

# sec news digest

SECURITIES AND  
EXCHANGE COMMISSION

Issue 81-19

JAN 30 1981

January 29, 1981

## NOTICE OF COMMISSION MEETINGS

## LIBRARY

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday morning. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### CLOSED MEETING - TUESDAY, FEBRUARY 3, 1981 - 10:00 A.M.

The subject matter of the February 3 closed meeting will be: Settlement of administrative proceeding of an enforcement nature; Formal order of investigation; Settlement of injunctive action; Institution of injunctive actions; Access to investigative files by Federal, State, or Self-Regulatory authorities; Subpoena enforcement action; Litigation matters.

### OPEN MEETING - THURSDAY, FEBRUARY 5, 1981 - 10:00 A.M.

The subject matter of the February 5 open meeting will be:

- (1) Review of progress toward implementation of an automated interface between the Intermarket Trading System and the National Association of Securities Dealers' NASDAQ System, as enhanced to include, among other things, an order routing and automatic execution capability, and consideration of whether any regulatory action is appropriate, at this time, with respect to the implementation of such an automated interface. FOR FURTHER INFORMATION CONTACT Richard Ketchum at (202) 272-2884.
- (2) Consideration of whether to adopt certain amendments to Part I of Form X-17a-5, the Financial and Operational Combined Uniform Single (FOCUS) Report and Rule 17a-5 under the Securities Exchange Act of 1934. FOR FURTHER INFORMATION CONTACT James G. Moody at (202) 272-2370.
- (3) Consideration of whether to issue a release announcing the adoption of amendments to: (1) Form 10-Q, the quarterly reporting form under the Securities Exchange Act of 1934; (2) Regulation S-K, the standard instructions for filing forms under the Securities Act of 1933 and the Securities Exchange Act of 1934; and (3) Regulation S-X, the regulation which prescribes the form and content of financial statements. FOR FURTHER INFORMATION CONTACT Catherine Collins McCoy at (202) 272-2589.
- (4) Consideration of whether to issue a release adopting an amendment to Item 7 of Regulation S-K relating to the definition of "material contracts" in order to limit the remunerative contracts, plans and arrangements required to be filed as exhibits, and in order to clarify the language. FOR FURTHER INFORMATION CONTACT William H. Carter at (202) 272-2604.

(5) Consideration of whether to establish an Advisory Committee on Shareholder Communications for the purpose of exploring the possibilities for improving the process by which issuers communicate with the beneficial owners of stock held in the name of a broker-dealer, bank or other nominee name. FOR FURTHER INFORMATION CONTACT Gregory H. Mathews at (202) 272-2589.

(6) Consideration of whether to issue a release which describes the results of the 1980 proxy statement disclosure monitoring program. FOR FURTHER INFORMATION CONTACT Gregory H. Mathews at (202) 272-2589.

(7) Consideration of whether to issue a release to amend certain of the Commission's proxy rules and provisions relating to shareholder communications, specifically, (1) business and other relationships between a director and the issuer, (2) full board consideration of shareholders nominations, (3) the vote needed for election to office, (4) management indebtedness and remuneration, and (5) beneficial ownership, as well as (6) certain amendments concerning shareholder proposals. Generally, these amendments implement certain recommendations contained in the recent Staff Report on Corporate Accountability, and make certain other changes to improve disclosure and reduce costs of compliance to registrants. FOR FURTHER INFORMATION CONTACT Stephen W. Hamilton at (202) 272-2390.

(8) Consideration of whether to amend Rule 144 under the Securities Act of 1933 to provide relief from the amount limitation, manner of sale and notice provisions of the rule (paragraphs (e), (f) and (h)) for non-affiliates who have met certain holding-period requirements with respect to the securities being sold pursuant to the Rule. FOR FURTHER INFORMATION CONTACT Ann M. Glickman at (202) 272-2573.

(9) Consideration of whether to grant Gene L. Mulienburg relief from a bar imposed upon him in connection with a prior administrative proceeding. FOR FURTHER INFORMATION CONTACT Adele Geffen at (202) 272-2947.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Art Delibert at (202) 272-2467

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## ADMINISTRATIVE PROCEEDINGS

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### PROCEEDINGS INSTITUTED AGAINST TANLEY & OAKLEY INVESTMENT CO., INC., OTHERS

The Commission announced that it has instituted public administrative proceedings under the Securities Exchange Act of 1934 (Exchange Act) against Tanley and Oakley Investment Co., Inc. (Registrant), a broker-dealer located in Nashville, Tennessee, Luther Tanley, its president, and Edward Fox, an employee.

The proceedings are based on the staff's allegations that the respondents in connection with the offer and sale of municipal and industrial revenue bonds in 1979-1980 violated or aided and abetted violations of the antifraud provisions of the Securities Act of 1933 and Exchange Act. Tanley was also alleged to have failed reasonably to supervise some of Registrant's salesmen with a view toward preventing certain violations.

The Order alleges that the respondents charged excessive prices (mark-ups) and paid an insufficient amount (mark-downs) for various bonds. It also alleges that Registrant and Tanley were responsible for various misrepresentations and omissions of material facts concerning the financial condition of certain issues of bonds, the limited guarantees on a bond issue, and the risks involved in the investments.

The order provides that a hearing be held to determine what, if any, remedial action may be necessary. (Rel. 34-17469)

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## COMMISSION ANNOUNCEMENTS

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### MARY LOU FELSMAN NAMED ASSISTANT REGIONAL ADMINISTRATOR

Wayne M. Secore, Administrator of the Fort Worth Regional Office, announced the promotion of Mary Lou Felsman to Assistant Regional Administrator (Regulation).

Mrs. Felsman graduated from the University of Houston Law School in 1961 and was engaged in the general practice of law in Houston and Fort Worth until joining the staff of the Fort Worth Regional Office in 1973 as an attorney with both regulatory and enforcement responsibilities. She became Chief, Branch of Small Issues and Interpretations, in September 1979.

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## INVESTMENT COMPANY ACT RELEASES

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### INTERCAPITAL TAX-FREE DAILY INCOME FUND INC.

A notice has been issued giving interested persons until February 17 to request a hearing on an application by InterCapital Tax-Free Daily Income Fund Inc., a registered, open-end, diversified management investment company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit the use of the amortized cost valuation method for the purpose of pricing its shares for sale and redemption. (Rel. IC-11587 - Jan. 28)

### INSURED MUNICIPALS - INCOME TRUST

An order has been issued on an application filed by Insured Municipals - Income Trust, Investors' Corporate-Income Trust, Investors' Governmental Securities-Income Trust, Investors' Quality Tax Exempt Trust, Investors' Municipal Pennsylvania Unit Trust, Pennsylvania Insured Municipal Bond Trust and New York Insured Municipal Bond Trust, registered under the Investment Company Act of 1940 as unit investment trusts, their sponsor, Van Kampen Filken & Merritt, Inc., and Dain Bosworth, Inc., a co-sponsor of the Corporate Trust, amending an earlier order dated August 12, 1980 (Rel. IC-11300), which amended other orders which exempted an exchange offer by the unit investment trusts from the provisions of Section 22(d) of the Act pursuant to Section 6(c) of the Act, and permitted that exchange offer to be effected on a basis other than the trusts' net asset value per unit at the time of the exchange pursuant to Section 11 of the Act. The instant amended order extends the exchange offer to certificateholders of Series 1 and subsequent series of New York Insured Municipal Bond Trust, and increases the sales charge imposed on all such exchange transactions from \$15 per unit to \$25 per unit. (Rel. IC-11588 - Jan. 28)

An order has also been issued on an application filed by the unit investment trusts amending an earlier order dated October 9, 1979 (Rel. IC-10895), to extend to certificateholders of Series 1 and subsequent series of Investors' Municipal Pennsylvania Unit Trust, Pennsylvania Insured Municipal Bond Trust and the New York Insured Municipal Bond Trust the exchange privilege allowed by the earlier order, and to increase the sales charge imposed on all exchange transactions from \$15 per unit to \$25 per unit. The earlier order exempted from the provisions of Section 22(d) of the Act, pursuant to Section 6(c) of the Act, the offer and sale of Fund units pursuant to an exchange option involving the exchange of units of any series of a Fund for units of any other series or several series of the same Fund, and permitted, pursuant to Section 11 of the Act, the exchange transactions to be effected on a basis other than the Funds' respective net asset values per unit at the time of the exchange. (Rel. IC-11589 - Jan. 28)

### FUNDAMENTAL TRUST SHARES, SERIES A

An order has been issued by the Commission on its own motion, pursuant to Section 8(f) of the Investment Company Act of 1940, declaring that Fundamental Trust Shares, Series A, registered under the Act as a unit investment trust, has ceased to be an investment company. (Rel. IC-11590 - Jan. 28)

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## HOLDING COMPANY ACT RELEASES

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### JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued approving a proposal by Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, whereby Jersey Central's existing authorization to make unsecured short-term borrowings in a maximum aggregate principal amount at any one time outstanding of \$160 million or the amount permitted by its charter, whichever is lesser, will be extended to October 1, 1981. (Rel. 35-21900 - Jan. 28)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until February 13 to comment on the applications of the Philadelphia Stock Exchange for unlisted trading privileges in the common stock (\$.12-1/2 par value) of International Flavors & Fragrances, Inc. and the common stock (no par value) of Cominco Ltd. which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-17482)

### WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until February 13 to comment on the application of American Business Products, Inc. to withdraw its common stock (\$2 par value) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-17484)

### DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike the common stock (\$1 par value) of Bernzomatic Corporation from listing and registration thereon. (Rel. 34-17491)

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## SELF-REGULATORY ORGANIZATIONS

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### 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-80-29) to amend Schedule E under Article IV, Section 2 of its By-Laws. Schedule E establishes requirements for participation by a NASD member in the public distribution of its own securities or the securities issued by an affiliate. (Rel. 34-17488); and National Securities Clearing Corporation (SR-NSCC-80-35) that would formalize hearing procedures and would establish and amend standards of financial responsibility, operational capacity, experience, and competence for initial and continued membership in NSCC. (Rel. 34-17492)

Publication of the above proposals are expected to be made in the Federal Register during the week of February 2.

### NOTICE OF EFFECTIVENESS OF A PROPOSED RULE CHANGE

A rule change filed by National Securities Clearing Corporation pursuant to Rule 19b-4 (SR-NSCC-81-1) has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The rule change makes permanent a temporary rule giving NSCC the discretion to require settling members to provide appropriate staff in their offices during specified hours on non-clearing days. Publication of the proposal is expected to be made in the Federal Register during the week of February 2. (Rel. 34-17493)

### WITHDRAWAL OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. has withdrawn a proposed rule change (SR-NASD-79-14) submitted on December 4, 1979, pursuant to Rule 19b-4. The proposed rule change would have relieved a member of liability for over-the-counter transactions that remained uncompleted for more than 15 days after being submitted by the member to that member's registered clearing agency. (Rel. 34-17494)

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## TRUST INDENTURE ACT RELEASES

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### GENERAL AMERICAN TRANSPORTATION CORPORATION

A notice has been issued giving interested persons until February 24 to request a hearing on an application by General American Transportation Corporation, a New York corporation, pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Manufacturers Hanover Trust Company under

two existing indentures and under a new indenture to be qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary to disqualify Manufacturers Hanover Trust Company from acting as trustee under the indenture to be qualified. (Rel. TI-609)

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## MISCELLANEOUS

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### PEPSICO CAPITAL RESOURCES, INC.

An order has been issued granting the application of PepsiCo Capital Resources, Inc., as Originator and Servicer, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements under Sections 13 and 15(d) of that Act. (Rel. 34-17495)

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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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-18) CENTRAL CORPORATE REPORTS SERVICE, INC., 32123 Lindero Canyon Rd., Westlake, CA 91361 (213) 991-3111 - 2,000,000 shares of common stock. Underwriter: John Muir & Co. The company is engaged in the business of financial public relations on behalf of its public corporate clients. (File 2-70532-LA - Jan. 19) (Br. 5 - New Issue)
- (S-18) CAMBRIDGE ACADEMY, INC., 409 East Osceola St., Stuart, FL 33494 (305) 283-6828 - 200,000 shares of common stock. The company is a private correspondence high school. (File 2-70616-A - Jan. 21) (Br. 5 - New Issue)
- (S-18) SCIENCE DYNAMICS CORPORATION, 13 Forage Lane, Cherry Hill, NJ 08003 - 1,000,000 shares of common stock. Underwriter: Mahler & Emerson Inc. The company designs, assembles and sells telecommunications equipment primarily for use by operating telephone companies. (File 2-70685 - Jan. 27) (Br. 7)
- (S-1) BIOSEARCH MEDICAL PRODUCTS INC., P.O. Box 185, Mill Rd., Whitehouse, NJ 08888 (201) 52603112 - 1,200,000 shares of common stock. Underwriter: Fittin, Cunningham & Lauzon, Inc. The company develops, manufactures and sales medical devices. (File 2-70688 - Jan. 27) (Br. 8 - New Issue)
- (S-1) IKE LOVELADY, INC., Suite 407, P.O. Drawer 2666, C & K Petroleum Bldg., Midland, TX 79702 (915) 682-5275 - 650,000 shares of common stock. Underwriter: Rauscher Pierce Refsnes, Inc. The company is engaged in domestic oil and gas exploration, development and production. (File 2-70690 - Jan. 28) (Br. 3 - New Issue)
- (S-16) NATOMAS COMPANY, 601 California St., San Francisco, CA 94108 (415) 981-5700 - 750,000 common shares. (File 2-70691 - Jan. 28) (Br. 4)
- (S-16) MORAN ENERGY INC., 262 North Belt, Suite 300, Houston, TX 77060 (713) 820-1865 - 1,709,401 shares of common stock. The company is engaged in oil and gas exploration and production, onshore and offshore contract drilling and gas gathering and processing. (File 2-70692 - Jan. 28) (Br. 4)
- (S-14) CITIZENS BANCORP., INC., 214 West Washington, Waukegan, IL 60085 (312) 623-1250 - 300,000 shares of common stock. (File 2-70693 - Jan. 28) (Br. 2)
- (S-14) DANVILLE BANCSHARES, INC., 27 North Vermilion St., Danville, IL 61832 (217) 442-6200 - 450,000 shares of common stock. (File 2-70694 - Jan. 28) (Br. 2)
- (S-8) LIBERTY FABRICS OF NEW YORK, INC., 2 Park Ave., New York, NY 10016 (212) 684-3100 - 82,923 shares of common stock. (File 2-70695 - Jan. 28) (Br. 8)

(S-16) HOSPITAL CORPORATION OF AMERICA, One Park Plaza, Nashville, TN 37203 (615) 327-9551 - \$125 million of 8 convertible subordinated debentures, due 2006. Underwriters: Salomon Brothers and Bache Halsey Stuart Shields Incorporated. (File 2-70697 - Jan. 28) (Br. 6)

#### REGISTRATIONS EFFECTIVE

Dec. 8: International Remote Imaging Systems, 2-69137-LA.  
 Jan. 7: Audiotronics Corporation, 2-69940.  
 Jan. 13: San Diego Bancorp, 2-68874-LA.  
 Jan. 21: Deere & Co., 2-70454; Engineering Measurements Co., 2-69601-D; Federal Express Corp., 2-70475.  
 Jan. 22: Dallas Oil & Minerals, Inc., 2-70012; Merrill Lynch Series Fund, Inc., 2-69062; Midland Southwest Corp., 2-70052; Wausau Paper Mills Co., 2-67988.  
 Jan. 23: Acadia Petroleum Corp., 2-69839; Barrier Exploration N.L., 2-70642; Consolidated Murchison Limited, 2-70643; Gulf United Corp., 2-70400; HCW Oil Income Fund 1981-I, 1981-II, 1981-III, 1981-IV, 1981-V and 1981-VI, 2-69778; HLH Petroleum Corp., 2-70218; Highveld Steel and Vanadium Corp., Ltd., 2-70640; Mid-America Drilling & Exploration, Inc., 2-69504; Solar Industries, Inc./Solar Control Corp., 2-69321.  
 Jan. 26: Comshare, Inc., 2-68373; First International Bancshares, Inc., 2-70416; JMB Income Properties, Ltd. VIII, 2-69116; Occidental Life Insurance Company of California, 2-70652.  
 Jan. 27: Dysan Corp., 2-70209; Fisher Scientific Co., 2-70285; Radiation Systems, Inc., 2-70148.

#### 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 (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G 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 January 9 - 12, 1981. 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 set forth for each beneficial owner. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Chesapeake Insurance Co., Ltd. (Bermuda) Southeastern Public Service Co. DWG Corporation Victor Posner, Parent	First Executive Corporation (Beverly Hills, CA) Common Stock - 278,569 shs.	1-9-81
M. Lee Pearce American Hospital Management Corp.	Florida Commercial Banks, Inc. (Miami, FL) Common Stock - 112,500 shs.	1-9-81
Merrill Lynch, Pierce, Fenner & Smith, Inc. (Wholly-owned subsidiary of Merrill Lynch & Co., Inc.)	General Health Services, Inc. (Beverly Hills, CA) Common Stock - 1,000,299 shs. (36%)	1-9-81
* Robert Burton Kamon	Golden Triangle Royalty & Oil, Inc. (Cisco, TX) Common Stock - 3,450,000 shs. (26.43%)	1-9-81
* Altair Corporation	Harvest Industries, Inc. (Wilmette, IL) Common Stock - 796,979 shs. Common Stock - 6,116.67 shs. on conversion of Series B Preferred Stock Common Stock - 1,419.66 shs. on conversion of Series A Preferred Stock	1-9-81
* August Associates	Kampgrounds of America, Inc. (Billings, MT) Common Stock - 110,000 shs.	1-9-81

ACQUISITION REPORTS CONT.

* Mesa Petroleum Co. United States Profit Sharing Plan and Trust Agreement	Mesa Royalty Trust (Houston, TX) Units of Beneficial Interest - 1,000,000	1-9-81
* Bor-Son, Inc. Roger A. Asp Robert G. Baumeister M. C. Thorvilson Thomas H. Weber	Shelter Corporation of America (Bloomington, MN) Common Stock - 51,530 shs. Common Stock - 2,397,968 shs. (47.959%) on exercise of option	1-9-81
* Buckeye Holding, Inc. (Wholly-owned subsidiary of Life Investors Inc.)	Tri-American Corporation (Cleveland, OH) Common Stock - 170,411 shs. (17.08%)	1-9-81
* Coral Acquisition, Inc. Coral Energy, Inc. (Wholly-owned subsidiaries of Coral Petroleum Inc.) Coral Petroleum, Inc.	United Refining Co. (Warren, PA) Common Stock - 854,480 shs. (35.1%)	1-9-81
Daniel B. Buckman	Wiener Enterprises, Inc. (New Orleans, LA) Common Stock - 63,470 shs.	1-9-81
CIN Industrial Investments, Ltd. (U.K.)	Xicor, Inc. (Sunnyvale, CA) Common Stock - 307,692 shs.	1-9-81
Marline Resources Company, Inc.	Adacorp, Inc. (San Francisco, CA) Common Stock - 350,000 shs. (12%)	1-12-81

**NOTICE**

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*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, registration statements, and other filings may be ordered by writing to 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 by registrant name to expedite service. Two types of service are available.*

**REGULAR SERVICE** — *The regular service reproduction cost is 10¢ per page, including applicable sales taxes, plus postage (\$5.00 minimum order). Regular service orders will be shipped within seven calendar days of the receipt by the SEC's service contractor of your request. Slight delays may occur if the materials to be copied are not already in the contractor's master files.*

**PRIORITY SERVICE** — *Copies of documents may be ordered by telephone directly from the SEC's service contractor by calling 301/951-1350. The priority reproduction cost is 35¢ per page plus postage and applicable sales taxes (\$10.00 minimum order). Priority service orders will be shipped by 4:00 PM of the working day following the day of your telephoned request for materials already in the contractor's master files. Cost estimates are given on request.*

*All other reference material is available in the SEC Docket.*

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