

# sec news digest

Issue 78-10

January 16, 1978

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## COMMISSION ANNOUNCEMENTS

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### COMMISSIONER KARMEI SPEAKS TO AMERICAN SOCIETY OF CORPORATE SECRETARIES

Commissioner Roberta S. Karmel spoke before the American Society of Corporate Secretaries at the Mid-Day Club in Chicago, Illinois, on Wednesday, January 11, 1978. The title of her address was "Politics of Change in the Composition and Structure of Corporate Boards."

### NUCLEAR ACTIVITIES OF ELECTRIC UTILITIES

A staff accounting bulletin has been issued describing disclosure in notes to financial statements which is believed appropriate to present information concerning expected future costs of storing spent nuclear fuel and decommissioning nuclear electric generating plants. (Rel. SAB-19)

FOR FURTHER INFORMATION CONTACT: Lawrence J. Bloch at (202) 755-1182

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## COURT ENFORCEMENT ACTIONS

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### CORTES W. RANDELL, OTHERS ENJOINED

The Washington Regional Office announced that on December 30, 1977, the Honorable Oren R. Lewis, of the U.S. District Court for the Eastern District of Virginia, entered a final judgment of permanent injunction against Cortes W. Randell (Randell), Federal Mortgage Acceptance Corporation (FMAC) and Joan W. Randell. The judgment permanently enjoins Randell, FMAC and Joan W. Randell from violating the registration and antifraud provisions of the Securities Act of 1933 and the antifraud provisions of the Securities Exchange Act of 1934. In addition, the order requires Randell, FMAC and Joan W. Randell, within 120 days, to file an accounting with the Court of all monies or other assets received by them as a result of their association with National Commercial Credit Corporation and Metropolitan Real Estate and Investment Company with a reservation of jurisdiction for the purpose of the accounting and further ancillary relief. The above defendants consented to the entry of the judgment without admitting or denying the allegations in the Commission's complaint. (SEC v. Cortes W. Randell, et al., E.D. Va., Civil Action No. 77-872-A). (LR-8251)

### MURDOCK ACCEPTANCE CORPORATION AND JOHN E. MURDOCK, JR. ENJOINED

The Atlanta Regional Office announced that on November 11, 1977, Chief Judge Bailey Brown, of the U.S. District Court for the Western District of Tennessee, entered final judgments of permanent injunction against Murdock Acceptance Corporation (MAC) and John E. Murdock, Jr., both of Memphis, Tennessee. The judgments enjoin defendants from violations of the antifraud provisions of the securities laws. The defendants consented to the entry of the injunction without admitting or denying the allegations of the Commission's complaint, which was filed on October 14, 1977. The complaint alleges that the defendants sold and renewed MAC promissory notes without disclosing MAC's substantial operating losses and MAC's questionable solvency. The complaint further requested the appointment of a receiver, and Judge Brown has taken the question of the application for a receiver under advisement. (SEC v. Murdock Acceptance Corporation and John E. Murdock, Jr., W.D. Tenn., Civil Action No. 77-2634). (LR-8252)

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## INVESTMENT COMPANY ACT RELEASES

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### LIFE INVESTORS INSURANCE COMPANY OF AMERICA SEPARATE ACCOUNT A

An order has been issued on an application of Life Investors Insurance Company of America Separate Account A, a separate account of Life Investors Insurance Company of America, declaring that it has ceased to be an investment company. (Rel. IC-10092 - Jan. 12)

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## HOLDING COMPANY ACT RELEASES

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### PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued authorizing proposals of Central and South West Corporation (CSW), a registered holding company, and its subsidiary, Public Service Company of Oklahoma (PSO), that (1) PSO issue and sell up to an amount of \$120 million of project bonds in private placements through December 31, 1978, and that it be granted an exemption from competitive bidding in connection therewith, and (2) CSW be authorized to make capital contributions aggregating \$45 million to PSO. (Rel. 35-20380 - Jan. 12)

### GENERAL PUBLIC UTILITIES CORPORATION

A supplemental order has been issued authorizing a proposal of General Public Utilities Corporation, a registered holding company, that it guarantee certain lease obligations of its subsidiary. (Rel. 35-20381 - Jan. 12)

### MIDDLE SOUTH UTILITIES

A notice has been issued giving interested persons until February 8 to request a hearing on a proposal of Middle South Utilities, Inc., a registered holding company, and its subsidiary, Arkansas Power & Light Company, to extend for six months the period during which Arkansas may issue and sell to Middle South the remaining 1,200,000 shares of its common stock at a price of \$12.50 per share or \$15 million in the aggregate. (Rel. 35-20382 - Jan. 12)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### LISTING ACTIONS

Orders have been issued pursuant to Section 12(d) of the Securities Exchange Act of 1934 granting the applications of the following companies to list the specified securities on the following stock exchanges: New York Stock Exchange, Inc. - Deere & Co., 8% debentures, due 2002; Southern California Gas, Co., 8-1/2% first mortgage bonds, Series L, due 1997 (both effective as of 12/23/77); The L. E. Myers Co., International, Ltd., common shares; The L.E. Myers, Co., common stock (both effective as of 12/29/77); ITT Financial Corp., 8-1/2% senior debentures, due 2002; Household Finance Corp., 8.20% debentures, Series 4F, due 2007; Credithrift Financial Corp., 8-3/4% senior notes, due 1988 and 9-3/8% subordinated notes, due 1992 (all effective as of 1/4/78). American Stock Exchange, Inc. - Southwest Florida Banks, Inc., common stock (effective as of 1/4/78).

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved the following rule changes: Midwest Stock Exchange, Inc. (SR-MSE-77-37) which would make technical changes to MSE's rule governing withdrawal of approval of underlying securities. (Rel. 34-14371); and Midwest Securities Trust Company (SR-MSTC-77-8) to establish procedures for MSTC's participation in a depository interface with the New England Securities Depository Trust Company. (Rel. 34-14374)

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## MISCELLANEOUS

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### THE COVINGTON AND BURLING RETIREMENT PLAN

A notice has been issued giving interested persons until January 30 to request a hearing on an application of The Covington and Burling Retirement Plan (the Plan), pursuant to Section 3(a)(2) of the Securities Act of 1933, and an order exempting interests and participations in the Plan from the provisions of Section 5 of the Act. (Rel. 33-5897)

### WARNER COMMUNICATIONS INC.

A notice has been issued giving interested persons until February 3 to request a hearing on an application of Warner Communications Inc., pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting Knickerbocker Toy Co., Inc., a subsidiary of Applicant, from the provisions of Sections 12(g), 13, 14 and 15(d) of the Act. (Rel. 34-14372)

### EASON OIL COMPANY

An order has been issued granting the application of Eason Oil Company (Applicant), pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements of Sections 13 and 15(d) of the Act. It appeared to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors because as the result of a merger International Telephone and Telegraph Company became the sold shareholder of Applicant's common stock and there is no trading in the security. (Rel. 34-14373)

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## SECURITIES ACT REGISTRATIONS

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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-1) LONG SHOTS INC., Suite 300, 365 Bay St., Toronto, Ontario, Canada M5H 2V1 - 1,000,000 units. Underwriter: M. Greene & Associates Limited. The company is engaged in mining activities. (File 2-60629 - Jan. 13)

### REGISTRATIONS EFFECTIVE

Jan. 12: Fairchild Industries, Inc., 2-60451; Gold Kist, Inc., 2-59958 (90 days); Kingdom of Norway, 2-60522; Massachusetts Tax Exempt Unit Trust, Series 2, 2-60508; Missouri Public Service Co., 2-60474; Petro-Lewis Corp., 2-60256; Squibb Corp., 2-60607.

Jan. 13: The Corporate Income Fund, Twentieth Intermediate Term Series, 2-60016.

**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.

## RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:<sup>\*/</sup>

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date 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 the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	DATE
DERAND REAL ESTATE INVESTMENT TRUST	5	12/19/77
DOMINIC BANKSHARES CCRP	2	12/22/77
DONALDSON LUFKIN & JENRETTE IAC	2,6	12/12/77
EMDEKC INTERNATICAAL IAC	2	11/02/77
ENERGY RESOURCES CORP	5	12/01/77
ERNST E C INC	5	12/14/77
F&M NATIONAAL CCRP	5	12/20/77
FEDERALS IAC	5,6	12/23/77
GRAND UNICA CC	5	12/09/77
GULF RESOURCES & CHEMICAL CCRP	5	12/31/77
HIGHLAND CAL & CHEMICAL CC	2,6	11/30/77
HOE R & CO INC	5,6	12/15/77
HOUSTON FIRST FINANCIAL GRCLF IAC	5	12/01/77
HYDRCPHILICS INTERNATIONAL IAC	5,6	01/04/78
HYGAIN ELECTRONICS CCRP DELAWARE	5	12/18/77
IFC COLLATERAL CCRP	13,14	12/01/77 *
INLAND CONTAINER CORP	5	12/23/77
INTERCONTINENTAL TRAILSEA CCRP	8	12/01/77
INVESTORS FUNDING CCRP OF NEW YORK	13,14	12/01/77 *
ICWA PUBLIC SERVICE CC	5	12/01/77

\*/ The Form 8-K was amended (Rel. 34-13156, January 13, 1977) effective for all events which occur subsequent to February 28, 1977. Those companies above which are noted with an asterisk (\*) have filed pursuant to the old Form 8-K; the captions of the item numbers under which such reports are filed are as follows:

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| Item 1. Changes in Control of Registrant              | Item 9. Options to Purchase Securities  |
| Item 2. Acquisition or Disposition of Assets          | Item 10. Extraordinary items, other material charges and credits and capital restatements |
| Item 3. Legal Proceedings                             | Item 11. Submission of Matters to a Vote of Security Holders                              |
| Item 4. Changes in Securities                         | Item 12. Changes in Registrant's Certifying Accountant                                    |
| Item 5. Changes in Security for Registered Securities | Item 13. Other Materially Important Events  |
| Item 6. Defaults upon Senior Securities               | Item 14. Financial Statements and Exhibits  |
| Item 7. Increase in Amount of Securities Outstanding  |   |
| Item 8. Decrease in Amount of Securities Outstanding  |   |

### 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 on request. All other reference material is available in the SEC Docket.

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