

sec news digest

Issue 79-221

November 15, 1979

RULES AND RELATED MATTERS

NOTICE OF PROPOSED AMENDMENT TO RULE 17a-1

The Commission announced that it has proposed to amend Rule 17a-1 under the Securities Exchange Act of 1934 to conform the text of that rule to Section 17(a) of the Act as amended by the Securities Act Amendments of 1975. Rule 17a-1 implements the Commission's recordkeeping and record production authority pursuant to Section 17(a) for national securities exchanges and national securities associations. Persons wishing to submit written views should file three copies thereof with George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Room 892, 500 North Capitol Street, Washington, D.C. 20594 on or before December 3 and should refer to File No. S7-807. All submissions will be available for public inspection. (Rel. 34-16340)

FOR FURTHER INFORMATION CONTACT: William S. Muller at (202) 272-2415

COMMISSION ANNOUNCEMENTS

NOTICE OF ACCEPTANCE OF COMMENTS CONCERNING THE NASD'S PAPILSKY PROPOSAL

The Commission announced that it would accept written comments submitted by December 15, 1979, concerning a proposed rule change of the National Association of Securities Dealers, Inc. to amend its Rules of Fair Practice with respect to fixed price offerings of securities (generally referred to as the "Papilsky" proposal). In May, 1979, the Commission invited comment on a number of issues raised by the proposed rule change [Rel. 34-15807]. In addition, the Commission has been holding public hearings on this subject which are scheduled to conclude November 20, 1979. All comments should be sent with 30 copies to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549 on or before December 15 and should refer to File No. SR-NASD-78-3. All comments and the hearing transcripts will be available for public inspection. (Rel. 34-16342)

FOR FURTHER INFORMATION CONTACT: Kathleen McGann at (202) 272-2855 or Lucy Weisz at (202) 272-2839

ADMINISTRATIVE PROCEEDINGS

NASD ACTION AGAINST DMR SECURITIES, INC. AND DAVID M. REINER AFFIRMED

The Commission has affirmed sanctions imposed by the NASD on DMR Securities, Inc., a Tucson, Arizona brokerage firm, and David M. Reiner, its president. The NASD censured the firm and Reiner, and fined them \$2,000, jointly and severally. The Commission found, as had the NASD, that the firm and Reiner charged customers unfair markups in the sale of various utility bonds. The Commission stated that it was unable to find that the "relatively lenient sanctions imposed by the NASD" were excessive. (Rel. 34-16322)

I. MILLER ADVISORY SERVICES, INC., OTHERS SANCTIONED

The Commission announced that it had instituted public administrative proceedings under the Investment Advisers Act of 1940 against I. Miller Advisory Services, Inc. (Miller, Inc.), a registered investment adviser, Irwin Miller and Lewis Harris Weinstein, its president and vice president, all of New York, New York. Simultaneously, the Commission accepted a joint offer of settlement in which the respondents, without admitting or denying the allegations, consented to the entry of findings and an order revoking Miller, Inc.'s registration as an investment adviser and barring both Miller and Weinstein from association with any investment adviser.

The sanctions imposed were based upon findings that, during the period from approximately February 1977 to October 1977, Miller and Weinstein wilfully caused, aided and abetted Miller, Inc.'s wilfull violations of Section 206(1) and (2) of the Advisers Act in that they failed to disclose certain facts and made false disclosures concerning (a) the minimum dollar amount needed to become a client of Miller, Inc.; (b) the number of Miller, Inc.'s advisory clients; (c) the use of proceeds of clients' loans to Miller and Weinstein; (d) Miller's and Weinstein's prior experience and results in handling clients' funds; and (e) Miller's and Weinstein's representations of future investment profits. (Rel. IA-705)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing a proposal by Indiana & Michigan Electric Company (I&M), subsidiary of American Electric Power Company, Inc., and I&M's subsidiary, Indiana & Michigan Power Company (IMP), that IMP be merged into I&M. (Rel. 35-21294 - Nov. 14)

APPALACHIAN POWER COMPANY

An order has been issued authorizing a proposal by Appalachian Power Company, subsidiary of American Electric Power Company, Inc., concerning the financing of pollution control facilities. (Rel. 35-21295 - Nov. 14)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: The National Association of Securities Dealers, Inc. (SR-NASD-79-9) to discontinue giving issuers of exchange-listed securities a credit towards the fees charged for having the securities quoted in the NASDAQ System. (Rel. 34-16336); and The Options Clearing Corporation (SR-OCC-79-7) amending the timeframes during which members may submit instructions to OCC dealing with the segregation of long positions. (Rel. 34-16337)

Publication of the above proposals are expected to be made in the Federal Register during the week of November 12.

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

A fee change filed by the Stock Clearing Corporation of Philadelphia (SR-SCCP-79-4), pursuant to Rule 19b-4, has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. SCCP has raised the fee for its member-to-member envelope service from \$2.00 per envelope to \$5.00 per envelope. Publication of the proposal is expected to be made in the Federal Register during the week of November 12. (Rel. 34-16338)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by the American Stock Exchange, Inc. (SR-Amex-79-17) to prohibit Registered Equity Market Makers from initiating off floor orders in reliance upon the market maker exemption contained in Section 11(a)(1) of the Securities Exchange Act of 1934; comments within 21 days. (Rel. 34-16335)

MISCELLANEOUS

DRINKER BIDDLE & REATH

An order has been issued pursuant to Section 3(a)(2) of the Securities Act of 1933 exempting from the registration requirements of the Act participations or interests issued in connection with The Profit-Sharing Plan of Drinker Biddle & Reath, a law firm organized as a partnership under the laws of Pennsylvania. (Rel. 33-6147)

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-2) MERIT ENERGY CORPORATION, Suite 1750 Energy Center I, 717 17th St., Denver, Colo. 80202 (303) 893-5134 - 3,000,000 shares of common stock and common stock purchase warrants to purchase 1,500,000 shares of common stock, and 1,500,000 units. Underwriter: J. Daniel Bell & Company Inc., 1430 Larimer St., Suite 300, Denver, Colo. 80202 (303) 623-0777. (File 2-65963 - Nov. 13)
- (S-1) TRIAD SYSTEMS CORPORATION, 1252 Orleans Dr., Sunnyvale, Cal. 94086 (408) 734-9720 - 1,016,000 shares of common stock. Underwrites: L.F. Rothschild, Unterberg, Towbin and Hambrecht & Quist. The company designs, develops, manufactures, markets and services microcomputer-based systems. (File 2-65967 - Nov. 13)
- (S-16) ITEK CORPORATION, 10 Maguire Rd., Lexington, Mass. 02173 (617) 276-2000 - 63,929 shares of common stock. (File 2-65974 - Nov. 13)
- (N-1) TRANSATLANTIC FUND, INC., c/o Brown Brothers Harriman & Co., 40 Water St., Boston, Mass. 02109 (617) 742-7700 - 500,000 shares of capital stock. (File 2-65975 - Nov. 13)
- (S-1) SOUTH RANCH 1980 COMPANY, 111 S. Bemiston Ave., Suite 127, St. Louis, Mo. 63105 - 2,400 limited partnership interests. (File 2-65978 - Nov. 13)
- (S-6) THE CORPORATE INCOME FUND, FORTY-SEVENTH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-65980 - Nov. 13)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, ONE HUNDRED NINETEENTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-65981 - Nov. 13)
- (S-7) ANACOMP, INC., 6161 Hillside Ave., Indianapolis, Ind. 46220 (317) 257-6555 - 660,000 shares of common stock. The company provides a broad range of computer services. (File 2-65982 - Nov. 13)
- (S-1) ARISTAR, INC., 201 Alhambra Circle, Coral Gables, Fla. 33134 - \$35 million of floating rate junior subordinated notes, due 1999. Underwriters: Dain Bosworth Inc. and Edward D. Jones & Co. (File 2-65983 - Nov. 14)

REGISTRATIONS EFFECTIVE

Nov. 7: National Ann Arbor Corp., 2-65299.

Nov. 8: The Corporate Income Fund Forty-Second Short Term Series, 2-65705; Florida Power & Light Co., 2-65701; Midlantic Banks, Inc., 2-65254; National Municipal Trust Thirty-Sixth Series, 2-65780; Research-Cottrell, Inc., 2-65752; Tax-Exempt Securities Trust Series 29, 2-65741; Trust for U.S. Treasury Obligations, 2-65505; Walter Realty Investors, Inc., 2-65860.

Nov. 9: Lewis Energy Corp., 2-65129 (90 days); National Real Estate Limited Partnership, 2-63593.

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%. 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 October 19 - 25, 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.

REPORTING COMPANY OR INDIVIDUAL	ISSUER & NUMBER OF SHARES	DATE FILED
Freeport Minerals Company	McMoran Oil & Gas Co. (Metairie, LA) Common Stock - 1,500,000 shs. (19.8%) on conversion of Preferred Stock	10-19-79
* American Financial Corp. Carl H. Lindner Robert D. Lindner	Mission Insurance Group, Inc. (Los Angeles, CA) Common Stock - 870,261 shs. (16.8%)	10-19-79
Herbert M. Stein	Polycast Technology Corp. (Stamford, CT) Common Stock - 38,749 shs. Common Stock - 75,000 shs. on exercise of Options	10-19-79
S. H. Scheuer Leon Meyers Donald E. Peiser	Rouse Company (Columbia, MD) Common Stock - 1,001,200 shs.	10-19-79
Pavonis, Ltd. (British Virgin Islands) (Wholly-owned by Phyllis Quasha) Phyllis Quasha (Australia) Alan Quash Wayne Quasha Jill Quasha	Spartan Corporation (Jackson, MS) Common Stock - 86,100 shs.	10-19-79
* Jacob M. Kaplan, Individually Trustee & General Partner J. M. Kaplan Fund, Inc. Kapflor Corp., et al	Alleghany Corp. (NYC) Common Stock - 1,063,918 shs. (10.39%)	10-22-79
* Edwin H. Nielsen, Individually and Co-Trustee	Bacardi Corp. (Catano., PR) Common Stock - 246,989 shs. (12.3%)	10-22-79
* Robert B. White, Individually and Co-Trustee	Bacardi Corp. (Catano, PR) Common Stock - 359,786 shs. (18%)	10-22-79
Robert O. Anderson Robert B. Anderson W. Phelps Anderson A. G. Hamilton, et al	Bank Securities, Inc. (Alamogordo, NM) Common Stock - 1,051,118 shs.	10-22-79
Neil G. Bluhm, Individually and Custodian	Bass Financial Corp. (Chicago, IL) Common Stock - 51,900 shs.	10-22-79
* Masco Corporation	Braun Engineering Co. (Southfield, MI) Common Stock - 221,343 shs. (41%)	10-22-79
* Seymour Vignan Gordon H. McNeil Isadore Diamond	Bunnington Corp. (Pittsford, NY) Common Stock - 676,000 shs. Common Stock - 50,000 shs. on exercise of Option	10-22-79
Ivan F. Boesky and Co.	ERC Corporation (Kansas City, MO) Common Stock - 463,738 shs.	10-22-79

ACQUISITION REPORTS CONT.

* Drexel Burnham Lambert Inc. Drexel Burnham Lambert Group Inc.	First Memphis Realty Trust (Boston, MA) Shares of Beneficial Interest - 66,400	10-22-79
Development Corporation of America	G. R. I. Corp. (Chicago, IL) Common Stock - 131,100 shs.	10-22-79
* Daniel J. Terra	Hach Chemical Co. (Loveland, CO) Common Stock - 271,300 shs. (18.99%)	10-22-79
* Kinmay W. Tang (Hong Kong)	Kampgrounds of America, Inc. (Billings, MT) Common Stock - 192,115 shs. (14.6%)	10-22-79
* Guy Clarke Harrell, Jr. J. Will Young James Eustus Conn Lawrence E. Hood	Kimbrough Investment Co. (Jackson, MS) Common Stock - 401,185 shs.	10-22-79
United States Filter Corp.	Koehring Company (Brookfield, WI) Common Stock - 678,487 shs. (22.7%) Common Stock - 30,000 shs. on conversion of Preferred Stock	10-22-79
* United National Corp.	Land Resources Corp. (NYC) Common Stock - 1,261,549 shs. (45.5%)	10-22-79
* Sierra Capital Group Clyde Wm. Engle, Individually and Trustee	Libco Corp. (Chicago, IL) Common Stock - 4,550 shs. (56.1%)	10-22-79
* Soros Overseas N.V. (Netherlands Antilles) Soros Fund Management Co. Inc. George Soros	M/A-Com, Inc. (Burlington, MA) Common Stock - 478,000 shs.	10-22-79
Ivan F. Boesky and Co.	Mostek Corporation (Carrollton, TX) Common Stock - 344,222 shs.	10-22-79
Prime Motor Inns, Inc.	NJB Prime Investors (Clifton, NJ) Shares of Beneficial Interest - 141,000	10-22-79
John E. Wertin James A. Highland	Pacific Engineering & Production Co. of Nevada (Henderson, NV) Common Stock - 131,800 shs.	10-22-79
North American Philips Corp. (Bezit and N.V. Philips (Netherlands), Parents)	Pertec Computer Corporation (Los Angeles, CA) Common Stock - 3,767,000 shs. (45%) (North American has entered into agreements to acquire above shares.)	10-22-79
* Lehman Brothers Kuhn Loeb Inc. Banque-Privée S.A. (Switzerland) Emmet J. Blot, et al	Pneumo Corp. (Boston, MA) Common Stock - 345,700 shs. (12%)	10-22-79
Estate of Sydney A. Cooper Barry Feinberg Lorraine Cooper, Individually and Executors Donna Feinberg	Silo, Inc. (Philadelphia, PA) Common Stock - 807,274 shs. (55.9%)	10-22-79
Cyclops Corporation	Silo, Inc. (Philadelphia, PA) Common Stock - 807,274 shs. (56%) on exercise of Options	10-22-79
Carl P. Wallace	Sam P. Wallace Company, Inc. (Dallas, TX) Common Stock - 726,313 shs. (22.9%)	10-22-79
* Telvest, Inc. Telco Marketing Services Inc. Libco Corp. Clyde Wm. Engle	Wellco Enterprises, Inc. (Waynesville, NC) Common Stock - 78,900 shs. (18.8%)	10-22-79

ACQUISITION REPORTS CONT.

First City Financial Corporation Ltd. (Canada)	Wincorp Industries Inc. (Inglewood, CA) Common Stock - 145,950 shs. (10.83%)	10-22-79
* NVF Company Security Management Corp. Victor Posner, Parent	APL Corp. (Great Neck, NY) Common Stock - 607,900 shs. (19.1%)	10-23-79
* Leemilt's Petroleum Power Test Petroleum Distributors, Inc. (Wholly-owned subsidiary of . Power Test Corp.) Power Test Corp.	Alpha Portland Industries Inc. (Easton, PA) Common Stock - 556,400 shs. (31.9%)	10-23-79
* Société des Tuyaux Bonna (France)	Ameron, Inc. (Monterey Park, CA) Common Stock - 249,366 shs. (10.95%)	10-23-79
* Vera Rubin Trust Lee Balter Reed Rubin	Anret, Inc. (Atlanta, GA) Common Stock - 108,250 shs. (21.32%)	10-23-79
* Sharon Steel Corp. Summit Systems Inc. NVF Company Security Management Corp. Victor Posner, Parent	Burnup & Sims Inc. (Plantation, FL) Common Stock - 2,397,590 shs. (28.78%)	10-23-79
* Sharon Steel Corp. Summit Systems Inc. NVF Company Security Management Corp. Victor Posner, Parent	City Investing Co. (NYC) Common Stock - 1,930,400 shs.	10-23-79
Sheldon Coleman Clarence Coleman Emry Inghram Coleman	Coleman Co., Inc. (Wichita, KS) Common Stock - 1,642,418 shs.	10-23-79
Brookfield Industries, Inc.	Eagle Clothes Inc. (NYC) Common Stock - 599,157 shs. (21.2%) (Brookfield has the right to acquire an additional 599,156 shares of Common Stock.)	10-23-79
* Sharon Steel Corp. Summit Systems Inc. NVF Company Security Management Corp. Victor Posner, Parent	Howell Industries, Inc. (Southfield, MI) Common Stock - 181,100 shs. (12.6%)	10-23-79
* Pan American World Airways Inc. First Women's Bank, Trustee	National Airlines, Inc. (Miami, FL) Common Stock - 6,606,000 shs. (77.1%)	10-23-79
* Esmark, Inc.	Reliance Universal Inc. (Louisville, KY) Common Stock - 223,700 shs. (11.45%)	10-23-79
* PennCorp Financial, Inc. Pennsylvania Life Insurance Co. Massachusetts Indemnity & Life Insurance Co.	Republic Financial Services Inc. (Dallas, TX) Common Stock - 440,700 shs.	10-23-79
* Maurice Wiener	Transco Realty Trust (Boston, MA) Shares of Beneficial Interest - 54,249	10-23-79
* Sportssystem Corp. Solar Sportssystem Inc. Jeremy M. Jacobs Max W. Jacobs Lawrence D. Jacobs	Bliss & Laughlin Industries, Inc. (Oak Brook, IL) Common Stock - 317,300 shs.	10-24-79
* John W. Rollins	Brandywine Sports, Inc. (Wilmington, DE) Common Stock - 532,230 shs. (62.4%)	10-24-79

ACQUISITION REPORTS CONT.

* Sanders Associates, Inc.	California Computer Products, Inc. (Anaheim, CA) Common Stock - 1,260,306 shs. (36.2%)	10-24-79
* Campbell Chibougamau Mines Ltd. Shareholders Committee (Canada)	Campbell Chibougamau Mines Ltd. (Toronto, Ontario, Canada) Common Stock - 345,605 shs.	10-24-79
* Lawrence J. Weinberg	United Realty Trust (Beverly Hills, CA) Shares of Beneficial Interest - 498,700 (13.81%) Shares of Beneficial Interest - 101,086 on exercise of Warrants	10-24-79
Fleschner Becker Associates	Applied Devices Corp. (Hauppauge, NY) Common Stock - 1,253,826 shs. (28.8%)	10-25-79
* Sun Chemical Corp.	Chromalloy American Corp. (Clayton, MO) Common Stock - 1,983,400 shs. (16.2%) Common Stock - 48,600 shs. on conversion of Preferred Stock	10-25-79

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NOTICE

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