

# sec news digest

Issue 81-116

JUN 18 1981

June 17, 1981

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## RULES AND RELATED MATTERS

### U.S. SECURITIES AND EXCHANGE COMMISSION

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#### WITHDRAWAL OF A PROPOSED AMENDMENT TO RULE 3c-2

The Commission is withdrawing a proposed amendment to Rule 3c-2 under the Investment Company Act of 1940. Recent amendments to the statutory definition of beneficial ownership in Section 3(c)(1) of the Act render the proposed amendment to the rule unnecessary. (Rel. IC-11818)

FOR FURTHER INFORMATION CONTACT: Marsha Gilman at (202) 272-2057

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## CIVIL PROCEEDINGS

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#### MCLOUTH STEEL CORPORATION ENJOINED

The Commission today announced that the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction and Other Equitable Relief (Final Judgment) restraining and enjoining the McLouth Steel Corporation of Detroit, Michigan, from further violations of Section 17(a)(2) and (3) of the Securities Act of 1933 (Securities Act) and Section 13(a) of the Securities Exchange Act of 1934 (Exchange Act). McLouth consented to the entry of the Final Judgment without admitting or denying the allegations of the Commission's complaint, also filed today.

The Commission's complaint alleges that McLouth filed with the Commission certain Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q which contained false and misleading statements of material facts regarding its financial condition and omitted information required by Commission rules and regulations to be contained in such reports. The Commission's complaint alleges that McLouth violated Section 13(a) of the Exchange Act by improperly using the equity method of accounting to account for its investment in the Jewell Coal and Coke Company, of which McLouth owned 19.87% of the outstanding Jewell common stock and by failing to disclose, as required by Commission rules and regulations, significant litigation with Jewell over the terms of a long-term coke supply contract. In addition, the Commission's complaint alleges that McLouth violated Section 17(a)(2) and (3) of the Securities Act and Section 13(a) of the Exchange Act by improperly recognizing profits resulting from certain inventory transactions and valuations. As a result of certain of the violations, the Commission's complaint alleges that McLouth overstated its earnings or understated its losses in the years in question. (SEC v. McLouth Steel Corporation, D.D.C. 1979, Civil Action No. 81-1373) (LR-9375)

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## INVESTMENT COMPANY ACT RELEASES

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#### PRECIOUS METALS HOLDINGS, INC.

A notice has been issued giving interested persons until July 8 to request a hearing on the application filed, pursuant to Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder, by Precious Metals Holdings, Inc. (Fund), registered under the Act as a closed-end diversified, management investment company; Harbor Capital Management Company, Inc., the investment adviser to the Fund; and Frederick G. P. Thorne, Jack M. Barbour, Frans J. C. Cronje, Theodore C. Haffenreffer, Jr., John E. Lawrence, Georges J. Muller, Joseph W. Powell Jr., and

A. R. O. Williams, directors of the Fund who are defendants in a shareholder derivative action. The application requests an Order of the Commission permitting participation by the Fund, Harbor, the Applicant directors, certain other individuals, and members of the shareholder group responsible for bringing the pending shareholder derivative action in a settlement of such action. (Rel. IC-11816 - June 12)

#### SCUDDER MANAGED RESERVES, INC.

A notice has been issued giving interested persons until July 7 to request a hearing on an application by Scudder Managed Reserves, Inc., a registered, open-end, diversified management investment company, for an order declaring that it has ceased to be an investment company. (Rel. IC-11817 - June 12)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange, Inc. has filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934 (SR-CBOE-81-9) to amend its constitution to provide that only voting members of the exchange can sign a petition to call a special meeting of the membership. Publication of the proposal is expected to be made in the Federal Register during the week of June 15. (Rel. 34-17860)

### NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-PSE-81-10) to amend its rule concerning the resolution of uncomparated options transactions. Publication of the proposal is expected to be made in the Federal Register during the week of June 15. (Rel. 34-17861)

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## TRUST INDENTURE ACT RELEASES

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### INTERNATIONAL HARVESTER CREDIT CORPORATION

Notices have been issued giving interested persons until June 26 to request a hearing on applications by International Harvester Credit Corporation, pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Commerce Union Bank under five indentures, and of Manufacturers Hanover Trust Company under two indentures of Applicant, are not so likely to involve material conflicts of interests as to make it necessary to disqualify Commerce Union Bank and Manufactures Hanover Trust Company from acting as trustees. (Rel. TI-633 and TI-634)

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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) CINEMA-STAR CORPORATION, 735 East Gage Ave., Los Angeles, CA 90001 (213) 233-7183 - 8,000,000 units. Underwriter: AMFCO Securities, Inc., 29 Broadway, New York, NY 10006 (212) 344-6363. The company is a new enterprise in its early embryonic and promotional states of development and has not, as yet, commenced any commercial operations. (File 2-72615-LA - June 3) (Br. 4 - New Issue)
- (S-18) METRO CABLE CORPORATION, 25 East Cache La Poudre, Colorado Springs, CO 80903 - 12,000,000 shares of common stock. Underwriter: Chesley and Dunn, Inc., 1777 South Harrison, Denver, CO 80210. The company has acquired and is developing and operating a CATV system franchise. (File 2-72736-D - June 10) (Br. 7 - New Issue)

- (S-18) AMERICAN DYNAMICS, 126 North Route 303, West Nyack, NY 10994 - 2,500,000 shares of common stock. Underwriters: Columbine Securities, Inc. and Coughlin & Co., Inc. The company designs, manufactures and markets electronic security devices. (File 2-72739-NY - June 10) (Br. 8 - New Issue)
- (S-1) SIMLA ENERGY, INC., 3500 South Wadsworth Blvd., Suite 204, Denver, CO 80235 - 2,500,000 units. Underwriter: M. S. Wien & Co., Inc. The company is engaged in oilfield drilling site preparation. (File 2-72784 - June 15) (Br. 10 - New Issue)
- (S-B) PROVINCE OF MANITOBA, Canadian Consulate General, 1251 Avenue of the Americas, New York, NY 10020 - \$150 million of % bonds, Series 11E, due July 1, 1991. Underwriters: Merrill Lynch White Weld Capital Markets Group, The First Boston Corporation, Salomon Brothers, Wood Gundy Incorporated and Richardson Securities, Inc. (File 2-72795 - June 16) (Br. 9 - New Issue)
- (S-16) CAMERON IRON WORKS, INC., 13013 Northwest Freeway, Houston, TX 77040 (713) 939-2211 - \$75 million of % notes, due 1991. Underwriter: Morgan Stanley & Co. Incorporated, 55 Water St., New York, NY. The company is engaged in the design, manufacture and marketing of a broad range of oil tools, forges products and ball valves. (File 2-72798 - June 16) (Br. 3)
- (S-8) SOUTHLAND FINANCIAL CORPORATION, 100 West Tenth St., Suite 9631, Wilmington, DE 19801 (302) 658-7581 - 500,000 shares of common stock. (File 2-72799 - June 16) (Br. 10)
- (S-14) ADOBE OIL & GAS CORPORATION, 1100 Western United Life Bldg., Midland, TX 79701 (915) 683-4701 - 1,000,000 shares of common stock. (File 2-72801 - June 16) (Br. 3)
- (S-16) PHILADELPHIA ELECTRIC COMPANY, P.O. Box 8699, 2301 Market St., Philadelphia, PA 19101 (215) 841-4000 - \$125 million of first and refunding mortgage bonds, % Series due 2011. Underwriters: Drexel Burnham Lambert Incorporated and The First Boston Corporation. The company provides electric, gas and steam service. (File 2-72802 - June 16) (Br. 7)
- (S-1) TECHAMERICA GROUP, INC., Elkan Estates Industrial Park, Elwood, KS 66024 - 1,250,000 shares of common stock. Underwriter: A. G. Edwards & Sons, Inc. The company develops, produces and markets biological and pharmaceutical animal health care products. (File 2-72805 - June 16) (Br. 4)
- (S-8) MGIC INVESTMENT CORPORATION, MGIC Plaza, Milwaukee, WI 53201 (414) 347-6442 - 250,000 shares of common stock. (File 2-72806 - June 16) (Br. 1)
- (S-6) SEVEN WATER STREET TRUST, 82 Devonshire St., Boston, MA 02109 - an indefinite number of units of beneficial interest. Depositor: Fidelity Distributors Corporation. (File 2-72807 - June 16) (Br. 17 - New Issue)
- (S-8) AGOIL, INC., 1800 SW First Ave., Suite 550, Portland, OR 97201 (503) 222-9100 - 1,200,000 shares of common stock. (File 2-72808 - June 16) (Br. 3)
- (S-7) ADAGE, INC., One Fortune Dr., Billerica, MA 01821 (617) 667-7070 - 500,000 shares of common stock. Underwriter: L. F. Rothschild, Unterberg, Towbin. The company designs, manufactures, markets and services interactive computer graphics terminals and systems. (File 2-72809 - June 16) (Br. 10)
- (S-18) INTERNATIONAL SOLAR, INC., 4179 North Sinton Rd., Colorado Springs, CO 80907 (303) 599-8744 - 1,500,000 shares of common stock. Underwriter: John Muir & Co. The company engages in the design, assembly and sale of solar energy systems. (File 2-72810 - June 16) (Br. 10 - New Issue)

#### REGISTRATIONS EFFECTIVE

May 21: Barley Products International, Inc., 2-70767-D.  
 May 22: McCoy Industries, Inc., 2-71368-D.  
 May 27: Ribl-Immunochem Research, Inc., 2-71875-S.  
 May 28: Miocene Resources, Inc., 2-71863-D; Mincomp Corp., 2-71405-B.  
 May 29: Nuveen Tax-Exempt Bond Fund, Multi-Maturity Fund A, 2-71882.  
 June 2: Acton Corp., 2-72256; Comparator Systems Corp., 2-70961; Empire State Municipal Exempt Trust, Series 27, 2-72250; Fiatron Systems, Inc., 2-71492-D; Medical Graphics Corp., 2-72079-C; Metpath Inc., 2-72137; Pacific Western Bancshares, 2-72216; Pembroke Capital Co., Inc., 2-71823; Philadelphia Life Separate Account A, 2-70168; Piezo Electric Products, Inc., 2-71802-B; The Pillsbury Co., 2-72185; Syntech International, Inc., 2-71370-FW; Wang Laboratories, Inc., 2-72559.

## 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, registration statements, and other filings may be ordered by writing to the Public Reference Branch, 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. Cost estimates are given on request. Two types of service are available through the Public Reference Branch, one of which (priority service) is also available directly from the SEC's service contractor.

**REGULAR SERVICE** — The regular service reproduction cost is 10c 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, forwarded from the Public Reference Branch. 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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