATED MATTERS

CONSIDERATION OF A SYSTEM OF CLASSIFYING SMALLER ISSUERS FOR PURPOSES OF MODIFYING CERTAIN REPORTING AND OTHER REQUIREMENTS

The Commission has authorized the publication of a release which solicits comments on the feasibility of establishing certain defined classes of small issuers for purposes of modifying certain reporting and other obligations under the Exchange Act. In connection therewith, the Commission is releasing certain statistical data with respect to those companies that are subject to the Exchange Act pursuant to Sections 12 and 15(d) thereof, for the purpose of evaluating potential classification criteria. The release represents a further initiative by the Commission to identify and remove impediments to small business to the greatest extent consistent with the public interest and protection of investors and raises general questions about the desirability or feasibility of a classification system and the criteria which could be used in grouping companies. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549 on or before September 15 and should refer to File No. S7-837. All comments will be available for public inspection. (Rel. 34-16866)

FOR FURTHER INFORMATION CONTACT: Paula Chester at (202) 272-2644 or Hugh Haworth at (202) 523-5631 (for information regarding the application of empirical data and analysis)

COMMISSION ANNOUNCEMENTS

WEEKLY CALENDAR

The following is a schedule of speaking engagements, Congressional testimony, Commission hearings and other public events involving the Commission for the week of June 8, 1980. (Commission Meetings are announced separately in the News Digest)

Tuesday, June 10

- * Commissioner Stephen J. Friedman will address a luncheon meeting of the Securities Law Committee of the Federal Bar Association to be held at the National Lawyers Club, 1815 H Street, N.W., Washington, D.C. The topic of his speech will be "Some Early Reflections on the Administrative Process at the SEC -- the Relationship between Policymaking and Enforcement."

ADMINISTRATIVE PROCEEDINGS

R. G. DICKINSON & CO., OTHERS SANCTIONED

The Commission announced that it has instituted public administrative proceedings under the Securities Exchange Act of 1934 against R. G. Dickinson & Co., a Des Moines, Iowa based brokerage firm; John C. Stelzer of Perry, Iowa, a former Dickinson registered representative, John E. Waggoner, Dickinson's option department manager, John P. Boesel, Jr., Dickinson's president, William N. Goodwin, Dickinson's chairman of the board of directors, all of Des Moines, Iowa, Donald J. Renier, Dickinson's Des Moines office manager, and Ray D. Duve, Jr., Dickinson's first vice-president and treasurer, both of West Des Moines, Iowa. Simultaneously, the Commission accepted offers of settlement from the respondents.

In their offers of settlement, without admitting or denying the allegations or findings, the respondents consented to the entry of findings and an order: censuring Dickinson, suspending all options trading in Dickinson's Des Moines branch office for 60 days, and requiring Dickinson to comply with its undertaking to adopt new procedures, expand its option training programs, employ an independent person to review its compliance procedures, and make monetary adjustments in the accounts of certain customers by a minimum amount of \$340,000 (Dickinson having already made adjustments in certain customers' accounts of \$84,000); barring Stelzer from association with any broker, dealer, investment company, or investment adviser, or affiliate thereof; suspending Waggoner from association with any broker, dealer, investment company, or investment adviser, or affiliate thereof for 30 days, and suspending him from acting in a supervisory capacity with any of the foregoing entities for one year, and requiring him to be re-certified as a Registered Options Principal; suspending Renier from acting in a supervisory capacity with any broker, dealer, investment company, or investment adviser, or affiliate thereof for 60 days; suspending Boesel from acting in a supervisory capacity with any broker, dealer, investment company, or investment adviser, or affiliate thereof for 30 days; suspending Goodwin from acting in a supervisory capacity with any broker, dealer, investment company, or investment adviser, or affiliate thereof for 15 days, and suspending Duve from association with any broker, dealer, investment company, or investment adviser, or affiliate thereof for 15 days, and suspending him from serving in a supervisory capacity over the operations of any of the foregoing entities for a period of one year.

The sanctions imposed were based upon findings that Stelzer and Dickinson wilfully violated the antifraud provisions of the Securities Act of 1933 and the Exchange Act in connection with options trading in certain customer accounts; and that Waggoner, Renier, Boesel, and Goodwin failed reasonably to supervise with a view to preventing the foregoing violations. The Commission also found that Dickinson wilfully violated and Duve wilfully aided and abetted violations of the margin, net capital, safekeeping, recordkeeping, and financial reporting provisions of the Exchange Act, and that Duve had failed reasonably to supervise with a view to preventing the foregoing violations. (Rel. 34-16843)

CIVIL PROCEEDINGS

COMPLAINT NAMES ALLEN F. LEGAL, OTHERS

The Commission announced that on May 21 a complaint was filed in the U.S. District Court, Southern District of Florida, Ft. Lauderdale Division, alleging violations and the aiding and abetting of violations of the antifraud and broker-dealer financial responsibility provisions of the securities laws by Allen F. Legel (A. Legel), Harry B. Braswell, John W. Roberts, Jr., Lawrence L. McGowan, Lawrence W. Legel (L. Legel), and Daniel J. Jones. In its complaint the Commission alleged that, among other things, A. Legel, Braswell, Roberts, McGowan, L. Legel, and Jones were all principals and/or control persons of Legel Braswell Government Securities Corp. (LBG), and Legel Braswell Securities Corp. (LBS). LBG was a broker-dealer effecting transactions in exempt government securities, including GNMA securities, which ceased doing business in January, 1979. LBS was a broker-dealer registered with the Commission which effected transactions in municipals, as well as other securities, and also ceased doing business in January, 1979. Both LBG and LBS were adjudicated bankrupt on June 6, 1979.

It was further alleged that the defendants violated the antifraud provisions of the securities laws and that the defendants aided and abetted violations of the Net Capital Rule.

The Commission requested that the Court enter an injunction to enjoin the defendants from further violations and the aiding and abetting of violations of the antifraud and financial responsibility provisions of the securities laws. (SEC v. Allen F. Legel, et al., S.D. Fla., Ft. Lauderdale, Civil Action No. 80-6248-CIV-EPS). (LR-9094)

INVESTMENT COMPANY ACT RELEASES

WESTERN DAILY INCOME FUND, INC.

An order has been issued on an application filed by Western Daily Income Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, pursuant to Section 6(c) of the Act, exempting Applicant from the provisions of Rules 2a-4 and 22c-1 under the Act to the extent necessary to permit Applicant to compute its net asset value per share, for purposes of effecting sales, redemptions and repurchases of its shares, to the nearest one cent on a share value of one dollar, subject to specified conditions. (Rel. IC-11196 - June 2)

KEMPER MONEY MARKET FUND, INC.

A notice has been issued giving interested persons until June 27 to request a hearing on an application by Kemper Money Market Fund, Inc., Cash Equivalent Fund, Inc., and Supervised Cash Account, Inc., registered, open-end, diversified, management investment companies (Funds), and Kemper Financial Services, Inc., the investment adviser to and principal underwriter for the Funds, requesting an order pursuant to Section 6(c) of the Act, exempting the Funds from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit them to compute their net asset values per share using the amortized cost method of valuing portfolio securities. (Rel. IC-11197 - June 2)

INVESTORS LIFE INSURANCE COMPANY OF NORTH AMERICA

A notice has been issued giving interested persons until June 27 to request a hearing on an application of Investors Life Insurance Company of North America, a Pennsylvania stock life insurance company, and INA/Putnam Separate Account, a separate account of Investors Life registered under the Investment Company Act of 1940 as a unit investment trust, for an order pursuant to Section 11 of the Act approving certain offers of exchange, and pursuant to Section 6(c) of the Act, granting exemptions from Sections 2(a)(32), 2(a)(35), 22(c), 26(a), 27(c)(1), 27(c)(2), 27(d) and Rule 22c-1 to permit certain variable annuity contracts providing for contingent deferred sales charges to be offered and sold. (Rel. IC-11198 - June 3)

HOLDING COMPANY ACT RELEASES

ALABAMA POWER COMPANY

An order has been issued authorizing Alabama Power Company, subsidiary of The Southern Company, to issue and sell at competitive bidding up to \$100 million of its first mortgage bonds. (Rel. 35-21605 - June 3)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike the common stock (no par value) of the Lilli Ann Corporation from listing and registration thereon. (Rel. 34-16868)

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-18) MIKROS SYSTEMS CORPORATION, 845 Central Ave., Albany, N.Y. 12206 - 500,000 units, 500,000 shares of common stock and 500,000 common stock purchase warrants. Underwriter: Bond, Richman & Co., Inc. The company was organized for the purpose of designing, developing, manufacturing and marketing microcomputer systems. (File 2-67918 - May 27) (Br. 7)
- (S-16) KENTUCKY UTILITIES COMPANY, One Quality St., Lexington, Ky. 40507 (606) 255-1461 - 300,000 shares of common stock. The company is engaged in generating, purchasing, transmitting, distributing and selling electric energy. (File 2-67946 - May 30) (Br. 8)
- (S-7) DANNERS, INC., 6060 North Guion Rd., P.O. Box 1146, Indianapolis, Ind. 46206 (317) 291-8011 - \$2,600,000 of subordinated debentures, due 1995. The company operates general merchandise stores and restaurants. (File 2-67953 - May 30) (Br. 2)
- (S-8) KIRBY EXPLORATION COMPANY, 1717 Saint James Pl., Houston, Tex. 77056(713) 629-9370 - 95,288 shares of common stock. (File 2-67954 - May 30) (Br. 4)
- (S-1) ENERGY CONVERSION DEVICES, INC., 1675 West Maple Rd., Troy, Mich. 48084 - 99,460 shares of common stock. The company is engaged in the area of science and technology involving amorphous and other materials. (File 2-67957 - May 30) (Br. 8)
- (S-1) GENERAL DEFENSE CORPORATION, 1445 East Putnam Ave., Old Greenwich, Conn. 06870 - 1,100,000 shares of common stock. Underwriter: Shearson Loeb Rhoades Inc. The company is engaged in the production of precision-machined armor piercing projectiles for the U.S. Army's main battle tank gun systems. (File 2-67960 - May 30) (Br. 6)
- (S-7) GREYHOUND LEASING & FINANCIAL CORPORATION, Greyhound Tower, Phoenix, Ariz. 85077 (602) 248-4900 - \$100 million of debentures, due June 30, 2000. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company provides asset-based financing of transportation, industrial and commercial equipment. (File 2-67969 - June 2)
- (S-1) ASSOCIATES FIRST CAPITAL CORPORATION, 1 Gulf & Western Plaza, New York, N.Y. 10023 - \$100 million of investment notes. The company is engaged in providing consumer and commercial financing services and related insurance services. (File 2-67970 - June 2) (Br. 6)
- (S-1) EAGLE EXPLORATION COMPANY, 200 Sixteenth St., Denver, Colo. 80202 - 1,100,000 shares of common stock. Underwriters: Newhard Cook & Co., Incorporated and Hanifen, Imhoff & Samford, Inc. The company is engaged in acquiring interests in undeveloped oil and gas properties. (File 2-67971 - June 2) (Br. 3)
- (S-7) SFE TECHNOLOGIES, 1501 First St., San Fernando, Cal. 91341 (213) 365-9411 - 770,000 shares of common stock. Underwriters: Drexel Burnham Lambert Incorporated and Bateman Eichler, Hill Richards Incorporated. The company designs, manufactures and markets a number of passive electronic components, among other things. (File 2-67972 - June 2) (Br. 7)
- (S-16) ENSERCH CORPORATION, Enserch Center, 300 South St. Paul St., Dallas, Tex. 75201 (214) 651-8700 - 1,652,500 shares of common stock. The company provides an integrated natural gas utility service, among other things. (File 2-67975 - June 2) (Br. 7)
- (S-16) TEXAS ELECTRIC SERVICE COMPANY, Electric Service Bldg., 115 West Seventh St., Fort Worth, Tex. 76102 (817) 336-9411 - 350,000 shares of preferred stock, cumulative. Underwriters: Blyth Eastman Paine Webber Incorporated, Bache Halsey Stuart Shields, Goldman, Sachs & Co. and Merrill Lynch White Weld Capital Markets Group. The company is engaged in the generation, purchase, transmission, distribution and sale of electricity. (File 2-67976 - June 2) (Br. 8)
- (S-3) WESTERN TAR SANDS, INC., 1780 South Bellaire St., Suite 122, Denver, Colo. 80222 - 1,200,000 shares of common stock. The company is engaged in the development of a pilot plant and prototype process for the commercial extraction of bitumen from tar sands. (File 2-67977 - June 2) (Br. 3)
- (S-16) OAK INDUSTRIES INC., 1523 East Valley Pkwy., Escondido, Cal. 92027 (714) 743-7533 - 90,000 shares of common stock. The company provides over-the-air subscription television services. (File 2-67978 - June 2) (Br. 8)

- (S-8) LANDMARK BANCSHARES CORPORATION, 10 South Brentwood Blvd., St. Louis, Mo. 63105 (314) 889-9500 - 20,000 shares of common stock. (File 2-67979 - June 2) (Br. 1)
- (S-8) SCHWAB SAFE CO., INC., 3000 Main St., Lafayette, Ind. 47903 (317) 447-9470 - 50,000 common shares. (File 2-67980 - June 2) (Br. 6)
- (S-16) VIRGINIA ELECTRIC AND POWER COMPANY, One James River Plaza, Richmond, Va. 23261 (804) 771-3225 - 500,000 shares of common stock. (File 2-67981 - June 2) (Br. 7)
- (S-8) ACCURAY CORPORATION, 650 Ackerman Rd., Columbus, Ohio 43202 - 250,000 shares of common stock. (File 2-67982 - June 2) (Br. 8)
- (S-14) FIRST FINANCIAL BANCORPORATION, INC., 800 Washington Ave., Waco, Tex. 76701 (817) 756-6641 - 1,000,000 shares of common stock. (File 2--7987 - May 30) (Br. 1)
- (S-8) KAISER ALUMINUM & CHEMICAL CORPORATION, Kaiser Bldg., 300 Lakeside Dr., Oakland, Cal. 94643 (415) 271-5341 - 2,500,000 shares of common stock. (File 2-67994 - May 30) (Br. 6)

REGISTRATIONS EFFECTIVE

- May 12: First of Chadron Bank Corp., 2-66706; Realty World Corp. of Colorado and Wyoming, 2-67163.
- May 14: Meta Systems, Inc., 2-67113.

REGISTRATIONS WITHDRAWN

- May 6: International Modern Dairy Services, Inc., 2-63136.
- May 13: Jewel Companies, Inc., 2-66177.
- May 14: The Washington Water Power Co., 2-66958.
- May 20: The Signal Companies, Inc., 2-67074.

RECENT 8K FILINGS

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

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date 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 the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE	
PARK CHEMICAL CO	11	05/01/80	
PEC ELECTRONICS CORP	7	01/11/80	AMEND
PENN CENTRAL CORP	5,7	04/01/80	
PENNSYLVANIA CO /DE/	5,7	04/01/80	
PETRO LEWIS GIL INCOME PROGRAM X	5,7	04/01/80	AMEND
PHILLIPS CONTRL CORP	5	04/18/80	
PHCNE MATE INC	2	04/01/80	
PHYSIO CONTRL CORP	2,7	05/07/80	
PMI MORTGAGE CORP	7	04/25/80	
PROGRAMMING & SYSTEMS INC	2,7	04/30/80	
Q1 CORP	4,7	04/10/80	
REEVES TELECOM CORP	2	04/24/80	
REID PROVIDENT LABORATORIES INC	2,7	04/25/80	
KEM METALS CORP	6	04/01/80	
ROTHSCHILD H & VAL J INC	2,7	04/30/80	

RECENT 8K FILINGS CONT.

SAB HARMON INDUSTRIES INC	2,7	05/01/80	
SANDERS R C TECHNOLOGY SYSTEMS INC	3	05/05/80	
SANITAS SERVICE CORP	2,7	05/02/80	
SCHICK INC	2,7	04/30/80	
SCHWERTMAN TRUCKING CO	5	05/09/80	
SEAGRAVE CORP /DE/	5,6	04/29/80	
SLAUGHTER BROTHERS INC	7	04/21/80	AMEND
SOUTHERN RESERVE OIL CORP	4	04/01/80	
SSP INDUSTRIES	5,6	05/08/80	
STEAK N SHAKE INC	5	04/17/80	
STERLING EXTRUDER CORP	5	04/10/80	
STRATCFLEX INC	5	04/30/80	
STRATTON CORP	5	04/19/80	
SYRACUSE SUPPLY CO	5	04/22/80	
TELE COMMUNICATIONS INC	5	04/08/80	
TEXAS AMERICAN RESOURCES INC	5	05/14/80	
TEXAS INTERNATIONAL CO	4	05/01/80	
TEXAS INTERNATIONAL DRILLING FUND SERIES	4	05/01/80	
TEXAS INTERNATIONAL DRILLING FUND SERIES	4	05/01/80	
TUNKA CORP	5	04/23/80	
TRANS DELTA CORP	5	04/29/80	
TRANSCOON BUILDERS INC	2,12	05/01/80	
TWENTIETH CENTURY FOX FILM CORP /DE/	5	05/09/80	
TWENTY SERVICES INC	5	05/02/80	
UMC INDUSTRIES INC	5	04/21/80	
UNITED BANKS OF COLORADO INC	5	04/30/80	
UNITED CITIES GAS CO	5	04/01/80	
UNITED STATES SUGAR CORP	5	04/01/80	
UNITED WESTERN CORP	2,7	05/01/80	
VERNITRON CORP	2,7	04/30/80	
VIATECH INC	2	04/01/80	
WEST CHEMICAL PRODUCTS INC	5	05/13/80	
WESTERN AUTO SUPPLY CO	5	04/25/80	
WESTON INTERNATIONAL CORP	4	12/10/79	
WTC INC	2,7	04/30/80	
XEROX CORP	5	04/07/80	



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 on request. All other reference material is available in the SEC Docket.

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