

# sec news digest

Issue 85-35

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February 21, 1985

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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## NOTICE OF COMMISSION MEETINGS

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### CORRECTION RE CLOSED MEETING DATE

The closed meeting previously scheduled for Tuesday, February 26, has been rescheduled for Wednesday, February 27, at 10:00 a.m.

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## CIVIL PROCEEDINGS

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### JUDGMENTS ENTERED AGAINST ADDITIONAL DEFENDANTS IN XRG INTERNATIONAL CASE

Final Judgments of Permanent Injunction were entered on February 20 by the U.S. District Court for the Southern District of Florida against Michael A. Krebsler, Hans J.A. Reinecker and Pandata Anstalt, also known as Pandata Establishment. The defendants consented to the Final Judgments without admitting or denying the allegations in the January 30 complaint. The complaint alleged that: Krebsler, Reinecker and Pandata violated the registration provisions of the Securities Act by either selling, participating in the sale, purchasing and reselling, or participating in the resale of unregistered XRG International, Inc. common stock; Krebsler and Pandata violated beneficial reporting provisions of the Exchange Act; and Reinecker violated the antifraud provisions of the Securities and Exchange Acts. The Final Judgments enjoined the defendants from violating the above provisions of the securities laws. (SEC v. XRG International, Inc., et al., USDC FL, West Palm Beach Division, 85-8081). (LR-10675)

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## CRIMINAL PROCEEDINGS

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### JOSEPH H. HALE SENTENCED

The Atlanta Regional Office and the U.S. Attorney for the Northern District of Georgia announced that on February 1 U.S. District Judge Richard C. Freeman sentenced Joseph H. Hale to five years in jail plus a \$60,000 fine followed by five years of probation with the special conditions that Hale: pay \$175,000 in restitution to World-Wide Coin Investments, Ltd. (WWC) shareholders; and is prohibited from being an officer or director of a publicly-held corporation until completion of the probationary period.

The seven-count indictment, returned on August 22, 1984, arose from Hale's activities as Chairman and CEO, from July 24, 1979 to June 24, 1982, of WWC, a public reporting company. It charged Hale with participation in a fraudulent scheme, including: fraudulent acquisition of WWC stock; falsification of WWC's books and records and of WWC's reported financial condition; and fraud in a tender offer to WWC shareholders.

On December 10, 1984, Hale was convicted on all counts. The jury found that Hale committed: criminal violations of Commission rules (Sections 10(b), 13(a), 13(b)(2) and 14(e), and Rules 10b-5, 13a-1 and 13b2-1); and perjury during the Commission's previously litigated civil injunctive action. This was the first litigated criminal case under accounting provisions of the Foreign Corrupt Practices Act. (U.S. v. Joseph H. Hale, ND GA, CR-84-253-A). (LR-10668)

### SAXON INDUSTRIES' FORMER PRESIDENT AND VICE PRESIDENT INDICTED

The New York Regional Office announced that on February 7, following a Commission investigation and injunctive actions, a federal grand jury in the Southern District of New York handed down a 16-count indictment charging Stanley Lurie, former President, Chief Executive Officer and Chairman of the Board of Saxon Industries, Inc., and Alfred Horowitz, former Vice President-Finance at Saxon's corporate headquarters, with conspiracy to commit securities, mail, wire and bankruptcy fraud, making false statements to banks, and interstate transportation of stolen property.

The indictment further alleges that Lurie and Horowitz engaged in a pattern of racketeering activity. They were further charged with filing false annual reports of Saxon for 1979 and 1980, fraud in the mailing of said reports to shareholders, violating the antifraud provisions of the Exchange Act and soliciting shareholders' votes by means of false and fraudulent proxy statements during a 1980 proxy contest. The indictment alleges a conspiracy, since approximately 1969, to systematically falsify the books and records of Saxon by, among other methods, additions of non-existent inventory at three Saxon divisions. (U.S. v. Stanley Lurie and Alfred Horowitz, USDC SDNY). (LR-10669)

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## INVESTMENT COMPANY ACT RELEASES

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### BOWEN BASIN CAPITAL CORPORATION LIMITED

A notice has been issued giving interested persons until March 11 to request a hearing on an application of Bowen Basin Capital Corporation Limited for an order exempting it from all provisions of the Investment Company Act. (Rel. IC-14379 - Feb. 15)

### NARRAGANSETT CAPITAL CORPORATION

A notice has been issued giving interested persons until March 11 to request a hearing on an application filed by Narragansett Capital Corporation, certain of its corporate affiliates, six of its officers and directors, and certain other entities. The application requests an order granting various exemptions to allow the consummation of a proposed transaction whereby Narragansett would be taken private in a leveraged buyout that would ultimately result in a privately-held firm not subject to the Investment Company Act. (Rel. IC-14380 - Feb. 15)

### PAINWEBBER TAX-EXEMPT INCOME FUND, INC.

A notice has been issued giving interested persons until March 11 to request a hearing on an application filed by PaineWebber Tax-Exempt Income Fund, Inc. (Fund), a registered open-end, diversified, management investment company, and PaineWebber Incorporated, the Fund's principal underwriter. The application requests an order exempting the Fund and the Underwriter from the provisions of Section 22(d) of the Investment Company Act to permit certificateholders of certain unit investment trusts to invest interest income and principal distributions received from such unit investment trusts in shares of the Fund at other than the current public offering price. (Rel. IC-14381 - Feb. 15)

### COUNSELLORS NEW YORK TAX EXEMPT FUND, INC.

A notice has been issued giving interested persons until March 12 to request a hearing on an application of Counsellors New York Tax Exempt Fund, Inc. for an order exempting it from Sections 12(d)(3) and 2(a)(41) of the Investment Company Act to permit the acquisition of puts from brokers, dealers and other financial institutions, and to permit the valuation of such puts at zero. (Rel. IC-14382 - Feb. 15)

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## HOLDING COMPANY ACT RELEASES

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### NORTHEAST UTILITIES

An order has been issued authorizing Northeast Utilities, a registered holding company, to issue and sell up to an aggregate of 4,843,077 shares of additional common stock, \$5 par value, through December 31, 1988 under its existing Dividend Reinvestment and Common Stock Purchase Plan. (Rel. 35-23607 - Feb. 20)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. filed a proposed rule change under Rule 19b-4 (SR-PSE-85-1) to increase the position and exercise limits applicable to individual stock options to 3,000, 5,000 or 8,000 contracts, depending on certain qualifying criteria. Publication of the proposal is expected to be made in the Federal Register during the week of February 18. (Rel. 34-21775)

## TRUST INDENTURE ACT RELEASES

### TRANS WORLD AIRLINES, INC.

A notice has been issued giving interested persons until March 11 to request a hearing on an application by Trans World Airlines, Inc., a Delaware corporation, under Section 310(b)(1)(ii) of the Trust Indenture Act of 1939. The application declares that the trusteeship of The Bank of New York (BNY) under one indenture that has been qualified under the Act, a Trust Indenture and Mortgage, dated May 1, 1979, and its trusteeship under the following five indentures, none of which has been qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary to disqualify BNY from acting as trustee under: an Equipment Trust Agreement, dated October 1, 1979, an Indenture of Mortgage, dated January 1, 1977; a Note Facility Indenture of Mortgage, dated January 16, 1984, as amended and restated in a Revolving Underwriting Facility Mortgage, dated November 20, 1984; an Indenture of Mortgage, dated June 29, 1984; and another Indenture of Mortgage, dated December 20, 1984. (Rel. TI-958)

## MISCELLANEOUS

### PRUDENTIAL-BACHE SECURITIES INC.

A notice has been issued giving interested persons until March 12 to request a hearing on an application of Prudential-Bache Securities Inc. requesting an order under Section 206A of the Investment Advisers Act of 1940 granting an exemption from Section 205(1) of the Act to permit a performance fee based upon a share of the profits and losses of a proposed limited partnership, and granting confidential treatment to the limited partnership agreement. (Rel. IA-955)

## 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-8 LIMITED INC, ONE LIMITED PKY, P O BOX 16528, COLUMBUS, OH 43230 (614) 475-4000 - 2,878,014 (\$2,878,014) OTHER SECURITIES INCLUDING VOTING TRUST. 91,005 COMMON STOCK. (FILE 2-95788 - FEB. 08) (BR. 2)
- S-3 MACK TRUCKS INC /PA/, 2100 MACK BLVD, ALLENTOWN, PA 18105 (215) 439-3011 - 3,113,334 (\$48,645,843) COMMON STOCK. (FILE 2-95791 - FEB. 12) (BR. 4)
- S-3 SCIENTIFIC SOFTWARE INTERCOMP INC, 1801 CALIFORNIA ST 4TH FLR, DENVER, CO 80202 (303) 292-1111 - 600,000 (\$7,875,000) COMMON STOCK. (FILE 2-95792 - FEB. 12) (BR. 10)
- S-3 VIACOM INTERNATIONAL INC /OH/, 1211 AVE OF THE AMERICAS, NEW YORK, NY 10036 (212) 575-5175 - 2,300,000 (\$85,387,500) COMMON STOCK. (FILE 2-95795 - FEB. 12) (BR. 7)
- S-3 CAROLINA FREIGHT CORP, N CAROLINA HWY #150 EAST, P O BOX 545, CHERRYVILLE, NC 28021 (704) 435-6811 - 920,000 (\$23,460,000) COMMON STOCK. 100,000 (\$2,550,000) COMMON STOCK. (FILE 2-95796 - FEB. 12) (BR. 4)
- S-3 TEXACO CANADA INC, 50 WYNFORD DR, N YCRK ONTARIO CANADA M3C 1K5, A6 0000 (416) 441-7811 - 1,200,000 (\$31,350,000) FOREIGN COMMON STOCK. (FILE 2-95797 - FEB. 12) (BR. 4 - NEW ISSUE)
- S-1 RAMPART GENERAL INC, 151 KALMUS DR #J-5, COSTA MESA, CA 92626 (714) 241-1720 - 4,025,000 (\$8,050,000) STRAIGHT BONDS. 8,050,000 (\$8,050,000) COMMON STOCK. (FILE 2-95799 - FEB. 12) (BR. 9)
- S-8 UNA CORP, FEDERAL RESERVE PLZ, 600 ATLANTIC AVE, BOSTON, MA 02210 (617) 973-9700 - 200,000 (\$600,000) COMMON STOCK. (FILE 2-95801 - FEB. 12) (BR. 2)

- S-1 WESTERN AIR LINES INC, 6060-AVION DR, LOS ANGELES, CA 90045 (213) 216-3000 - 34,500,000 (\$34,500,000) STRAIGHT BONDS. (FILE 2-95812 - FEB. 12) (BR. 3)
- S-8 LANDMARK BANKING CORP OF FLORIDA, ONE FINANCIAL PLZ, FORT LAUDERDALE, FL 33394 (305) 765-2275 - 200,000 (\$2,776,000) COMMON STOCK. (FILE 2-95815 - FEB. 12) (BR. 2)
- S-3 DOMINION BANKSHARES CORP, 213 S JEFFERSON ST, ROANOKE, VA 24040 (703) 563-7000 - 40,000,000 (\$40,000,000) FLOATING RATE NOTES. (FILE 2-95817 - FEB. 12) (BR. 2)
- S-3 UNIVAR CORP, 1600 NORTON BLDG, SEATTLE, WA 98104 (206) 447-5911 - 234,995 (\$4,200,535.60) COMMON STOCK. (FILE 2-95818 - FEB. 12) (BR. 7)
- S-3 UNITED BANKS OF COLORADO INC, 1700 LINCOLN ST STE 3200, DENVER, CO 80274 (303) 861-4700 - 1,046,324 (\$26,601,270) COMMON STOCK. (FILE 2-95820 - FEB. 13) (BR. 2)
- S-3 COMPUTERVISION CORP /DE/, 15 CONSBY DR, BEDFORD, MA 01730 (617) 275-1800 - 20,476 (\$867,671) COMMON STOCK. (FILE 2-95821 - FEB. 13) (BR. 9)
- S-3 GENERAL MOTORS CORP, 3044 WEST GRAND BLVD, DETROIT, MI 48202 (313) 556-5000 - 3,200,000 (\$174,400,000) COMMON STOCK. (FILE 2-95825 - FEB. 13) (BR. 13)
- S-3 GENERAL ELECTRIC CREDIT CORP, 570 LEXINGTON AVE, NEW YORK, NY 10022 (212) 750-3131 - 7,000,000 (\$7,000,000) STRAIGHT BONDS. (FILE 2-95827 - FEB. 13) (BR. 11)
- S-6 EMPIRE STATE MUNICIPAL EXEMPT TRUST GUARANTEED SERIES 8, 6 E 43RD ST, C/O GLICKENHAUS & CO, NEW YORK, NY 10017 - 13,000 (\$14,300,000) UNIT INVESTMENT TRUST. (FILE 2-95828 - FEB. 13) (BR. 16 - NEW ISSUE)
- S-8 DIGITAL SWITCH CORP, 707 E ARAPAHO RD, PO BOX 830911, RICHARDSON, TX 75083 (214) 238-4000 - 150,000 (\$3,975,000) COMMON STOCK. (FILE 2-95832 - FEB. 13) (BR. 7)
- S-8 DIGITAL SWITCH CORP, 707 E ARAPAHO RD, PO BOX 830911, RICHARDSON, TX 75083 (214) 238-4000 - 2,000,000 (\$53,000,000) COMMON STOCK. (FILE 2-95833 - FEB. 13) (BR. 7)
- S-1 INTERNATIONAL LEASE FINANCE CORP, 8484 WILSHIRE BLVD, STE 850, BEVERLY HILLS, CA 90211 (213) 658-7871 - 50,000,000 (\$50,000,000) STRAIGHT BONDS. (FILE 2-95834 - FEB. 13) (BR. 5)
- S-14 UNITED BANKSHARES INC/MV, 514 MARKET ST, P O BOX 1508, PARKERSBURG, WV 26101 (304) 424-8800 - 150,000 (\$6,750,000) COMMON STOCK. (FILE 2-95851 - FEB. 14) (BR. 2)