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# sec news digest

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August 9, 1979

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## ADMINISTRATIVE PROCEEDINGS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### ALLEN & COMPANY AND RICHARD M. CROOKS SUSPENDED

Administrative Law Judge Jerome K. Soffer has issued an initial decision suspending Allen & Company, of New York City, from effecting transactions in over-the-counter securities for a period of five days. By the same decision, Richard M. Crooks, a trader for Allen & Company, is suspended from association with a broker-dealer for a period of five days.

The sanctions imposed were based upon findings that Allen had wilfully violated, and Crooks had wilfully aided and abetted such violations of, the recordkeeping requirements of the Commission, and, further, that the respondents had wilfully aided and abetted William H. Langfield, II, formerly an over-the-counter trader for Investors Diversified Services, Inc., to receive compensation in the form of preferential treatment in violation of Section 17(e)(1) of the Investment Company Act of 1940.

In his decision, Judge Soffer found that charges of violations of the antifraud provisions of the securities laws by both respondents and of a failure of Allen to reasonably supervise its employees to prevent violations of law were not proven.

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## COMMISSION ANNOUNCEMENTS

### DELETION OF STAFF ACCOUNTING BULLETIN

The staff of the Commission has published Staff Accounting Bulletin No. 34 which deletes previously issued Staff Accounting Bulletin No. 5 (Topic 5-F) Exchanges of Assets Between Debtors and Creditors. (Rel. SAB-34)

FOR FURTHER INFORMATION CONTACT: Lawrence C. Best at (202) 472-3782.

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## INVESTMENT COMPANY ACT RELEASES

### CREDIT LYONNAIS

A conditional order has been issued exempting Credit Lyonnais, a French commercial bank which presently proposes to make an offering of commercial paper in the United States, from all provisions of the Act. (Rel. IC-10814 - Aug. 7)

### SOCIETE GENERALE

A conditional order has been issued exempting Societe Generale, a French commercial bank which presently proposes to make an offering of commercial paper in the United States, from all provisions of the Act. (Rel. IC-10815 - Aug. 7)

### SVENSKA HANDELSBANKEN

A conditional order has been issued exempting Svenska Handelsbanken, a Swedish commercial bank which presently proposes to make an offering of commercial paper and bankers' acceptances in the United States, from all provisions of the Act. (Rel. IC-10816 - Aug. 7)

### SKANDINAVISKA ENSKILDA BANKEN

A conditional order has been issued exempting Skandinaviska Enskilda Banken, a Swedish commercial bank which presently proposes to make an offering of commercial paper in the United States, from all provisions of the Act. (Rel. IC-10817 - Aug. 7)

#### **IDS CASH MANAGEMENT FUND, INC.**

A notice has been issued giving interested persons until August 23, 1979, to request a hearing on an application of IDS Cash Management Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified management investment company, requesting an order of the Commission, pursuant to Section 6(c) of the Act, exempting Applicant from the provisions of Rules 2a-4 and 22c-1 under the Act to the extent necessary to permit Applicant to compute its net asset value per share, for the purposes of effecting sales, redemptions and repurchases of its shares, to the nearest one cent on a share value of one dollar. (Rel. IC-10818 - Aug. 3)

#### **THIRD GENERATION TAX EXEMPT BOND TRUST**

A notice has been issued giving interested persons until September 4, 1979, to request a hearing on an application of Third Generation Tax Exempt Bond Trust, Series 1 (and Subsequent Series) (Fund), a unit investment trust registered under the Investment Company Act of 1940, and its sponsor, First Albany Municipals, a division of First Albany Corporation, for an order of the Commission pursuant to Section 6(c) of the Act, exempting the Applicants from the provisions of Section 26(a)(2) of the Act to the extent necessary to permit the series of the Fund to bear the costs of their organizational expenses directly. (Rel. IC-10819 - Aug. 7)

#### **POST-OCH KREDITBANKEN, PKBANKEN**

An order has been issued exempting Post-och Kreditbanken, PKbanken, a Swedish commercial bank which presently proposes to make an offering of commercial paper in the United States, from all provisions of the Act. (Rel. IC-10820 - Aug. 7)

#### **KANSALLIS-OSAKE-PANKKI**

An order has been issued exempting Kansallis-Osake-Pankki, a Finnish commercial bank which presently proposes to make an offering of commercial paper in the United States, from all provisions of the Act. (Rel. IC-10821 - Aug. 7)

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## **HOLDING COMPANY ACT RELEASES**

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#### **CEDAR COAL COMPANY**

An order has been issued authorizing a proposal of Cedar Coal Company and three other subsidiaries of American Electric Power Company, Inc., a registered holding company, concerning mining equipment leases. (Rel. 35-21178 - Aug. 8)

#### **EASTERN EDISON COMPANY**

A notice has been issued giving interested persons until September 4, 1979, to request a hearing on a proposal by Eastern Edison Company and Montaup Electric Company, both of which are electric utility subsidiaries of Eastern Utilities Associates, that their short-term borrowing authorizations be increased for the period ending December 24, 1979. (Rel. 35-21179 - Aug. 8)

#### **AMERICAN ELECTRIC POWER COMPANY, INC.**

A supplemental order has been issued authorizing a change in the reporting requirements concerning the sale of its common stock to its dividend reinvestment and stock purchase plan by American Electric Power Company, Inc., a registered holding company. (Rel. 35-21180 - Aug. 8)

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## **MISCELLANEOUS**

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#### **ORDERS FOR EXEMPTIONS PURSUANT TO SECTION 12(h)**

Orders have been issued granting the applications of the following companies, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting provisions of Sections 13 and 15(d) of the Act.

**SOUTHWESTERN GROUP FINANCIAL, INC.** - Since, as the result of a merger with and into Kanab Services, Inc., on February 28, 1979, the Applicant has no securities owned by

the public, it appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors. (Rel. 34-16052)

THE MEYERCORD CO. - It appears to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to either investors or the public if the Applicant were required to file the subject reports. (Rel. 34-16054)

RESOURCE MANAGEMENT CORPORATION - It appears to the Division that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-16055)

CUTLER-HAMMER, INC. - It appeared to the Commission that the granting of the requested exemption would not be inconsistent with the public interest or the protection of investors inasmuch as none of the Applicant's common stock is held publicly, and there is no trading in its securities. (Rel. 34-16057)

LOUIS SHERRY, INC. - It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors, in view of the fact that none of the Applicant's securities are held publicly. (Rel. 34-16059)

THE CROSS COMPANY - It appears to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to either investors or the public if the Applicant were required to file the subject reports. (Rel. 34-16060)

AGUIRRE COMPANY - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that the Applicant had commenced a liquidation and distribution of its assets to its shareholders and there is no trading in Applicant's stock. (Rel. 34-16061)

ZEMARC, LTD. - It appeared to the Commission that the granting of the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that a final liquidating disbursement of all remaining assets has been made to the Applicant's shareholders pursuant to a Plan of Complete Liquidation and Distribution. (Rel. 34-16062)

PET INCORPORATED - It appears to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to either investors or the public if the Applicant is required to file the subject reports. (Rel. 34-16063)

SILVER BELL INDUSTRIES, INC. - It appears to the Division that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-16064)

WESTMOR CORPORATION - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors in view of the fact that Applicant's merger with Genstar Financial, Inc. and subsequent conversion of all of Applicant's outstanding common stock into cash resulted in Applicant no longer having any publicly traded common stock. (Rel. 34-16066)

FIRST SURETY CORPORATION - It appears to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to either investors or the public if the Applicant were required to file the subject reports. (Rel. 34-16068)

PORTLAND TRANSIT COMPANY - In July, 1976, Applicant adopted a Plan of Liquidation and subsequently has distributed to its shareholders approximately 93% of its assets, leaving a small remainder for the settlement of liabilities. Trading in Applicant's stock has ceased. (Rel. 34-16069)

ROSS AVIATION, INC. - It appears to the Division that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-16071)

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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; and File number and date filed.

- (S-6) TAX EXEMPT SECURITIES TRUST, SERIES 28 - 15,000 units. Depositors: Smith Barney, Harris Upham & Co. Inc., 1345 Avenue of the Americas, New York, N.Y. 10010; Loeb Rhoades, Hornblower & Co.; Blyth Eastman Dillon & Co. Inc.; and Drexel Burnham Lambert Inc. (File 2-65187 - Aug. 7)
- (S-14) STANDARD OIL COMPANY, 200 E. Randolph Dr., Chicago, Ill. 60601 (312-856-6111) - 8,265,956 shares of capital stock. (File 2-65192 - Aug. 8)
- (S-8) KNOGO CORPORATION, 100 Tec St., Hicksville, N.Y. 11801 (516-822-4200) - 50,000 shares of common stock. (File 2-65193 - Aug. 7)
- (S-6) TAX-EXEMPT MUNICIPAL TRUST, TWENTY-EIGHTH NATIONAL SERIES - 7,700 units. Depositor: Shearson Hayden Stone Inc., 767 Fifth Ave., New York, N.Y. 10022. (File 2-65194 - Aug. 8)
- (S-8) SHARED MEDICAL SYSTEMS CORPORATION, 650 Park Ave., King of Prussia, Pa. 19406 (215-988-2819) - 100,000 shares of common stock. (File 2-65195 - Aug. 8)
- (S-1) INFORMATICS, INC., 2103 Ventura Blvd., Woodland Hills, Cal. 91364 = 367,450 shares of common stock. (File 2-65196 - Aug. 8)
- In a separate S-1 registration statement, the company seeks registration of 600,000 shares of common stock. Underwriter: Goldman, Sachs & Co. (File 2-65197 - Aug. 8)
- (S-16) MCDONALD'S CORPORATION, One McDonald's Plaza, Oak Brook, Ill. 60521 (312-887-3200) - \$100 million of Variable/Fixed Rate Sinking Fund Notes due 1994. Underwriters: Paine, Webber, Jackson & Curtis Inc. and Salomon Brothers. (File 2-65198 - Aug. 8)

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## RECENT 8K FILINGS

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Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE
ALLIED NUCLEAR CORP	2,5	07/28/79
ALTON BOX BOARD CO	1,6	07/01/79
AMERICAN BANCSHARES INC	5	07/18/79
AMERICAN CAPITAL CORP	1	07/01/79
AMERICAN FLETCHER MORTGAGE INVESTORS	5	07/20/79
AMERICAN INTERNATIONAL PICTURES INC	2,6	07/12/79
AMINEX RESOURCES CORP	5,6	08/01/79

RECENT 8K FILINGS, cont.

BENQUET CONSOLIDATED INC	13	07/09/79	
BERRY INDUSTRIES CORP/CHALLENGE OIL & GA	5	06/28/79	
CARDIFF INDUSTRIES INC	2	12/01/78	AMEND
COLONIAL COMMERCIAL CORP	5,6	07/18/79	
COMPONENTS SPECIALTIES INC	4,6	07/01/79	
CONTRAN CORP	2,6	07/23/79	
DIVERSIFIED MORTGAGE INVESTORS INC/FL/	5	07/20/79	
EXCHANGE INTERNATIONAL CORP	1,5	07/19/79	
FOOD GIANT MARKETS INC	2,6	05/30/79	
GENERAL GROWTH PROPERTIES	1,5,6	07/17/79	
GOLD MEDALLION CORP	5,6	07/09/79	
GOLDEN CREST RECORDS INC	4,6	07/19/79	
GREAT LAKES DREDGE & DOCK CO	11,13	06/01/79	
HEALTH CHEM CORP	2	07/17/79	
HORMEL GEORGE A & CO	5,6	07/24/79	
INTERNATIONAL VIDEO CORP /DE/	5,6	07/01/79	
LOUISIANA PACIFIC RESOURCES INC	12	07/01/79	
MCCULLOCH OIL CORP	1,5	07/19/79	
MCCULLOCH PROPERTIES CREDIT CORP	5	07/19/79	
MCNEIL REAL ESTATE FUND IX LTD	6	05/23/79	AMEND
MEDALLION GROUP INC	2	07/17/79	
MESA PETROLEUM CO	5,6	07/16/79	
MIDDLE STATES BANCORPORATION INC	5	07/24/79	
MISSOURI PUBLIC SERVICE CO	5,6	07/19/79	
MORGANS RESTAURANTS INC	2	07/16/79	
MOUNTAIN FUEL SUPPLY CO	5	07/18/79	
NEW ALLIED DEVELOPMENT CORP	1,5	07/26/79	
NORTHERN STATES POWER CO /MN/	5	07/24/79	
PATO CONSOLIDATED GOLD DREDGING LTD	5,6	07/16/79	
PENNSTAR CO	5	07/23/79	
QUALITY CARE INC	5	06/29/79	
QUASAR MICROSYSTEMS INC	4,6	06/30/79	
REMINGTON ARMS CO INC	5,6	07/16/79	
RESEARCH COTTRELL INC	2,6	07/13/79	
SERNCO INC	5	07/27/79	
SOUTHWEST AIRLINES CO	2,5,6	07/17/79	
STATEX PETROLEUM INC	5	07/27/79	
TANNETICS INC	5	07/01/79	
TRANSCON BUILDERS INC	5	05/01/79	
TRANSIERRA EXPLORATION CORP	5,6	06/27/79	
URS CORP	5	07/05/79	
VEGA PRECISION LABORATORIES INC	1	03/28/79	

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