

C-2

sec news digest

Issue 79-157

AUG 15 1979

August 14, 1979

RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

PRICING OF INVESTMENT COMPANY SHARES GENERALLY

The Commission today amended paragraph (b) of Rule 22c-1 under the Investment Company Act of 1940 which pertains to the computation of the current net asset value at which an investment company must sell, purchase or redeem its securities. The rule, as amended, generally provides that, for purposes of Section 22c-1, the current net asset value of such a security shall be computed (1) not less frequently than once daily on each day (other than a day during which no tender for redemption or order to purchase or sell such security was received by the investment company) in which there is a sufficient degree of trading in the investment company's portfolio securities that the current net asset value of the investment company's redeemable securities might be materially affected by changes in the value of these portfolio securities, and (2) at such specific time during the day as determined by a majority of the board of directors of the investment company no less frequently than annually. (Rel. IC-10827)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230 or
Mark J. Mackey at (202) 755-1547

EXEMPTION OF TRANSACTIONS BY INVESTMENT COMPANIES WITH CERTAIN AFFILIATED PERSONS

The Commission today amended Rule 17a-6 under the Investment Company Act of 1940 to permit, provided specified safeguards are satisfied, transactions between an investment company and certain affiliated portfolio companies. (Rel. IC-10828)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230

PROPOSALS TO AMEND PROXY RULES

The Commission has proposed for comment certain amendments to the proxy rules, including rules relating to the form of proxy sent to shareholders. These proposed rules constitute part of the Commission's continuing response to issues raised in its re-examination of rules relating to shareholders communications, shareholder participation in the corporate electoral process and corporate governance generally.

The proposals include amendments which would (1) require changes in the proxy card format concerning methods of electing nominees to the board of directors; (2) exempt from the filing requirements of the proxy rules proxy voting advice furnished by financial advisers, under certain circumstances; (3) remove the current exemption from the antifraud provisions for certain proxy solicitations to small groups of individuals; (4) require the disclosure of the results of the election of directors, under certain circumstances; and (5) limit an issuer's ability to vote proxies on which shareholders have not indicated a preference regarding specific issues. (Rel. 34-16104)

FOR FURTHER INFORMATION CONTACT: Richard B. Nesson at (202) 755-1750

COMMISSION ANNOUNCEMENTS

REGIONAL PROCESSING OF REGISTRATION STATEMENTS ON FORM S-18

On April 3 the Commission announced the adoption of Form S-18, a simplified form available to certain corporate issuers for the registration of securities to be sold to the public for cash not exceeding an aggregate offering price of \$5 million. At that time the Commission indicated that processing of Form S-18 registration statements in the Commission's nine regional offices would be permitted subsequent to a brief training program. On June 7 it was announced that the first segment of

the training program had been completed and Form S-18 filings were being accepted in the Regional Offices located in Atlanta, Boston, Chicago, Denver and Los Angeles. Additionally, it was announced that Form S-18 filings would be accepted beginning September 15 in the Regional Offices located in Fort Worth, New York, Seattle and Washington, after completion of the training program.

Due to an advancement in the scheduling of the training program, the second segment has been completed and filings of registration statements of Form S-18 will be accepted in Fort Worth, New York, Seattle and Washington beginning immediately. (Rel. 33-6103)

FOR FURTHER INFORMATION CONTACT: Paula L. Chester at (202) 755-1290

CIVIL PROCEEDINGS

ORDER ENTERED RE THE FUNDPACK, INC., OTHERS

The SEC announced that on August 10 the Honorable June L. Green of the U.S. District Court for the District of Columbia entered an order appointing an independent master to oversee certain of the operations of The Fundpack, Inc., Holding Trust and Holdings of U.S. Government Securities, Inc. (the Funds) and their investment adviser, Fundpack Management, Inc. (Management). The order further provided that proxies solicited for the Funds' annual meetings of shareholders on June 28 are void, and ordered the Funds to resolicit proxies in compliance with the securities laws under the supervision of the independent master. Finally, the Court preliminarily enjoined the Funds and Management from filing with the Commission or transmitting to the Funds' shareholders any registration statements, proxy solicitation materials or prospectuses without the approval of the independent master. The Funds and Management are co-defendants in a civil injunctive action filed by the Commission on March 21.

In connection with the entry of the Order the Court found, among other things, that the implementation in the Funds of an investment arrangement known as "switching" has, over a period of four years, imposed largely undisclosed costs and performance burdens on Fundpack. These have included borrowing expenses, high transaction costs, and investment losses due to a leveraged condition in the Fundpack portfolio during stock market declines. In addition, the Court found that the imposition of these costs evidenced self-dealing and breach of fiduciary duty by Management and the Fundpack directors. (SEC v. The Fundpack, Inc., et al., U.S.D.C. D.C., Civil Action No. 79-0859). (LR-8838)

PETER WEGMANN ENJOINED

The Chicago Regional Office announced that on July 2 Judge John W. Reynolds permanently enjoined Peter Wegmann from violating the antifraud provisions of the securities laws and aiding and abetting violations of the periodic reporting and proxy solicitation provisions of the Securities Exchange Act of 1934. The charges against Wegmann arose, according to the Commission's complaint, out of his conduct while employed by American Bankshares Corporation, formerly a Milwaukee, Wisconsin based bank holding company. Wegmann consented to the entry of the Final Judgment of Permanent Injunction without admitting or denying the allegations of the Commission's complaint.

Wegmann was the sole remaining defendant in this action which was filed by the Commission in the U.S. District Court for the Eastern District of Wisconsin on November 21, 1977. The other defendants to this action, American Bankshares Corporation, Harold L. Erickson, Raymond Callen, James Sullivan, and Francis Wilson, had previously been enjoined from violating various provisions of the securities laws. (SEC v. American Bankshares Corporation, et al.). (LR-8837)

GLADDING CORPORATION, OTHERS ENJOINED

The Boston Regional Office announced that on August 13 the Honorable A. David Mazzone, U.S. District Judge for the District of Massachusetts, entered permanent injunctions against Gladding Corporation, J. Gerald Mayer, the Chairman of the Board of Directors, and Walter E. Robb III, a former Gladding vice-president. The orders enjoin the defendants from making untrue statements of material fact in the purchase and sale of securities and from failing to state material facts necessary to make statements made not misleading. The injunctions also prohibit filing false and misleading reports with the Commission, and require Gladding to file a

report to correct misleading previously filed quarterly reports. The defendants had consented to the entry of the injunctions.

The Commission's complaint charged the defendants with filing misleading financial reports and with disseminating misleading information to the public during 1974 through 1976. (SEC v. Gladding Corp., et al.). (LR-8836)

INVESTMENT COMPANY ACT RELEASES

UNION BANK OF FINLAND, LTD.

A notice has been issued giving interested persons until September 4 to request a hearing on an application of Union Bank of Finland, Ltd., a commercial bank whose principal office is located in Helsinki, Finland, which presently proposed to make an offering of its commercial paper in the United States. The application requests that the Commission issue an order pursuant to Section 6(c) of the Investment Company Act of 1940 exempting Applicant from all provisions of the Act. (Rel. IC-10826 - Aug. 10)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES, INC.

An order has been issued approving a proposal of Middle South Utilities, Inc., a registered holding company, and its subsidiary, Middle South Energy, Inc., whereby the subsidiary will issue and sell from time to time through June 30, 1980 up to 93,200 shares of its no par common stock to the holding company at a price of \$1,000 per share. (Rel. 35-21182 - Aug. 13)

SCOPAR INTERNATIONAL, INC.

An order has been issued granting an application for exemption from the Public Utility Holding Company Act of 1935 pursuant to Section 3(a)(5) by Scopar International, Inc. (Rel. 35-21183 - Aug. 13)

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-8) FIDELCOR, INC., 1200 E. Lancaster Ave., Rosemont, Pa. 19010 (215) 985-8186 - 40,000 shares of common stock and \$2 million of participation interest. (File 2-65220 - Aug. 10)
- (S-7) UTAH POWER & LIGHT COMPANY, 1407 West North Temple St., P.O. Box 899, Salt Lake City, Utah. 84110 (801) 535-2000 - \$65 million of first mortgage bonds. The company is engaged in generating and selling electric energy. (File 2-65221 - Aug. 10)
- (S-7) MAY PETROLEUM INC., One Energy Sq., Suite 1000, 4925 Greenville Ave., Dallas, Tex. 75206 (214) 691-6100 - 903,000 shares of common stock. Underwriters: Paine, Webber, Jackson & Curtis Inc. and Blyth Eastman Dillon & Co. Inc. The company explores for, develops and produces oil and natural gas. (File 2-65222 - Aug. 10)
- (N-1) QUEST FOR VALUE FUND, INC., One New York Plaza, New York, N.Y. 10004 (212) 825-4000 - an indefinite number of shares of common stock. (File 2-65223 - Aug. 10)
- (S-8) THE LOUISIANA LAND AND EXPLORATION COMPANY, Suite 1200, 225 Baronne St., New Orleans, La. 70112 (504) 566-6500 - 67,145 shares of capital stock and \$385,000 of participations. (File 2-65224 - Aug. 10)

- (S-8) KAISER CEMENT CORPORATION, Kaiser Bldg., 300 Lakeside Dr., Oakland, Cal. 94612 (415) 271-2003 - \$1,650,000 of participations and 60,000 shares of common stock. (File 2-65225 - Aug. 13)
- (S-8) ELECTRO-PROTECTIVE CORPORATION OF AMERICA, 25 Eastmans Rd., Parsippany, N.J. 07054 (201) 386-1500 - 77,000 shares of common stock. (File 2-65227 - Aug. 10)
- (S-12) CHEMICAL BANK, 55 Water St., New York, N.Y. 10041 - 100,000 American Depository Receipts for ordinary shares of Dunlop Holdings Ltd. (File 2-65228 - Aug. 13)
- In a separate statement the company seeks registration of 100,000 American Depository Receipts for "B" ordinary shares of Rothmans International Limited. (File 2-65229 - Aug. 13)
- In a third statement the company seeks registration of 100,000 American Depository Receipts for ordinary shares of BTR Limited. (File 2-65230 - Aug. 13)
- (S-16) CENTRAL AND SOUTH WEST CORPORATION, 2700 One Main Pl., Dallas, Tex. 75250 (214) 748-8481 - 5,000,000 shares of common stock. The company is an electric utility holding company. (File 2-65231 - Aug. 13)
- (N-1) DREYFUS TAX EXEMPT MONEY MARKET FUND, INC., 600 Madison Ave., New York, N.Y. 10022 (212) 223-0303 - an indefinite number of shares of common stock. (File 2-65232 - Aug. 13)
- (S-6) E. F. HUTTON TAX-EXEMPT TRUST, NATIONAL SERIES 44, One Battery Park Plaza, New York, N.Y. 10004 - 22,500 units. Depositor: E. F. Hutton & Company Inc. (File 2-65233 - Aug. 13)
- (S-16) MUTZ CORPORATION, 1853 Ludlow Ave., Indianapolis, Ind. 46201 (317) 634-3400 - 145,290 shares of common stock. (File 2-65234 - Aug. 13)
- (S-8) INDEPENDENT BANKSHARES CORPORATION, 1108 Fifth Ave., San Rafael, Cal. 94901 (415) 456-8000 - 25,500 shares of common stock. (File 2-65235 - Aug. 13)

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 July 27 - August 3, 1979. 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 sent forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Walter Kidde & Co., Inc.	Ennis Business Forms Inc. (Ennis, TX) Common Stock - 192,250 shs. (10.36%)	7-27-79
* Warren E. Buffett Berkshire Hathaway National Indemnity Co. National Fire & Marine Insurance Co., et al	GEICO Corp. (Washington, DC) Common Stock - 1,427,108 shs. Common Stock - 4,067,506 shs. (28.1%) on conversion of Preferred Stock	7-27-79
* Transco Realty Trust William L. Davenport Oakley Caldwell Frost Caesar Wackeen Steven L. Hollstein	Hospital Mortgage Group (No. Miami, FL) Shares of Beneficial Interest - 229,300 Independence Mortgage Trust (Atlanta, GA) Shares of Beneficial Interest - 125,200	7-27-79 7-27-79

ACQUISITION REPORTS CONT.

* D & B Development Corp. (Wholly-owned subsidiary of Dun & Bradstreet Corp.)	National CSS, Inc. (Wilton, CT) Common Stock - 2,966,939 shs. (94.2%)	7-27-79
Goldman, Sachs & Co.	Rockower Brothers Inc. (Huntingdon Valley, PA) Common Stock - 111,600 shs.	7-27-79
* High Voltage Engineering Corp.	Milton Roy Co. (St. Petersburg, FL) Common Stock - 244,500 shs. (17.4%)	7-27-79
Barry F. Cohen	Synalloy Corp. (Spartanburg, SC) Common Stock - 125,000 shs.	7-27-79
* Lee Gray	Transco Realty Trust (Boston, MA) Shares of Beneficial Interest - 105,055 Shares of Beneficial Interest - 19,000 on exercise of Options	7-27-79
Coral Petroleum, Inc.	United Refining Co. (Warren, PA) Common Stock - 80,000 shs.	7-27-79
* Initio Inc. Initio Financial Inc. Martin Fox Daniel De Stefano	American Garden Products, Inc. (Boston, MA) Common Stock - 166,300 shs. (28.4%)	7-30-79
Brown, Kraft & Co.	American Vanguard Corp. (Burbank, CA) Common Stock - 218,023 shs. (12.5%)	7-30-79
Leland K. Whittier, Individually and Co-Trustee Laura P. Whittier Helen W. Woodward, Individually and Trustee N. Paul Whittier, Individually and Co-Trustee, et al	Belridge Oil Company (Los Angeles, CA) Capital Stock - 553,685 shs. (55.5%)	7-30-79
Merrill C. Berman Dohn L. Kalmbach Berman, Kalmbach & Co.	Chemlawn Corp. (Worthington, OH) Common Stock - 83,576 shs.	7-30-79
* Leeam Weathers-Lowin	Federal Company (Memphis, TN) Common Stock - 476,758 shs. (11.7%)	7-30-79
Kidder, Peabody & Co. Inc.	First Wisconsin Mortgage Trust (Chicago, IL) Shares of Beneficial Interest - 139,100	7-30-79
Lubar Nominees	First Wisconsin Mortgage Trust (Chicago, IL) Shares of Beneficial Interest - 192,100 (10.1%)	7-30-79
* Orion Capital Corp. Bankers National Life Insurance Co. Security Insurance Co. of Hartford	GranTree Corp. (Portland, OR) Common Stock - 276,233 shs.	7-30-79
* Unicorp Financial Corp. (Canada) George S. Mann (Canada)	Greit Realty Trust (Warrington, PA) Shares of Beneficial Interest - 220,219 (22.1%)	7-30-79
Halco Industries Inc.	Kenton Corp. (NYC) Common Stock - 72,000 shs.	7-30-79
* Federated Reinsurance Corp. (Wholly-owned subsidiary of Federated Development Co.) RGK Foundation Gregory A. Kozmetsky 1964 Trust, et al	McCulloch Oil Corp. (Los Angeles, CA) Common Stock - 1,306,100 shs. Common Stock - 1,216,931 shs. on exercise of Options	7-30-79

ACQUISITION REPORTS CONT.

* Farm House Foods Corp.	Scot Lad Foods Inc. (Lansing, IL) Common Stock - 1,804,676 shs. (41.8%)	7-30-79
* Thorn Instruments (USA) Inc. (Wholly-owned subsidiary of Thorn Electrical Industries Ltd. (U.K.))	Systron-Donner Corp. (Concord, CA) Common Stock - 741,189 shs. (41.9%)	7-30-79
Halco Industries Inc.	Tonka Corp. (Hopkins, MN) Common Stock - 82,100 shs.	7-30-79
Sigma Marketing Systems, Inc. (Wholly-owned subsidiary of ARA Services, Inc.)	Towle Manufacturing Co. (Newburyport, MA) Common Stock - 170,000 shs.	7-30-79
James E. Marcuse Caroline Marcuse Doris K. Marcuse Dr. Donald J. Marcuse, Indi- vidually and Custodian, et al	West Chemical Products Inc. (Long Island City, NY) Common Stock - 288,763 shs. (22%)	7-30-79
American Diversified Enterprises, Inc. Elwood W. Phares II Anthony Donn Henry Luce III, et al	West Chemical Products, Inc. (Long Island City, NY) Common Stock - 268,126 shs. (20.44%)	7-30-79
Chicago & North Western Transportation Co.	Western Pacific Railroad Co. (San Francisco, CA) Class A Common Stock - 138,500 shs.	7-30-79
* Robert L. Stroble, Individ- dually and Trustee	Wolverine Aluminum Corp. (Lincoln Park, MI) Common Stock - 87,338 shs.	7-30-79
* Woodward Governor Co. Deferred Profit Sharing Plan'	Woodward Governor Co. (Rockford, IL) Common Stock - 25,205 shs. (13.3%)	7-30-79
B. Lee Karns	Comprehensive Care Corp. (Newport Beach, CA) Common Stock - 119,523 shs.	7-31-79
Peter Eckes (West Germany)	Moxie Industries, Inc. (Atlanta, GA) Common Stock - 882,300 shs. (59.9%) (Above shares were acquired pursuant to the Tender Offer.)	7-31-79
* Chemische Werke Hüls AG (West Germany)	Robintech Inc. (Fort Worth, TX) Common Stock - 427,000 shs. (19.7%)	7-31-79
Joseph H. Hale	World Wide Coin Investments Ltd. (Atlanta, GA) Common Stock - 289,599 shs. (51%)	7-31-79
* William H. Elliott	Angeles Corp. (Los Angeles, CA) Common Stock - 22,225 shs. (11.7%)	8-1-79
* Douglas B. Fletcher	Angeles Corp. (Los Angeles, CA) Common Stock - 49,915 shs. (26.3%)	8-1-79
* Ram & Co. Robert A. G. Monks Millicent C. S. Monks Ellen E. M. Higgins, et al	Boston Co., Inc. (Boston, MA) Class B Common Stock - 176,495 shs. (18.6%)	8-1-79
* NN Corporation	Columbia National Corp. (Columbus, OH) Common Stock - 120,250 shs.	8-1-79
Baldwin-United Corp. United Corp. (Wholly-owned subsidiary of Baldwin-United)	Midwestern Fidelity Corp. (Milford, OH) Common Stock - 94,725 shs.	8-1-79

ACQUISITION REPORTS CONT.

* Pan American World Airways Inc. First Women's Bank, Trustee	National Airlines, Inc. (Miami, FL) Common Stock - 6,498,500 shs. (75.9%)	8-1-79
* Brown Group, Inc.	Outdoor Sports Industries Inc. (Denver, CO) Common Stock - 1,444,110 shs. (100%)	8-1-79
* Coral Petroleum, Inc.	Pacific Resources, Inc. (Honolulu, HI) Common Stock - 512,549 shs.	8-1-79
Edwin George Borserine Edward Ellis Haddock, Jr. Richard Rockwell Swann	American Pioneer Corp. (Orlando, FL) Common Stock - 588,710 shs. (50.3%)	8-2-79
Jewelcor Inc.	Gruen Industries Inc. (NYC) Common Stock - 2,358,039 shs. (58.9%)	8-2-79
* American Hospital Supply Corp.	Shared Medical Systems Corp. (King of Prussia, PA) Common Stock - 432,000 shs.	8-2-79
Oklahoma Publishing Co.	Standard Metals Corp. (NYC) Common Stock - 164,500 shs.	8-2-79
* Seymour Strasberg, Trustee BankAmerica Corp. Bank of America National Trust & Savings Assn.	Stellar Industries, Inc. (Chappaqua, NY) Common Stock - 1,431,924 shs.	8-2-79
* St. Francis Investment Co. Templeton Associates Frederick Crocker Whitman Charles Randolph Bureker, et al	Thriftimart, Inc. (Los Angeles, CA) Class A Stock - 136,200 shs. (16.5%)	8-2-79
Harrison F. Johnson	Union Gas System, Inc. (Independence, KS) Common Stock - 105,249 shs.	8-2-79
* Don G. Hoff	A.T. & E. Corp. (San Francisco, CA) Common Stock - 460,645 shs. (38.4%) (Included above are 402,000 shares of Intertec of which Mr. Hoff is sole General Partner.)	8-3-79
Intertec	A.T. & E. Corp. (San Francisco, CA) Common Stock - 402,000 shs. (33.5%)	8-3-79
* Jacob M. Kaplan, Individually and Trustee J. M. Kaplan Fund, Inc. Metlyn Realty Corp., et al	Alleghany Corp. (NYC) Common Stock - 939,470.75 shs. (10.27%)	8-3-79
* Televest, Inc. Telco Marketing Services, Inc. Libco Corp. Clyde Wm. Engle	American Furniture Co., Inc. (Martinsville, VA) Common Stock - 280,000 shs.	8-3-79
* AAR Corp.	Brooks & Perkins, Inc. (Southfield, MI) Common Stock - 63,400 shs.	8-3-79
* Harry H. Mitchell	California Life Corp. (Los Angeles, CA) Common Stock - 230,133 shs.	8-3-79
* Anacomp, Inc.	Computer Micrographics, Inc. (Torrance, CA) Common Stock - 360,000 shs. (29.8%)	8-3-79
* Ronald I. Simon	Delta Data Systems Corp. (Cornwell Heights, PA) Common Stock - 317,729 shs. (11.6%) (Included above are shares owned by his wife, individually and as custodian.)	8-3-79

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FIRST CLASS MAIL

POSTAGE AND FEES PAID
U. S. SECURITIES AND
EXCHANGE COMMISSION



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. 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 or request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily.

Subscription rates: \$100.00/yr in U.S. first class mail;
\$125.00 elsewhere.

SEC DOCKET is published weekly.

Subscription rates: \$79.00/yr in U.S. first class mail;
\$98.75 elsewhere.

SEC STATISTICAL BULLETIN is published monthly.

Subscription rates: \$15.00/yr in U.S. first class mail;
\$18.75 elsewhere.

The News Digest, the Docket, and the Statistical Bulletin are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.