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COURT ENFORCEMENT ACTIONS

U.S. SECURITIES AND EXCHANGE COMMISSION

RICHARD L. CHATHAM, OTHERS ENJOINED

The Denver Regional Office announced that Federal District Judge Aldon J. Anderson entered orders of permanent injunction against Environmental and Ecological Sales, Inc., on April 11; against Sight & Sound Services on April 22; against Richard L. Chatham on April 24; and against Commercial Leasing Corporation, Philip J. Kocherhans, Robert C. Lund, Gary L. Merrill, Hughes Capital Corp., Shannon International, and Brock Capital Corp., on April 28, enjoining them from violating the antifraud provisions of the securities laws. The Court also entered a temporary restraining order against Darrell L. Nielsen on May 8, restraining him from violating the antifraud provisions of the securities laws from the date of such order until the hearing on the Commission's motion for preliminary injunction. The defendants all consented to the entry of the orders of permanent injunction without admitting or denying the allegations of the complaint, and Darrell L. Nielsen consented to the entry of the temporary restraining order without admitting or denying the allegations of the complaint. (SEC v. Richard L. Chatham, et al., USDC Utah, Civil Action No. C-78-0104). (LR-8414)

ANTON VAN der VALK INDICTED

The Seattle Regional Office announced that on May 10 a federal grand jury in Portland, Oregon returned an eight count indictment charging Anton Van der Valk of Portland with six counts of fraud in the sale of securities and two counts of fraud by wire. The charges stem from a scheme devised by Van der Valk to handle investments for clients as trustee; however, the indictment charges that Van der Valk diverted the funds invested and converted them to his own personal and business use and benefit. (U.S. v. Anton Van der Valk, USDC, Oregon, CR-78-1211). (LR-8415)

SAMUEL ARCH HARWELL AND PATRICK DENNIS SULLIVAN INDICTED

The Fort Worth Regional Office and the Houston Branch Office announced that on May 15 a federal grand jury at Houston, Texas, returned a 4-count indictment charging Samuel A. Harwell, Houston and Patrick D. Sullivan, Brea, California with wire fraud, mail fraud and conspiracy to commit wire fraud. More specifically, the indictment alleges that the defendants devised a fraudulent scheme to obtain loans totalling \$901,000 from a California bank for their own personal use which were collateralized by certificates of deposit belonging to the University of Houston. (U.S. v. Samuel Arch Harwell and Patrick Dennis Sullivan, S.C. Tex., CR. No. 78-H-78-87). (LR-8417)

ROBERT J. DISTEFANO ENJOINED

The SEC announced that on May 18 the Honorable R. Dixon Herman, U.S. District Judge for the Middle District of Pennsylvania, signed a final judgment of permanent injunction and ancillary relief against Robert J. DiStefano, former president of Cosmopolitan Investors Funding Company. DiStefano consented to the entry of the judgment without admitting or denying the allegations of the Commission's complaint. The judgment against DiStefano permanently enjoins him from further violating the anti-fraud, reporting and proxy provisions of the Exchange Act. In addition, DiStefano is required to pay to Cosmopolitan the sum of \$15,000 and is prohibited from assuming a position as either an officer or director of any public company except upon a showing satisfactory to the Court that measures have been taken to prevent conduct as alleged in the Commission's complaint or conduct of similar object or purport. (SEC v. Cosmopolitan Investors Funding Co., et al., M.D. Pa., Civil Action No. 75-666). (LR-8419)

TWO SCA CASE DEFENDANTS CONSENT

The Commission announced that Anthony Bentro and Lad Landfill, Inc., a company owned and controlled by Bentro, have entered into stipulations and consents to the entry of permanent injunctions which have been filed with the U.S. District Court for the District of Massachusetts.

In a complaint filed on August 8, 1977, against SCA Services, Inc. and others, the Commission charged, among other things, that during 1974 and 1975 Bentro and Lad aided and abetted Christopher P. Recklitis, then president of SCA, in the diversion of approximately \$1.3 million from SCA.

Without admitting or denying the allegations of the complaint, Bentro and Lad consented to the entry of permanent injunctions enjoining them from violating the anti-fraud, reporting and proxy provisions of the securities laws, and voting or acquiring additional SCA securities and, with respect to Bentro, from serving as an officer, director or employee of or consultant for compensation to SCA and for a period of two years from serving in like capacity regarding any other issuer. (SEC v. SCA Services, Inc., et al., U.S.D.C. D.Mass., Civil Action No. 78-0037-T). (LR-8420)

INVESTMENT COMPANY ACT RELEASES

VARIABLE ANNUITY LIFE INSURANCE COMPANY OF AMERICA

A notice has been issued giving interested persons until June 19 to request a hearing on an application of Variable Annuity Life Insurance Company of America, declaring that it has ceased to be an investment company. (Rel. IC-10254 - May 24)

MINNEAPOLIS SHAREHOLDERS COMPANY

An order has been issued on an application of Minneapolis Shareholders Company, a closed-end, non-diversified management investment company, pursuant to Section 17(b) of the Act granting an exemption from Section 17(a) of the Act to permit Applicant's sale of 700,000 shares of common stock of Arctic Enterprises, Inc. and an option to acquire an additional 100,000 shares of Arctic common stock to Jacobs Industries, Inc., the holder of approximately 84% of Applicant's outstanding common stock. (Rel. IC-10255 - May 24)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Options Clearing Corporation has filed proposed rule changes pursuant to Rule 19b-4 (SR-OCC-78-1) to increase its margin requirements for short positions in certain low-priced "spot month" options. (Rel. 34-14798) and (SR-OCC-78-2) concerning a revision of the formula used by OCC to determine clearing fund contributions. (Rel. 34-14801)

Publication of the above proposals are expected to be made in the Federal Register during the week of May 29.

NOTICE OF EFFECTIVENESS OF A RULE CHANGE

Fee changes filed by The Depository Trust Company (SR-DTC-78-7) have become effective in accordance with Section 19(B)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected to be made in the Federal Register during the week of May 29. (Rel. 34-14802)

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-16) THE CROSS COMPANY, 17801 Fourteen Mile Rd., Fraser, Mich. 48026 (313) 293-3000 - 78,591 shares of common stock. (File 2-61708 - May 24)

(S-7) COLUMBUS AND SOUTHERN OHIO ELECTRIC COMPANY, 215 North Front St., Columbus, Ohio 43215 (614) 464-7700 - 400,000 shares of cumulative preferred shares (\$100 par value). Underwriters: Dillon, Read & Co. Inc. and The Ohio Company. The company is engaged in the generation of electric energy. (File 2-61709 - May 24)

- (S-1) S & T INDUSTRIES, INC., 1531 West Main St., Louisville, Ky. 40203 - 15,000 shares of common stock. The company is engaged in the wholesale hardware and housewares business. (File 2-61710 - May 24)
- (S-6) THE MUNICIPAL BOND TRUST, SERIES 46, 140 Broadway, New York, N.Y. 10005 - 12,000 units. Depositor: Paine, Webber, Jackson & Curtis Inc. (File 2-61713 - May 24)
- (S-1) MINOCO 1978 OIL AND GAS PROGRAM, 9401 Wilshire Blvd., Suite 660, Beverly Hills, Cal. 90212 - 800 units of limited partnership interests. Underwriter: L.F. Rothschild, Unterberg, Towbin. (File 2-61714 - May 25)
- (S-8) CITIZENS UTILITIES COMPANY, High Ridge Park, Stamford, Conn. 06905 - 110,000 shares of Series A common stock and 140,000 shares of Series B common stock. (File 2-61716 - May 25)
- (S-1) DELTA WESTERN 1978 DRILLING FUND, 1000 City Center Bldg., Oklahoma City, Okla. 73102 - 250 units of limited partnership and preformation interests. (File 2-61717 - May 25)
- (S-7) PUBLIC SERVICE ELECTRIC AND GAS COMPANY, 80 Park Pl., Newark, N.J. 07101 (201) 430-7000 - 3,000,000 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Kidder, Peabody & Co. Inc. The company is engaged in providing electric and gas service. (File 2-61718 - May 25)
- (S-14) WASHINGTON ENERGY COMPANY, 815 Mercer St., Seattle, Wash. 98111 - 36,000 5% preferred stock, \$100 par value; 39,558 6% preferred stock, \$100 par value and 45,000 8.875% preferred stock, \$100 par value. The company has no business at this time. (File 2-61719 - May 25)
- (S-6) MASSACHUSETTS TAX EXEMPT UNIT TRUST, SERIES 3, 60 State St., Boston, Mass. 02109 - 7,000 units. Depositor: Moseley, Hallgarten & Estabrook Inc. (File 2-61720 - May 25)
- (S-8) KEANE ASSOCIATES, INC., 210 Commercial St., Boston, Mass. 02109 - 85,000 shares of common stock. The company provides computer oriented information systems to a variety of commercial, industrial and municipal clients. (File 2-61721 - May 25)

REGISTRATIONS EFFECTIVE

May 10: Atlantic Richfield Co., 2-61389; Campbell Soup Co., 2-61317; Cincinnati Bell, Inc., 2-61364; Consolidated Coal Co., 2-61262; Dentsply International, Inc., 2-61189; Documentation Inc., 2-61174; International Research and Development Corp., 2-61273; Lifetime Communities, Inc., 2-61056; The Lubrizol Corp., 2-61408; Rule Industries, Inc., 2-60857; Storage Technology Corp., 2-61333; Tax Exempt Securities Trust, Intermediate-Term Series 2, 2-61386; Texas Utilities Co., 2-61270; Vulcan Materials Co., 2-61235.

May 11: The Equitable Life Assurance Society of the United States, 2-61419; General American Transportation Corp., 2-61324; Hatteras Income Securities, Inc., 2-61016; Inforex, Inc., 2-61137; Lone Star Industries, Inc., 2-61361; Lucky Stores, Inc., 2-61390; San Diego Gas & Electric Co., 2-60920 and 2-60921; Southland Royalty Co., 2-61293; Trans Union Corp., 2-61265.

May 12: The Chase Manhattan Corp., 2-61480; Colgate-Palmolive Co., 2-61104; Iowa Southern Utilities Co., 2-61152; Lin Broadcasting Corp., 2-61113; Mapco, Inc., 2-61331; Medenco, Inc., 2-61437; Ply-Gem Industries, Inc., 2-60730; Reynolds Metals Co., 2-61181; TRW Inc., 2-61257; Tenneco Oil Co., 2-61377; Transco Companies, Inc., 2-61119 and 2-61196; United States Leasing International, Inc., 2-61068.

May 15: Allied Telephone Co., 2-61490; Amerada Hess Corp., 2-61231; Black Hills Power and Light Company, 2-61328; Kay Corporation, 2-61438; Louisville Cement Co., 2-61311; Oklahoma Gas and Electric Co., 2-60912; Postal Finance Co., 2-60986 and 2-60987; Sundance Oil Co., 2-61471; United States Tobacco Co., 2-61281; Virginia Electric and Power Co., 2-61037; Wometco Enterprises, Inc., 2-61352.

May 17: Commerce Bancshares, Inc., 2-61368; Corporate Income Fund, Twenty-Third Intermediate Term Series, 2-60746; Ferro Corp., 2-61407; Israel Bank of Agriculture Ltd., 2-60553; The Kansas Power & Light Co., 2-61310; National Steel Corp., 2-61305; Panhandle Eastern Pipeline Co., 2-61349; Revlon, Inc., 2-61243; Royal Crown Companies, Inc., 2-61359; Weierhauser Co., 2-61042.

May 18: Athlone Industries, Inc., 2-61025; Cobe Laboratories, Inc., 2-61428; General Signal Corp., 2-61628; Harnischfeger Corp., 2-61410 and 2-61409; E. F. Hutton Group Inc., 2-61415 and 2-61476; National Bancshares Corporation of Texas, 2-60996; Security-Connecticut Life Insurance Company, 2-61098; Southern Bankshares, Inc., 2-60900; The Superior Electric Co., 2-61218; Trust for GNMA Mortgage-Backed Securities, Series II, 2-60965; United Missouri Bancshares, Inc., 2-61014; Wolohan Lumber Co., 2-61452.

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 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c 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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