

# sec news digest

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July 6, 1976

## TRADING SUSPENSIONS

### U.S. SECURITIES AND EXCHANGE COMMISSION

TRADING SUSPENDED IN CAREX INTERNATIONAL, INC.

The SEC has announced the single ten day suspension of exchange and over-the-counter trading in the securities of Carex International, Inc., a Delaware corporation located in Los Angeles, California, for the period beginning on July 2 and terminating at midnight (EDT) on July 11, 1976. The Commission ordered the suspension because of the lack of adequate and accurate public information regarding the company's financial condition and operations. (Rel. 34-12592)

## COURT ENFORCEMENT ACTIONS

VIKING VENTURES, INC. ENJOINED

The Washington Regional Office announced that on May 28, 1976, Judge William B. Bryant of the Federal court in Washington, D.C. entered a Final Judgment of Permanent Injunction against Viking Ventures, Inc. (VVI), of Bethesda, Maryland. The defendant consented to being enjoined without admitting or denying the allegations contained in the Commission's complaint. The judgment enjoins the defendant from further violations of the securities registration and antifraud provisions of the securities laws. The complaint alleged that the defendant sold approximately \$600,000 worth of unregistered VVI stock. Misrepresentations and omissions alleged in the complaint, among other things, concern prospective price increases for VVI common stock, the listing of VVI common stock on a stock exchange, VVI's prospects for obtaining institutional financing, the value of assets owned by VVI and VVI's lack of proper books, records, and record keeping procedures. (SEC v. Sheldon G. Erickson, et al., D.D.C. Civil Action No. 76-0652). (LR-7476)

ROBERT BERKSON AND MAURICE RIND FOUND GUILTY

The New York Regional Office announced that on June 9, after a five day jury trial, Robert Berkson and Maurice Rind, former officers of Packer, Wilbur, a New York broker-dealer now in receivership, were found guilty on 8 counts of an indictment charging them with (1) conspiracy to violate the securities laws, (2) substantive violations of the antifraud provisions of the securities laws, (3) mail fraud, and (4) interstate transportation of forged securities. On April 26, 1976, James Gallantine, also a former officer of Packer, Wilbur, pled guilty to one count of the indictment. The remaining defendant Wilbur Hyman, former president of Packer, Wilbur, is a fugitive from justice residing in Spain. Sentencing has been scheduled for July 21, 1976. (U.S. v. Robert Berkson, et al., 75 Crim. 608 S.D.N.Y.). (LR-7477)

COMPLAINT NAMES UNITED AMERICAS BANK, OTHERS

The SEC announced the filing of a civil complaint in the U.S. District Court for the Southern District of New York on July 2, charging United Americas Bank (UAB), a commercial bank located in New York City, with violations of Section 7(d) of the Securities Exchange Act of 1934 and Regulation U thereunder, and Konos Associates (Konos) and Abbey J. Butler (Butler) with violations of Sections 7(f), 9(a)(2), 10(a) and 10(b) of the Securities Exchange Act of 1934 and Regulation X and Rules 10a-1 and 10b-5 thereunder. The complaint alleges that UAB extended credit, secured directly or indirectly by stocks, to Konos and others for the purpose of purchasing or carrying margin stocks, in excess of the maximum loan values permitted by the Board of Governors of the Federal Reserve System of the stock securing UAB's credits. The complaint arises out of the Commission's investigation conducted in 1973 and 1974 of Underwriters Bank and Trust Company which is UAB's predecessor in interest, and of the other named defendants. In addition, UAB is charged with failing to obtain statements on Federal Reserve Form U-1 from borrowers of stock-secured loans and failing to segregate the collateral for loans made for the purpose of purchasing margin stocks and non-margin securities.

With respect to Konos and Butler, the complaint alleges that they obtained credits from UAB exceeding on numerous occasions the maximum permissible loan value prescribed by the Board of Governors of the Federal Reserve System for stocks used as collateral for such credits. In addition, the complaint charges Konos and Butler with obtaining unlawful credit for short sales, engaging in a series of short sales for the purpose of inducing others to sell stocks identical with those sold short, effecting short sales without regard to the "up-tick" rules and making untrue representations to various broker-dealers with whom Konos transacted short sales of securities that they were long sales.

The Commission seeks a permanent injunction against the three defendants to which Konos and Butler, without admitting or denying the allegations, have consented. (SEC v. United Americas Bank, Konos Associates, Abbey J. Butler, U.S.D.C. S.D.N.Y. 76 Civil No. 2958). (LR-7478)

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## HOLDING COMPANY ACT RELEASES

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### CONNECTICUT YANKEE ATOMIC POWER COMPANY

An order has been issued approving a proposal of Connecticut Yankee Atomic Power Company, subsidiary of Northeast Utilities and New England Electric System, whereby Connecticut Yankee will issue \$13,800,000 principal amount of its first mortgage bonds and a two-year promissory note in the principal amount of \$10,000,000. Both sales are exempted from the competitive bidding requirements of Rule 50 by reason of Rule 50 (a) (2). The proceeds of the sales will be used to retire outstanding short-term borrowings. (Rel. 35-19600 - July 2)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The American Stock Exchange Inc. (Amex) has filed a proposed rule change under Rule 19b-4 (SR-Amex-76-16) to implement a revised procedure for the proportional reduction of open orders on the occasion of a stock dividend or stock distribution and the application of such procedure to the reduction of the price limits of all open orders on the specialists book, including open orders to sell and open stock orders to buy, without any adjustments in the size of such orders. Publication of the proposal is expected to be made in the Federal Register during the week of July 5. (Rel. 34-12591)

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## SECURITIES ACT REGISTRATIONS

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### (S-14) GULF & WESTERN INDUSTRIES, INC. (G&W)

1 Gulf & Western Plaza, New York, N.Y. 10023 - 1,157,347 shares of Series D \$2.50 cumulative convertible preferred stock (G&W Series D Stock), and 32,497 shares of \$5.75 sinking fund preferred stock (G&W sinking fund stock). It is proposed to offer these shares in exchange for the outstanding shares of common stock and preferred stock of Marquette Company, First American Center, Nashville, Tenn. 37238, at the rate of 0.34 of a share of G&W Series D stock for each share of Marquette common stock and .10 of a share of G&W sinking fund stock for each share of Marquette preferred stock. G&W is a diversified company engaged in various activities in the areas of manufacturing, food and agricultural products, natural resources, paper and building products, leisure time, automotive replacement parts, consumer products, financial services and apparel products. (File 2-56725 - June 29)

(S-7) THE DOW CHEMICAL COMPANY

2030 Dow Center, Midland, Mich. 48640 - 25,000 shares of common stock, to be offered by Cordis Dow Corp. to its employees, at a price of \$46 per share, via installment purchase. The Dow Chemical Company is engaged in the manufacture and sale of chemicals, metals, plastic materials and products and pharmaceutical, agricultural and consumer products and in the performance of certain specialized services. (File 2-56733 - June 30)

In a separate statement the company seeks registration of 2,344,705 shares of common stock issued or to be issued to former employees without charge. (File 2-56737 - June 30)

(S-16) BAYBANKS, INC.

77 Franklin St., Boston, Mass. 02110 - 240 shares of common stock to be sold at public auction pursuant to Section 215a of Title 12 of the U.S. Code. The company is a multi-bank holding company. (File 2-56750 - July 2)

(S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS  
SERIES 16

300 West Washington St., Chicago, Ill. 60606 - \$5 million of units, to be offered for sale at net asset value (\$1050 maximum). The Fund is one of a series of unit investment trusts created under a trust indenture between Wauterlek & Brown, Inc. as sponsor and Bradford Trust Company, as trustee. It consists of a insured portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. MGIC Indemnity Corporation has insured the prompt payment when due of interest and principal on the bonds in the portfolio of the Fund. (File 2-56754 - July 2)

(S-6) THE INTEREST INCOME TRUST, FIRST SERIES

900 National City Bank Bldg., Cleveland, Ohio 44114 - \$15 million of units of beneficial interest. The Trust, a unit investment trust, will be created under a trust agreement among Prescott, Ball & Turben, as sponsor, State Street Bank and Trust Company, as trustee, and an independent evaluating firm, as evaluator, on the date of deposit of the securities in the portfolio of the Trust. The Trust will be formed for the purpose of obtaining a high level of current income while conserving capital and diversifying risks through investment in a fixed portfolio of long-term debt obligations and preferred stocks of domestic corporations. (File 2-56755 - July 2)

(S-16) HICKORY FARMS OF OHIO, INC.

1021 N. Reynolds Rd., Toledo, Ohio 43615 - 25,000 common shares, which may be offered for sale from time to time by KBB & Co., an Ohio limited partnership, at prices current at the time of sale. Hickory Farms of Ohio, Inc. is principally engaged in franchising independently owned specialty food stores in the United States and in Canada. (File 2-56758 - July 2)

(S-7) LONG ISLAND LIGHTING COMPANY

250 Old Country Rd., Mineola, N.Y. 11501 - approximately 4,650,000 shares of common stock, to be sold pursuant to a subscription offer to the company's common stockholders of record at the close of business on July 27, 1976, at the rate of one share for each seven shares held at a price to be determined on July 27, 1976 with, to the extent shares are available, an oversubscription privilege for holders of record. Shares not subscribed for are to be sold to underwriters. The managing underwriters are: Paine, Webber, Jackson & Curtis, Inc., 140 Broadway, New York, N.Y.; Bache Halsey Stuart, Inc., 100 Gold St., New York, N.Y.; The First Boston Corp., 20 Exchange Place, New York, N.Y.; Lehman Brothers, One William Street, New York, N.Y.; Salomon Brothers, One New York Plaza, New York, N.Y. The company supplies electric and gas service. (File 2-56760 - July 2)

(S-1) MINI-COMPUTER SYSTEMS, INC.

525 Executive Boulevard, Elmsford, N.Y. 10523 - 200,000 shares of common stock, to be offered for sale on behalf of the company and 27,751 shares of common stock on behalf of certain selling stockholders by underwriters represented by Evans & Co., Inc., 300 Park Avenue, New York, N.Y. 10022. The statement also covers 12,000 shares issuable upon exercise of outstanding warrants which shares will be sold by certain

selling stockholders in the over-the-counter market on a non-underwritten basis from time to time at market prices current at the time of sale. The company designs, produces, markets and services minicomputer systems. (File 2-56762 - July 2)

## 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%. The following companies or individuals filed Schedule 13D's during the period June 11 - 21, 1976. 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 set forth for each beneficial owner.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Texas Capital Corp.	Microsystems Corp. (Hauppauge, NY) Common Stock - 201,000 shs Common Stock - 175,572 shs on exercise of Warrants	6-11-76
Mutual of Omaha Insurance Co.	United Benefit Life Insurance Co. (Omaha, Neb.) Capital Stock - 513,027 shs (71.25%)	6-11-76
* Variety Wholesalers, Inc. John W. Pope	Mack Stores, Inc. (Sanford, NC) Common Stock - 133,700 shs. (12.37%)	6-11-76
* TBK Partners, Ltd.	Boyertown Burial Casket Co. (Boyertown, Pa.) Common Stock - 50,475 shs. (TBK has agreed to purchase an additional 52,738 shs. from certain shareholders)	6-11-76
* TBK Partners, Ltd.	Investors Insurance Co. of America (Teaneck, NJ) Common Stock - 239,244 shs. (30.8%) (150,093 of above shares were acquired pursuant to the Tender Offer)	6-11-76
* LGS Employees Savings & Investment Trust	Louisiana General Services, Inc. (Harvey, La.) Common Stock - 94,700 shs.	6-11-76
Brae Co.	Culbro Corp. (New York City) Common Stock - 600,000 shs	6-14-76
Victor J. Lohman Eugene C. Lohman LeRoy E. Lohman (Individually and as Trustees)	Illini Beef Packers, Inc. (Geneseo, Ill.) Common Stock - 95,432 shs	6-14-76
Associated Bank Corp Employees' Stock Ownership Trust	Associated Bank Corp. (Mason City, Iowa) Common Stock - 472,222 shs	6-14-76
First Chicago Corp.	Hartfield-Zodys, Inc. (New York City) Common Stock - 298,697 shs	6-14-76
Trustee in Liquidation	Alaska Airlines, Inc. (Seattle, Wash.) Common Stock - 595,971 shs	6-14-76
DPF INC	Duplex Products Inc. (Sycamore, Ill.) Common Stock - 50,000 shs	6-14-76
* Edward Corp.	Transcon Lines (El Segundo, Calif.) Common Stock - 287,100 shs	6-14-76
* Andrew Levitske	Thorofare Markets, Inc. (Youngstown, Ohio) Common Stock - 90,087 shs	6-14-76
Abingworth, Ltd. (England)	Standard Microsystems Corp. (Hauppauge, NY) Common Stock - 600,000 shs (17.87%) on exercise of Warrants	6-14-76

## ACQUISITION REPORTS CONT.

* Dr. Ernest H. Plesset	CapTech Inc. (Los Angeles, Calif.) Common Stock - 62,019 shs (In addition Dr. Plesset holds powers of attorney covering 33,838 shs)	6-14-76
* Louart Corp.	Arden-Mayfair Inc. (Commerce, Calif.) Common Stock - 414,100 shs \$3 Preferred - 6,473 shs 6% Debentures - \$98,100	6-14-76
* ISC Financial Corp. Thrift Plan	ISC Financial Corp. (Kansas City, Mo.) Common Stock - 210,017 shs (12.6%)	6-14-76
* Clabir Corp. (Florida) Clabir Corp. (Calif.)	EDC Corp. (College Point, NY) Common Stock - 203,700 shs	6-14-76
C. Lansing Hays, Jr., Trustee	Getty Oil Co. (Los Angeles, Calif.) Common Stock - 7,951,272 shs	6-15-76
Allen Group of Shareholders	Computer Dimensions, Inc. (Dallas, Tex.) Common Stock - 185,171 shs	6-15-76
* Stannet Corp. Stannet Capital Corp.	Nasco International, Inc. (Ft. Atkinson, Wisc.) Common Stock - 343,000 shs Common Stock - 60,000 shs on exercise of Warrants	6-15-76
* Guaranty Income Life Insurance Co.	Petroleum State Insurance Co. (Beaumont, Tex.) Common Stock - 2,895,088 shs (87.8%)	6-16-76
H. Barry Maser	Delta Data Systems Corp. (Cornwells Heights, Pa.) Common Stock - 162,024 shs (10,639 of above shares are held by Mr. Maser's wife and children)	6-17-76
R. Barry Borden	Delta Data Systems Corp. (Cornwells Heights, Pa.) Common Stock - 162,023 shs (12,638 of above shares are held by Mr. Borden's wife and children)	6-17-76
I. Gary Bard	Delta Data Systems, Corp. (Cornwells Heights, Pa.) Common Stock - 161,023 shs (8,639 of above shares are held by Mr. Bard's wife and children)	6-17-76
Ronald I. Simon	Delta Data Systems Corp. (Cornwells Heights, Pa.) Common Stock - 159,996 shs (8,000 of above shares are held by Mr. Simon's wife and children)	6-17-76
* Pan Ocean Oil Corp. (Formerly Marathon Energy Ltd.)	Pan Ocean Oil Corp. (New York City) Common Stock - 11,714,823 shs Common Stock - 1,875,000 shs on conversion of Notes (8,451,097 of above shares were acquired pursuant to the Tender Offer)	6-17-76
Aid Association for Lutherans	Bergstrom Paper Co. (Neanah, Wisc.) Common Stock - 35,615 shs on exercise of Warrants	6-18-76
American Financial Corp.	Government Employees Financial Corp. (Denver, Colo.) Common Stock - 64,200 shs Preferred Stock - 1,000 shs	6-18-76
Stanley C. Gillette	McGregor-Doniger Inc. (New York City) Class B Stock - 150,000 shs on exercise of Option Class A Stock - 200 shs	6-18-76

ACQUISITION REPORTS CONT.

* American General Insurance Co. Variable Annuity Life Insurance Co. American General Life Insur. (Houston, Texas) Co. of Delaware	Capital Stock - 2,138,399 shs (74.38%)	6-18-76
* Sharon Steel Corp.	UV Industires, Inc. (New York City) Common Stock - 476,300 shs Common Stock - 42,552 shs on conversion of Debentures	6-18-76
* Sharon Steel Co.	Burnap & Sims, Inc. (W. Palm Beach, Fla.) Common Stock - 1,120,390 shs	6-18-76
* VCS Corp.	Lamar Life Corp. (Jackson, Miss.) Common Stock - 1,480,000 shs (566,042 of above shares were acquired pursuant to the Tender Offer)	6-21-76
* Mankato Investment Co.	MidTex, Inc. (N. Mankato, Minn.) Common Stock - 240,039 shs	6-21-76
* INA Corp.	AID, Inc. (Bala, Cynwyd, Pa.) Class B Common Stock - 300,000 shs (100%)	6-21-76
* H. K. Porter Co., Inc.	Fansteel Inc. (North Chicago, Ill.) Common Stock - 1,284,995 shs (85%) (1,220,795 of above shares were acquired pursuant to the Tender Offer)	6-21-76
David Y. Hurwitz	BQP Industries, Inc. (Denver, Colo.) Common Stock - 483,771 shs (48.5%) Common Stock - 160,000 shs on exercise of Options	6-21-76

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**RECENT 8K FILINGS**

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Form 8-K is used by companies to file current reports on the following events:

<i>Item 1. Changes in Control of Registrant</i>	<i>Item 9. Options to Purchase Securities</i>
<i>Item 2. Acquisition or Disposition of Assets</i>	<i>Item 10. Extraordinary items, other material charges and credits and capital restatements</i>
<i>Item 3. Legal Proceedings</i>	<i>Item 11. Submission of Matters to a Vote of Security Holders</i>
<i>Item 4. Changes in Securities</i>	<i>Item 12. Changes in Registrant's Certifying Accountant</i>
<i>Item 5. Changes in Security for Registered Securities</i>	<i>Item 13. Other Materially Important Events</i>
<i>Item 6. Defaults upon Senior Securities</i>	<i>Item 14. Financial Statements and Exhibits</i>
<i>Item 7. Increase in Amount of Securities Outstanding</i>	
<i>Item 8. Decrease in Amount of Securities Outstanding</i>	

The companies listed below have filed 8-K reports for the month 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 month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
FB TRUCK LINE CO	13	05/76
INTERNATIONAL HARVESTER CO	7	05/76
ALLIED FARM EQUIPMENT INC	12	06/76
ALLIED THERMAL CORP	7,14	06/76
AMERICAN ELECTRIC POWER CO INC	10,14	04/76
AMERICAN HOSPITAL SUPPLY CORP	13,14	06/76
ASTOR HANDPRINTS INC	11	06/76
AUTOMATIC SWITCH CO	11	06/76
BONANZA INTERNATIONAL INC	11	05/76
BRENTWOOD INDUSTRIES INC	13	04/76
DISCOVERY RESOURCES CORP	2	05/76

RECENT 8K FILINGS CONT.

DOWNEN ZIER KNITS INC	11	06/76
DRIVER HARRIS CO	11,13,14	06/76
HEALTHG RDE CORP	2	05/76
HOLLY RESOURCES CORP	13	06/76
HOUSE OF FABRICS INC	11,14	06/76
IEM SA	7,11,14	04/76
INTERMEDIA SYSTEMS CORP	13	06/76
IRON MOUNTAIN INC	13	06/76
IVEY J B & CO	7	02/76
LEE WAY MOTOR FREIGHT INC	11	06/76
LITTON INDUSTRIES INC	7,13,14	06/76
LRC INC	7,14	04/76
LYKES CORP	7,8,11,14	05/76
MADISON INDUSTRIES INC	13,14	05/76
MAREMONT CORP	3	06/76
MCRAE CONSOLIDATED OIL & GAS INC	3,14	05/76
MITCHUM JONES & TEMPLETON INC	13,14	06/76
NEWPORT ELECTRIC CORP	13,14	06/76
NFS FINANCIAL SERVICES INC	1,7,14	10/75
NORTHWESTERN STATES PORTLAND CEMENT CO	4,7	05/76
OIL RESOURCES INC	3	06/76
PANTS N STUFF SHED HOUSE INC	2,14	05/76
PHOTOTRON CORP	13,14	06/76
PIONEER HI BRED INTERNATIONAL INC	7	05/76
ROADWAY EXPRESS INC	13	06/76
SEA CONTAINERS INC	11,14	06/76
SOUTHERN UNION GAS CO	13	05/76
TEJON AGRICULTURAL PARTNERS	13	06/76
TOLLEY INTERNATIONAL CORP	2,14	06/76
TREADWAY COMPANIES INC	12	04/76
WARNER NATIONAL CORP	2,3,8,14	06/76

AMENDMENTS TO REPORTS ON FORM 8-K

BALDWIN D H CO	14	04/76
COMPUTER INVESTORS GROUP INC	14	00/76
DYNASIL CORP OF AMERICA	12	02/76
ILLINI BEEF PACKERS INC	7,14	05/76
KANE MILLER CORP	3	04/76
MCCULLOCH OIL CORP	7	02/76
MSI DATA CORP	14	12/75
SENTRY FINANCE CO	13,14	11/75
TAMPA ELECTRIC CO	3	05/76
WISCONSIN GAS CO	14	01/76

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. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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