

sec news digest

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October 18, 1978

NOTICE OF COMMISSION MEETINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

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, OCTOBER 24, 1978 - 10 A.M.

The subject matter of the October 24 closed meeting will be: Access to investigative files by Federal, State or Self-Regulatory authorities; Freedom of Information Act appeals; Institution of administrative proceedings of an enforcement nature; Institution of injunctive action; Personnel security action; Settlement of injunctive action; Subpoena enforcement action.

OPEN MEETING - WEDNESDAY, OCTOBER 25, 1978 - 10 A.M.

The subject matter of the October 25 open meeting will be:

(1) Consideration of a request by Power Designs, Inc. that the Commission review the Division of Corporation Finance's denial pursuant to delegated authority of a request by Power Designs, Inc. for an extension of time within which to file its annual report on Form 10-K for the period ended June 30, 1978. FOR FURTHER INFORMATION CONTACT Spencer Browne at (202) 376-2976.

(2) Consideration of a request that the Commission adopt Rule 17f-4 under the Investment Company Act of 1940 that would (1) designate the Federal Reserve/Treasury book-entry system as a permitted depository for securities owned by registered management investment companies, and (2) state the conditions under which deposits thereof may be made in the book-entry system or in clearing agencies which act as securities depositories. FOR FURTHER INFORMATION CONTACT Stanley B. Judd at (202) 755-0213.

(3) Consideration of a request by Highland Investment Corporation for an exemption from the Investment Advisers Act of 1940. FOR FURTHER INFORMATION CONTACT Michael S. Lichtenthal at (202) 755-9034.

(4) Consideration of whether or not to approve proposed rules submitted by the Securities Investor Protection Corporation setting forth requirements for the closeout or completion of open contractual commitments. FOR FURTHER INFORMATION CONTACT Linda Kurjan at (202) 376-7470.

(5) Consideration of whether (1) to release withheld portions of two memoranda concerning the disposition to be made in the matter of the Freedom of Information request of W. B. Shellhorn (these memoranda were requested under the Freedom of Information Act by Brad Ragan, Inc. and certain individuals), and (2) to affirm the Freedom of Information Officer's decision to release certain investigative transcripts to Mr. Shellhorn, in light of objections to disclosures made by Brad Ragan, Inc. and certain individuals, on the ground that they believe this material is exempt under 5 U.S.C. 552(b)(4), 6, 7(A), 7(B), and 7(C). FOR FURTHER INFORMATION CONTACT Linda Schneider at (202) 755-1339.

(6) Consideration of a Freedom of Information Act appeal of Robert Adamson of Securities Week for mailing lists of SEC Docket, SEC News Digest and SEC releases which were denied to him by the Freedom of Information Act Officer relying on Exemption 6 of the Freedom of Information Act. FOR FURTHER INFORMATION CONTACT Judy Chesser at (202) 376-8085.

FOR FURTHER INFORMATION CONTACT: Michael P. Rogan at (202) 755-1638

CHANGES IN THE MEETING

The following additional item will be considered by the Commission at an open meeting scheduled for Thursday, October 19, at 10 a.m.: Consideration of proposed amendments to the joint industry plan declared effective by the Commission pursuant to Rule 17a-15 under the Securities Exchange Act of 1934 governing the consolidated transaction reporting system. FOR FURTHER INFORMATION CONTACT Stephen L. Parker at (202) 755-8949.

The following item will not be considered by the Commission at the open meeting scheduled for Thursday, October 19, at 10 a.m.: Consideration of an objection by the U.S. Trust Company to the mailing to holders of the 6-1/2% convertible subordinated debentures due 1996 of the Chase Manhattan Mortgage and Realty Trust of a proposed communication from three of the holders. The grounds of the objection is that the mailing of such statement is not in the best interest of the debentures. FOR FURTHER INFORMATION CONTACT Norman Schou at (202) 755-1240.

The following items will be considered by the Commission at a closed meeting scheduled for Thursday, October 19, immediately following the open meeting: Subpoena enforcement action; Other litigation matters.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES U.S. ENERGY CORP., OTHERS

The Denver Regional Office announced that on October 6 a complaint was filed in the U.S. District Court for the District of Wyoming seeking to enjoin U.S. Energy Corp., Crested Butte Silver Mining, Incorporated, John L. Larsen, G. Lloyd Larsen, Emery Tomlinson, Max T. Evans, and Daniel P. Svilar from violating the antifraud provisions of the Securities Exchange Act of 1934, and further seeking to enjoin certain of the above defendants from violating the proxy provisions of the Exchange Act. In addition, the complaint seeks disgorgement of profits derived by certain of the defendants from the alleged violative activities.

The complaint alleges, among other things, that J. Larsen and Evans, the presidents of U.S. Energy and Crested Butte, respectively, disclosed material non-public information concerning a molybdenum discovery to persons, including Tomlinson, who used the information in connection with the purchase of the securities of Crested Butte and U.S. Energy. The complaint also alleges that G. Larsen, the vice-president of U.S. Energy made purchases of Crested Butte while he was in possession of material non-public information.

The complaint further alleges, among other things, that J. Larsen, Evans and Svilar engaged in a scheme which was in large part a plan to divert assets from Crested Butte to U.S. Energy. In this connection, the complaint alleges, among other things, that the defendants caused Crested Butte to enter into a unitization agreement with U.S. Energy in which U.S. Energy acquired from Crested Butte a 50% interest in the 4% royalty that Crested Butte had reserved in its lease to AMAX Exploration, Inc. and which J. Larsen believed was possibly worth \$420 million. Finally the complaint alleges that the defendants disseminated false and misleading proxy statements, which omitted to disclose material aspects of the unitization agreement. (SEC v. U.S. Energy Corp., et al., U.S.D.C., Dist. of Wyoming, Civil Action No. C78-190). (LR-8563)

TEMPORARY RESTRAINING ORDER ENTERED AGAINST DONALD F. ROBERTS, OTHERS

On October 16 Judge John W. Oliver, Chief Judge for the U.S. District Court for the Western District of Missouri in Kansas City, issued a temporary restraining order in connection with a civil injunctive action filed by the Commission, restraining the defendants from violating the antifraud provisions of the securities laws in attempts to sell certain industrial revenue bonds. Judge Oliver also ordered a freeze of the assets of the defendants pending a hearing on the Commission's application for a preliminary injunction. The civil action was filed against Donald F. Roberts and Julian M. Riley, both of Kansas City, and Federal Investment Corporation, a Missouri corporation, Multi-Products, Inc., a Nevada corporation, and Fidusco, Inc., a Nevada corporation. (SEC v. Donald F. Roberts, et al., U.S.D.C. W.D. of Missouri, Civil Action No. 78-809). (LR-8564)

INVESTMENT COMPANY ACT RELEASES

EGRET FUND, INC.

An order has been issued declaring that Egret Fund, Inc. has ceased to be an investment company. (Rel. IC-10439 - Oct. 16)

MCNEIL MONEY MARKET FUND, INC.

An order has been issued declaring that McNeil Money Market Fund, Inc. has ceased to be an investment company. (Rel. IC-10441 - Oct. 16)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

Orders have been issued granting the applications of the specified companies to strike from listing and registration the common stock on the following exchanges: American Stock Exchange, Inc. - The Felsway Corporation, par value 10¢; Midwest Stock Exchange, Inc. - Hein-Werner Corporation, par value \$1. (Rel. 34-15232)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

A notice has been issued on a proposal by the Boston Stock Exchange, Inc. to incorporate the provisions of 17 CFR 240.15c3-1, net capital requirements for brokers or dealers, by prescribing net capital and liquidating equity requirements for member-organizations and prescribing procedures to follow in the event of non-compliance. (Rel. 34-15229)

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) RIVERSIDE GROUP, INC., 208 Laura St., Jacksonville, Fla. 32202 - 2,621,400 shares of common stock. The company is engaged in the real estate development business. (File 2-62848 - Oct. 16)
- (S-8) PAY LESS DRUG STORES, 8000 Edgewater Dr., Oakland, Cal. 94621 - 128,600 shares of common stock. (File 2-62849 - Oct. 17)
- (S-8) HARRIS CORPORATION, Melbourne, Fla. 32919 - 1,000,000 shares of common stock. (File 2-62850 - Oct. 17)
- (S-7) HUGHES TOOL COMPANY, 5425 Polk Ave., Houston, Tex. 77023 (713) 924-2222 - \$60 million of sinking fund debentures, due November 1, 2008. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company manufactures oilfield tools and equipment. (File 2-62851 - Oct. 17)
- (S-7) MINNESOTA POWER & LIGHT COMPANY, 30 West Superior St., Duluth, Minn. 55802 - 1,500,000 shares of common stock. Underwriters: Blyth Eastman Dillon & Co. Inc., Paine, Webber, Jackson & Curtis Inc., Dain, Kalman & Quail Inc. and Piper, Jaffray & Hopwood Inc. (File 2-62852 - Oct. 17)

REGISTRATIONS EFFECTIVE

Oct. 13: Arcata National Corp., 2-62472; Madison Gas and Electric Co., 2-62674; Midlantic Banks, Inc., 2-62495; RTE Corp., 2-62446; Solar Reactor Corp., 2-60916; United Telecommunications, Inc., 2-62061.

REGISTRATIONS EFFECTIVE CONT.

Oct. 16: Agway, Inc., 2-62549; Baldwin United Corp., 2-62432; Chop-Chop Restaurant Corp., 2-56470; Diamond International Corp., 2-62289; Energy Conversion Devices, Inc., 2-62620; Houston Oil & Minerals Corp., 2-62692; Petro-Lewis Oil Income Program II, 2-62003; Rockcor, Inc., 2-62741; United States Mutual Real Estate Investment Trust, 2-62143.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period October 3 - 5, 1978. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are set forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
Starr Foundation Estate of C. V. Starr	American International Group, Inc. (NYC) Common Stock - 2,794,022 shs. (Above shares will be acquired pursuant to merger of American International Reinsurance Co. Inc. and Issuer.)	10-3-78
Icahn & Co., Inc.	Baird & Warner Mortgage and Realty Investors (Chicago, IL) Shs. of Beneficial Interest - 88,200	10-3-78
David L. Tennent Norma H. Jessup, Trustee Charles P. Jessup, Individually and Trustee Bryan R. Jessup, Individually and Trustee	Rospatch Corporation (Grand Rapids, MI) Common Stock - 106,628 shs.	10-3-78
Steve Lawrence Eydie Lawrence	Yuba Goldfields, Inc. (Las Vegas, NV) Common Stock - 91,900 shs.	10-3-78
* Valhi Inc. (Wholly-owned subsidiary of Contran Corp.) Republic Rice Mill, Inc. Southwest Louisiana Land Co. Inc. (Controlled by Valhi)	PSA, Inc. (San Diego, CA) Common Stock - 539,500 shs. (16.31%)	10-3-78
Kaiser Resources Ltd. (Canada)	Ashland Oil Canada Ltd. (Calgary, Alberta, Canada) Common Stock - 10,989,918 shs. (79%) (Pursuant to Agreement, Kaiser will acquire above shares from Ashland Oil Inc.)	10-4-78
United States Filter Corporation	Bunker Ramo Corp. (Oak Brook, IL) Common Capital Stock - 1,166,667 shs. (20.7%) (U. S. Filter will acquire above shares pursuant to a letter agreement.)	10-5-78
Northwest Growth Fund, Inc.	LRC, Inc. (Riverton, WY) Common Stock - 133,334 shs. Common Stock - 55,695 shs. on exercise of a Warrant	10-5-78

ACQUISITION REPORTS CONT.

* Robert T. Shaw C. Fred Rice Edward J. Carlisle Consolidated National Corp, et al	American Consolidated Corp. (Louisville, KY) Common Stock - 882,015 shs. (52.26%)	10-5-78
* W-L Products Co.	Entenmann's, Inc. (Bay Shore, NY) Common Stock - 7,246,207 shs. (1,516,779 of above shares were acquired pursuant to the Tender Offer.)	10-5-78

The following companies or individuals filed Form 13-G's during the period September 11 - 29, 1978.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
J. P. Morgan & Co. Inc.	Allegheny Airlines Inc. (Washington, DC) Common Stock - 683,417 shs. (10.59%)	9-11-78
Citizens Fidelity Corp. Citizens Fidelity Bank & Trust Company	Citizens Fidelity Corp. (Louisville, KY) Common Stock - 928,034 shs. (24.7%)	9-14-78
Utica National Bank & Trust Company, Co-Trustee	Context Industries, Inc. (Miami, FL) Common Stock - 500,000 shs. (14.6%)	9-15-78
J. P. Morgan & Co. Inc.	Cronus Industries, Inc. (Dallas, TX) Common Stock - 545,454 shs. (19.41%)	9-18-78
Hofmann Industries, Inc. Stock Bonus Trust	Hofmann Industries, Inc. (Sinking Spring, PA) Common Stock - 272,172 shs. (14.59%)	9-7-78
* Asset Management Company	Fidelco Growth Investors (Rosemont, PA) Shs. of Beneficial Interest - 84,600	9-29-78

Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1. The following companies or individuals filed Schedule 14D-1's during the period September 14 - October 2, 1978. *Amended Tender Offers.

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
W-L Products Co. (Wholly-owned subsidiary of Warner-Lambert Company)	Entenmann's, Inc. (Bay Shore, NY) Common Stock - All outstanding shares for cash at \$30.00 net per share (W-L presently owns 5,729,428 shares (74%))	9-14-78
* Irwin L. Jacobs	Mid America Bancorporation, Inc. (Minneapolis, MN) Common Stock - All outstanding shares for cash at \$11.25 net per share (Edward H. Hamm has withdrawn from offer.)	9-15-78
Merrill C. Berman Klara Blumenthal, Trustee Dohn L. Kalmbach Leland J. Kalmbach, et al	Chemlawn Corporation (Worthington, OH) Common Stock - 100,000 shs. for cash at \$13.50 net per share (Group presently owns 12,093 shares.)	9-18-78
Pillsbury Development Co. (Wholly-owned subsidiary of Pillsbury Co.)	Green Giant Company (Chaska, MN) Common Stock - 1,800,000 shs. for cash at \$37.25 net per share	9-25-78
Chandler Corporation	MC, Inc. (Halstead, KS) Common Stock - All outstanding shares for cash at \$3.75 net per share (Chandler presently owns 450,658 shares (59%))	9-25-78
International Asset Management Group, Inc.	National Properties, Inc. (Miami, FL) Common Stock - All outstanding shares for cash at \$.40 net per share	9-25-78

ACQUISITION REPORTS CONT.

JM Capital Corporation (Wholly-owned subsidiary of Johns-Manville Corp.)	Olinkraft, Inc. (Monroe, LA) Common Stock - 4,400,000 shares for cash at \$57.00 net per share	9-25-78
General Dynamics Corp.	American Telecommunications Corp. (El Monte, CA) Common Stock - up to 834,179 shs. for cash at \$23.50 net per share	9-27-78
Land O'Lakes, Inc.	Spencer Foods, Inc. (Spencer, IA) Common Stock - 669,114 shs. for cash at \$12.00 net per share Series B Preferred Stock - All outstanding shs. for cash at \$20.00 net per share	9-28-78
Roy G. Dinsdale North Platte Corp. Dawson Corp. Dinsdale Bros., Inc., et al	Wyoming Bancorporation (Cheyenne, WY) Common Stock - 470,000 shs. for cash at \$15.00 net per share 7 $\frac{1}{2}$ % Convertible Debentures - All outstanding for cash at \$1,250 per \$1,000 Prin. Amt.	10-2-78



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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. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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