

# sec news digest

Issue 81-91

MAY 13 1981

May 12, 1981

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## CIVIL PROCEEDINGS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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### COMMISSION CHARGES SOLAR-ENERGY FIRM, ITS FOUNDER AND ITS PRESIDENT

The Commission announced that on May 11 the U.S. District Court for the District of Columbia entered Final Judgments of Permanent Injunction against Consumers Solar Electric Power Corporation (CSEP) and Gerald M. Schaflander, one of its founders, permanently enjoining them from violation Sections 5 and 17(a) of the Securities Act of 1933 (Securities Act) and Sections 10(b), 12(g) and 13(a) of the Securities Exchange Act of 1934 (Exchange Act). In addition, the Court ordered Stephen M. Wright, its president, in an Undertaking, to refrain from violating Section 5 of the Securities Act and Sections 12(g) and 13(a) of the Exchange Act. The Judgments and the Undertaking were consented to without admitting or denying any of the allegations in the Commission's complaint which was filed simultaneously with entry of the Judgments and the Undertaking.

The Commission charged the defendants with the offer and sale of promissory notes and over 11,000,000 shares of CSEP stock in violation of the registration provisions of the Securities Act, and with violations of the reporting provisions of the Exchange Act. CSEP and Schaflander were also charged with violation of the antifraud provisions in connection with those offers and sales, and with respect to other matters.

CSEP was also ordered to retain an attorney familiar with and experienced in securities laws to review and approve all offers and sales of CSEP securities and all of CSEP's communications to its shareholders. Schaflander was ordered not to make or to disseminate any statement or communication to the public or CSEP stockholders concerning CSEP without review by CSEP's securities counsel. (SEC v. Consumers Solar Electric Power Corporation, et al., U.S.D.C. D.C., Civil Action No. 81-1098). (LR-9359)

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## INVESTMENT COMPANY ACT RELEASES

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### ACTIVE ASSETS GOVERNMENT SECURITIES TRUST

A notice has been issued giving interested persons until June 5 to request a hearing on an application by Active Assets Government Securities Trust, a registered, open-end, diversified, management company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, repurchase and redemption. (Rel. IC-11769 - May 11)

### ACTIVE ASSETS MONEY TRUST

A notice has been issued giving interested persons until June 5 to request a hearing on an application by Active Assets Money Trust, a registered, open-end, diversified, management company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, repurchase and redemption. (Rel. IC-11770 - May 11)

## ACTIVE ASSETS TAX-FREE TRUST

A notice has been issued giving interested persons until June 5 to request a hearing on an application by Active Assets Tax-Free Trust, a registered, open-end, diversified, management company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, repurchase and redemption. (Rel. IC-11771 - May 11)

## WINTHROP RESIDENTIAL ASSOCIATES I

A notice has been issued giving interested persons until June 5 to request a hearing on an application of Winthrop Residential Associates I, a Maryland limited partnership organized to invest in other limited partnerships that will develop, own and operate federal, state or local government-assisted new or rehabilitated rental housing projects, and its general partners, One Winthrop Properties, Inc. and Linneaus-Hampshire Realty Company, for an order pursuant to Section 6(c) of the Investment Company Act of 1940, exempting the partnership from all provisions of the Act. (Rel. IC-11772 - May 11)

## COLUMBIA VENTURES, INC.

A notice has been issued giving interested persons until June 5 to request a hearing on an application filed by Columbia Ventures, Inc. (Applicant), registered under the Investment Company Act of 1940 as a closed-end, non-diversified, management investment company, requesting an order declaring that Applicant has ceased to be an investment company. (Rel. IC-11773 - May 11)

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## HOLDING COMPANY ACT RELEASES

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### WEST PENN POWER COMPANY

An order has been issued authorizing West Penn Power Company, subsidiary of Allegheny Power System, Inc., to enter into the second phase of pollution control financing for its Mitchell Power Station located in Washington County, Pennsylvania by refunding outstanding three-year bonds with long-term bonds. Jurisdiction has been released with respect to fees, commissions and expenses incurred in connection with the first phase financing. Jurisdiction has been reserved over the terms of the new bonds and over the fees incurred in connection therewith. (Rel. 35-22046 - May 11)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### WITHDRAWALS GRANTED

Orders have been issued granting the applications of the following companies to withdraw the specified securities from listing and registration on the following stock exchanges: New York Stock Exchange, Inc. - Ward Foods Overseas Capital Corporation N.V., 5-3/4% subordinated guaranteed debentures, due 1988. (Rel. 34-17783); American Stock Exchange, Inc. - Systems Engineering Laboratories, Incorporated, 12-1/2% subordinated debentures, due 1993. (Rel. 34-17784); and Anthony Industries, Inc., common stock (\$1 par value). (Rel. 34-17785)

### UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until June 2 to comment on the applications of the Midwest Stock Exchange for unlisted trading privileges in the common stock (\$.05 par value) of Bairnco Corporation and the common stock (\$41-2/3 par value) of National Convenience Stores Inc. which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-17797)

ACQUISITION REPORTS CONT.

Alfred Lerner F. Philip Handy Samuel Zell	Equitable Bancorporation (Baltimore, MD) Common Stock - 1,071,235 shs. (Messrs. Lerner, Handy & Zell are General Partners of LZH Associates, have entered into Stock Purchase Agreement to acquire above shares.)	4-15-81
* Templeton, Kenly & Co.	Flick-Reedy Corporation (Bensenville, IL) Common Stock - 825,271 shs. (71.9%)	4-15-81
* Initio, Inc. Initio Financial, Inc. Martin Fox Daniel DeStefano	Greenmen Bros., Inc. (Farmingdale, L.I., NY) Common Stock - 576,500 shs. (33.7%)	4-15-81
Abraham Nowick	Hathaway Instruments, Inc. (Denver, CO) Common Stock - 41,550 shs.	4-15-81
* Thomas J. White J. F. White Contracting Co.	Ionics, Inc. (Watertown, MA) Common Stock - 101,000 shs.	4-15-81
* Shufro, Rose & Ehrman	Mirro Corporation (Manitowoc, WI) Common Stock - 438,326 shs. (18.8%)	4-15-81
Albert M. Zlotnick	P. H. C., Inc. (NYC) Common Stock - 737,956 shs. (33.9%)	4-15-81
* Sun Life Insurance Company of America Sun Life Group of America Inc. Kaufman & Broad, Inc., Parent	San Francisco Real Estate Investors (San Francisco, CA) Shares of Beneficial Interest - 303,000 (11.4%)	4-15-81
Harry O. Rearick	Security Southwest Corp. (El Paso, TX) Common Stock - 263,172 shs. Common Stock - 1,026,023 shs. (33.3%) on exercise of options	4-15-81
* Darby Drug Co., Inc.	Barth-Spencer Corporation (Valley Stream, NY) Common Stock - 651,565 shs. (56.6%)	4-16-81
* Gulf + Western Industries Inc. Charles G. Bluhdorn	Brunswick Corporation (Skokie, IL) Common Stock - 2,103,800 shs. (10.95%) Common Stock - 122,120 shs. on conversion of Preferred Stock	4-16-81

- (S-18) CHRONAR CORP., 330 Bakers Basin Rd., Trenton, NJ 08540 (609) 587-8000 - 600,000 shares of common stock. Underwriter: Herbert Young Securities, Inc. The company is involved in two activities: solar photovoltaics and liquid crystal displays. (File 2-72193 - May 8) (Br. 7 - New Issue)
- (S-14) AMERICAN BANCSHARES OF HOUMA, INC., 801 Barrow St., Houma, LA 70360 (504) 872-1434 - 166,838 shares of common stock. (File 2-72194 - May 8) (Br. 1 - New Issue)
- (S-8) BASE TEN SYSTEMS, INC., One Electronics Dr., Trenton, NJ 08619 (609) 586-7010 - 90,000 shares of Class A common stock. (File 2-72196 - May 8) (Br. 8)
- (S-16) THE LTV CORPORATION, LTV Tower, 1600 Pacific Ave., Dallas, TX 75201 (214) 746-7711 - 2,753,485 shares of common stock, and 8,400 shares of Series 1 participating convertible preference stock. (File 2-72198 - May 8) (Br. 6)
- (S-15) FIRST MARYLAND BANCORP, 25 South Charles St., Baltimore, MD 21201 (301) 244-4000 - 784,012 shares of common stock. (File 2-72199 - May 8) (Br. 1)
- (S-16) RAINIER BANCORPORATION, Rainier Bank Tower, 1301 Fifth Ave., P.O. Box 3966, Seattle, WA 98124 (206) 621-4111 - 300,000 shares of common stock. (File 2-72200 - May 7) (Br. 1)
- (S-8) DONALDSON, LUFKIN & JENRETTE, INC., 140 Broadway, New York, NY 10005 (212) 943-0300 - 55,000 shares of common stock. (File 2-72202 - May 8) (Br. 1)
- (S-1) APPLE COMPUTER, INC., 10260 Bandley Dr., Cupertino, CA 95014 (408) 966-1010 - 2,250,000 shares of common stock. Underwriters: Morgan Stanley & Co. Incorporated and Hambrecht & Quist. The company designs, develops, produces, markets and services microprocessor-based personal computer systems for individual use. (File 2-72210 - May 8) (Br. 9)
- (S-8) VERNA CORPORATION, 1001 The Main Bldg., Houston, TX 77002 (713) 658-8584 - 300,000 shares of common stock. (File 2-72111 - May 8) (Br. 4)
- (S-1) MUSTANG DRILLING & EXPLORATION, INC., 1311 Stone Great Bend, KS 67530 - 2,200,000 shares of common stock. Underwriter: EJ Pittock & Co., Inc., Suite 610, 817 Seventeenth St., Denver, CO 80202 (303) 892-6110. The company is presently operating a drilling rig in contract drilling activities. (File 2-72213 - May 11) (Br. 9 - New Issue)
- (S-6) CEF/KILICO VARIABLE ANNUITY ACCOUNT, 120 South LaSalle St., Chicago, IL 60603 - an indefinite amount of securities. (File 2-72217 - May 7) (Br. 20 - New Issue)
- (S-8) UNION COMMERCE CORPORATION, 300 Union Commerce Bldg., Cleveland, OH 44115 (216) 344-6100 - 229,712 shares of common stock. (File 2-72225 - May 11) (Br. 2)

#### REGISTRATIONS EFFECTIVE

Apr. 21: Toledo Edison Co., 2-71580.  
 Apr. 22: J. C. Penney, Inc., 2-71779.  
 Apr. 24: Northeastern Bancorp, Inc., 2-71495; Thomson Commodity Partners I, 2-70644; Wards Co., Inc., 2-71051.  
 Apr. 27: Chatfield Oil & Gas, Ltd., 2-70908; GCA Corp., 2-71836; John Hancock Variable Life Money Market Account, 2-70709; Michigan Energy Resources Co., 2-71652; Missouri Pacific Corp., 2-71840; Silver State Mining Corp., 2-70666.  
 Apr. 28: Bergen Brunswick Corp., 2-71803; Citicorp, 2-71346; Crawford Energy, Inc., 2-70819; The Dorsey Corp., 2-71791; Michigan Bell Telephone Co., 2-71666; National Municipal Trust, Forty-Eighth Series, 2-70723; Reeves Communications Corp., 2-71381; The Rovac Corp., 2-71048.  
 Apr. 29: A.R.I. Limited, 2-71769; Carolina Power & Light Co., 2-71708; Crutcher Resources Corp., 2-71793; Liberty Petroleum Corp., 2-70382; Ike Lovelady, Inc., 2-70690; Southeast National Bankshares of Pennsylvania Inc., 2-71530.  
 Apr. 30: ABC Holding Co., 2-71257; American Bancorp, Inc., 2-71168; Associated Grocers, Inc., 2-70996; First National Bancorp, 2-71367; Nelson Research & Development Co., 2-70994; Northeast Energy Development Corp., 2-70744; Pengo Industries, Inc., 2-71920; Southeast Banking Corp. 2-71961; University Real Estate Investors-81, 2-69770.

## 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 (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G 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 April 13 - 16, 1981. 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. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
* B. F. Saul Company Klingle Corporation Columbia Securities Co. of Washington, DC, et al	B. F. Saul Real Estate Investment Trust (Chevy Chase, MD) Shares of Beneficial Interest - 1,636,794 (27.58%) Shares of Beneficial Interest - 6,581 on conversion of Debentures Shares of Beneficial Interest - 7,500 on exercise of options	4-13-81
* Hanna Mining Company Hanna Mineral Holdings Ltd. (Wholly-owned subsidiary of Hanna Mining Co.)	Siskon Corporation (Reno, NV) Common Stock - 905,978 shs. (72.6%)	4-13-81
* Geneve Corporation	Standard Security Holding Corp. (NYC) Common Stock - 486,006 shs. (52.84%) 1st Series Preferred Stock - 259,138 (78.35%) 2nd Series Preferred Stock - 500,000 (100%) 3rd Series Preferred Stock - 75,000 (100%)	4-13-81
* Tele-Communications Investments, Inc.	Tele-Communications, Inc. (Englewood, CO) Class A Common Stock - 2,135,632 shs. (13.05%) Class B Common Stock - 4,851,692 shs. (50.60%)	4-13-81
* Reliance Financial Services Corp. (Reliance Group, Inc., Parent)	Tiger International, Inc. (Los Angeles, CA) Common Stock - 2,628,900 shs. (15.66%)	4-13-81
* Buckeye Holding, Inc. (Wholly-owned subsidiary of Life Investors, Inc.)	Tri-American Corp. (Cleveland, OH) Common Stock - 289,661 shs. (29%)	4-13-81
Scottish & York International Insurance, Inc. (Subsidiary of Scottish & York Holdings Ltd. (Canada)	Tri-American Corporation (Pepper Pike, OH) Common Stock - 234,209 shs. (23.2%) (Scottish & York has entered into an option agreement to acquire above shares.)	4-13-81
* Campbell Resources, Inc. (Canada)	United Asbestos Inc. (Montreal, Que., Canada) Common Stock - 1,050,000 shs. (14.84%)	4-13-81
* Reliance Financial Services Corp. (Reliance Group, Inc., Parent)	United Fire & Casualty Co. (Cedar Rapids, IA) Common Stock - 258,600 shs. (18.75%)	4-13-81
* Victor L. Sayyah Sayyah Corp. HCA, Inc. Inter-Region Associates Corp., et al	Van Schaack & Company (Denver, CO) Common Stock - 371,900 shs. (26.9%)	4-13-81
Larry D. Barnette, Individually and as Custodian	Voyager Group, Inc. (Jacksonville, FL) Common Stock - 129,321 shs. (Included above are shares owned by his wife.)	4-13-81
David C. Brown, Jr.	Washington Corp. (Chevy Chase, MD) Common Stock - 104,500 shs.	4-13-81

## ACQUISITION REPORTS CONT.

* Technical Equipment Leasing Corp. Libco Corporation Clyde Wm. Engle	Hickory Furniture Co. (Hickory, NC) Common Stock - 944,226 shs. (85%)	4-14-81
Gerald A. Mason East Jordan Iron Works, Inc.	Holly's, Inc. (Grand Rapids, MI) Common Stock - 40,649 shs.	4-14-81
Robert R. Krumm Janet Lang Krumm Estate of Mildred Lang	Summit Bancorporation (Summit, NJ) Series A Preferred Stock - 30,241 shs.	4-14-81
Oliver A. Kimberly, Jr.	Textured Products, Inc. (Hartsdale, NY) Common Stock - 1,157,737 shs. (17.3%) Common Stock - 305,000 shs. on conversion of Notes Common Stock - 400,000 shs. on exercise of options	4-14-81
* Massey Investment Company	Xonics, Inc. (Des Plaines, IL) Class A Common Stock - 29,414 shs. Class A Common Stock - 221,875 shs. on conversion of Preferred Stock	4-14-81
John A. Leutkemeyer, Sr.	Equitable Bancorporation (Baltimore, MD) Common Stock - 52,702 shs. (Mr. Leutkemeyer has entered into a Purchase Agreement to sell 50,000 of above shares.)	4-15-81
Anne A. Leutkemeyer	Equitable Bancorporation (Baltimore, MD) Common Stock - 47,693 shs. (Mrs. Leutkemeyer has entered into a Purchase Agreement to sell 45,000 of above shares.)	4-15-81
Robert G. Merrick	Equitable Bancorporation (Baltimore, MD) Common Stock - 112,036 shs. (Mr. Merrick has entered into a Purchase Agreement to sell above shares.)	4-15-81
* Samuel M. Pistorio	Equitable Bancorporation (Baltimore, MD) Common Stock - 315,400 shs. (Mr. Pistorio has entered into a Purchase Agreement to sell above shares.)	4-15-81
Jacob and Annita France Foundation	Equitable Bancorporation (Baltimore, MD) Common Stock - 329,933 shs. (Foundation has entered into a Purchase Agreement to sell above shares.)	4-15-81
Robert G. and Anne M. Merrick Foundation	Equitable Bancorporation (Baltimore, MD) Common Stock - 10,672 shs. (Foundation has entered into a Purchase Agreement to sell above shares.)	4-15-81
Estate of Annita A. France	Equitable Bancorporation (Baltimore, MD) Common Stock - 130,602 shs. (Estate has entered into a Purchase Agreement to sell above shares.)	4-15-81
Homewood Holding Co.	Equitable Bancorporation (Baltimore, MD) Common Stock - 47,952 shs. (Homewood has entered into a Purchase Agreement to sell above shares.)	4-15-81
Museum & Library of Maryland History, Maryland Historical Society	Equitable Bancorporation (Baltimore, MD) Common Stock - 32,102 shs. (Society has entered into a Purchase Agreement to sell 30,000 of above shares.)	4-15-81

## ACQUISITION REPORTS CONT.

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* Sun Life Insurance Company of America Sun Life Group of America Inc. Kaufman & Broad, Inc., Parent	San Francisco Real Estate Investors (San Francisco, CA) Shares of Beneficial Interest - 303,000 (11.4%)	4-15-81
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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, registration statements, and other filings may be ordered by writing to the Public Reference Branch, 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 by registrant name to expedite service. Cost estimates are given on request. Two types of service are available through the Public Reference Branch, one of which (priority service) is also available directly from the SEC's service contractor.*

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