

sec news digest

Issue 79-126

June 29, 1979

NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as seating is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or obtain a tape recording of Commission meetings must obtain permission in advance from the Secretary of the Commission.

CLOSED MEETING - TUESDAY, JULY 3, 1979 - 10:00 A.M.

The subject matter of the July 3 closed meeting will be: Settlement of administrative proceedings of an enforcement nature; Order compelling testimony; Access to investigative files by Federal, State, or Self-Regulation authorities; Formal orders of investigation; Settlement of injunctive action; Institution of administrative proceedings of an enforcement nature; Institution and settlement of administrative proceedings of an enforcement nature; Institution of injunctive action; Institution of injunctive action and administrative proceedings; Litigation matter; Freedom of Information Act appeal.

CLOSED MEETING - THURSDAY, JULY 5, 1979 - 9:00 A.M.

The subject matter of the July 5, 9:00 closed meeting will be: Regulatory matter bearing enforcement implications.

OPEN MEETING - THURSDAY, JULY 5, 1979 - 10:00 A.M.

The subject matter of the July 5 open meeting will be:

(1) Consideration of whether to publish for notice and comment two rule proposals submitted by the Institute for Public Representation, a public interest group affiliated with Georgetown University, which would: (a) amend the Commission's Rules of Practice to set forth the responsibilities of lawyers to report fraud or other violations of the law by corporate clients or others to the Commission, to management and to the board of directors; and (b) amend the Commission's disclosure forms to require disclosure of information concerning (1) the obligations of corporate attorneys to report violations of law to the board of directors, (2) agreements between corporations and outside counsel and (3) resignations or dismissals of corporate counsel. FOR FURTHER INFORMATION CONTACT Frederic Townsend at (202) 376-3561.

(2) Consideration of whether to adopt a rule under the Investment Advisers Act of 1940 which would set forth clear guidelines concerning when and under what circumstances an investment adviser could pay a cash referral fee to a person who solicits clients for him (solicitor). As an alternative, the Commission will also consider whether to adopt a rule which would completely prohibit such payments. Should the Commission decide to permit such payments under specified circumstances, it will also consider whether to amend certain of the recordkeeping requirements under the Act and whether to express a view concerning the status under the Act of solicitors who engage in solicitation activities in accordance with the new rule. FOR FURTHER INFORMATION CONTACT Thomas D. Maher at (202) 755-0214.

(3) Consideration of applications by Banque Nationale de Paris, Credit Lyonnais, Kansallis-Osake-Pankki, Post-och Kreditbanken, Skandinaviska Enskilda Banken, Societe Generale and Svenska Handelsbanken (collectively Applicants). Each foreign bank Applicant seeks an order exempting it from all provisions of the Investment Company Act of 1940. FOR FURTHER INFORMATION CONTACT Arthur J. Brown at (202) 755-1742.

(4) Consideration of Cincinnati Stock Exchange (CSE) rule filing (SR-CSE-78-4) which constitutes a complete revision of virtually all the rules of the CSE. FOR FURTHER INFORMATION CONTACT Thomas C. Etter, Jr. at (202) 755-7915.

(5) Consideration of whether to authorize the issuance of a release suggesting techniques in drafting trust indentures which permit expedited review of registration statements for debt securities under the Securities Act of 1933. FOR FURTHER INFORMATION CONTACT Norman Schou at (202) 755-1240.

CLOSED MEETING - THURSDAY, JULY 5, 1979 - IMMEDIATELY FOLLOWING THE OPEN MEETING

The subject matter of the July 5 closed meeting immediately following the 10:00 open meeting will be: Formal order of investigation; Institution of injunctive actions; Administrative proceedings of an enforcement nature.

COMMISSION ANNOUNCEMENTS

FILES ON CORPORATE PAYMENTS MADE PUBLIC

The Commission, pursuant to requests under the Freedom of Information Act, has made available to the public certain previously non-public files in its possession relating to questionable corporate payments. Files concerning the following corporations will be made available beginning today: Beatrice Foods Company (February 15, 1977 Report of the Audit and Review Committee) and Victoria Station Inc. These files, and others made available previously, may be inspected at the Commission's Public Reference Room, Room 6101, 1100 L Street, N.W., Washington, D.C., between the hours of 9 a.m. and 5 p.m. Persons wishing further information may call the Public Reference Room at (202) 523-5360.

CIVIL PROCEEDINGS

COMPLAINT NAMES GLADDING, OTHERS

The Boston Regional Office announced that on June 27 an action was filed in the U.S. District Court for the District of Massachusetts seeking permanent injunctions and other equitable relief against Gladding Corporation, J. Gerald Mayer and Walter E. Robb III. Simultaneously with the filing of the complaint, each defendant filed a stipulation consenting, without admitting or denying the allegations of the Commission's complaint, to the entry of orders of permanent injunction. The complaint alleges that the defendants made untrue statements of material facts, and failed to state necessary material facts in financial reports filed with the Commission and statements distributed to the public. The defendants are charged with filing quarterly statements for fiscal years 1974, 1975 and 1976 which overstated assets and which failed to disclose materially adverse information, and with issuing press releases and distributing materials to shareholders which contained the same false and misleading information. (SEC v. Gladding Corporation, et al.). (LR-8798)

STEWART TITLE OF BREVARD, INC. ENJOINED

The Atlanta Regional Office announced that on May 31 the Federal Court in Orlando Florida, entered an order permanently enjoining Stewart Title of Brevard, Inc. of Cocoa, Florida, from violations of the antifraud provisions of the securities laws in offers and sales of beneficial interests in nine land trusts. The defendant consented to the injunction without admitting or denying the allegations of the Commission's complaint. (SEC v. HerMil, Inc., et al., N.D. Fla., Orlando Division, Civil Action No. 71-141-Civ-Orl-Y). (LR-8801)

CRIMINAL PROCEEDINGS

ANDREW HAMILTON SPEER SENTENCED

The Fort Worth Regional Office announced that on June 4 Federal District Judge Wesley E. Brown at Wichita, Kansas, sentenced Andrew Hamilton Speer, Wichita, to five years' custody and two years' custody, respectively, on charges of mail fraud and over-valuing securities for purposes of bank loans whose deposits are guaranteed by the U.S. government. Speer had pled guilty on April 26 to a two consolidated count Criminal Information containing the substance of a 15-count mail fraud indictment and a 7-count indictment for over-valuing securities returned against Speer in March and May, 1977, respectively. (U.S. v. Andrew Hamilton Speer, U.S.D.C. Kan., CR-77-10034-01 and CR-77-10062-01). (LR-8800)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing a proposal of Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, that it issue and sell up to \$50 million of first mortgage bonds, and granting an exemption from competitive bidding in connection therewith. (Rel. 35-21122 - June 28)

PENNSYLVANIA ELECTRIC COMPANY

An order has been issued authorizing a proposal of Pennsylvania Electric Company, subsidiary of General Public Utilities Corporation, that it issue and sell up to \$50 million of first mortgage bonds, and granting an exemption from competitive bidding in connection therewith. (Rel. 35-21123 - June 28)

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-1) FIRST NORTHERN BANCORPORATION, 101 West Benson Blvd., Suite 501, Anchorage, Alaska 99503 (907) 276-0002 - 55,002 shares of common stock. (File 2-64864 - June 27)
- (S-7) LEISURE DYNAMICS, INC., 4400 West 78th St., Minneapolis, Minn. 55435 (612) 835-3000 - 75,000 units, \$7,500,000 of subordinated capital notes, due 1993 with warrants to purchase 150,000 shares of common stock. Underwriter: Offerman & Co., Inc., 5100 Gamble Dr., Minneapolis, Minn. 55481 (612) 374-6397. The company manufactures and sells "Lakeside" games, among other things. (File 2-64874 - June 27)
- (S-16) THE DETROIT EDISON COMPANY, 2000 Second Ave., Detroit, Mich. 48226 (313) 237-8000 - 6,000,000 shares of common stock. Underwriters: Morgan Stanley & Co. Inc. and E.F. Hutton & Company Inc. The company is engaged in the generation, purchase, transmission, distribution and sale of electric energy. (File 2-64876 - June 28)
- (S-1) WOLFE SOUTH TEXAS PECAN PARTNERSHIP 1979-1, 1979-2, 1979-3 LTD., 150 South Loop, P.O. Box 811, Stephenville, Tex. 76401 - 4,361 units of limited partnership interest. (File 2-64877 - June 28)
- (S-8) BURNDY CORPORATION, Norwalk, Conn. 06856 (212) 683-6383 - 300,000 shares of common stock. (File 2-64878 - June 28)
- (S-8) SEARS, ROEBUCK AND CO., Sears Tower, Chicago, Ill. 60684 (312) 875-5766 - 7,000,000 common shares. (File 2-64879 - June 28)
- In a separate statement the company seeks registration of 7,500,000 common shares. (File 2-64880 - June 28)
- (S-16) CONTROL DATA CORPORATION, 8100 34th Avenue South, Box O, Bloomington, Minn. 55440 (612) 853-8100 - an undetermined amount of common stock. The company is principally engaged in the computer business. (File 2-64881 - June 28)
- In a separate (S-7) statement the company seeks registration of an undetermined amount of common stock. (File 2-64882 - June 28)
- (S-14) INTERNATIONAL PAPER COMPANY, 220 East 42nd St., New York, N.Y. 10017 (212) 490-6000 - 6,100,048 shares of cumulative preferred stock, Series A. (File 2-64883 - June 28)
- (S-7) KANSAS GAS AND ELECTRIC COMPANY, 201 North Market St., Wichita, Kan. 67201 (316) 261-6611 - 1,000,000 shares of common stock. Underwriters: Kidder, Peabody & Co. Inc., Merrill Lynch White Weld Capital Markets Group and Dean Witter Reynolds Inc. (File 2-64884 - June 28)
- (S-8) NORTHWESTERN PUBLIC SERVICE COMPANY, Northwestern National Bank Bldg., Huron, S.D. 57350 (805) 352-8411 - 45,639 shares of common stock. (File 2-64885 - June 28)

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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.

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