

sec news digest

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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

DELEGATIONS OF AUTHORITY TO THE DIRECTORS OF THE DIVISIONS OF MARKET REGULATION, ENFORCEMENT AND TO THE REGIONAL ADMINISTRATORS

The Commission announced amendments to its regulations to delegate to the Directors of the Divisions of Market Regulation and Enforcement and to the Regional Administrators authority to inform the Securities Investor Protection Corporation (SIPC) of facts concerning the activities and the financial condition of any registered broker-dealer which is or appears to be a SIPC member and which is in or approaching financial difficulty. (Rel. 34-15713)

FOR FURTHER INFORMATION CONTACT: Michael J. Simon at (202) 755-8767

ADMINISTRATIVE PROCEEDINGS

MICHAEL J. CARROLL BARRED

The Commission has accepted an offer of settlement submitted by Michael J. Carroll, a former registered representative in the Detroit, Michigan office of Merrill Lynch, Pierce, Fenner & Smith, Inc. The Commission had previously ordered public administrative proceedings based upon the staff's allegations, *inter alia*, that Carroll wilfully violated the antifraud provisions of the Securities Exchange Act of 1934 in the purchase and sale of U.S. Treasury Notes by the cities of Ann Arbor and Warren, Michigan, utilizing a type of arbitrage strategy. (See Rel. 34-15420)

Based upon the offer of settlement, in which Carroll neither admitted nor denied the allegations made against him, the Commission found that Carroll wilfully violated the antifraud provisions of the Exchange Act, and barred Carroll from being associated with any broker, dealer, investment adviser or investment company, provided that after five years he may apply to become associated in a non-supervisory and non-proprietary capacity upon a showing of adequate supervision. (Rel. 34-15685)

COMMISSION ANNOUNCEMENTS

FILES ON CORPORATE PAYMENTS MADE PUBLIC

The Commission, pursuant to requests under the Freedom of Information Act, has made available to the public certain previously non-public files in its possession relating to questional corporate payments. Files concerning the following corporation will be made available beginning today: Western Bancorporation. These files, and others made available previously, may be inspected at the Commission's Public Reference Room, Room 6101, 1100 L Street, N.W., Washington, D.C., between the hours of 9 a.m. and 5 p.m. Persons wishing further information may call the Public Reference Room at (202) 523-5360.

CIVIL PROCEEDINGS

HOWARD N. GARFINKLE ENJOINED

On March 29 Judge Charles M. Metzner of the U.S. District Court for the Southern District of New York entered a Final Judgment of Permanent Injunction and Order for Payment and Other Relief as to Howard N. Garfinkle. The complaint alleged that Garfinkle had violated the antifraud and registration provisions of the securities laws in the sale of real estate limited partnerships and notes given to a union benefit fund.

The injunction and order, to which Garfinkle consented without admitting or denying the allegations of the complaint, enjoins him from violations of the antifraud and registration provisions, from syndicating real estate limited partnership interests and from engaging in any transactions with the union benefit fund. Garfinkle was also ordered to pay \$600,000 which will be distributed to investors in certain of the partnerships, to the union fund and to others to be determined by the court. (SEC v. Howard Garfinkle, et al., S.D.N.Y., Civil Action No. 75-184). (LR-8714)

COMPLAINT NAMES STEVEN G. WEIL, OTHERS

The Commission announced that on April 10 it filed a civil injunctive action in the U.S. District Court for the Middle District of Florida (Tampa Division) charging Steven G. Weil and Geneva Holding Company, Inc., a company wholly-owned by Weil and his wife, with violations of the antifraud and beneficial ownership provisions of the Securities Exchange Act of 1934. The complaint further charges Weil, Kapok Tree Inns Corporation, a Delaware corporation engaged in the restaurant business primarily in Florida, June Baumgardner Gelbart, the Chairman of Kapok and controlling stockholder, and H. Gordon Brown, a director, and former general counsel of Kapok, variously with violations of certain reporting and proxy provisions of the Exchange Act. In addition, the complaint charges Weil and Gelbart with violations of the beneficial ownership provisions of the Exchange Act.

The Commission's complaint alleges, among other things, that defendants Weil, Geneva and others, from at least January 1977, engaged in a scheme secretly to acquire and retain control of Kapok, and thereafter, while in control, misappropriated and diverted certain of Kapok's assets. In addition, the complaint alleges that, in that connection, Kapok, Gelbart, Brown and others variously failed to comply with certain filing requirements of the Exchange Act.

Simultaneous with the filing of the complaint, Kapok, Gelbart and Brown consented, without admitting or denying the allegations in the Commission's complaint, to the entry of final judgments of permanent injunction enjoining them from further violations of the above named provisions. Gelbart, on the same terms, has consented to the entry of a permanent injunction enjoining her from further violations of the beneficial ownership provisions. In addition, Brown has agreed voluntarily to resign from practice before the Commission for a thirty month period, as part of his settlement of this action. (SEC v. Steven G. Weil, et al., U.S.D.C. M.D. Fla., Civil Action No. 79-440-Civ-T-H). (LR-8719)

INVESTMENT COMPANY ACT RELEASES

PROVIDENT NATIONAL ASSURANCE COMPANY

An order has been issued on an application of Provident National Assurance Company (Provident National), a stock life insurance company organized under the laws of the State of Tennessee, and Provident National Assurance Company Separate Accounts B and C, separate accounts of Provident National registered under the Investment Company Act of 1940 as diversified open-end management investment companies, pursuant to Section 6(c) of the Act, granting exemptions, to the extent necessary, from the provisions of Section 27(a)(3) and Rule 27a-2 thereunder. (Rel. IC-10655 - Apr. 9)

MASSMUTUAL CORPORATE INVESTORS, INC.

A notice has been issued giving interested persons until 10:00 a.m. April 30 to request a hearing on an application of MassMutual Corporate Investors, Inc. (Fund), registered under the Investment Company Act of 1940 as a non-diversified, closed-end, management investment company, and Massachusetts Mutual Life Insurance Company (Insurance Company), the Fund's investment adviser, for an order pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder permitting the Insurance Company to purchase \$3 million of a new issue of 10-5/8% senior notes of Compo Industries, Inc., due 1994. (Rel. IC-10656 - Apr. 10)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until April 30 to request a hearing on a proposal of Consolidated Natural Gas Company, a registered holding company, and The Peoples Natural Gas Company, subsidiary of Consolidated, whereby Peoples will acquire and merge with Saxonburg Heat and Light Company, a gas utility company.

Peoples will finance the acquisition by issuing to Consolidated 4,000 shares of its common stock, \$100 par value, in exchange for such number of shares of Consolidated's common stock as shall, in the aggregate, equal \$400,000. Peoples will then deliver the Consolidated shares to the Saxonburg shareholders in exchange for their shares of Saxonburg common stock, which will then be cancelled. (Rel. 35-21000 - Apr. 6)

NEW ENGLAND ELECTRIC SYSTEM

An order has been issued authorizing a proposal by New England Electric System, a registered holding company, and four of its subsidiaries, concerning their short-term financing arrangements through March 31, 1980. (Rel. 35-21001 - Apr. 6)

MIDDLE SOUTH UTILITIES, INC.

An order has been issued authorizing a proposal of Middle South Utilities, Inc., a registered holding company, to amend its charter to increase the maximum number of authorized shares of common stock, par value \$5.00 per share, from 100,000,000 shares to 150,000,000 shares, to repeal the present indemnification provisions of its charter, to adopt new bylaw provisions relating to indemnification, and to solicit proxies in connection with these proposed amendments. (Rel. 35-21002 - Apr. 6)

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-79-3) to amend its rules regarding the publication of advertisements, market letters, research reports and sales literature by PHLX members and member organizations. Publication of the proposal is expected to be made in the Federal Register during the week of April 16. (Rel. 34-15712)

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-16) PUBLIC SERVICE COMPANY OF INDIANA, INC., 100 East Main St., Plainfield, Ind. 46168 (317) 839-9611 - \$50 million of first mortgage bonds, Series CC, due May 1, 1985. The company is engaged in the production, transmission, distribution and sale of electric energy. (File 2-64063 - Apr. 10)
- (S-8) THE BOEING COMPANY, 7755 East Marginal Way South, Seattle, Wash. 98108 (206) 655-8817 - 1,125,000 shares of common stock. (File 2-64064 - Apr. 10)
- (S-8) TERADYNE, INC., 183 Essex St., Boston, Mass. 02111 (617) 367-7500 - 800,000 shares of common stock. (File 2-64065 - Apr. 10)
- (S-7) THE COLUMBIA GAS SYSTEM, INC., 20 Montchanin Rd., Wilmington, Del. 19807 (302) 429-5000 - \$75 million of debentures, due May 2004. (File 2-64066 - Apr. 10)
- (S-8) THE STANDARD OIL COMPANY, Midland Bldg., Cleveland, Ohio 44115 (216) 575-4564 - 264,662 shares of common stock and \$13,200,000 of interests. (File 2-64068 - Apr. 10)
- (S-16) PEPSICO, INC., Purchase, N.Y. 10577 (914) 253-2000 - 177,866 shares of capital stock. (File 2-64069 - Apr. 10)
- (S-8) MANUFACTURERS HANOVER CORPORATION, 350 Park Ave., New York, N.Y. 10022 (212) 350-5824 - 300,000 shares of common stock and \$6 million of interests. (File 2-64070 - Apr. 10)
- (S-16) HAMILTON BROTHERS PETROLEUM CORPORATION, 1600 Broadway, Denver, Colo. 80202 (303) 861-2456 - 1,685 shares of common stock and 561 shares of Series A preference stock. (File 2-64071 - Apr. 10)

(S-8) SOUTH CAROLINA NATIONAL CORPORATION, 1241 Main St., Columbia, S.C. 29201 - 150,000 shares of common stock and \$2,625,000 of participations. (File 2-64072 - Apr. 10)

REGISTRATIONS EFFECTIVE

Apr. 5: Alexander & Alexander Services Inc., 2-63582; American Electric Power Co., Inc., 2-63874; The Corporate Income Fund, Eighty-Fourth Monthly Payment Series, 2-63805; Emerson Electric Co., 2-63717; Georgia Power Company, 2-63705; National Municipal Trust, Thirty-Second Series, 2-63581; Xerox Corp., 2-63712.
 Apr. 6: Cardinal Tax-Exempt Bond Trust, Twelfth Series, 2-63496; Family Dollar Stores, Inc., 2-63616; Modine Manufacturing Co., 2-63714.

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 (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G 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 March 5 - 9, 1979. 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 sent forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Telvest Inc. Telco Marketing Services Inc. Libco Corp.	Wellco Enterprises Inc. (Waynesville, NC) Common Stock - 29,100 shs.	3-5-79
Stauffer Chemical Co.	White Consolidated Industries Inc. (Cleveland, OH) \$3.00 Series B Preferred Stock - 3,858 shs.	3-5-79
* W. R. Grace	Daylin Inc. (Los Angeles, CA) Common Stock - 31,571,572 shs. (91.7%) (31,568,069 of above shares were acquired pursuant to the Tender Offer.)	3-6-79
* Walter Kidde & Co. Inc.	EDO Corp. (College Point, NY) Common Stock - 276,500 shs. (22.11%)	3-6-79
* Warren E. Buffett Berkshire Hathaway Inc. National Indemnity Co., et al	Government Employees Insurance Co. (Chevy Chase, MD) Common Stock - 5,268,214 shs. (23.4%)	3-6-79
* Cargill Holdings Inc. Cargill Inc.	MBPXL Corp. (Wichita, KS) Common Stock - 2,545,860 shs. (100%)	3-6-79
* Valhi Inc.	PSA Inc. (San Diego, CA) Common Stock - 700,600 shs. (21%)	3-6-79
* Chemische Werke Hülls AG (West Germany)	Robintech Inc. (Fort Worth, TX) Common Stock - 427,000 shs. Common Stock - 272,322 shs. on exercise of an Option	3-6-79
* Jacques Amsellem (Monaco)	Shopwell Inc. (Bronx, NY) Common Stock - 157,700 shs.	3-6-79
* Princeton/Newport Partners, L.P.	Bancroft Convertible Fund Inc. (NYC) Common Stock - 7,800 shs.	3-7-79
* Joel Greenberg Riverside Foods Ltd.	Bluebird Inc. (Philadelphia, PA) Common Stock - 1,724,305 shs. (31%)	3-7-79
* Joel Greenberg Kaliber Partnership I	Celina Financial Corp. (Celina, OH) Class A Common Stock - 186,800 shs. (12.4%)	3-7-79
* Joel Greenberg Charles Lubin Milton Salstone Kaliber Partnership I	Compo Industries Inc. (Waltham, MA) Common Stock - 673,381 shs. (20.6%)	3-7-79

ACQUISITION REPORTS CONT.

* Central Cartage Co. Centra Inc. M. J. Moroun	Detroit International Bridge Co. (Detroit, MI) Common Stock - 311,675 shs. (24.6%)	3-7-79
Hughes Inc.	Hughes Supply Co. (Orlando, FL) Common Stock - 78,013 shs.	3-7-79
* Mark T. Jacobson	Multivest Inc. (Fort Lauderdale, FL) Common Stock - 68,768 shs.	3-7-79
* Wellington Computer Graphics, Inc.	Wellington Technical Industries Inc. (Madison, GA) Common Stock - 1,026,827 shs. (73%)	3-7-79
* Neil G. Bergt	Alaska International Industries Inc. (Fairbanks, AK) Common Stock - 566,245 shs. (31%)	3-8-79
Great Commonwealth Life Insurance Co. American Commonwealth Financial Corp., et al	All American Assurance Co. (Baton Rouge, LA) Common Capital Stock - 1,011,610 shs. (64.9%)	3-8-79
* Sharon Steel Corp. NVF Co. Security Management Corp. Victor Posner	Burnup & Sims Inc. (Plantation, FL) Common Stock - 1,543,390 shs. (18.6%)	3-8-79
* Justin P. Wilson	Cherokee Equity Corp. (Nashville, TN) Common Stock - 57,225 shs.	3-8-79
* William R. Forman Pacific Theatres Corp. Nationwide Theatres Corp. Consolidated Amusement Co. Ltd.	Cinema 5 Ltd. (NYC) Common Stock - 758,825 shs. (71.5%)	3-8-79
* TM Cablevision, Inc. (Wholly-owned subsidiary of Times Mirror Co.)	Communications Properties Inc. (Austin, TX) Common Stock - 4,875,888 shs. (98.8%)	3-8-79
* Colonial General Inc. Bellevue Holding Corp. (Panama) Ismael Dudhi (U.K.)	First Coolidge Corp. (Watertown, MA) Common Stock - 1,066,525 shs. (73.4%)	3-8-79
William Mazer Daniel G. Ross, Co-Executors	Georgia-Pacific Corp. (Portland, OR) Series A Conv. Preferred Stock - 691,268 shs. (16.7%)	3-8-79
* Victor L. Sayyah Sayyah Corp. HCA Inc., et al	Massachusetts General Life Insurance Co. (Boston, MA) Common Stock - 3,897,062 shs. (92.7%)	3-8-79
Princeton/Newport Partners L.P. Sutton Associates	National Aviation & Technology Corp. (NYC) Common Stock - 153,080 shs.	3-8-79
* Kohlberg, Kravis, Roberts & Co. Jerome Kohlberg, Jr. Henry R. Kravis George R. Roberts	ORICO (Los Angeles, CA) Common Stock - 500,000 shs. Common Stock - 210,000 shs. on conversion of Preferred Stock Common Stock - 150,000 shs. on exercise of Warrants	3-8-79
* Michael S. Annan	Strategic Medical Research Corp. (Greenwich, CT) Common Stock - 821,331 shs. (12.9%)	3-8-79
Joseph Saul Steinberg Ian Macneil Cumming	Talcott National Corp. (NYC) Common Stock - 1,600,000 shs. (53.1%)	3-8-79
Garrison W. Brinton Oliver A. Kimberly, Voting Trustees and Individually	Textured Products Inc. (Mount Vernon, NY) Common Stock - 1,995,770 shs. (42.4%) Common Stock - 350,000 shs. on exercise of Options	3-8-79

ACQUISITION REPORTS CONT.

Southern Pacific Co.	Ticor (Los Angeles, CA) Common Stock - 374,900 shs.	3-8-79
Ellen Lennick	Transitron Electronic Corp. (Wakefield, MA) Common Stock - 2,551,325 shs. (25%) (In addition, she is co-trustee of a trust which holds 96,853 shares of Preferred Stock.)	3-8-79
Stephen B. Goldenberg	Transitron Electronic Corp. (Wakefield, MA) Common Stock - 2,551,325 shs. (25%) (In addition, he is co-trustee of a trust which holds 96,853 shares of Preferred Stock.)	3-8-79
* Sharon STeel Corp. NVF Co. Victor Posner Security Management Corp.	UV Industries Inc. (NYC) Common Stock - 3,423,094 shs. (22.6%)	3-8-79
* Dana Corporation	WIX Corp. (Gastonia, NC) Common Stock - 384,614 shs. (12.9%)	3-8-79
* ACI Holding Co. Inc. (Controlled by T. F. Leahy)	Advance Circuits Inc. (Minnetonka, MN) Common Stock - 88,620 shs. (47.6%)	3-9-79
* David J. Greene & Co.	American Re-Insurance Co. (NYC) Common Stock - 236,527 shs.	3-9-79
R. David Sudarsky	Barnwell Industries Inc. (Chattanooga, TN) Common Stock - 104,700 shs.	3-9-79
* Alex Egyed	Basco Inc. (Cherry Hill, NJ) Common Stock - 96,430 shs. (17.1%) Common Stock - 30,000 shs. on exercise of an Option	3-9-79
Anacomp Inc.	Computer Micrographics Inc. (Torrance, CA) Common Stock - 315,000 shs. (26.3%)	3-9-79
* Samuel M. Pistorio	Equitable Bancorporation (Baltimore, MD) Common Stock - 236,200 shs.	3-9-79
* Mario J. Gabelli	G I Export Corp. (Woodbury, NY) Common Stock - 118,850 shs.	3-9-79
GEICO Corp.	Government Employees Insurance Co. (Chevy Chase, MD) Common Stock - 34,236,758 shs. (100%)	3-9-79
* George S. Mann (Canada) Unicorp Financial Corp. (Canada)	GREIT Realty Trust (Warrington, PA) Shs. of Beneficial Interest - 117,419 (11.8%)	3-9-79
Margaret C. Collett	Henredon Furniture Industries Inc. (Morganton, NC) Common Stock - 138,972 shs.	3-9-79
* American Financial Corp. Carl H. Lindner Robert D. Lindner	Kenton Corp. (NYC) Common Stock - 351,402 shs. (25%)	3-9-79
* Federated Reinsurance Corp. (Wholly-owned subsidiary of Federated Development Co.)	Maryland Realty Trust (Tallahassee, FL) Shs. of Beneficial Interest - 177,000 (23.3%)	3-9-79
* Victor L. Sayyah Sayyah Corp. HCA Inc., et al	National Heritage Management Corp. (Englewood, CO) Common Stock - 1,594,350 shs. (85.8%)	3-9-79
Philippe Gutzwiller (France) Haloes Anstalt (Liechtenstein) Thomas J. Hilb, et al	Richton International Corp. (NYC) Common Stock - 222,984 shs. (13.68%) Common Stock - 3,000 shs. on exercise of Options	3-9-79

ACQUISITION REPORTS CONT.

* Ardell Investment Co. Chandis Securities Co. M. H. Sherman Co., et al	Tejon Ranch Co. (Los Angeles, CA) Common Stock - 624,580 shs. (49.8%)	3-9-79
Times Mrrorr Co.	Tejon Ranch Co. (Los Angeles, CA) Common Stock - 317,808 shs. (25.3%)	3-9-79
* American General Insurance Co.	Ticor (Los Angeles, CA) Common Stock - 250,700 shs.	3-9-79
Perpetual Storage Inc. Robert L. Lynch Stanley Rose, et al	UMET Trust (Beverly Hills, CA) Common Stock - 335,400 shs. (15.92%)	3-9-79
* Albert Nerken	Veeco Instruments Inc. (Melville, NY) Common Stock - 587,762 shs. (19.85%)	3-9-79
* Petri Stores Corp.	Winkelman Stores Inc. (Detroit, MI) Common Stock - 176,681 shs. (11.8%)	3-9-79

Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1. The following companies or individuals filed Schedule 14D-1's during the period February 16 - 21, 1979. *Amended Tender Offers.

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
First City Development Corp. of California (Wholly-owned subsidiary of First City Financial Corp. Ltd.) (Canada)	Metropolitan Development Corp. (Beverly Hills, CA) Capital Stock - All outstanding shares for cash at \$14.25 net per share (First City presently owns 85,000 shares of Common.)	2-16-79
Hunt International Resources Corp. Western Investment Co. (Wholly-owned subsidiary of Hunt International)	Sunshine Mining Co. (Dallas, TX) Common Stock - All outstanding shares for cash at \$15.00 net per share (Hunt presently owns 1,616,078 shares (28%))	2-26-79
Edward B. Bennett, Jr.	New Mexico Bancorporation Inc. (Santa Fe, NM) Common Stock - 120,000 shares for cash at \$43.00 net per share	2-27-79
David F. Bolger	New Mexico Bancorporation Inc. (Santa Fe, NM) Common Stock - 115,000 shs. for cash at \$37.50 net per share	2-21-79

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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 and of registration statements may be ordered from the Public Reference Section, 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 to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

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