

sec news digest

LIBRARY

Issue 81-204

October 22, 1981

OCT 26 1981

RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

PROPOSED AMENDMENTS TO RULES UNDER EXCHANGE ACT REPORTING PROVISIONS

The Commission will consider whether to publish a release proposing for comment Rule 12g-1 and amendments to Rules 12g-4 and 15d-6 regarding exemptions from the reporting and other requirements of the Securities Exchange Act of 1934. Rule 12g-1 would provide an exemption from the registration requirements of Section 12(g) of the Exchange Act for those issuers with less than \$3 million in total assets. The amendments to Rules 12g-4 and 15d-6 would allow an issuer registered and reporting under Sections 12(g) and 15(d) of the Exchange Act to de-register their securities, or suspend their reporting duties, respectively, if the issuer had less than \$3 million in assets for each of its last three fiscal years and fewer than 500 shareholders.

Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, DC 20549 on or before December 18 and should refer to File No. S7-910. (Rel. 34-18189)

FOR FURTHER INFORMATION CONTACT: Paul Belvin at (202) 272-2644

COMMISSION ANNOUNCEMENTS

REQUEST FOR COMMENTS ON ISSUES TO BE ADDRESSED BY ADVISORY COMMITTEE ON SHAREHOLDER COMMUNICATIONS

The Advisory Committee on Shareholder Communications, through the facilities of the Commission, is issuing a release soliciting public comment on several specific issues to be addressed by the Committee. The Commission established the Committee in April, 1981 to explore the possibilities of improving the process by which issuers communicate with beneficial owners of securities registered in the name of a broker-dealer, bank or other nominee.

All comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, DC 20549 on or before December 5 and should refer to File No. S7-911. All comments will be available for public inspection. (Rel. 34-18195)

FOR FURTHER INFORMATION CONTACT: Gregory H. Mathews at (202) 272-2589

ADMINISTRATIVE PROCEEDINGS

SANCTIONS IMPOSED AGAINST JOHNSON-BOWLES COMPANY, INC. AND WILLIAM R. KASWORM

The Commission announced it has entered Findings and an Order imposing Remedial Sanctions against Johnson-Bowles Company, Inc. and William R. Kasworm, both of Salt Lake City, Utah, pursuant to Offers of Settlement submitted by them in which they neither admitted nor denied the allegations contained in the Order for Proceedings, and in which they consented to findings of violations and sanctions.

In the Order Imposing Remedial Sanctions, the Commission ordered that Johnson-Bowles be censured and that the firm be suspended from market-making for a period of two years with exceptions which will allow Johnson-Bowles to obtain long or short securities positions in transactions with customers, provided such positions are liquidated or covered in two business days, and which would allow Johnson-Bowles to over-allot or effect purchases or sales which stabilize or maintain the market price of securities in connection with underwriting activity of the firm. The Order Imposing Remedial Sanctions also ordered that Kasworm be suspended from association with any broker or dealer in a supervisory capacity for 30 days, with the provisions that he may be associated with any broker or dealer during the 30-day suspension in a non-supervisory capacity under appropriate supervision. (Rel. 34-18168)

CIVIL PROCEEDINGS

INJUNCTIVE ACTION FILED AGAINST JOSEPH GLENSKI

The New York Regional Office announced that on October 15 an action was filed in the U.S. District Court for the District of New Jersey seeking injunctive relief against Joseph Glenski of Ridgewood, New Jersey, formerly employed by Flagship Securities Inc., a broker-dealer registered with the Commission, as a registered representative and branch manager of its East Orange, New Jersey office.

The Commission's complaint alleges that from in or about February 1981 through in or about July 1981, Glenski violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder by converting municipal bonds, bon coupons and cash, valued at approximately \$380,754, from 13 of his customers to his own use.

Simultaneously with the filing of the Commission's complaint, without admitting or denying the allegations set forth in the complaint, Glenski consented to the entry of a Final Judgment of Permanent Injunction. (SEC v. Joseph Glenski, 81 Civil 3184, D.N.J.). (LR-9478)

DOUGLAS GROBE ENJOINED

The New York Regional Office announced the September 22 entry of a Final Consent Judgment of Permanent Injunction in the District of New Jersey enjoining Douglas Grobe of Eden Prairie, Minnesota, from further violations of the registration and antifraud provisions of the securities laws.

The complaint, filed on August 12, alleged that Grobe and two other defendants engaged in an unregistered distribution of stock in Lilac, Inc. (O-T-C), now known as Shalako, Inc. The Commission further alleged that Grobe induced others to sell and purchase Lilac shares in order to create the appearance of an active trading market, which market was a condition precedent to a merger involving Lilac that Grobe was attempting to arrange. Grobe consented to be enjoined without admitting or denying the allegations against him. (SEC v. MacConnell, et al., Civil Action No. 81-2575, D.N.J.). (LR-9479)

INVESTMENT COMPANY ACT RELEASES

CENTENNIAL MONEY MARKET TRUST

An order has been issued conditionally exempting Centennial Money Market Trust from the provisions of Rules 2a-4 and 22c-1 under the Investment Company Act of 1940 to permit it to calculate its price per share to the nearest one cent on a share value of one dollar. (Rel. IC-11995 - Oct. 19)

NUVEEN MUNICIPAL BOND FUND, INC.

An order has been issued on an application filed by Nuveen Municipal Bond Fund, Inc., registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, Nuveen Tax-Exempt Bond Fund, Series 1 and subsequent series, Nuveen Tax-Exempt Bond Fund--Multi-State, Series 1 and subsequent series, Nuveen Tax-Exempt Bond Fund--Medium Term, Series 1 and subsequent series, Nuveen Tax-Exempt Bond Fund--Short Term, Series 1 and subsequent series (Nuveen-Short Term), Nuveen Tax-Exempt Bond Fund--Multi-Maturity Fund A and subsequent series (Nuveen-Multi-Maturity), and Nuveen Income Fund, Series 1 and subsequent series, each registered under the Act as a unit investment trust, and John Nuveen & Co., Inc. (Nuveen), principal underwriter or sponsor for the Nuveen Funds, amending an earlier order of the Commission dated November 26, 1979 (Rel. IC-10952). The earlier order, pursuant to Section 6(c) of the Act, exempted certain of the Nuveen Funds and Nuveen from the provisions of Section 22(d) of the Act and Rule 22d-1 thereunder to permit sales of such Nuveen Funds' securities at net asset value without a sales charge to employees of companies affiliated with Nuveen through the employees' participation in a non-tax qualified employee benefit plan. The amended order extends the Commission's earlier order to include within the terms thereof Nuveen-Short Term and Nuveen-Multi-Maturity and any other series of registered unit investment trusts sponsored by Nuveen in the future. (Rel. IC-11996 - Oct. 20)

INA TAX-FREE RESERVE FUND, INC.

A notice has been issued giving interested persons until November 13 to request a hearing on an application filed by INA Tax-Free Reserve Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, for an order pursuant to Section 6(c) of the Act exempting Applicant from the provisions of Section 12(d)(3) of the Act to the extent necessary to permit Applicant to acquire rights to sell its portfolio securities to brokers or dealers, and 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 Applicant to value such rights in the manner proposed. (Rel. IC-11997 - Oct. 20)

BOSTON FINANCIAL APARTMENTS ASSOCIATES, L.P.

A notice has been issued giving interested persons until November 16 to request a hearing on an application by Boston Financial Apartments Associates, L.P., a Delaware limited partnership organized to invest in other limited partnerships that will develop, own and operate federal, state or local government-assisted new or rehabilitated rental housing projects, and its general partners, BFTG Residential Properties, Inc., and Franklin Housing Associates, for an order pursuant to Section 6(c) of the Act exempting the partnership from all provisions of the Act. (Rel. IC-11998 - Oct. 21)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES

An order has been issued authorizing Middle South Utilities, a registered holding company, to issue and sell at competitive bidding up to 10,000,000 authorized but unissued shares of common stock, \$5 par value. The proceeds will be applied towards the reduction of outstanding bank loans. (Rel. 35-22239 - Oct. 21)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING GRANTED

An order has been issued granting the applications of the Cincinnati Stock Exchange for unlisted trading privileges in two issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-18188)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

A fee change filed by the Boston Stock Exchange Clearing Corporation, pursuant to Rule 19b-4 (SR-BSECC-81-4), has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. BSECC has extended its temporary 15 percent increase in fees from October 1 through December 31, 1981. BSECC also has imposed an interest charge of 1-1/2 percent per month on charges for clearing services that remain unpaid for more than 30 days. Publication of the proposal is expected to be made in the Federal Register during the week of October 19. (Rel. 34-18182)

NOTICE OF PROPOSED RULE CHANGE

The Midwest Clearing Corporation has filed a proposed rule change pursuant to Rule 19b-4 (SR-MCC-81-8) authorizing MCC to modify the amounts of cash and securities which participants must contribute to the participants' fund, and the manner in which interest earned on the participants' fund is allocated among the participants and MCC. Publication of the proposal is expected to be made in the Federal Register during the week of October 19. (Rel. 34-18185)

TRUST INDENTURE ACT RELEASES

INTERNATIONAL HARVESTER COMPANY

An order has been issued under the Trust Indenture Act of 1939 on an application from International Harvester Company that the trusteeship of Sterling National Bank and Trust Company of New York under two specified indentures of International Harvester is not so likely to involve a material conflict of interest as to make it necessary to disqualify Sterling from acting as trustee under either of such indentures. (Rel. TI-668)

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

- (N-1) LINCOLN NATIONAL SPECIAL OPPORTUNITIES FUND, INC., 1300 South Clinton St., Fort Wayne, IN 46801 (219) 424-5421 - an indefinite number of shares. (File 2-74479 - Oct. 20) (Br. 18 - New Issue)
- (S-6) SHEARSON/FIREMAN'S FUND VARIABLE ACCOUNT A, 1600 Los Gamos Rd., San Rafael, CA 94911 - an indefinite number of variable annuity contracts. Depositors: Fireman's Fund American Life Insurance Company and Amfire, Inc. (File 2-74480 - Oct. 20) (Br. 20 - New Issue)
- (S-8) WHITTAKER CORPORATION, 10880 Wilshire Blvd., Los Angeles, CA 90024 (213) 475-9411 - 500,000 shares of common stock. (File 2-74481 - Oct. 21) (Br. 6)

- (S-2) T I ENERGY, INC., Suite 3-A, Professional Bldg., 401 S. Main St., Ottawa, KS 66067 - 18,000,000 shares of common stock. Underwriter: Townsend, Bauerle & Company, Inc., 1385 South Colorado Blvd., Suite 508, Denver, CO 80222 (303) 758-1717. The company is a development stage enterprise with activities limited to the drilling of wells. (File 2-74482 - Oct. 21) (Br. 3 - New Issue)
- (S-15) MEKCANTILE TEXAS CORPORATION, 1500 Mercantile Bank Bldg., Dallas, TX 75201 (214) 698-5000 - 250,000 shares of common stock. (File 2-74483 - Oct. 21) (Br. 2)
- In a separate statement the company seeks registration of 196,153 shares of common stock. (File 2-74487 - Oct. 19) (Br. 2)
- (S-16) THE TOLEDO EDISON COMPANY, 300 Madison Ave., Toledo, OH 43652 (419) 259-5000 - 1,500,000 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and The First Boston Corporation. The company is engaged in the generation, transmission, distribution and sale of electric energy. (File 2-74484 - Oct. 21) (Br. 8)
- In a separate statement the company seeks registration of \$35 million of first mortgage bonds, % Series due 2011. (File 2-74485 - Oct. 21)
- (S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK - American Depositary Receipts for 20,000,000 American Depositary Shares for non-restricted B shares of Aktiebolaget Fortia. (File 2-74489 - Oct. 21) (Br. 99 - New Issue)
- (N-1) SAFECO VARIABLE ACCOUNT A, Safeco Life Insurance Company, Safeco Plaza, Seattle, WA 98185 (206) 454-5000 - an indefinite number of securities. (File 2-74490 - Oct. 21) (Br. 20 - New Issue)
- (S-8) CBI INDUSTRIES, INC., 800 Jorie Blvd., Oak Brook, IL 60521 (312) 654-7000 - 100,000 shares of common stock. (File 2-74491 - Oct. 21) (Br. 6)
- (S-14) CB&T BANCSHARES, INC., 1148 Broadway, Columbus, GA 31901 - 440,000 shares of common stock. (File 2-74493 - Oct. 21) (Br. 2 - New Issue)
- (S-1) HEALTHDYNE, INC., 2253 Northwest Pkwy., Marietta, GA 33067 - 635,000 shares of common stock. Underwriters: Bache Halsey Stuart Shields Incorporated and The Robinson-Humphrey Company, Inc. The company designs, manufactures and markets electronic medical equipment for use in home health care and in hospitals. (File 2-74494 - Oct. 21) (Br. 8 - New Issue)
- (S-6) THE CORPORATE INCOME FUND, ONE HUNDRED FIFTY-NINTH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, NY 10080 - an indefinite number of units of beneficial interest. (File 2-74497 - Oct. 21) (Br. 17 - New Issue)
- (S-14) DISCOVERY OIL, LTD., 2049 Century Park East, Suite 890, Los Angeles, CA 90067 (213) 277-7692 - 3,840,000 shares of common stock. (File 2-74498 - Oct. 21) (Br. 1)

REGISTRATIONS EFFECTIVE

Oct. 13: Ag Asset, Incorporated, 2-72648; Amedco, Inc., 2-73586; Columbian Oil and Gas Drilling Program 1981, 2-74057; The Corporate Income Fund, One Hundred Fifty-Third Short Term Series, 2-74106; The Government Securities Income Fund, GNMA Series G, 2-69946; Omaha National Corporation, 2-73887; SLM Entertainment, Ltd., 2-73442.

Oct. 14: Transcontinental Gas Pipe Line Corporation, 2-74326; Vector Graphic, Inc., 2-73798.

SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS

The following is a list of significant no-action and interpretative letters recently issued by the Division of Corporation Finance and Investment Management. These letters express the view of the Division with respect to novel or important questions arising under the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. Copies of these letters may be obtained by writing to the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549, or by making a request in person at the Public Reference Section, 1100 L Street, N.W., Room 6101, Washington, D.C., stating the name of the subject company, the Act and the Section of the Act to which it relates, and the public availability date. Copies cost 10 cents per page.

DIVISION OF CORPORATION FINANCE

<u>COMPANY</u>	<u>ACT/SECTION/RULE OR RELEASE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
Hadron, Inc.	'33 Act/Rule 144(d)	7/1/81	8/3/81
National Committee Against Discrimination in Housing, Inc.	'33 Act/§2(1)	7/10/81	8/10/81
Hammermill Paper Co.	'33 Act/§2(3)	7/14/81	8/14/81
The Upjohn Co.	'34 Act/Rule 16a-6(c) Rule 16b-3(d)(1)(11)	7/6/81	8/6/81
Lehman Brothers Kuhn Loeb, Inc.	'33 Act/§2(4), §5	7/22/81	8/24/81
Bessemer Venture Partners L.P.	'33 Act/Rule 144(d)	7/30/81	8/31/81
Cable TV Industries	'33 Act/Rule 144(d)	7/30/81	8/31/81
AAMINEX Gold Corp.	'33 Act/§5, Rule 144	8/10/81	9/10/81
ENSCO, Inc.	'33 Act/§5, Rule 144	8/10/81	9/10/81
Peoples Energy Corp.	'33 Act/§5, Rule 144 Forms S-8, S-16 '34 Act/Rule 16b-3, 16b-7	8/10/81	9/10/81
Electronic Realty Associates, Inc.	'33 Act/§5	8/13/81	9/14/81
Rover of Indiana, Inc.	'33 Act/§5	8/13/81	9/14/81
Wells Fargo & Co.	'34 Act/Rule 16b-3	8/17/81	9/17/81
TOCOM, Inc.	'34 Act/Rule 16b-3	8/27/81	9/28/81

SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS CONT.

DIVISION OF INVESTMENT MANAGEMENT

<u>COMPANY</u>	<u>ACT/SECTION RULE OR RELEASE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
Richard A. Heidecke Jr.	IAA '40/§ 202(a)(11)	7/17/81	8/17/81
Bailey & Griffiths, Ltd.	IAA '40/§§ 202(a)(1), 205(2)	7/21/81	8/20/81
Davis, Skaggs & Co., Inc.	IAA '40/§ 203(b)(3)	7/22/81	8/21/81
William R. Longo	IAA '40/§§ 202(a)(11) 206	7/26/81	8/25/81
Albert H. Molette	IAA '40/§ 202(a)(11)	8/5/81	9/4/81
H & H Investments	IAA '40/§ 206	8/18/81	9/17/81
Minbanc Capital Corp.	ICA '40/§ 17(j) Rule 17j-1(c)(1)	8/18/81	9/17/81
MI Fund, Inc.	ICA '40/§ 17(j) Rule 17j-1(c)(1)	8/18/81	9/17/81
Alterman Investment Fund, Inc.	ICA '40/§ 17(j) Rule 17j-1(c)(1)	8/18/81	9/17/81
Richard Ellis, Inc.	IAA '40/§§ 202(a)(11) 203(a), 208(d)	8/18/81	9/17/81
Piette and Associates Limited	ICA '40/§§ 2(a)(22), 3(a) IAA '40/Rule 206(4)-2	8/18/81	9/17/81
Dr. Eugene J. Reiser	IAA '40/§ 202(a)(11)	9/1/81	10/1/81
Moraga Corporation	ICA '40/§ 3(a)(3)	9/11/81	10/13/81

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 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, 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 (Maryland callers), or the toll-free number, 800-638-8241. 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.

SEC NEWS DIGEST is published daily. Subscription rates: \$100.00/yr in U.S. first class mail; \$125.00 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$110.00/yr in U.S. first class mail; \$137.50 elsewhere.

SEC MONTHLY STATISTICAL REVIEW is published monthly. Subscription rates: \$19.00/yr in U.S. first class mail; \$23.75 elsewhere.

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