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July 24, 1979

NOTICE OF COMMISSION MEETINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

CHANGES IN THE MEETING

The following additional item will be considered at a closed meeting scheduled for Thursday, July 26, at 9:00 a.m.: Regulatory matter bearing enforcement implications.

The following additional item will be considered at an open meeting scheduled for Thursday, July 26, at 10:00 a.m.: Consideration of proposed rule changes submitted by the New York Stock Exchange, and the American Stock Exchange, Inc. to extend the effectiveness of their respective rules governing market makers in equity securities. FOR FURTHER INFORMATION CONTACT Michael J. Kulczak at (202) 755-7526 or William S. Muller at (202) 755-1374.

ADMINISTRATIVE PROCEEDINGS

CONNORS INVESTOR SERVICES, INC.; JAMES M. CONNORS SANCTIONED

The Commission has entered an order under the Investment Company Act of 1940 and the Investment Advisers Act of 1940 suspending James M. Connors (Connors), Reading, Pennsylvania, from association with any investment adviser or investment company for a period of 60 days and prohibiting Connors Investor Services, Inc. (CIS), also of Reading, from soliciting new clients for a period of sixty days. Additionally, CIS has undertaken to waive certain past and future advisory fees due it from CBM Investors, a limited partnership in which CIS is the general partner and investment adviser. The sanctions were based on findings that CIS and Connors wilfully violated and/or wilfully aided and abetted violations of the registration and antifraud provisions of the Securities Act of 1933; the antifraud provisions of the Securities Exchange Act of 1934; the registration and affiliated transactions provisions of the Investment Company Act; and the antifraud and recordkeeping provisions of the Investment Advisers Act. The Commission's action was taken pursuant to an Offer of Settlement in which the respondents neither admitted nor denied the allegations in the Order for Proceedings. (Rel. IC-10781)

BLYTH, EASTMAN, DILLON & CO., INC. CITED

The Commission has accepted an Offer of Settlement submitted by Blyth, Eastman, Dillon & Co., Inc. (Blyth) in the Matter of William H. Langfield, II, et al. Based upon the Offer of Settlement, in which Blyth neither admitted nor denied the allegations in the Order for Proceedings, the Commission made findings that Blyth wilfully violated and aided and abetted violations of the antifraud and recordkeeping provisions of the securities laws, and failed reasonably to supervise its employees. The Division of Enforcement had alleged that Blyth gave Langfield preferential access and price treatment in trades for Langfield's personal accounts and improperly recorded such personal trades to make those trades appear as though they had been effected with Langfield's clearing broker. (See Rel. 34-13766) Langfield was a trader in the over-the-counter trading department at the Minneapolis office of Investors Diversified Services, Inc. (IDS) from 1969 until 1974.

Based upon Blyth's Offer of Settlement, the Commission: (1) censured Blyth; (2) suspended Blyth's market-making activities in certain over-the-counter securities for five business days; and (3) ordered Blyth to comply with its undertakings to (a) adopt and maintain certain new recordkeeping procedures; and (b) contribute \$10,000 to an account to be distributed to certain mutual funds advised by IDS. (Rel. 34-16021)

CIVIL PROCEEDINGS

CAESARS WORLD, INC. AND CLIFFORD S. PERLMAN ENJOINED

On July 23 the Commission announced the filing of a civil injunctive action in the U.S. District Court for the District of Columbia against Caesars World, Inc. (CWI), a corporation headquartered in Los Angeles, California, and Clifford S. Perlman, CWI's Chairman of the Board of Directors and principal stockholder. CWI, a Florida corporation, is engaged primarily in the gaming business, and operates Caesars Palace Hotel and Casino in Las Vegas, Nevada. The Commission's complaint alleges violations by CWI and Perlman of certain of the antifraud, reporting and proxy provisions of the securities laws and various rules thereunder in connection with a series of real estate transactions with certain persons with whom Perlman concurrently had an undisclosed but substantial private business involvement. The Commission's complaint alleges that CWI and Perlman concealed material facts concerning those transactions, including certain actions taken by the gaming authorities of the State of Nevada with respect to CWI, in various reports, proxy solicitation materials and registration statements filed with the Commission and otherwise.

Simultaneously with the institution of the Commission's action, CWI and Perlman submitted for the Court's consideration consents, which contain certain undertakings, to the entry of final judgments of permanent injunction enjoining them from further violations of the antifraud, reporting and proxy provisions of the securities laws, without admitting or denying any of the allegations contained in the Commission's complaint. (SEC v. Caesars World, Inc. and Clifford S. Perlman, U.S.D.C., D.D.C., Civil Action No. 79-1912). (LR-8827)

LONE STAR PETROLEUM, INC. AND TYRUS REX MULKEY ENJOINED

The Fort Worth Regional Office announced that on July 13 an order was entered by the U.S. District Court for the Northern District of Texas, at Fort Worth, permanently enjoining Lone Star Petroleum, Inc. and Tyrus Rex Mulkey, president of Lone Star, from violating certain registration and antifraud provisions of the securities laws, and providing other equitable relief including the appointment of a receiver for Lone Star Petroleum. The Commission's complaint alleges that the defendants raised in excess of \$3.7 million from more than 500 public investors in connection with the fraudulent offer and sale of unregistered fractional undivided working interests in oil and gas leases and limited partnership interests in partnerships which own oil and gas leases. The defendants consented to the order without admitting or denying the allegations of the complaint. (SEC v. Lone Star Petroleum, Inc., and Tyrus Rex Mulkey, N.D. Tex., Civil Action No. CA-4-79 270). (LR-8826)

INVESTMENT COMPANY ACT RELEASES

DIFUND, INC.

An order has been issued on an application of Difund, Inc. and Merrill Lynch Basic Value Fund, Inc., both open-end, diversified, management investment companies registered under the Investment Company Act of 1940, and Merrill Lynch Asset Management, Inc. and Fund Asset Management, Inc., both registered investment advisers, (1) exempting Basic Value from the 75 per centum disinterested director requirement of Section 15(f)(1)(A) of the Act following the reorganization of Difund with and into Basic Value and (2) exempting from Section 17(a) of the Act and permitting under Rule 17d-1 of the Act the proposed reorganization of Difund and Basic Value. (Rel. IC-10791 - July 23)

HOLDING COMPANY ACT RELEASES

PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued authorizing a proposal by Public Service Company of Oklahoma (PSO), subsidiary of Central and South West Corporation, that PSO make short-term loans to Transok Pipe Line Company, a subsidiary pipeline company of PSO. Such loans shall not exceed \$10 million in an aggregate amount outstanding at any one time, and jurisdiction is reserved for short-term loans exceeding \$10 million up to an aggregate amount of \$35,500,000. (Rel. 35-21152 - July 20)

NATIONAL FUEL GAS COMPANY

An order has been issued authorizing a proposal by National Fuel Gas Company (National) and National Fuel Gas Distribution Corporation (Distribution Corporation), its wholly-owned subsidiary, where National will issue and sell, at competitive bidding, up to \$40 million of sinking fund debentures and will lend \$35,500,000 to Distribution in exchange for long-term unsecured notes. (Rel. 35-21153 - July 20)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF A RULE CHANGE

A rule change filed by Bradford Securities Processing Service (BSPS) pursuant to Rule 19b-4 (SR-BSPS-79-1) has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. BSPS is establishing a branch office in Detroit, Michigan. Publication of the proposal is expected to be made in the Federal Register during the week of July 23. (Rel. 34-16042)

MISCELLANEOUS

GARDNER, CARTON & DOUGLAS

A notice has been issued giving interested persons until August 15 to request a hearing on an application of Gardner, Carton & Douglas, a law firm organized as a partnership under the laws of the State of Illinois, for an order pursuant to Section 3(a)(2) of the Securities Act of 1933 exempting from the registration requirements of the Act participations or interests issued in connection with the Gardner, Carton & Douglas Profit Sharing Plan. (Rel. 33-6094)

SECURITIES ACT REGISTRATIONS

- (S-8) AMERICAN SECURITY CORPORATION, 15th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20013 (202) 624-4157 - 210,563 shares of common stock. (File 2-65067 - July 20)
- (S-8) GENERAL FOODS CORPORATION EMPLOYEE THRIFT-INVESTMENT PLAN, 250 North St., White Plains, N.Y. 10625 (914) 683-2500 - \$100 million of interests and 3,000,000 shares of common stock. (File 2-65069 - July 23)
- (S-8) OGILVY & MATHER INTERNATIONAL INC., 2 East 48 St., New York, N.Y. 10017 (212) MU8-6100 - 200,000 shares of common stock. (File 2-65070 - July 23)
- (S-16) W. R. GRACE & CO., 1114 Avenue of the Americas, New York, N.Y. 10036 (212) 764-5555 - 436,845 shares of common stock. (File 2-65072 - July 23)
- (S-16) ACF INDUSTRIES, INCORPORATED, 750 Third Ave., New York, N.Y. 10017 (212) 986-8600 - 275,000 common shares. The company is engaged in the manufacture and leasing of railroad equipment. (File 2-65073 - July 23)

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

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