

sec news digest

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RULES AND RELATED MATTERS

COMMISSION APPROVES CHANGES TO ARBITRATION RULES

The Commission approved on May 10, 1989, proposed changes to the arbitration rules of the New York Stock Exchange, National Association of Securities Dealers, and American Stock Exchange. These changes greatly improve the procedural rules under which self-regulatory arbitration proceedings are administered and institute new requirements applicable to the use by SRO members of predispute arbitration clauses in agreements with customers. (Rel. 34-26805)

FOR FURTHER INFORMATION CONTACT: Robert A. Love at (202) 272-3064

COMMISSION ANNOUNCEMENTS

RUDER SPEECH RELEASED

The Commission today released remarks of David S. Ruder, Chairman of the Commission, entitled, SEC Disclosure Issues: Breaking New Ground, delivered to the National Association of Corporate Treasurers at their annual meeting today in New York City. Chairman Ruder discussed a special project on management's discussion and analysis that is nearing completion, standard setting, management reports, timely reviews of quarterly financial information and international disclosure initiatives.

DIRECTOR LYNCH TO DEPART IN JULY

The Commission announced yesterday that Gary Lynch, Director of the Division of Enforcement, will leave the Commission in mid-July. Mr Lynch joined the Commission in 1976 as a staff attorney and was promoted Branch Chief, to Assistant Director, Associate Director and, in 1985, Director of the Division. In making the announcement, Chairman Ruder said, in part, "During Gary's tenure as Director, the Commission has undertaken major programs to combat securities fraud in many of its forms, including insider trading, financial fraud, market manipulation, and penny stock fraud. The culmination of Gary's very successful career here at the Commission is, of course, the historic settlement recently entered into between Drexel Burnham Lambert and the Commission. Mr. Lynch's presence will be greatly missed here at the Commission, but the strong enforcement program that he has nurtured will be continued by the very capable staff that he has assembled." (Press Release 89-30)

ADMINISTRATIVE PROCEEDINGS

CHICAGO BOARD OPTIONS EXCHANGE SANCTIONED

The Commission announced that public administrative proceedings were instituted against the Chicago Board Options Exchange (CBOE), a registered national securities exchange, for failure to enforce compliance with its trading rules. Simultaneously with the institution of the proceedings, the Commission accepted the CBOE's offer of settlement. Without admitting or denying any of the matters set forth in the Commission's Order, except for jurisdiction, the Commission found that the decision of the CBOE's Business Conduct Committee not to initiate charges against various members and persons associated with members for trading certain multiple-listed over-the-counter options and the S&P 250 Index (OCX) primarily for the purpose of "creating an appearance of activity" and through pre-arrangement was "without" reasonable justification or "excuse." The Commission ordered that the CBOE be censured, and comply in all material respects with the Exchange Act provision requiring that each self-regulatory organization, including an exchange, enforce compliance, absent reasonable justification or excuse, with its rules and with its undertakings to strengthen its market surveillance activities and disciplinary process. (Rel. 34-26809)

CIVIL PROCEEDINGS

AUTOSPA CORPORATION AND AUTOSPA AUTOMALLS, INC. ENJOINED

The Commission announced that on May 5 the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction against Autospa Corporation (Autospa) and Autospa Automalls, Inc. (Automalls) of Great Neck, New York. The Judgment, which was consented to by Autospa and Automalls, permanently restrains and enjoins them from failing to file timely and in proper form accurate and complete periodic reports, current reports and Notifications of Late Filing, and requires them to file their delinquent reports within 90 days after entry of the Judgment.

In their Consents, Autospa and Automalls admitted that, as part of a continuing course of violative conduct extending over several years, they failed to file their Annual Reports on Form 10-K for their fiscal years ended March 31, 1987, and their Quarterly Reports on Form 10-Q for their fiscal quarters ended September 30, and December 31, 1988. Autospa also failed to file two Current Reports on Form 8-K regarding its acquisitions of significant assets. (SEC v. Autospa Corporation and Autospa Automalls Inc., USDC DC, Civil Action No. 89-0424, CRR.) (LR-12091)

INVESTMENT COMPANY ACT RELEASES

EUROPACIFIC GROWTH FUND

An order has been issued amending a prior order [Release IC-14195, October 15, 1984] by EuroPacific Growth Fund and permitting certain modifications of a contingent deferred sales load. (Rel. IC-16945 - May 9)

HOLDING COMPANY ACT RELEASES

GEORGIA POWER COMPANY

A supplemental order has been issued authorizing Georgia Power Company, subsidiary of The Southern Company, to cause the Development Authority of Burke County to issue and sell from time to time on or prior to December 31, 1989, pollution control revenue bonds, and to issue a note up to an aggregate amount of \$50 million. A letter of credit and/or first mortgage bonds will be issued as security for the Revenue Bonds. Jurisdiction has been reserved over all other matters proposed in the application-declaration pending completion of the record. (Rel. 35-24882 - May 8)

MISSISSIPPI POWER AND LIGHT COMPANY

An order has been issued authorizing Mississippi Power & Light Company (MP&L), a subsidiary of Middle South Utilities, Inc., to issue and sell, pursuant to an exception from the competitive bidding rules, up to \$100 million of its general and refunding mortgage bonds. Jurisdiction has been reserved over the issuance and sale of certain preferred stock by MP&L. (Rel. 35-24883 - May 9)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING GRANTED

An order has been issued granting the application of the Philadelphia Stock Exchange for unlisted trading privileges in the common stock of three issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. (Rel. 34-26800)

DELISTINGS GRANTED

Orders have been issued granting the applications of: The American Stock Exchange to strike from listing and registration the 7% Convertible Subordinated Debentures, due April 1, 1990, of AMERICAN CENTURY CORPORATION. (Rel. 34-26801); and the Philadelphia Stock Exchange to strike from listing and registration the common stock, \$.005 par value, of CHANNEL INDUSTRIES, LTD. (Rel. 34-26802)

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until May 31 to comment on the application of TECHKNITS, INC., to withdraw its Units - and its component securities consisting of common stock, \$.001 par value; Class A Warrant to purchase share of common stock, \$.001 par value, Class B Warrant to purchase share of preferred stock, \$.001 par value, from listing and registration on the Philadelphia Stock Exchange. (Rel. 34-26803)

TRUST INDENTURE ACT RELEASES

MCORP

An order has been issued under the Trust Indenture Act of 1939 on an application by MCorp and MCorp Financial, Inc. (the Company) that the trusteeship of Morgan Guaranty Trust Company (Morgan) under three Company indentures and the existing trusteeship of Morgan under two other Company indentures is 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 from acting as trustee under any of the indentures. (Rel. TI-2214)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- S-18 FDTG FUND I LIMITED PARTNERSHIP, 200 W ADAMS ST, STE 2400, CHICAGO, IL 60606 (312) 904-7000 - 3,000,000 (\$3,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-28273-C - APR. 21) (BR. 11 - NEW ISSUE)
- S-18 TRIGATE ASSOCIATES INC, 4705 LAUREL CANYON BLVD PENTHOUSE STE, NORTH HOLLYWOOD, CA 91607 (818) 762-7900 - 500,000 (\$5,000) COMMON STOCK. 500,000 (\$30,000) COMMON STOCK. 1,500,000 (\$275,000) COMMON STOCK. 1,500,000 (\$1,125,000) COMMON STOCK. 1,500,000 (\$3,000,000) COMMON STOCK. (FILE 33-28286-LA - APR. 25) (BR. 12 - NEW ISSUE)
- S-1 GLP SEARCH CORP, 4200 S HULEN, STE 536, FORT WORTH, TX 76109 - 737,998 COMMON STOCK. 762,002 COMMON STOCK. (FILE 33-28423 - MAY. 01) (BR. 11 - NEW ISSUE)
- S-11 RPS HOUSING FUND II L P, 1935 CAMINO VIDA ROBLE, CARLSBAD, CA 92008 (619) 431-9100 - 20,000 (\$20,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-28424 - MAY. 01) (BR. 5 - NEW ISSUE)
- S-4 HEARTFED FINANCIAL CORP, 649 LINCOLN WAY, AUBURN, CA 95603 (916) 823-7283 - 4,655,200 (\$68,664,200) COMMON STOCK. (FILE 33-28429 - MAY. 01) (BR. 1 - NEW ISSUE)
- S-1 CHANDLER INSURANCE CO LTD, FCURTH FL ELIZABETHAN SQ, PO BCX 1289, GRAND CAYMAN CAYMAN ISLANDS, (809) 949-7823 - 925,492 (\$11,050,374) COMMON STOCK. (FILE 33-28436 - MAY. 01) (BR. 5)
- S-8 GULF & WESTERN INC /DE/, 1 GULF + WESTERN PLZ, NEW YORK, NY 10023 (212) 373-8000 - 5,000,000 (\$266,875,000) COMMON STOCK. (FILE 33-28441 - MAY. 01) (BR. 11)
- S-8 HEXCEL CORP/DE, 11555 DUBLIN BLVD, DUBLIN, CA 94568 (415) 828-4203 - 300,000 (\$9,700,000) COMMON STOCK. (FILE 33-28445 - MAY. 02) (BR. 6)
- S-4 METROCORP INC, 1523 8TH ST, EAST MOLINE, IL 61244 (309) 755-0671 - 48,575 (\$3,771,363) COMMON STOCK. (FILE 33-28447 - MAY. 02) (BR. 1)
- S-8 IPM INC, 621 17TH ST STE 2510, DENVER, CO 80293 (303) 298-8008 - 4,000,000 COMMON STOCK. (FILE 33-28448 - MAY. 02) (BR. 9)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST INSURED SERIES 194, 333 W WACKER DR, C/O JOHN NUVEEN & CO INC, CHICAGO, IL 60606 (FILE 33-28451 - MAY. 04) (BR. 22 - NEW ISSUE)

- S-1 HOME MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, 1350 SPRING ST NW, ATLANTA, GA 30367 (404) 873-4041 - 15,000 (\$7,500,000) STRAIGHT BONDS. (FILE 33-28476 - MAY. 02) (BR. 12 - NEW ISSUE)
- S-8 AMERICA WEST AIRLINES INC, 222 S MILL AVE, TEMPE, AZ 85281 (602) 894-0800 - 1,725,000 (\$20,484,375) COMMON STOCK. (FILE 33-28478 - MAY. 02) (BR. 3)
- S-1 ALLWASTE INC, 3040 PCST DAK BLVD STE 1300, HOUSTON, TX 77056 (713) 623-8777 - 1,879,216 (\$31,594,319) COMMON STOCK. (FILE 33-28479 - MAY. 02) (BR. 8)
- S-8 AMERICA WEST AIRLINES INC, 222 S MILL AVE, TEMPE, AZ 85281 (602) 894-0800 - 2,070,000 (\$24,581,250) COMMON STOCK. (FILE 33-28481 - MAY. 02) (BR. 3)
- S-8 NBB BANCORP INC, 174 UNION ST, NEW BEDFORD, MA 02740 (617) 996-5000 - 167,100 (\$2,402,062.50) COMMON STOCK. 25,000 (\$387,500) COMMON STOCK. 35,300 (\$332,879) COMMON STOCK. 273,000 (\$4,453,312.50) COMMON STOCK. (FILE 33-28483 - MAY. 02) (BR. 1)
- S-8 LANDMARK GRAPHICS CORP, 333 CYPRESS RUN, HOUSTON, TX 77094 (713) 579-4700 - 2,000,000 (\$2,000,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 33-28484 - MAY. 02) (BR. 9)
- S-11 MORTGAGE BANCFUND OF AMERICA II L P, 14742 NEWPORT AVENUE SUITE 104, TUSTIN, CA 92680 - 250,000 (\$25,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-28491 - MAY. 03) (BR. 12 - NEW ISSUE)
- S-8 UNITED CITIES GAS CO, 5300 MARYLAND WAY, BRENTWOOD, TN 37027 (615) 373-0104 - 102,228 (\$1,277,850) COMMON STOCK. (FILE 33-28495 - MAY. 02) (BR. 8)
- S-8 COMMUNICATIONS TRANSMISSION INC, 3307 NORTHLAND DR STE 500, AUSTIN, TX 78731 (512) 451-0131 - 300,000 (\$2,514,000) COMMON STOCK. 10,213 (\$85,584) COMMON STOCK. (FILE 33-28499 - MAY. 03) (BR. 7)
- S-8 COMMUNICATIONS TRANSMISSION INC, 3307 NORTHLAND DR STE 500, AUSTIN, TX 78731 (512) 451-0131 - 1,342,425 (\$1,342,425) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 33-28500 - MAY. 03) (BR. 7)
- S-8 FIRSTFED MICHIGAN CORPORATION, 1001 WOODWARD AVE, DETROIT, MI 48226 (313) 965-1400 - 708,179 (\$12,151,036.50) COMMON STOCK. (FILE 33-28504 - MAY. 02) (BR. 2)
- S-8 SUN MICROSYSTEMS INC, 2550 GARCIA AVE, MOUNTAIN VIEW, CA 94043 (415) 960-1300 - 90,000 (\$1,541,250) COMMON STOCK. (FILE 33-28505 - MAY. 03) (BR. 10)
- F-6 REUTERS HOLDINGS PLC, 85 FLEET ST, LONDON ENGLAND EC4P 4AJ, XO 03000 (212) 603-3300 - 60,000,000 (\$3,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-28508 - MAY. 02) (BR. 99)
- S-1 LEXINGTON CORP, 3070 BRISTOL ST SUITE 650, COSTA MESA, CA 92626 (714) 241-1114 - 300,000 (\$300,000) COMMON STOCK. 1,200,000 (\$1,200,000) COMMON STOCK. 1,500,000 (\$3,000,000) COMMON STOCK. 1,500,000 (\$4,500,000) COMMON STOCK. (FILE 33-28509 - MAY. 01) (BR. 12 - NEW ISSUE)
- S-8 CBT CORP /KY/, 333 BROADWAY, PADUCAH, KY 42001 (502) 444-6321 - 70,000 (\$2,380,000) COMMON STOCK. (FILE 33-28512 - MAY. 01) (BR. 2)
- S-8 MERCURY FINANCE COMPANY, 40 SKOKIE BLVD, NORTHBROOK, IL 60062 (312) 564-3720 - 150,000 (\$2,793,750) COMMON STOCK. (FILE 33-28513 - MAY. 03) (BR. 11 - NEW ISSUE)