

# sec news digest

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 80-170

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## NOTICE OF COMMISSION MEETINGS

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### CHANGES IN THE MEETING

The following item will not be considered at an open meeting scheduled for Thursday, September 4, at 10:00 a.m.:

Consideration of whether to adopt a rule setting forth procedures for determining requests for confidential treatment under the Freedom of Information Act. FOR FURTHER INFORMATION CONTACT Harlan W. Penn at (202) 272-2454.

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## RULES AND RELATED MATTERS

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### ADOPTION OF PROPOSED AMENDMENTS TO FORM MSD, WITHDRAWAL OF PROPOSED AMENDMENT TO FORM MSD

The Commission has adopted two substantive and two technical amendments to Form MSD, the registration form used by municipal securities dealers that are banks or separately identifiable departments or divisions of banks. The Commission has also withdrawn a proposed amendment which would have explicitly required a bank municipal securities dealer to list all members of its board of directors, and the directors of its parent bank holding company, if any. (Rel. 34-17100 and 34-17101)

FOR FURTHER INFORMATION CONTACT: Thomas G. Lovett at (202) 272-2411

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION POLICY REGARDING FOREIGN CORRUPT PRACTICES ACT

On February 21, 1980, the Commission issued Securities Exchange Release No. 16593 requesting public comments on the impact and operation of Section 30A of the Securities Exchange Act of 1934, which prohibits corporate bribery of foreign officials and certain other persons for the purpose of obtaining, retaining or directing business to any person. However, due to the limited response to the request for comments, the Commission has determined that it cannot fairly assess the questions that were raised by the comment letters.

While the Commission adheres to its decision not to participate in reviewing transactions under the Foreign Corrupt Practices Act Review Procedure that has been established by the Department of Justice, the Commission states that, as a matter of prosecutorial discretion, it will not take enforcement action alleging violations of Section 30A in any case where an issuer has sought and obtained an FCPA Review letter from the Department, prior to May 31, 1981, stating that the Department will not take enforcement action under Section 30A with respect to the transaction involved.

The Department has indicated that it will evaluate the results of the FCPA Review Procedure after it has been in operation for one year. After the Commission has had an opportunity to evaluate the experience of the Department in administering the FCPA Review Procedure, the Commission will revisit the policy set forth above to determine whether the Commission should continue this policy or take other steps.

For copies of the release contact the Publications Section, Securities and Exchange Commission, Washington, D.C. 20549 (202) 272-2960. (Rel. 34-17099)

## CIVIL PROCEEDINGS

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### FINAL JUDGMENT ENTERED AGAINST ALEXANDER KASSER

The Commission announced that on August 4 Judge Vincent J. Biunno, of the U.S. District Court for the District of New Jersey, signed a final judgment of permanent injunction against Alexander Kasser, enjoining him from further violations of the antifraud provisions of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The defendant consented to the entry of the judgment, without admitting or denying the allegations in the complaint. The Commission accepted the payment of \$9 million (Canadian) to the Manitoba Development Corporation by Kasser and various affiliated corporations, pursuant to a settlement of other litigation founded in part on the same transactions, in lieu of disgorgement and other ancillary relief. The complaint in this action charged Kasser and others engaged in a scheme to defraud the Manitoba Development Fund (now known as the Manitoba Development Corporation) in the sale of securities of Churchill Forest Industries (Manitoba) Ltd., and River Sawmills Company in violation of the antifraud provisions of the securities laws mentioned above. (SEC v. Alexander Kasser, U.S.D.C., Dist. of N.J., Civil Action No. 74-90). (LR-9167)

### GATEWAY SPORTING GOODS COMPANY ENJOINED

The Commission announced that on August 26 the U.S. District Court for the District of Columbia enjoined Gateway Sporting Goods Company of New York, New York, from failing to timely file periodic reports with the Commission and ordered it to comply with certain undertakings. The Commission's complaint, filed on July 3, alleged that Gateway failed to timely file certain annual and quarterly reports as part of a continuing course of conduct. Gateway, in consenting to entry of judgment against it, admitted failure to file reports on a timely basis on eight separate occasions. (SEC v. Gateway Sporting Goods Company, U.S.D.C. D.C., Civil Action No. 80-1638). (LR-9168)

### VAPORTECH CORPORATION ENJOINED

The Commission announced that on August 26 the U.S. District Court for the District of Columbia enjoined Vaportech Corporation of Los Angeles, California, from failing to timely file periodic reports with the Commission and ordered it to comply with certain undertakings. The Commission's complaint, filed on January 30, alleged that Vaportech failed to timely file certain annual and quarterly reports as part of a continuing course of conduct. Vaportech, in consenting to entry of judgment against it, admitted failure to file reports on a timely basis on 15 separate occasions. (SEC v. Vaportech Corporation, U.S.D.C. D.C., Civil Action No. 80-325). (LR-9169)

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## INVESTMENT COMPANY ACT RELEASES

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### BROAD STREET INVESTING CORPORATION

A notice has been issued giving interested persons until September 22 to request a hearing on an application filed by Broad Street Investing Corporation, National Investors Corporation, Union Capital Fund, Inc., Union Cash Management Fund, Inc., Second Union Cash Management Fund, Inc., Union Income Fund, Inc. and Tri-Continental Corporation, diversified, management investment companies registered under the Investment Company Act of 1940 (the Union Service companies); the investment companies' affiliated service companies, Union Service Corporation and Union Service Distributor, Inc.; J. & W. Seligman & Co.; and J. & W. Seligman & Co. Incorporated for an order, pursuant to Sections 17(b) and 17(d) of the Act and Rule 17d-1 thereunder, permitting the externalization of the presently internalized advisory, management and distribution functions of the Union Service companies. (Rel. IC-11318 - Aug. 28)

### IMPACT FUND, INC.

A notice has been issued giving interested persons until September 22 to request a hearing on an application by Impact Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-11319 - Aug. 28)

A notice has been issued giving interested persons until September 22 to request a hearing on a proposal by the Commission to declare by order on its own motion, pursuant to Section 8(f) of the Investment Company Act of 1940, that International Power Securities Corporation, registered under the Act as a closed-end, non-diversified, management investment company, has ceased to be an investment company. (Rel. IC-11320 - Aug. 28)

THE GALAXY FUND, INC.

A notice has been issued giving interested persons until September 22 to request a hearing on a proposal by the Commission to declare by order on its own motion, pursuant to Section 8(f) of the Investment Company Act of 1940, that The Galaxy Fund, Inc., registered under the Act as an open-end, diversified, management investment company, has ceased to be an investment company. (Rel. IC-11321 - Aug. 28)

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## HOLDING COMPANY ACT RELEASES

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CONSOLIDATED NATURAL GAS COMPANY

A supplemental order has been issued releasing the jurisdiction reserved by order in this proceeding dated August 7, 1980 (HCAR No. 21603), and authorizing Consolidated Gas Supply Corporation (Gas Supply), the River Gas Company and West Ohio Gas Company, subsidiaries of Consolidated Natural Gas Company (Consolidated) to issue and sell common stock to Consolidated. The order also authorized certain open account advances by Consolidated to Gas Supply. (Rel. 35-21692 - Aug. 28)

AMERICAN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until September 22 to request a hearing on a proposal by American Electric Power Company, a registered holding company, and by Columbus and Southern Ohio Electric Company, subsidiary thereof, whereby CSOE will enter into a financing program. In connection therewith, an order has been issued permitting CSOE to distribute an information statement to its shareholders. (Rel. 35-21693 - Aug. 28)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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UNLISTED TRADING GRANTED

An order has been issued granting the application of the Philadelphia Stock Exchange for unlisted trading privileges in the common stock (no par value) of Staley (A.E.) Manufacturing Company which is listed on another national securities exchange and is reported on the consolidated transaction reporting system. (Rel. 34-17104)

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## SELF-REGULATORY ORGANIZATIONS

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NOTICE OF PROPOSED RULE CHANGE

National Securities Clearing Corporation has filed a proposed rule change pursuant to Rule 19b-4 (SR-NSCC-80-26) amending its rules to clarify that the Corporation's facilities are available to members as a conduit for payment of the New York State Stock Transfer Tax. Publication of the proposal is expected to be made in the Federal Register during the week of September 2. (Rel. 34-17097)

NOTICE OF AMENDMENTS TO PROPOSED RULE CHANGES

The National Association of Securities Dealers, Inc. has filed amendments to proposed rule changes under Rule 19b-4 (SR-NASD-79-5) to amend its rules governing member advertising and sales literature. (Rel. 34-17098); and (SR-NASD-77-17) to permit for the inclusion of beneficial owners to satisfy the 300 holder requirement of the NASDAQ system. (Rel. 34-17102)

Publication of the proposals are expected to be made in the Federal Register during the week of September 1.

## APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the National Association of Securities Dealers, Inc. (SR-NASD-80-9) revising the NASD provisions governing the Local Quotations Program. (Rel. 34-17106)

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## TRUST INDENTURE ACT RELEASES

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### ITO-YOKADO CO., LTD.

A notice has been issued giving interested persons until September 17 to request a hearing on an application by Ito-Yokado Co., Ltd., pursuant to Section 310(b) (1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeships of The Bank of Tokyo Trust Company under (a) three existing indentures qualified under the Act and (b) a proposed indenture that is not qualified under the Act, are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify The Bank of Tokyo Trust Company from acting as trustee under the qualified indentures. (Rel. TI-582)

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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; and File number and date filed.

- (S-11) COLONIAL STORAGE CENTERS I, LTD., 2331 South Collins, Suite 1, Arlington, Tex. 76014 - 22,000 units of limited partnership interests. Underwriter: Shearson Loeb Rhoades Inc. The company will engage in the development and operation of self storage mini-warehouse facilities. (File 2-68951 - Aug. 26) (Br. 4) (New Issue)
- (S-1) FACLON 80-2 LTD., 3814 North First St., Abilene, Tex. 79603 and TIERRA 80-2 LTD., Suite 730, Denver Club Bldg., Denver, Colo. 80202 - 2,172 units of pre-organization subscriptions and limited partnership interests. (File 2-68966 - Aug. 27) (Br. 3)
- (S-6) THE CORPORATE INCOME FUND, SEVENTIETH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Incorporated, Dean Witter Reynolds Inc. and Shearson Loeb Rhoades Inc. (File 2-68969 - Aug. 27) (Br. 18)
- (S-6) THE CORPORATE INCOME FUND, SIXTY-EIGHTH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Incorporated, Dean Witter Reynolds Inc. and Shearson Loeb Rhoades Inc. (File 2-68970 - Aug. 27) (Br. 18)
- (S-6) THE CORPORATE INCOME FUND, SIXTY-NINTH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Incorporated, Dean Witter Reynolds Inc. and Shearson Loeb Rhoades Inc. (File 2-68971 - Aug. 27) (Br. 18)
- (S-16) FIRST CITY BANCORPORATION OF TEXAS, INC., 1001 Main St., Houston, Tex. 77002 (713) 658-6873 - 1,250,000 shares of common stock. Underwriters: Morgan Stanley & Co. Incorporated and Merrill Lynch White Weld Capital Markets Group. The company is a multi-bank holding company. (File 2-68972 - Aug. 28) (Br. 2)

- (S-7) GEORGIA POWER COMPANY, 270 Peachtree St., N.W., Atlanta, Ga. 30303 (404) 522-6060 - \$125 million of first mortgage bonds. The company is engaged in the generation and purchase of electric energy, among other things. (File 2-68973 - Aug. 28) (Br. 8)
- (S-7) QUADREX CORPORATION, 1700 Dell Ave., Campbell, Cal. 95008 (408) 446-2500 - 660,000 shares of common stock. Underwriter: Drexel Burnham Lambert Incorporated. The company provides a wide range of engineering and technical services to the nuclear power industry. (File 2-68974 - Aug. 28) (Br. 5)
- (S-8) THE WASHINGTON WATER POWER COMPANY, East 1411 Mission Ave., Spokane, Wash. 99202 (509) 489-0500 - 140,000 shares of common stock. (File 2-68975 - Aug. 27) (Br. 8)
- (S-8) NATIONAL DETROIT CORPORATION, 611 Woodward Ave., Detroit, Mich. 48226 (313) 225-1000 - \$2,500,000 of interests or participation, and 55,000 shares of common stock. (File 2-68976 - Aug. 28) (Br. 1)
- (S-16) W. R. GRACE & CO., Grace Plaza, 1114 Avenue of the Americas, New York, N.Y. 10036 (212) 764-5555 - \$100 million of notes, due 1990. Underwriters: Merrill Lynch White Weld Capital Markets Group and Blyth Eastman Paine Webber Incorporated. The company is engaged in the chemical business. (File 2-68978 - Aug. 28) (Br. 1)
- (S-16) GOULD INVESTORS TRUST, 600 Cutter Mill Road, Great Neck, N.Y. 11021 (516) 466-3100 - 250,000 shares of beneficial interest. The company is a real estate investment trust. (File 2-68979 - Aug. 28) (Br. 6)

## 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	
ALL AMERICAN BURGER INC	2,7	07/14/80	
ALPHA OMEGA ENGINEERING CORP	5	07/31/80	
ALPINE GEOPHYSICAL ASSOCIATES INC	5	07/25/80	
AMERICAN LEASING INVESTORS II	2,7	07/29/80	
AMFAC INC	5	07/01/80	
ANACOMP INC	5	05/21/80	AMEND
ANGELES CORP/CA/	5	07/16/80	
APECU CORP	5	07/29/80	
APPLIED MEDICAL DEVICES INC	5,7	07/01/80	
ARTS WAY MANUFACTURING CO INC	7	07/22/80	
ASSOCIATED WHOLESALEERS INC	5	07/21/80	
ATKINSON W P BILL ENTERPRISES INC	2,7	06/30/80	
ATLANTIC RICHFIELD CO	5	07/16/80	
BALDWIN D F CO/WHIC	5	07/30/80	
BALDWIN UNITED CORP	5	07/30/80	
BALL CORP	7	04/17/80	AMEND
BANGCORP HAWAII INC	5	07/27/80	
BANK COMPUTER NETWORK CORP	4,7	07/28/80	
BANK OF AMERICA NATIONAL TRUST & SAVINGS	7	07/25/80	
BANK OF AMERICA NATIONAL TRUST & SAVINGS	7	07/25/80	
BANK OF AMERICA NATIONAL TRUST & SAVINGS	7	07/25/80	
BANK OF AMERICA NATIONAL TRUST & SAVINGS	7	07/25/80	



GOLD KIST INC	5	07/01/80	
GORDON JEWELRY CORP	5,7	07/31/80	
GREENWICH PHARMACEUTICALS INC	5	08/12/80	
GRI COMPUTER CORP	1,7	07/24/80	
GUARANTY NATIONAL CORP	5	07/01/80	
GUARDIAN EXPLORATION LTD 1979B	5	07/03/80	
GUARDSMAN CHEMICALS INC	2,7	07/31/80	
HAMMERMILL PAPER CO	5	07/01/80	
HARKEN OIL & GAS INC	2	07/31/80	
HEINICKE INSTRUMENTS CO	5,7	07/10/80	
HICKORY FARMS OF OHIO INC	1,7	07/01/80	
HIGHLANDS COAL & CHEMICAL CORP	1	07/31/80	
HOUSTON INDUSTRIES INC	5,7	07/28/80	
HOLSTON LIGHTING & POWER CO	5	07/28/80	
HORCO MANUFACTURING CO INC	5	07/31/80	
HYTEK INTERNATIONAL CORP	5	07/29/80	
INDIANA FINANCIAL INVESTORS INC	5	07/31/80	
INTERACTIVE SYSTEMS CORP	5,6,7	07/29/80	
INTERNATIONAL BANCSFARES CORP	2,7	07/28/80	
INVESTMENT PROPERTIES ASSOCIATES	5	08/01/80	
INVESTORS FUNDING CORP OF NEW YORK	5,6	07/01/80	
KROY INDUSTRIES INC	5	07/30/80	
LEISURE TECHNOLOGY CORP	5	07/09/80	
MA COH INC	5	07/28/80	
MACMILLAN RING FREE OIL CO INC	5	07/31/80	
MACROUSE INDUSTRIES CORP	4,7	07/22/80	
MANHATTAN INDUSTRIES INC	5	07/01/80	
MANOR CARE INC	5	07/18/80	
MARIFARMS INC	4	12/01/79	AMEND
MARMON GROUP INC	5	08/08/80	
MASTERS INC	5,7	07/02/80	
MATHEMATICAL APPLICATIONS GROUP INC	4	07/21/80	
MCD HOLDINGS INC	5	07/01/80	
MCDONALDS CORP	5	06/01/80	
MCLEAN TRUCKING CO	5	08/01/80	
MCNEIL REAL ESTATE FUND X LTD	5,7	05/05/80	AMEND
MCNEIL REAL ESTATE FUND X LTD	7	05/21/80	AMEND
MCNEIL REAL ESTATE FUND X LTD	2	05/22/80	AMEND
MCNEIL REAL ESTATE FUND X LTD	7	05/22/80	AMEND
MCNEIL REAL ESTATE FUND X LTD	5	05/29/80	AMEND
MCNEIL REAL ESTATE FUND X LTD	2	06/12/80	AMEND
MCG RESOURCES INC	5	07/09/80	
MERRITT CHAPMAN & SCOTT CORP	5	06/04/80	
MICROWAVE POWER DEVICES INC	5	07/31/80	
MIDLAND CO	2,7	08/01/80	
MIDLAND GUARDIAN CO	2,7	08/01/80	
MIDWEST MANAGEMENT CORP	5	07/31/80	
MINNS L E & CO	1	05/30/80	
MOMS DEVELOPMENT CORP	5	08/08/80	
MONTEREY VINEYARDS	5	07/30/80	
MORRISON KNUDSEN CO INC	5	08/06/80	
MPC VIDEOTRONICS INC	5	07/01/80	
MUTZ CORP	5	07/10/80	
NATIONAL STUDENT MARKETING CORP /DE/	5	08/01/80	
NATIONAL WESTERN LIFE INSURANCE CO	2	07/31/80	



**NOTICE**

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*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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