

sec news digest

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RULES AND RELATED MATTERS

SEP 13 1977

RULES FOR DISCLOSURE OF INVESTMENTS IN
MARKETABLE SECURITIES AND OTHER SECURITY
INVESTMENTS ADOPTED

U.S. SECURITIES AND
EXCHANGE COMMISSION

The Commission announced the adoption, in modified form, of previously proposed rules for disclosure by commercial and industrial companies of investments in marketable securities and other security investments. The rules require detailed disclosure, in a schedule, of each issue of securities of any issuer where the greater of the aggregate cost or market value of the securities of the issuer constitute two percent or more of total assets. Disclosure of lesser security holdings may be summarized. (Rel. 33-5863)

SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS

The following is a list of significant no-action and interpretative letters recently issued by the Division of Corporation Finance, the Division of Market Regulation, and the Division of Investment Management. These letters express the view of the Division with respect to novel or important questions arising under the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. Copies of these letters may be obtained by writing to the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549, or by making a request in person at the Public Reference Section, 1100 L Street, N.W., Room 6101, Washington, D.C., stating the name of the subject company, the Act and the Section of the Act to which it relates, and the public availability date. Copies cost 10 cents per page.

DIVISION OF CORPORATION FINANCE

<u>COMPANY</u>	<u>ACT/SECTION/RULE OR RELEASE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
Itel AutEx	'33 Act/§2(1)	7/14/77	8/15/77
John R. Gaines and Gainesway Farm, Inc.	'33 Act/§2(1)	7/18/77	8/18/77
Wells Fargo Bank National Association	'33 Act/§3(a)(2)	6/15/77	7/15/77
Exchange Bankshares Corporation	'33 Act/Rule 144	6/14/77	7/14/77
Foodways National, Inc.	'33 Act/Rule 144	7/21/77	8/22/77
Merrill Lynch & Co., Inc.	'33 Act/Rule 145	7/7/77	8/8/77
Carter-Wallace, Inc.	'34 Act/§14	6/21/77	7/21/77
Cooper-Jarrett, Inc.	'34 Act/§16(a)	7/20/77	8/22/77
Crompton and Knowles Corp.	'34 Act/Rule 16b-3	7/7/77	8/8/77
Standard Duplicating Machinery Corporation	'39 Act/§304(a)(9)	7/8/77	8/8/77
Carter-Wallace, Inc.	'34 Act/§14	6/15/77	7/15/77

DIVISION OF MARKET REGULATION

<u>COMPANY</u>	<u>ACT/SECTION/RULE OR RELEASE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
GranTree Corporation	'34 Act/§10(b)/ Rule 10b-6	7/7/77	8/8/77
LIN Broadcasting Corporation	'34 Act/§10(b)/ Rule 10b-6	7/11/77	8/11/77
The Mead Corp.	'34 Act/§10(b)/ Rule 10b-6	7/11/77	8/11/77
Philadelphia Stock Exchange, Inc.	'34 Act/§15(c)(3)/ Rule 15c3-1d(b)(8)	7/11/77	8/11/77
NICOR, Inc.	'34 Act/§10(b)/ Rule 10b-6	7/12/77	8/12/77
UAL, Inc.	'34 Act/§10(b)/ Rule 10b-6	7/14/77	8/15/77
Russell R. Miller & Company, Inc.	'34 Act/§15(a)	7/14/77	8/15/77
Tennant Company	'34 Act/§10(b)/ Rules 10b-6 and 10b-13	7/15/77	8/15/77
Westamerican Financial Corporation	'34 Act/§15(c)(3)/ Rule 15c3-1(c)(2)(iv)(B)	7/15/77	8/15/77
P. B. Root & Co.	'34 Act/§15(c)(3)/ Rule 15c3-1	7/18/77	8/18/77
Midwestern Fidelity Corporation	'34 Act/§10(b)/ Rules 10b-6 and 10b-13	7/19/77	8/19/77
Chicago Board Options Exchange, Inc.	'34 Act/§15(c)(3)/ Rule 15c3-1(c)(2)(x)	7/21/77	8/22/77
Loews Corporation	'34 Act/§10(b)/ Rule 10b-6	7/28/77	8/29/77
Centennial Corp.	'34 Act/§10(b)/ Rule 10b-6	7/29/77	8/29/77
Tektronix, Inc.	'34 Act/§11(d)(1)	8/9/77	9/9/77

DIVISION OF INVESTMENT MANAGEMENT

<u>Company</u>	<u>Act/Section/Rule or Release</u>	<u>Date Mailed</u>	<u>Public Availability Date</u>
Havatampa Corporation	ICA '40/§2(a)(32)	6/20/77	7/20/77

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES THOMAS A. CURRY, OTHERS

The Fort Worth Regional Office announced that on August 31 a civil injunctive complaint was filed in federal district court at Dallas, Texas, against Thomas A. Curry, Timothy J. Curry, Federal Resources, Inc., and Thomas A. Curry and Timothy J. Curry, doing business as Curry Petroleum, all of Dallas. The complaint alleged violations of the registration and antifraud provisions of the securities laws in the offer and sale of investment contracts comprised of filing programs relating to the awarding of oil and gas leases on federally owned lands by the Bureau of Land Management of the

United States Department of Interior in several western states and fractional undivided working interests in oil and gas leases and/or wells located in LaSalle Parish, Louisiana, Coleman County, Texas, and elsewhere. (SEC v. Federal Resources, Inc., et al., N.D. Tex.). (LR-8098)

ROBERT C. DRUCKER INDICTED

The New York Regional Office announced that on August 11 a federal grand jury sitting in the U.S. District Court for the Southern District of New York returned an eighteen count indictment charging Robert C. Drucker with fraud in the sale of the securities of Beneficial Labs, Inc. and embezzlement of more than \$200,000 from mutual funds for which his company, DK & B Management, Inc., acted as investment advisor.

In a related action, Drucker has previously been permanently enjoined from violating numerous provisions of the securities laws and ordered to disgorge \$173,475 plus interest. (SEC v. Commonwealth Securities, Inc., et al., 74 Civ. 1984, S.D.N.Y., 1976). This action is presently on appeal. Drucker is also a defendant in another pending civil injunctive action involving the sale of the securities of Beneficial Labs, Inc. (SEC v. Robert C. Drucker, et al., 76 Civ. 2643, S.D.N.Y.). In addition, Drucker was previously the subject of two administrative proceedings instituted by the Commission (In the Matter of Commonwealth Chemical Securities, Inc., et al., Adm. Pro. File No. 3-4538 and In the Matter of S.J. Salmon & Co., Inc., et al., Adm. Pro. File No. 3-4556). In these proceedings, the Commission found that Drucker had violated several provisions of the securities laws and he was barred from any association with any broker, dealer, investment company or investment advisor with the right to reapply to become so associated in a non-supervisory capacity two years from the entry of the sanction. (U.S. v. Robert C. Drucker, 77 Crim. 596, S.D.N.Y.). (LR-8106)

DAVID B. CHARNEY ENJOINED

The SEC announced that on August 9 the Honorable Alfonso J. Zirpoli, U.S. District Judge for the Northern District of California issued a judgment of permanent injunction against David B. Charney permanently enjoining him from violating the antimanipulative provisions of the Securities Exchange Act of 1934 and the antifraud provisions of the securities laws. Additionally, the court ordered Mr. Charney to pay \$19,500 in satisfaction of the Commission request for disgorgement. Mr. Charney consented to the foregoing without admitting or denying the substantive allegations in the Commission's complaint. (SEC v. William R. Lummis, et al., Administrators of the Estate of the Estate of Howard R. Hughes, et al., Civil Action No. C-75-0589 AJZ, N.D. Cal.). (LR-8107)

HOLDING COMPANY ACT RELEASES

PENNSYLVANIA POWER COMPANY

A notice has been issued giving interested persons until October 5 to request a hearing on proposals of Pennsylvania Power Company, subsidiary of Ohio Edison Company, that it increase its authorized preferred stock, that it issue and sell up to 100,000 shares of preferred stock to an insurance company and that it be granted an exemption from competitive bidding in connection with such sale. (Rel. 35-20163 - Sept. 8)

PENNSYLVANIA ELECTRIC COMPANY

A notice has been issued giving interested persons until September 29 to request a hearing on a proposal of Pennsylvania Electric Company, subsidiary of General Public Utilities Corporation, that it make capital contributions aggregating \$200,000 to its Nineveh Water Company subsidiary. (Rel. 35-20164 - Sept. 8)

THE SOUTHERN COMPANY

An order has been issued authorizing The Southern Company, a registered holding company, to issue and sell up to a maximum of \$15 million of common stock in connection with the Southern system's employee stock ownership plan. (Rel. 35-20165 - Sept. 8)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange Inc. has filed a proposed rule change under Rule 19b-4 (SR-PSE-77-23) to change the procedure for the confirmation of "good til cancelled" (GTC) orders by specialists. Publication of the proposal is expected to be made in the Federal Register during the week of September 12. (Rel. 34-13937)

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-7) REPUBLIC NEW YORK CORPORATION, 452 Fifth Ave., New York, N.Y. 10018 (212) 986-3627 - 1,600,000 shares of cumulative preferred stock. Underwriters: Salomon Brothers and Merrill Lynch, Pierce, Fenner & Smith Inc. (File 2-59853 - Sept. 9)
- (S-14) NORTHWEST BANCORPORATION, 1200 Northwestern Bank Bldg., Minneapolis, Minn. 55480 (612) 372-8123 - \$30 million of 4-7/8% debentures, due 1990. (File 2-59854 - Sept. 9)
- (S-6) MINNESOTA TAX-EXEMPT INCOME TRUST, SERIES 5, 100 Dain Tower, Minneapolis, Minn. 55402 - \$5,000 units. Depositor: Dain, Kalman & Quail Inc. (File 2-59855 - Sept. 9)
- (S-8) REYNOLDS SECURITIES INTERNATIONAL INC., 120 Broadway, New York, N.Y. 10005 - 375,000 shares of common stock. (File 2-59856 - Sept. 9)
- (S-8) LONG ISLAND LIGHTING COMPANY, 250 Old Country Rd., Mineola, N.Y. 11501 (516) 228-2890 - 1,000,000 shares of common stock. (File 2-59858 - Sept. 9)
- (S-1) AMICOR INC., 53 Perimeter Center East, N.E., Atlanta, Ga. 30346 - 901,288 shares of common stock. (File 2-59859 - Sept. 9)
- (S-7) WANG LABORATORIES, INC., One Industrial Ave., Lowell, Mass. 01851 (617) 851-4111 - 1,000,000 shares of Class B common stock. Underwriter: Paine, Webber, Jackson & Curtis Inc. (File 2-59860 - Sept. 9)
- (S-8) MUTZ CORPORATION, 1853 Ludlow Ave., Indianapolis, Ind. 46201 - 125,000 shares of common stock. (File 2-59861 - Sept. 9)

REGISTRATIONS EFFECTIVE

Sept. 7: A. E. Staley Manufacturing Co., 2-59427; Beehive International, 2-59589; Eastman Kodak Co., 2-59685; Intertechnology Solar Corp., 2-59636; Nefertiti Co., 2-59470 (90 days); RMIC Corp., 2-59664; Tax-Exempt Municipal Trust, Eighteenth National Series, 2-59721.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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