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digest

Issue 85-209

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OCT 30 1985

U.S. SECURITIES AND
EXCHANGE COMMISSION

October 29, 1985

RULES AND RELATED MATTERS

REVISION OF RULE CONCERNING ACCEPTANCE OF TRAVEL REIMBURSEMENT

The Commission amended its rule relating to the acceptance of reimbursement for travel expenses. The amended rule permits Commission members and employees who participate in conferences and meetings sponsored by entities which are tax exempt under 26 U.S.C. 501(c)(3) to accept from such entities, under limited circumstances, reimbursement for the actual travel expenses of a spouse, provided the prior approval of the General Counsel is obtained. (Rel. 33-6608)

COMMISSION ANNOUNCEMENTS

ADDITION TO WEEKLY CALENDAR

Chairman Shad will address the first annual meeting of the Council of Institutional Investors on "Major Efforts and Issues at the SEC" on Tuesday, October 29, in Atlanta, Georgia.

ADMINISTRATIVE PROCEEDINGS

ORDER IMPOSING SANCTIONS AGAINST L.E. PETERSON & CO. AND LAWRENCE E. PETERSON, JR.

The Commission imposed remedial sanctions against L.E. Peterson & Co. (Peterson & Co.), a registered broker-dealer located in Costa Mesa, California, and its president, Lawrence E. Peterson, Jr. (Peterson), following settlement of administrative proceedings instituted against them on May 21, 1985. The proceedings were based upon allegations of registration and fraud violations in respondents' offer and sale of unregistered securities in the form of interests in a medical factoring program. The Commission alleged that respondents made untrue statements of material facts and omitted to state facts concerning the use of funds obtained from investors and respondents' failure to adequately investigate the medical factoring program. Peterson & Co. and Peterson, without admitting or denying the violations alleged, consented to the Commission's Order requiring that Peterson: (1) withdraw the broker-dealer registration of Peterson & Co.; (2) be suspended from association with any broker or dealer for 14 days; and (3) be barred from association with any broker or dealer in a proprietary or supervisory capacity, except that he may reapply after two years. (Rel. 34-22549)

CIVIL PROCEEDINGS

VARIOUS ACTIONS FILED AGAINST E.F. HUTTON & COMPANY INC. AND E.F. HUTTON GROUP INC.

The SEC today announced various actions against E.F. Hutton & Company Inc. and the E.F. Hutton Group Inc. under the Investment Company Act of 1940, certain provisions of the Securities Exchange Act of 1934, the Securities Act of 1933 and the Investment Advisers Act of 1940. (LR-10915)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND ENERGY INCORPORATED

An order has been issued authorizing New England Energy Incorporated, subsidiary of New England Electric System, to invest up to \$105 million in an oil and gas exploration and development partnership with Samedan, subsidiary of Noble Affiliates, Inc. (Rel. 35-23882 - Oct. 28)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTINGS GRANTED

Orders have been issued granting the applications of the New York Stock Exchange to strike the following securities from listing and registration:

- (1) 4-3/4% convertible subordinated debentures (due 1992) of AMERICAN HOIST & DERRICK COMPANY. (Rel. 34-22565);
- (2) 4-5/8% sinking fund debentures (due 1986) of KIMBERLY-CLARK CORPORATION. (Rel. 34-22566);
- (3) 4-1/4% convertible subordinated debentures (due 1985) of GENERAL INSTRUMENT CORPORATION. (Rel. 34-22567);
- (4) 8-1/2% subordinated debentures (due 2000) of MESA PETROLEUM CO. (Rel. 34-22568);
- (5) 5% convertible subordinated debentures (due 1993) of MGIC INVESTMENT CORPORATION. (Rel. 34-22569)
- (6) 5% convertible subordinated debentures (due 1993) of CRANE COMPANY. (Rel. 34-22570)
- (7) 4-3/8% convertible subordinated debentures (due 1992) of FAIRCHILD INDUSTRIES, INC. (Rel. 34-22571);
- (8) 5-7/8% convertible subordinated debentures (due 2001) of REXNORD INC. (Rel. 34-22572);
- (9) 4-1/4% convertible subordinated debentures (due 1991) of GREAT NORTHERN NEKOOSA CORPORATION. (Rel. 34-22573); and
- (10) 5% subordinated guaranteed debentures (convertible) (due 1988) of CUMMINS INTERNATIONAL FINANCE CORPORATION. (Rel. 34-22574)

UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until November 15 to comment on the application of the Philadelphia Stock Exchange for unlisted trading privileges in one issue which is listed and registered on one or more other national securities exchange and is reported in the consolidated transaction reporting system. (Rel. 34-22564)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved proposed rule changes filed by: The Chicago Board Options Exchange, Inc. (SR-CBOE-85-26 and 27) to trade options on the Standard and Poor's Over-the-Counter Industrial Stock Index and to modify CBOE Rule 6.49 (Transactions off the Exchange) to accommodate options on indexes composed entirely of National Market System Securities. (Rel. 34-22558); and The Municipal Securities Rulemaking Board (SR-MSRB-85-16) that generally specifies standard five-business-day settlement timeframes for all when-issued inter-dealer municipal securities transactions. Approval of the proposal will be effective on January 1, 1986. (Rel. 34-22559)

ORDER APPROVING PLAN ALLOCATING REGULATORY RESPONSIBILITY

The Commission issued an order approving a plan for allocating regulatory responsibility filed under Rule 17d-2 of the Securities Exchange Act of 1934 by the Midwest Stock Exchange, Inc. and Cincinnati Stock Exchange, Inc. (Rel. 34-22561)

AMENDMENT TO CQ PLAN AND CTA PLAN

The participants in the Consolidated Quotation Plan (CQ Plan) and Consolidated Tape Association Plan (CTA Plan) have filed proposed amendments to the CQ Plan and CTA Plan to provide indemnification to the participants and others from claims that persons may make respecting a participant's concurrent use of the CQS or CTS high speed line to make available market data other than as part of the consolidated dissemination of equities quotation or last sale information. (Rel. 34-22562)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Midwest Securities Trust Company has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The proposal (SR-MSTC-85-5) increases MSTC fees for servicing certificated and "non-certificated or global certificated" underwritings. The proposal is expected to be published in the Federal Register during the week of October 28. (Rel. 34-22563)

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 VERTEX INDUSTRIES INC, 23 CAROL ST, CLIFTON, NJ 07014 (201) 777-3500 - 600,000 (\$3,000,000) COMMON STOCK. 60,000 (\$60) WARRANTS, OPTIONS OR RIGHTS. 60,000 (\$360,000) COMMON STOCK. 90,000 (\$450,000) COMMON STOCK. (FILE 33-897-NY - OCT. 15) (BR. 6 - NEW ISSUE)
- S-18 IN HOUSE DIAGNOSTIC CENTERS INC, 209 STATE ST, CLDSMAR, FL 33557 (813) 855-4050 - 4,000,000 (\$400,000) COMMON STOCK. 4,000,000 (\$720,000) COMMON STOCK. 400,000 (\$48,000) COMMON STOCK. (FILE 33-905-A - OCT. 16) (BR. 5 - NEW ISSUE)
- S-18 EMK INC, PO BOX 865, TANNERSVILLE, NY 12485 (518) 589-9711 - 5,000,000 (\$500,000) COMMON STOCK. 2,500,000 (\$625,000) COMMON STOCK. 500,000 (\$50) WARRANTS, OPTIONS OR RIGHTS. 500,000 (\$55,000) COMMON STOCK. (FILE 33-909-NY - OCT. 15) (BR. 7 - NEW ISSUE)
- S-18 CARDIAC CONTROL SYSTEMS INC, 3 COMMERCE BLVD, PALM COAST, FL 32037 (904) 445-5450 - 900,000 (\$2,700,000) COMMON STOCK. 900,000 (\$3,600,000) WARRANTS, OPTIONS OR RIGHTS. 90,000 (\$360,000) WARRANTS, OPTIONS OR RIGHTS. 90,000 (\$360,000) COMMON STOCK. (FILE 33-920-A - OCT. 16) (BR. 8 - NEW ISSUE)
- S-18 ZENOX INC, 1026 HARVARD PL, FORT LEE, NJ 07024 (201) 224-3489 - 400,000 (\$400,000) COMMON STOCK. 40,000 (\$40) WARRANTS, OPTIONS OR RIGHTS. 40,000 (\$48,000) COMMON STOCK. (FILE 33-922-NY - OCT. 16) (BR. 11 - NEW ISSUE)
- S-18 SCHUELER COMMUNICATIONS INC, 208 N TOWNSEND ST, SYRACUSE, NY 13203 (315) 472-6948 - 1,725,000 (\$1,725,000) COMMON STOCK. 1,725,000 WARRANTS, OPTIONS OR RIGHTS. 1,725,000 (\$2,587,500) COMMON STOCK. (FILE 33-928-NY - OCT. 16) (BR. 12 - NEW ISSUE)
- S-4 CCMP U CARD INTERNATIONAL INC, 707 SUMMER ST, STAMFORD, CT 06901 (203) 324-9261 - 2,922,415 (\$47,869,174) COMMON STOCK. (FILE 33-1010 - OCT. 18) (BR. 10)
- S-1 AMBASSADOR FINANCIAL GROUP INC, 8201 N UNIVERSITY DR, TAMARAC, FL 33320 (305) 722-3330 - 1,265,000 (\$10,752,500) COMMON STOCK. 100,000 (\$100,000) WARRANTS, OPTIONS OR RIGHTS. 100,000 (\$1,020,000) COMMON STOCK. (FILE 33-1011 - OCT. 18) (BR. 1 - NEW ISSUE)
- S-11 PAINWEBBER RESIDENTIAL REALTY INC, 1285 AVENUE OF THE AMERICAS, NEW YORK, NY 10019 (212) 713-2000 - 5,750,000 (\$57,500,000) COMMON STOCK. (FILE 33-1012 - OCT. 18) (BR. 5 - NEW ISSUE)
- S-8 CITYFED FINANCIAL CORP, 293 S COUNTY RD, PALM BEACH, FL 33480 (305) 655-5900 - 650,000 (\$6,581,250) COMMON STOCK. 525,000 (\$1,575,000) PREFERRED STOCK. (FILE 33-1013 - OCT. 18) (BR. 1)
- S-1 CADNETIX CORP, 5757 CENTRAL AVE, BOULDER, CO 80301 (303) 444-8075 - 2,135,000 (\$17,080,000) COMMON STOCK. 280,000 (\$2,240,000) COMMON STOCK. (FILE 33-1014 - OCT. 18) (BR. 3 - NEW ISSUE)

- S-4 SOVRAN FINANCIAL CORP, ONE COMMERCIAL PL, NORFOLK, VA 23510 (804) 441-4000 - 3,456,765 (\$32,100,302) COMMON STOCK. (FILE 33-1015 - OCT. 18) (BR. 1)
- S-4 SOVRAN FINANCIAL CORP, ONE COMMERCIAL PL, NORFOLK, VA 23510 (804) 441-4000 - 16,134,550 (\$355,605,482) COMMON STOCK. (FILE 33-1016 - OCT. 18) (BR. 1)
- S-2 FELIONETICS INC, 201 E SANPOINTE DR, SANTA ANA, CA 92707 (714) 261-8313 - 460,000 (\$11,500,000) PREFERRED STOCK. 1,035,000 (\$5,175,000) COMMON STOCK. UNDERWRITER: JANNEY MONTGOMERY SCOTT INC. (FILE 33-1017 - OCT. 21) (BR. 7)
- S-1 PRAXIS PHARMACEUTICALS INC, 9701 WILSHIRE BLVD STE 800, BEVERLY HILLS, CA 90212 (213) 937-0511 - 266,800 (\$480,240) COMMON STOCK. 833,750 (\$1,875,938) COMMON STOCK. 833,750 (\$2,709,688) COMMON STOCK. 831,691 (\$349,310) COMMON STOCK. (FILE 33-1018 - OCT. 21) (BR. 4)
- S-4 SOUTHLAND ROYALTY LTD PARTNERSHIP, 200 INTERFIRST TWR, 801 CHERRY ST, FT WORTH, TX 76102 (817) 390-9200 - 42,773,479 (\$147,825,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-1019 - OCT. 21) (BR. 5 - NEW ISSUE)
- S-8 WETTERAU INC, 8920 PERSHALL RD, HAZELOOD, MO 63042 (314) 524-5000 - 500,000 (\$15,937,500) COMMON STOCK. (FILE 33-1020 - OCT. 21) (BR. 3)
- S-3 WESTERN AIR LINES INC, 6060 AVION DR, LOS ANGELES, CA 90045 (213) 216-3000 - 100,000,000 (\$100,000,000) CONVERTIBLE DEBENTURES AND NOTES. UNDERWRITER: CREXEL BURNHAM LAMBERT INC. (FILE 33-1021 - OCT. 21) (BR. 3)
- S-4 WENDYS INTERNATIONAL INC, 4288 W DUBLIN GRANVILLE RD, P O BOX 256, DUBLIN, OH 43017 (614) 764-3100 - 3,817,445 (\$63,942,254) COMMON STOCK. (FILE 33-1022 - OCT. 21) (BR. 11)
- N-1A CAPITAL TRUST FUND INC, STE 230 TRIAD CTR, 501 NW EXPWY, OKLAHOMA CITY, OK 73118 (405) 848-3608 - 1,200,000 (\$12,000,000) COMMON STOCK. 300,000 (\$3,000,000) STRAIGHT BONDS. (FILE 33-1023 - OCT. 18) (BR. 17 - NEW ISSUE)
- F-6 WHITBREAC & CO LTD /ADR/, 48 WALL ST, C/C BANK OF NEW YORK, NEW YORK, NY 10015 (212) 530-1784 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-1024 - OCT. 18) (BR. 55)
- F-6 CENTRAL NORSEMAN CORP NL/ADR, 111 WALL ST, C/O CITIBANK, NEW YORK, NY 10043 (212) 559-2107 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-1025 - OCT. 21) (BR. 55)
- S-1 MASSTOR SYSTEMS CORP, 5200 GREAT AMERICA PKY, P O BOX 58017, SANTA CLARA, CA 95050 (408) 988-1008 - 2,382,340 (\$4,169,095) COMMON STOCK. (FILE 33-1027 - OCT. 21) (BR. 9)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST INSURED SERIES 64, 333 W WACKER DR, C/C JOHN NUVEEN & CO INC, CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-1028 - OCT. 21) (BR. 18 - NEW ISSUE)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 352, 333 W WACKER DR, C/C JOHN NUVEEN & CO INC, CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-1029 - OCT. 21) (BR. 18 - NEW ISSUE)
- S-4 FIRST SECURITY CORP OF KENTUCKY, ONE FIRST SECURITY PLZ, LEXINGTON, KY 40507 (606) 231-1000 - 135,000 (\$2,334,012.45) COMMON STOCK. (FILE 33-1030 - OCT. 21) (BR. 1)
- S-8 NOVQ INDUSTRI A S DENMARK, NOVQ ALLE, DK 2880 BAGSVAERD, DENMARK (45), 67 00000 - 6,315 (\$171,326) FOREIGN COMMON STOCK. (FILE 33-1031 - OCT. 21) (BR. 4)
- S-8 EXPOSAIC INDUSTRIES INC, 180 W INDEPENDENCE BLVD, MOUNT AIRY, NC 27030 (919) 786-2141 - 80,000 (\$1,200,000) COMMON STOCK. (FILE 33-1032 - OCT. 21) (BR. 6)
- S-3 BPI SYSTEMS INC, 3001 BEE CAVE RD, AUSTIN, TX 78746 (512) 328-5400 - 707,319 (\$1,679,883) COMMON STOCK. (FILE 33-1033 - OCT. 21) (BR. 9)
- S-1 COMPUSAVE CORP, 16842 VON KARMAN SECTION D, IRVINE, CA 92714 (714) 863-9250 - 612,250 (\$5,510,250) COMMON STOCK. 612,250 (\$3,600,030) COMMON STOCK. (FILE 33-1034 - OCT. 21) (BR. 10)
- S-1 NATIONAL LEASE INCOME FUND 5, 733 THIRD AVE, NEW YORK, NY 10017 (212) 551-6000 - 200,000 (\$100,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-1035 - OCT. 21) (BR. 9 - NEW ISSUE)