

# sec news digest

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U.S. SECURITIES AND  
EXCHANGE COMMISSION

## COMMISSION ANNOUNCEMENTS

### MARKET REGULATION MANAGEMENT REALIGNMENT

Douglas Scarff announced that Chairman John S.R. Shad has appointed Jeffrey L. Steele as Associate Director, Legal Policy and Trading Practices, and Richard E. Ketchum as Associate Director, Self-Regulatory Oversight, in the Division of Market Regulation. Mr. Scarff also announced that Mark D. Fitterman will become Deputy Associate Director of the Office of Self-Regulatory Oversight, and Catherine McGuire will become Senior Counsel to the Director. Together with Deputy Director Sheldon Rappaport and Associate Director Edward A. Kwalwasser, Nelson S. Kibler, Assistant Director for financial responsibility, will complete the Division's new senior management group. The Division is also consolidating all existing operating staff units under its three Associate Directors.

Mr. Steele graduated from Yale College in 1967 and the George Washington University Law School in 1974. He joined the staff of the Commission in 1974 as a staff attorney in the Division of Market Regulation, became a Special Counsel in 1977, Assistant Chief Counsel in 1979 and Chief Counsel in 1980. As Associate Director, Mr. Steele will be responsible for the administration and interpretation of Commission regulation relating to market professionals and trading practices and for providing legal and policy advice on all Division regulatory programs.

Mr. Ketchum graduated from Tufts University in 1972 and the New York University Law School in 1975. After association with a law firm in New York City, he joined the Division in 1977 as a staff attorney in the former Office of Market Structure and Trading Practices. During 1978, he participated in the Commission's Special Study of the Options Markets. In 1979 and 1980, he became Branch Chief and Assistant Director, respectively, for national market system matters. As Associate Director, Mr. Ketchum will be responsible for self-regulatory oversight and matters relating to structure of the securities markets.

Mr. Fitterman received his AB, cum laude, from Oberlin College in 1964 and his MBA from Wright State University in 1971. He received his JD from the Georgetown University Law Center in 1974. Mr. Fitterman joined the Commission in 1972 as a student assistant and became a staff attorney in the Division in 1974 in the former Office of Market Structure and Trading Practices. He became Branch Chief, Market Structure, for that office in 1976 and was appointed Special Counsel to the Director in 1977. As Deputy Associate Director of OSRO, Mr. Fitterman will be involved with all aspects of self-regulatory oversight and market structure.

Ms. McGuire graduated from the University of Michigan in 1970 and received her JD in 1973 from the University of Kansas School of Law, where she served as associate editor of the law review. She joined the staff of the Commission in 1973 as a staff attorney in the Division's Office of Trading Practices. In 1976, she became Special Counsel in the Office of Legal Policy and Municipal Securities. She was appointed Senior Special Counsel in 1979 and Assistant Director in 1980 in the Office of Self-Regulatory Oversight. As Senior Counsel to the Director, Ms. McGuire will undertake special projects in all of the Division's program areas, particularly those requiring significant coordination with other Commission offices, other government agencies, and the Congress.

Mr. Kibler received his BS in accounting from American University and became a CPA in 1966. He joined the Commission as a staff accountant in 1966, becoming broker-dealer financial regulation officer in 1973 and Assistant Director for financial responsibility in 1975. He received the Commission's Distinguished Service Award in 1980 in recognition of his outstanding contribution over the preceding decade to the Commission's broker-dealer financial responsibility program. As part of the Division consolidation, Mr. Kibler will join the inspections office under Edward Kwalwasser and continue his work in the financial responsibility area.

PUBLICATION OF STAFF ACCOUNTING BULLETIN

The Commission has issued Staff Accounting Bulletin No. 43 which provides the staff's views on early adoption of the rules for parent company and other financial disclosures announced in Accounting Series Release No. 302. (SAB-43)

FOR FURTHER INFORMATION CONTACT: Marc D. Oken at (202) 272-2130.

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## CIVIL PROCEEDINGS

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SWANTON CORPORATION, NORMAN F. SWANTON,  
OTHERS ENJOINED

The Commission announced the filing of a complaint in the U.S. District Court for the District of Columbia seeking injunctive and other equitable relief against Swanton Corporation, Norman F. Swanton, the Chairman of the Board and chief executive officer of Swanton Corporation, Eugene N. Scalercio, an executive vice president, and formerly the treasurer and a director of Swanton Corporation and Gerald A. Murphy, a former business associate of Swanton Corporation. The complaint alleges that the defendants variously committed violations of the antifraud, reporting, and beneficial ownership provisions of the securities laws.

The Commission alleges in its complaint that during 1975 and 1976 Swanton Corporation, Norman Swanton, and Murphy engaged in a scheme to conceal the actual financial condition of Swanton Corporation by artificially and materially overstating the revenues and assets of Swanton Corporation and thereby overstating net income and net worth in its 1975 and 1976 annual and periodic reports and in a prospectus.

In a separate cause of action, the Commission's complaint alleges that Swanton Corporation and Norman Swanton engaged in a fraudulent scheme to acquire control of a smaller, publicly held company by using a substantial portion of its assets in the purchase of 51 percent of the common stock of the company. The complaint further alleges that Norman Swanton and Scalercio filed or caused Swanton Corporation to file in an untimely manner a beneficial ownership report on Schedule 13D and a current report on Form 8-K which contained false and misleading information concerning Swanton Corporation's purchase of the common stock of the smaller company.

Simultaneously with the filing of the complaint, the defendants consented to the entry of Final Judgments of Permanent Injunction against them, and certain other ancillary relief including repayment to Swanton Corporation of funds by Norman Swanton in an amount to be determined in the future by an independent third party, without admitting or denying the allegations of the complaint. (SEC v. Swanton Corporation, et al., U.S.D.C. D.C., Civil Action No. 82-0014.) (LR-9542)

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## INVESTMENT COMPANY ACT RELEASES

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CHANCELLOR GOVERNMENT SECURITIES TRUST

An order has been issued on an application by Chancellor Government Securities Trust (Applicant), a registered, open-end, diversified, management investment company, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant 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 it to use the amortized cost valuation method for the purpose of pricing its shares for sale, repurchase and redemption. (Rel. IC-12138 - Jan. 5)

CHANCELLOR HIGH YIELD FUND, INC.

An order has been issued pursuant to Section 11(a) of the Investment Company Act of 1940 permitting Chancellor High Yield Fund, Inc., Chancellor Tax-Free Money Fund, Inc., Chancellor High Yield Municipals, Inc., Chancellor New Decade Growth Fund, Inc., Chancellor Tax-Managed Utility Fund, Inc., and Money-Mart Assets, Inc. (collectively, the Funds), all registered under the Act as open-end, diversified management investment companies, to make certain offers of exchange on a basis other than the relative net asset values of the shares involved in the exchanges and, pursuant to Section 6(c) of the Act, exempting the Funds and Bache Halsey Stuart Shields Incorporated, principal underwriter for the Funds, from the provisions of Section 22(d) of the Act in connection with such exchanges. (Rel. IC-12139 - Jan.

## WINTHROP RESIDENTIAL ASSOCIATES II

A notice has been issued giving interested persons until February 1 to request a hearing on an application of Winthrop Residential Associates II, a Maryland limited partnership organized to invest in other limited partnerships that will develop, own and operate Federal, state or local government-assisted new or rehabilitated rental housing projects, and its general partners, One Winthrop Properties, Inc., and Linnaeus-Hampshire Realty Company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting the partnership from all provisions of the Act. (Rel. IC-12140 - Jan. 5)

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## HOLDING COMPANY ACT RELEASES

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### THE NARRAGANSETT ELECTRIC COMPANY

A notice has been issued giving interested persons until January 28 to request a hearing on a proposal by the Narragansett Electric Company, subsidiary of New England Electric System, to issue and sell at competitive bidding up to \$20 million aggregate principal amount of its first mortgage bonds. (Rel. 35-22352 - Jan. 5)

### CONSOLIDATED NATURAL GAS COMPANY

A supplemental notice has been issued giving interested persons until January 29 to request a hearing on a proposal by Consolidated Natural Gas Company, a registered holding company, to extend the period for the issuance and sale of up to \$100 million of sinking fund debentures from December 31, 1981 to December 31, 1982. (Rel. 35-22353 - Jan. 5)

### CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until January 28 to request a hearing on a proposal by Central and South West Corporation, a registered holding company, to issue and sell up to 10,000,000 shares of authorized but unissued common stock. (Rel. 35-22354 - Jan. 5)

### MISSISSIPPI POWER AND LIGHT COMPANY

An order has been issued authorizing Mississippi Power and Light Company (Company), subsidiary of Middle South Utilities, Inc., to enter into an agreement with Independence County, Arkansas (County) for the financing of pollution control revenue bonds in a principal amount not to exceed \$60 million. The Company will also obtain the authentication of a like amount of its First Mortgage Bonds. Jurisdiction has been reserved over the purchase price to be paid by the Company for the pollution control facilities insofar as the price is affected by the effective interest rate of the pollution control revenue bonds to be issued by the County. (Rel. 35-22355 - Jan. 5)

### UNLISTED TRADING GRANTED

Orders have been issued granting the applications of the Boston Stock Exchange, Inc. and the Midwest Stock Exchange, Inc. for unlisted trading privileges in three issues and four issues, respectively, which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-18387 and 34-18386)

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## SECURITIES ACT REGISTRATIONS

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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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-8) DOUGHERTY BROTHERS COMPANY, Pine and Tuckahoe Roads, Buena, NJ 08310 (609-692-6100) - 146,410 shares of common stock. (File 2-75517 - Jan. 4) (Br. 5)
- (S-8) WYOMING BANCORPORATION, First Wyoming Bank Tower, 18th Street and Carey Avenue, Cheyenne, WY 82001 (307-632-0504) - 150,000 shares of common stock. (File 2-75575 - Jan. 4) (Br. 2)
- (S-8) PIONEER HI-BRED INTERNATIONAL, INC., 1206 Mulberry St., Des Moines, Iowa 50308 (515-245-3500) - 750,000 shares of common stock. (File 2-75581 - Jan. 4) (Br. 3)
- (S-16) MERCANTILE BANCORPORATION INC., One Mercantile Center, PO Box 524, St. Louis, MO 63166 (314-425-2525) - 275,000 shares of common stock. (File 2-75582 - Jan. 5) (Br. 2)
- (S-16) SAN DIEGO GAS & ELECTRIC COMPANY, 101 Ash St., San Diego, CA 92101 (714-232-4252) - 3,000,000 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group; Kidder, Peabody & Co. Inc.; and Dean Witter Reynolds Inc. (File 2-75583 - Jan. 5) (Br. 8)
- (S-16) THE DETROIT EDISON COMPANY, 2000 Second Ave., Detroit, Mich. 48226 (313-237-8000) - 8,000,000 shares of common stock. (Dividend Reinvestment and Common Share Purchase Plan). (File 2-75586 - Jan. 5) (Br. 8)
- (S-14) OLD SECOND BANCORP, INC., 37 South River St., Aurora, IL 60507 (312-892-0202) - 432,000 shares of common stock. (File 2-75587 - Dec. 31) (Br. 2 - New Issue)
- (S-16) ANACOMP, INC., 11550 North Meridian St., Suite 600, Carmel, Ind. 46032 (317-844-9666) - 282,647 shares of common stock. (File 2-75588 - Jan. 5) (Br. 9)
- (S-8) KROY INC., 1687 Woodlane Dr., St. Paul, Minn. 55125 (612-340-2722) - 300,000 shares of common stock. (File 2-75589 - Jan. 5) (Br. 5)
- (S-1) TOWNER PETROLEUM DRILLING PROGRAM--1982, 5445 Beavercrest Dr., PO Box 402, Lorain, OH 44052 - 15,000 units of preformation limited partnership interests; 15,000 units of limited partnership interests. Selling Agents: Selected NASD members. The partnership may drill gas and oil. (File 2-75592 - Jan. 5) (Br. 3 - New Issue)

**REGISTRATIONS EFFECTIVE**

- Dec. 18: TIA/Communications, Inc., 2-75271.  
Dec. 29: The Guardian Separate Account A, 2-74906.