

sec news digest

LIBRARY

Issue 76-110

(SEC Docket, Vol. 9, No. 15 - June 22)

June 7, 1976

JUN 8 1976

COMMISSION ANNOUNCEMENTS

NOTICE OF PUBLICATION OF
STAFF ACCOUNTING BULLETIN NO. 8

U.S. SECURITIES AND
EXCHANGE COMMISSION

The Division of Corporation Finance and the Office of the Chief Accountant announced the publication of Staff Accounting Bulletin No. 8 which deals with the following: (1) Sundry changes and corrections to Staff Accounting Bulletin No. 1; (2) "Free distributions" of common stock by foreign companies; (3) Presentation of the partnership equity accounts and results of operations of limited partnerships; (4) Accounting for tax benefits of loss carryforwards; (5) Accounting for employee stock ownership trusts (ESOT's); (6) Prior period adjustments; (7) Disclosure of components of income tax expense; and (8) Disclosure of amounts receivable from underwriters, promoter, directors, officers, employees and principal holders of equity securities. (SAB-8)

COURT ENFORCEMENT ACTIONS

LIMITED RECEIVER APPOINTED
FOR VTR, INC.

The SEC announced that on May 26 the Honorable Oliver Gasch, U.S. District Judge for the District of Columbia appointed Burton R. Tauber, Esq. of 400 Park Avenue, New York, N.Y., as limited receiver for VTR, Inc. (VTR) pursuant to the Court's order of April 29 and the stipulation between the parties of May 20. According to such order and stipulation, Tauber is charged with overseeing the prompt preparation and filing of certain of VTR's delinquent annual reports on Form 10-K, the required amendments to VTR's annual report on Form 10-K for its fiscal quarter year-ended December 31, 1973, and any other periodic reports coming due during his incumbency. Tauber is also to make recommendations to the Court and the Commission for a program to assure VTR's future compliance with the company's filing requirements under Section 13(a) of the Securities Exchange Act of 1934. According to the May 26 order, Tauber is to be compensated for such services from the fines paid and to be paid into the Registry of the Court by VTR and David E. Jordan, VTR's president, in satisfaction of judgments rendered and to be rendered by the Court to remedy civil contempt by VTR and Jordan. The remainder of any fines paid into the Registry is to be turned over to the U.S. Treasury. Judge Gasch entered two judgments of fine on March 3 and April 29, when apprised to VTR's continued failure to file the abovementioned reports in violation of Judge Gasch's final judgment of permanent injunction ordering such compliance. (SEC v. VTR, Inc., D.D.C. Civil Action No. 190-73). (LR-7431)

INVESTMENT COMPANY ACT RELEASES

SELECTED OPPORTUNITY FUND

A notice has been issued giving interested persons until June 30 to request a hearing on an application of Selected Opportunity Fund, Inc., for an order declaring that it has ceased to be an investment company. (Rel. IC-9313 - June 4)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND POWER COMPANY

A notice has been issued giving interested persons until June 29 to request a hearing on approval of New England Power Company, subsidiary of New England Electric System, to obtain preferred stockholders' authorization to continue the current authorization of the amount of its unsecured short-term indebtedness. An order has been issued authorizing the solicitation of proxies in connection with the proposal. (Rel. 35-19556 - June 4)

ALLEGHENY POWER SYSTEM

An order has been issued authorizing Monongahela Power Company, the Potomac Edison Company and West Penn Power Company, subsidiaries of Allegheny Power System, Inc., to issue and sell short-term notes to banks and to commercial paper dealers in an amount not to exceed \$40 million, \$40 million and \$64 million, respectively, outstanding at any one time. (Rel. 35-19557 - June 4)

OHIO POWER COMPANY

A notice has been issued giving interested persons until June 29 to request a hearing on a proposal of Ohio Power Company, subsidiary of American Electric Power Company, Inc., to issue and sell notes to banks, commercial paper to a dealer in commercial paper and demand notes to bank trust departments in an amount not to exceed \$150 million outstanding at any one time. (Rel. 35-19558 - June 4)

AMERICAN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until June 29 to request a hearing on a proposal of American Electric Power Company, Inc. (AEP) and certain of its subsidiaries: (1) for AEP to issue and sell notes to banks and to a dealer in commercial paper in an amount not to exceed \$175 million; (2) for AEP to purchase a total of 750,000 shares of Appalachian Power Company's common stock, \$40 per share, for a total consideration of \$30 million and a total of 3,333,334 shares of Ohio Power Company's common stock, \$15 per share, for a total consideration of \$50,000,010; and (3) for AEP to make a cash contribution in an amount of \$50 million to Indiana & Michigan Electric Company. (Rel. 35-19559 - June 4)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Philadelphia Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-PHLX-76-13) to provide a more efficient and economical means for executing combined option-underlying stock orders. Publication of the proposal is expected to be made in the Federal Register during the week of June 7. (Rel. 34-12517)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Boston Stock Exchange, Inc. to define members, member organization, and associated persons and to revise the qualifications of membership as required by the 1975 amendments to the Act. (Rel. 34-12516)

SECURITIES ACT REGISTRATIONS

(S-6) AXE SECURITIES CORPORATION

400 Benedict Ave., Tarrytown, N.Y. 10591, sponsor-depositor of Hartford Variable Annuity Life Insurance Company, Inc. DC Variable Account - a registered unit investment trust - \$20 million of Group Variable Annuity Contracts and Stock Account Units of Interest and Bond Account Units of Interest thereunder, to be offered for sale from time to time at prices current at the time of sale. Axe Securities Corporation will serve as the principal underwriter. Axe Securities Corp. serves as investment adviser to the Axe-Houghton group of funds and to other institutions. (File 2-56264 - May 5)

(S-1) AEROFLEX LABORATORIES INCORPORATED

35 South Service Rd., Plainview, N.Y. 11803 - 300,000 shares of common stock, to be offered for sale by a certain stockholder. Aeroflex Laboratories Inc. designs, manufactures and sells a variety of mechanical and electronic products. (File 2-56434 - May 21)

(S-7) SOUTHWEST BANCSHARES, INC.

1210 Bank of the Southwest Bldg., Houston, Tex. 77002 - \$40 million of sinking fund debentures, due 2001, to be offered for sale by the company through underwriters headed by Salomon Brothers, One New York Plaza, New York, N.Y. 10004, and Rotan Mosle Inc., 1500 South Tower, Pennzoil Place, Houston, Tex. 77002. The company is a bank

holding company which owns substantially all the capital stock of 14 banks and also owns non-bank subsidiaries engaged in mortgage banking and leasing personal property. (File 2-56519 - June 3)

**(S-B) THE MANITOBA HYDRO-ELECTRIC BOARD (ISSUER)
THE PROVINCE OF MANITOBA (GUARANTOR)**

Winnipeg, Manitoba, Canada - \$100 million (U.S.) principal amount of bonds, Series 3M, due 2001, unconditionally guaranteed as to principal, redemption premium, if any, and interest by the Province of Manitoba, to be offered for sale by several underwriters represented by The First Boston Corp; Salomon Brothers; Merrill Lynch, Pierce, Fenner & Smith Inc.; Wood Gundy Inc.; and Richardson Securities Inc. The Board is engaged in the generation, distribution and sale of electric power throughout the Province of Manitoba. (File 2-56524 - June 3)

**(S-6) MUNICIPAL INVESTMENT TRUST FUND,
FIFTY-SIXTH MONTHLY PAYMENT SERIES**

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust agreement among Merrill Lynch, Bache Halsey Stuart Inc. and Reynolds Securities Inc., as sponsors, The Bank of New York, as trustee, and Standard & Poor's Corp., as evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-56525 - June 3)

**(S-6) MUNICIPAL INVESTMENT TRUST FUND
FIFTH-SEVENTH MONTHLY PAYMENT SERIES**

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust agreement among Merrill Lynch, Bache Halsey Stuart Inc. and Reynolds Securities Inc., as sponsors, The Bank of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-56526 - June 3)

STOCK PLANS FILED

The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

- ERC Corp., Kansas City, Mo. (File 2-56520 - June 3) - 25,000 shares
- Nuclear Data, Inc., Schaumburg, Ill. (File 2-56521 - June 3) - 112,000 shares
- Industrial National Corp., Providence, R.I. (File 2-56522 - June 3) - 200,000 shares
- Bergstrom Paper Company, Neenah, Wis. (File 2-56528 - June 3) - 40,000 shares
- Zayre Corp., Framingham, Mass. (File 2-56529 - June 3) - 100,000 shares
- Great American Industries, Inc., New York, N.Y. (File 2-56530 - June 3) - 75,000 shares

REGISTRATIONS EFFECTIVE

May 26: All States Leasing Co., 2-55730; Gordon & Co., 2-52026.

May 27: American Express Credit Corp., 2-56320; Avis Inc., 2-56164; Barnett Banks of Florida Inc., 2-56018; The Dean Witter Tax-Exempt Trust, Seventeenth Series, 2-56226; Ford Motor Credit Co., 2-56312; Hospitality Motor Inns Inc., 2-56249; Municipal Investment Trust Fund, Fifty-Sixth Monthly Payment Series, 2-56287; Petro Search Exploration Corp., 2-55784 (90 days); The Pittston Co., 2-56187; Postal Finance Co., 2-56135; Southeast Banking Corp., 2-56298.

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.

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 May 24 - June 1, 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 & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Fuji Heavy Industries, Ltd. (Japan)	Subaru of America, Inc. (Pennsauken, N.J.) Common Stock - 2,126,000 shs. (1,800,000 of above shares were purchased from certain shareholders.)	5-24-76
* Raymond M. Veltman Elaine T. Veltman Transportation Resources, Inc. E/P Transport Data Co.	Containerfreight Corp. (Los Angeles, Calif.) Common Stock - 138,543 shs. (2,400 of above shares are owned by his children)	5-24-76
* Guaranty Income Life Insurance Co. John M. Whelan Co-Executor of Estate of Lucille H. Sherman	Petroleum State Insurance Co. (Beaumont, Tex.) Common Stock - 2,806,377 shs. (85.11%) Harper & Row Publishers, Inc. (New York City) Common Stock - 158,630 shs.	5-24-76 5-25-76
* Louisiana and Southern Life Insurance Co.	National Life of Florida Corp. (Jacksonville, Fla.) Common Stock - 343,085 shs. (14.2%)	5-25-76
* Group of Shareholders	I.C.H. Corp. (Kansas City, Mo.) Common Stock - An additional 329,032 shares were acquired by a member of the Group	5-25-76
* Sharon Steel Corp.	Burnup & Sims, Inc. (W. Palm Beach, Fla.) Common Stock - 697,390 shs.	5-25-76
* Sharon Steel Corp.	Foremost-McKesson, Inc. (San Francisco, Calif.) Common Stock - 1,035,200 shs. Common Stock - 120,087 shs. on conversion of Preferred	5-25-76
* Sharon Steel Corp.	UV Industries, Inc. (New York City) Common Stock - 331,200 shs. Common Stock - 42,552 shs. on conversion of Debentures	5-25-76
George G. Gellert	Atalanta Corp. (New York City) Common Stock - 546,431 shs. Common Stock - 1,347 shs. on exercise of Option	5-26-76
Huls Life Pension Plan	Telco Marketing Services, Inc. (Chicago, Ill.) Common Stock - 50,000 shs.	5-26-76
* Robert Rittmaster	QONAAR Corp. (Elk Grove Village, Ill.) Common Stock - 45,350 shs.	5-26-76
Daniel Grossman	Financial Mortgage & Realty Corp. (Washington, D.C.) Common Stock - 19,609 shs.	5-27-76
Harbor Fund, Inc.	General Host Corp. (New York City) Common Stock - 76,250 shs. on conversion of Debentures	5-27-76
* Marvin L. Warner Hugh F. Culverhouse	Combanks Corp. (Winter Park, Fla.) Common Stock - 469,225 shs. (71.7%)	5-27-76

ACQUISITION REPORTS CONT.

* Milton A. Rudin Frank Sinatra	Del E. Webb Corp. (Phoenix, Ariz.) Common Stock - 461,500 shs.	5-27-76
* Bass Brothers Enterprises, Inc.	National Alfalfa Dehydrating & Milling Co. (Kansas City, Mo.) Common Stock - 2,501,706 shs.	5-27-76
Varo, Inc. Employee Stock Ownership Trust	Varo, Inc. (Garland, Tex.) Common Stock - 557,393 shs.	5-2-76
Ivan F. Boesky and Co.	Fansteel Inc. (No. Chicago, Ill.) Common Stock - 132,966 shs.	5-28-76
* TBK Partners, Ltd.	Boyertown Burial Casket Co. (Boyertown, Pa.) Common Stock - 39,056 shs. (15.2%) (TBK has agreed to purchase an additional 64,377 shares from certain shareholders)	5-28-76
Goldman, Sachs & Co.	Fansteel Inc. (No. Chicago, Ill.) Common Stock - 84,500 shs.	6-1-76
John Ruan	Data Documents, Inc. (Omaha, Neb.) Common Stock - 31,100 shs.	6-1-76
Donald R. Quest	Dowdle Oil Corp. (Midland, Tex.) Common Stock - 137,180 shs. Common Stock - 15,000 shs. on exercise of Options	6-1-76
* Mickelberry Corp.	Neuhoff Bros. Packers, Inc. (Dallas, Tex.) Common Stock - 651,622 shs. (60%)	6-1-76
* American Financial Corp	Monarch Capital Corp. (Springfield, Mass.) Common Stock - 855,100 shs.	6-1-76
* Marvin B. Levy Lester Miller	Contico International, Inc. (St. Louis, Mo.) Common Stock - 119,941 shs. Common Stock - 20,533.77 shs. on conversion of Debentures Common Stock - 40,050 shs. on exercise of Options & Warrants	6-1-76
* Guaranty Income Life Insurance Co.	Petroleum State Insurance Co. (Beaumont, Tex.) Common Stock - 2,843,561 shs. (87.03%)	6-1-76
* Amended Acquisition Report		

The following have made offers to acquire stock of companies listed below pursuant to tender offers as reported to the Commission on Schedule 13D:

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
EAB Business Systems, Inc. (Wholly-owned subsidiary of Esselte AB (Sweden)	Oxford Pendaflex Corp. (Garden City, N.Y.) Common Stock - All outstanding shares for cash at \$23.00 net per share (EAB presently owns 984,985 shares (79%))	5-28-76

RECENT 8K FILINGS

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

- Item 1. Changes in Control of Registrant
- Item 2. Acquisition or Disposition of Assets
- Item 3. Legal Proceedings
- Item 4. Changes in Securities
- Item 5. Changes in Security for Registered Securities
- Item 6. Defaults upon Senior Securities
- Item 7. Increase in Amount of Securities Outstanding
- Item 8. Decrease in Amount of Securities Outstanding

- Item 9. Options to Purchase Securities
- Item 10. Extraordinary items, other material charges and credits and capital restatements
- Item 11. Submission of Matters to a Vote of Security Holders
- Item 12. Changes in Registrant's Certifying Accountant
- Item 13. Other Materially Important Events
- Item 14. Financial Statements and Exhibits

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
FLICK REEDY CORP	3,14	04/76
FREEMONT MINERALS CO	11	04/76
AFFILIATED CAPITAL CORP	2,13,14	02/76
AGUIRRE CO	10	04/76
AIRCRAFT ACCEPTANCE CORP	13,14	04/76
AMERICAN FAMILY CORP	11,14	04/76
AMERICAN GUARANTY CORP RHODE ISLAND	3,6,13,14	05/76
AT&E CORP	7,9,14	04/76
BAKER BROTHERS INC	12,14	04/76
BOBCAT OIL CO	11,14	05/76
BOISE CASCADE CORP	13	05/76
BOOTH NEWSPAPERS INC	13,14	04/76
BOWLES FLUIDICS CORP	7	04/76
CAPITAL CORPORATE RESOURCES INC	3,13,14	04/76
CAPITAL FIRST CORP	3,13,14	04/76
CHATEAU DE VILLE INC	13	05/76
CHRYSLER FINANCIAL CORP	7,11,14	04/76
COMMERCE CLEARING HOUSE INC	13,14	05/76
CYPRUS MINES CORP	7,14	04/76
DIXIE YARNS INC	11,14	04/76
EASON OIL CO	7,14	03/76
FIRST STEUBEN BANCORP INC	11	04/76
GAC PROPERTIES CREDIT INC	11,12,13,14	04/76
GENERAL COMPUTER SYSTEMS INC	13,14	04/76
GENERAL RESEARCH CORP	7,13,14	03/76
GOLD MEDALLION CORP	4,14	03/76
GOLDEN STATE HEALTH CENTERS INC	2,3,13,14	04/76
GRAND ISLAND OVERLAND CO	11	05/76
GREAT SCOTT SUPER MARKETS INC	13,14	03/76
GREYHOUND CORP	3	04/76
GULF RESOURCES & CHEMICAL CORP	11,14	05/76
HARRINGTON RESEARCH CORP	12	03/76
HAVERHILL GAS CO	11	05/76
INDIANAPOLIS POWER & LIGHT CO	11,14	04/76
INTERNATIONAL MINING CORP	13	05/76
INVESTORS REIT ONE	3,13	04/76
LOVE OIL CO INC	13	05/76
MERCANTILE INDUSTRIES INC	2,6,14	04/76
MIDWEST RUBBER RECLAIMING CO	10,13,14	04/76
NARRAGANSETT ELECTRIC CO	3	04/76
NORTHERN ILLINOIS GAS CO	2,4,7,11,14	04/76
PACIFIC BANCORPORATION	2,13	04/76
PACIFIC PLAN INVESTORS FUND NO ONE	13,14	04/76
PATTON OIL CO	9,13	03/76
PAULEY PETROLEUM INC	3,14	03/76
POLYCHROME CORP	7,14	04/76
POWER OIL CO	2,14	03/76
PUBLIC SERVICE CO OF NEW MEXICO	7,11	04/76
RAPID AMERICAN CORP	3,10,14	04/76
RAYDON TECHNOLOGY CORP	11	05/76

RECENT 8K FILINGS CONT.

ROYAL UNITED CORP	11	04/76
RUCKER CO	13,14	02/76
SECURITY MORTGAGE INVESTORS	8,10,14	04/76
SENTRY FINANCE CO	3,14	04/76
STANDARD COMPUTER CORP	13	05/76
STELBER INDUSTRIES INC	13	03/76
SWIFT INDUSTRIES INC	2,14	04/76
T BAR INC	7,11,14	04/76
TELETAPE CORP	1,11,14	04/76
THERMO KINETIC CORP	2,6,13	04/76
TWO HUNDRED EIGHT SOUTH LASALLE STREET C	11	04/76
VANDYK RESEARCH CORP	12,14	10/75
VERIT INDUSTRIES	8	04/76
WARWICK ELECTRONICS INC	8	04/76
WASHINGTON BANCSHARES INC	2,7,14	09/75
WOODS CORP	8	02/76
ALL AMERICAN ASSURANCE CO	1,3,10,13,14	04/76
BJISE CASCADE CORP	13	05/76
CONSOLIDATED EQUITIES CORP	13,14	04/76
CONTINENTAL WESTERN INDUSTRIES INC	3,13,14	04/76
ENVIRODYNE INC	3,13,14	04/76
ETHYL CORP	2,14	04/76
GRANITEVILLE CO	11,13	04/76
LIFE OF MONTANA INSURANCE CO	10	04/76
MAYFLOWER INVESTORS INC	3	04/76
MONARCH CEMENT CO	8	04/76
MOUNTAIN BANKS LTD	12	02/76
MULTIVEST REAL ESTATE FUND LTD SERIES	6	04/76
PENNZOIL CO	3	04/76
RANGER OIL CANADA LTD	3,14	04/76
JMF SYSTEMS INC	12	05/76
REFINANCED CAPITAL CORP	2,13,14	04/76
AGWAY EMPLOYEES INCENTIVE THRIFT PLAN	7	04/76
AIRPAX ELECTRONICS INC	1,8,11,14	05/76
AMERICAN DISTRICT TELEGRAPH CO	13	04/76
AMERICAN TRAINING SERVICES INC	3	05/76
ANDERSON CLAYTON & CO	13	05/76
BARRYS JEWELERS INC	13,14	05/76
BOOTHE COMPUTER CORP	7,8	04/76
CANADIAN JAVELIN LTD	2,3,13,14	04/76
CELESTIAL CREDIT PLAN INC	7,8	04/76
CENTRAL TELEPHONE & UTILITIES CORP	11	04/76
CITIZENS & SOUTHERN REALTY INVESTORS	7	04/76
CJLEMAN AMERICAN COMPANIES INC	11,13,14	04/76
COMBANKS CORP	7,14	04/76
CONSURGICO CORP	12,14	11/75
CONTINENTAL INVESTMENT CORP	2,3,4,5,10,11,14	04/76
COPPER RANGE CO	10,14	04/76
JAY MINES INC	11	05/76
EASTERN BANCORPORATION	1,14	04/76
EDUCATIONAL DEVELOPMENT CORP	10	02/76
EL PASO ELECTRIC CO	11	05/76
EMC ENERGIES INC	7	05/76
EQUITABLE LIFE MORTGAGE & REALTY INVESTO	7	05/76
EXECUTIVE INDUSTRIES INC	7	04/76
FDI INC	2,14	05/76
FIRST ANTENN CORP	11	05/76
FIRST SECURITY CORP OF KENTUCKY	11	04/76
FIRST STATE BANCSHARES CORP	11	04/76
FIRST TULSA BANCORPORATION INC	13	04/76
INGERSOLL RAND CO	13	05/76
INTERNATIONAL RESEARCH & DEVELOPMENT COR	11,14	05/76
INVESTORS REIT TWO	3,13	04/76
LANCHART INDUSTRIES INC	13	02/76
LEISURE GROUP INC	11,14	05/76
LEVITZ FURNITURE CORP	11,14	05/76
LITTON INDUSTRIES INC	13	04/76
LYNN LILY INC	11	05/76
MACRODATA CORP	6,13	04/76
METALLURGICAL PROCESSING CORP	6	03/76
NATIONAL TELEPHONE CO INC	3,14	04/76
NATOMAS CO	8,11,13,14	04/76