

sec news digest

LIBRARY

Issue 78-197

October 11, 1978

OCT 12 1978

COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND EXCHANGE COMMISSION

CHAIRMAN WILLIAMS SPEAKS BEFORE
THE FINANCIAL EXECUTIVES INSTITUTE

Chairman Williams spoke before the Financial Executives Institute, 1978 International Convention in Los Angeles, California, on Monday, October 9, 1978. The title of his address was "Current Problems in Financial Reporting and Internal Controls."

ADMINISTRATIVE PROCEEDINGS

JAMES JOHN MASIELLO CITED

The Commission has ordered public administrative proceedings against James John Masiello.

The Commission's order is based upon allegations that: (1) Masiello was a controlling person of E. J. Albanese & Co., Inc. (Albanese) and Willis E. Burnside & Co. Inc. (Burnside), registered broker-dealers presently in liquidation pursuant to the Securities Investor Protection Act of 1970 (SIPA); (2) Masiello wilfully aided and abetted the violation of the broker-dealer registration and bookkeeping provisions of the securities laws in connection with the operation of Albanese; (3) Masiello wilfully aided and abetted the violation of the broker-dealer registration, net capital, bookkeeping and supplemental reporting provisions of the securities laws in connection with the operation of Burnside; (4) Masiello was permanently enjoined by a Federal District Court from further violations of the bookkeeping rules and supplemental reporting requirements; and (5) Masiello was controlling person of Albanese and Burnside on the dates that a trustee was appointed for the liquidation of Albanese and Burnside pursuant to SIPA, and it is in the public interest to impose sanctions pursuant to Section 14(b) of SIPA (amending former Section 10(b)) upon Masiello for his activities in the conduct of the affairs of Albanese and Burnside.

A hearing will be scheduled to take evidence on the allegations and to afford the respondent an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission. (Rel. 34-15217)

HORVAT, MANISCALCO & CO. AND PETER JOHN HORVAT CITED

The Commission has ordered public administrative proceedings involving Horvat, Maniscalco & Co. (Registrant), a New Jersey registered broker-dealer presently in liquidation pursuant to the Securities Investor Protection Act of 1970 (SIPA), and Peter John Horvat (Horvat), its general partner.

The Commission's order is based upon allegations that: (1) Horvat has been convicted of offenses included in Section 15(b)(4)(B) and Section (b)(6) of the Securities Exchange Act of 1934 as grounds for the imposition of remedial sanctions; (2) Registrant and Horvat, upon their consents, were permanently enjoined by a U.S. District Court from further violations of the antifraud, net capital, customer protection, bookkeeping, financial reporting and supplemental reporting provisions; and (3) Horvat was the general partner of Registrant on the date that a trustee was appointed for the liquidation of Registrant pursuant to SIPA, and it is in the public interest to impose sanctions pursuant to Section 14(b) of SIPA (amending former Section 10(b)) upon Horvat for his activities in the conduct of Registrant's affairs.

A hearing will be scheduled to take evidence on the allegations and to afford the respondents an opportunity to offer any defenses. The purpose of the hearing is to determine whether the allegations are true, and what, if any, action of a remedial nature should be ordered by the Commission. (Rel. 34-15218)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN POWER COMPANY

A notice has been issued giving interested persons until October 31 to request a hearing on proposals of Indiana & Michigan Power Company, subsidiary of Indiana & Michigan Electric Company and of American Electric Power Company, Inc., concerning amendments to two previously authorized nuclear fuel leases. (Rel. 35-20727 - Oct. 6)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWALS GRANTED

Orders have been issued granting applications requesting withdrawal of the common stocks of the specified companies from listing and registration on the following exchanges: American Stock Exchange, Inc. - Butler International, Inc., \$1 par value and Data Terminal Systems, Inc., par value 20¢. Boston Stock Exchange, Inc. - Commonwealth National Corporation, par value \$1. (Rel. 34-15225)

DELISTING GRANTED

An order has been issued granting the application submitted by The Garcia Corporation to strike the common stock (par value \$1) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-15226)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the New York Stock Exchange Inc. (SR-NYSE-76-44) deleting NYSE Rule 409(c) which required that customers' confirmations bear a legend to enable a customer to determine the amount of any odd-lot differential. (Rel. 34-15224) Newly adopted Rule 10b-10 under the Securities Exchange Act of 1934 will regulate the disclosure of odd-lot differentials. (See Rel. 34-15219)

NOTICE OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-MSE-78-19) to make necessary modifications to its rules for the implementation and operation of an Intermarket Trading System (ITS), linking the participants (and such other markets as may in the future agree to participate in the ITS) and providing facilities and procedures for (a) display of composite quotation information on the floors of each of the participating exchanges (at the designated trading post) so that members of each participating exchange will be able to determine readily the best bid and offer for a particular multiple-traded security available from any participant; (b) rapid and efficient routing of orders and administrative messages between and among the participants; and (c) participation, under certain conditions, by all participants in opening transactions in the primary market. Publication of the proposal is expected to be made in the Federal Register during the week of October 8. (Rel. 34-15223)

MISCELLANEOUS

BAKER & BOTTS

A notice has been issued giving interested persons until October 30 to request a hearing on an application of Baker & Botts, pursuant to Section 3(a)(2) of the Securities Act of 1933, for an order exempting interests or participations in the Baker & Botts Deferred Compensation and Savings Plan from the provisions of Section 5 of the Act. (Rel. 33-5987)

GENERAL FELT INDUSTRIES, INC.

An order has been issued granting the application of General Felt Industries, Inc., a Delaware corporation, for an exemption from the reporting requirements of Section 15(d) of the Securities Exchange Act of 1934. It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-15208)

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-5) DEVELOPING GROWTH SHARES, INC., 63 Wall St., New York, N.Y. 10005 - 4,000,000 shares of capital stock. Underwriters: Bache Halsey Stuart Shields Inc., E.F. Hutton & Company Inc., Paine, Webber, Jackson & Curtis Inc., Advest, Inc., Bateman Eichler, Hill Richards Inc., Foster & Marshall Inc., Stifel, Nicolaus & Company Inc., Alex. Brown & Sons, Dain, Kalman & Quail, Inc., Moseley, Hallgarten & Estabrook Inc., Wheat, First Securities Inc. (File 2-62797 - Oct. 6)
- (S-8) GENERAL SIGNAL CORPORATION, High Ridge Park, Stamford, Conn. 06904 - 128,221 shares of common stock. (File 2-62799 - Oct. 6)
- In a separate statement the company seeks registration of 64,994 shares of common stock. (File 2-62801 - Oct. 6)
- (S-1) CONESCO INDUSTRIES, LTD., 214 Gates Rd., Little Ferry, N.J. 07643 - \$1,500,000 of convertible subordinated debentures, due 1993. Underwriter: Vercoe & Company, Inc. The company is a concrete equipment service company. (File 2-62802 - Oct. 6)
- (S-8) THE GAP STORES, INC., 900 Cherry Ave., San Bruno, Cal. 94066 - 200,000 shares of common stock. The company operates a chain of specialty stores. (File 2-62804 - Oct. 10)
- (S-8) AMREP CORPORATION, 16 West 61st St., New York, N.Y. 10023 (212) 344-1866 - 100,000 shares of common stock. The company is engaged in the construction and sale of single family homes and condominiums. (File 2-62805 - Oct. 10)
- (S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 117, 209 South La Salle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Inc. (File 2-62806 - Oct. 6)
- (S-16) DUAL-LITE, INC., Simm Lane, Newtown, Conn. 06470 (203) 426-2585 - 16,740 shares of common stock. (File 2-62807 - Oct. 10)
- (S-7) CALNY FOOD SERVICES, INC., 1650 Borel Pl., San Mateo, Cal. 94402 (415) 574-2455 - 333,625 shares of common stock. Underwriter: Montgomery Securities. The company is engaged in the operation of Mexican fast food restaurants. (File 2-62808 - Oct. 10)
- (S-14) ELI LILLY AND COMPANY, 307 East McCarty St., Indianapolis, Ind. 46225 (317) 261-2000 - 2,385,610 shares of common stock. (File 2-62809 - Oct. 10)
- (S-14) OLD KENT FINANCIAL CORPORATION, One Vandenberg Center, Grand Rapids, Mich. 49503 (616) 774-5000 - \$4,556,250 of ten-year 9% installment notes. (File 2-62810 - Oct. 10)
- (S-7) MEGO INTERNATIONAL, INC., 41 Madison Ave., New York, N.Y. 10010 (212) 689-8600 - 13,750 units, \$13,750,000 of subordinated sinking fund debentures, due 1993, 137,500 shares of common stock. Underwriters: Allen & Company Inc. and Zuckerman, Smith & Co. Inc. The company conducts an international toy business. (File 2-62811 - Oct. 10)
- (S-8) STAFFORD-LOWDON, INC., 1114 West Daggett St., Fort Worth, Tex. 76101 - 175,000 shares of common stock. (File 2-62812 - Oct. 10)
- (S-8) CONAGRA, INC., 200 Kiewit Plaza, Omaha, Nebraska 68131 - 100,000 shares of common stock. (File 2-62813 - Oct. 10)
- (S-8) GROW CHEMICAL CORP., 345 Park Ave., New York, N.Y. 10022 - 179,500 shares of common stock. (File 2-62814 - Oct. 11)

REGISTRATIONS EFFECTIVE

Oct. 5: G. Heileman Brewing Co., Inc., 2-62479.

Oct. 6: Coastal States Gas Producing Co., 2-62471; Computer Usage Co., 2-62430; Conrac Corp., 2-61112; Great Lakes Financial Corp., 2-59995; Instrumentation Laboratory Inc., 2-62317; Sun Electric Corp., 2-62584; Technicon Corp., 2-62699.



U. S. SECURITIES AND EXCHANGE COMMISSION
POSTAGE AND FEES PAID

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FIRST CLASS MAIL

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.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in

U.S. first class mail; \$54.65 elsewhere.

SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in

U.S. first class mail; \$18.75 elsewhere.

The News Digest, the Docket, and the Statistical Bulletin are for sale by the superintendent of Documents, Government Printing Office, Washington, D.C. 20402.