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# sec news digest

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## RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

### EXTENSION OF COMMENT PERIOD CONCERNING PROPOSED RULE 11Aa2-1

On June 15 the Commission published for comment proposed Rule 11Aa2-1 under the Securities Exchange Act of 1934 which, if adopted, would provide procedures by which securities would be designated as qualified for trading in a national market system. The time for submitting comments would have expired August 15, however, the Commission has extended the period to September 30. Persons wishing to submit written comments should file ten copies thereof with George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Room 892, 500 North Capitol Street, Washington D.C. 20549. All submissions should refer to File No. S7-787 and will be available for public inspection. (Rel. 34-16107)

FOR FURTHER INFORMATION CONTACT: Richard Ketchum at (202) 755-8916

## COMMISSION ANNOUNCEMENTS

### CHAIRMAN WILLIAMS SPEAKS BEFORE THE AMERICAN BAR ASSOCIATION

Chairman Williams spoke before the American Bar Association, Section of Business, Banking and Corporation Law, in Dallas, Texas on August 14. The title of his address was "Implementation of the Foreign Corrupt Practices Act: An Intersection of Law and Management."

## CIVIL PROCEEDINGS

### ATLAS OIL EXPLORATION, INC., OTHERS ENJOINED

The Atlanta Regional Office announced the filing of a complaint on July 12 in the U.S. District Court for the Southern District of Mississippi seeking injunctive and other equitable relief against Atlas Oil Exploration, Inc. (Atlas), Atlas Oil Corporation (Atlas Oil), Continental Petroleum, Inc., Energy Associates, Incorporated, Atlas Consultants, Inc. (Consultants), Zeno A. Goss, individually and doing business as Petroleum Investments, Inc. (Goss), the president, chairman of the board, and controlling shareholder of Atlas and its subsidiaries, Cleston Barnes, former president and a former director of Continental, Jerry F. Mims, former executive vice president of Atlas, James A. Mowen, former executive vice president of Atlas and Atlas Oil, Robert W. Rush, former vice president of Atlas and Atlas Oil and vice president and treasurer of Consultants, Jerry W. Lampley, president and secretary of Consultants, Gerald W. Keenum, a former salesman with Atlas and Atlas Oil, and Haskell J. Bonner, the driller of the Atlas and Continental wells.

The complaint alleges violations of the registration and antifraud provisions of the securities laws by Atlas, Atlas Oil, Continental, Energy, and Goss, and violations of the antifraud provisions of the securities laws by the other named defendants in connection with ten offerings by Atlas and its subsidiaries and five offerings by Consultants. It is further alleged that certain of the defendants misrepresented and omitted to state material facts concerning the anticipated production of wells to be drilled in connection with the Atlas offerings, the misappropriation by Goss of not less than \$275,000 of the proceeds of the offerings, the experience of the driller, and the entry of cease and desist orders by seven states restraining the sale of Atlas, Continental, and Energy securities. The complaint further alleges that Consultants, Lampley, and Rush violated the antifraud provisions by misrepresenting and for failing to disclose the use of the proceeds, contingencies in securing pipeline connections, and the anticipated production of proposed wells.

On July 13 Chief U.S. District Judge Dan M. Russell, Jr., entered judgments of permanent injunction against Atlas, Atlas Oil, Continental, Energy, and Gass, restraining them from further violations of the registration and antifraud provisions, and judgments of permanent injunction against Barnes, Mowen, Consultants, Lampley, and Rush restraining them from further violations of the antifraud provisions. The Court further ordered Lampley and Rush to file an accounting concerning the disbursements of the proceeds of the Consultant's offerings. The defendants enjoined consented to the entry of the permanent injunctions and other ancillary relief without admitting or denying the allegations in the complaint. (SEC v. Atlas Oil Exploration, Inc., et al., S.D. Miss., Civil Action No. S-79-0259[R]). (LR-8835)

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## INVESTMENT COMPANY ACT RELEASES

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### KEMPER MUNICIPAL BOND FUND, INC.

An order has been issued on an application of Kemper Municipal Bond Fund, Inc. (Fund), a registered open-end, diversified, management investment company, and Kemper Financial Services Inc., the Fund's investment adviser and principal underwriter (collectively Applicants), pursuant to Section 6(c) of the Act, exempting Applicants from the provisions of Section 22(d) of the Act to permit the sale of Fund shares at net asset value, without a sales charge, to participants in a reinvestment program to be offered to unitholders of Tax Exempt Income Trust Series 1 (and Subsequent Series), a unit investment trust registered under the Act and sponsored by Donaldson, Lufkin & Jenrette Securities Corporation. (Rel. IC-10829 - Aug. 13)

### FUQUA INVESTMENT COMPANY

An order has been issued on an application of Fuqua Investment Company (FIC) and J.B. Fuqua, the sole shareholder of FIC (Applicants), pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder permitting Applicants to carry out the terms of an agreement settling litigation with S-G Securities, Inc., a registered, closed-end, diversified, management investment company, affiliated with Applicants by virtue of FIC's ownership of its common stock. (Rel. IC-10830 - Aug. 14)

### FEDERAL LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until September 10 to request a hearing on an application of Federal Life Insurance Company, Federal Life Variable Annuity Account A and Fed Mutual Financial Services, Inc. (Applicants), pursuant to Section 11 of the Investment Company Act of 1940, for an order approving certain offers of exchange, and pursuant to Section 6(c) of the Act exempting Applicants from Sections 22(d), 26(a), and 27(c)(2) of the Act. (Rel. IC-10831 - Aug. 14)

### SENTINEL GROWTH FUND, INC.

An order has been issued on applications of Sentinel Growth Fund, Inc., Sentinel Bond Fund, Inc. and Sentinel Trustees Fund, Inc. (Applicants), registered under the Act as open-end, diversified, management investment companies, declaring that Applicants have ceased to be investment companies. (Rel. IC-10832 - Aug. 14)

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## HOLDING COMPANY ACT RELEASES

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### ALLEGHENY POWER SYSTEM, INC.

An order has been issued authorizing Allegheny Power System, Inc., a registered holding company, to issue and sell at competitive bidding up to 4,700,000 shares of common stock, par value \$2.50 per share, for estimated cash proceeds of \$79,900,000. (Rel. 35-21184 - Aug. 14)

### SYSTEM FUELS, INC.

An order has been issued authorizing a proposal set forth in post-effective amendments filed by Arkansas Power & Light Company, Louisiana Power & Light Company, Mississippi Power & Light Company, and New Orleans Public Service, Inc. (collectively the Operating Companies), all subsidiaries of Middle South Utilities, Inc., together with System Fuels, Inc. (SFI), subsidiary of the Operating Companies, regarding financing arrangements related to the purchase of fuel oil by SFI for use by the Operating Companies. (Rel. 35-21185 - Aug. 14)

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## MISCELLANEOUS

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### NOTICES OF APPLICATIONS PURSUANT TO SECTION 12(h) OF THE SECURITIES EXCHANGE ACT OF 1934

Notices have been issued giving interested persons until September 4 to request a hearing on applications of the following companies, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting them from the reporting requirements of the specified Sections of the Act:

MBPXL Corporation [Section 15(d)] - On March 1 MBPXL became a wholly-owned subsidiary of Cargill, Incorporated and there is no trading in MBPXL's securities. (Rel. 34-16097)

Memphis Trust Company [Section 15(d)] - On April 10 Applicant's stockholders approved a Plan of Recapitalization in the form of a one-for-500 reverse stock split. As a result of the plan, Applicant now has only 168 stockholders. The application states that Applicant will furnish to its stockholders annually audited financial statements and quarterly unaudited financial summaries. In addition, Applicant as a bank holding company regulated by the Federal Reserve Board, whose principal subsidiary is a commercial bank regulated by federal and state banking authorities, is required by such banking laws to make certain financial and other information available to stockholders. (Rel. 34-16100)

Pepsi-Cola Bottling Company [Section 13 and 15(d)] - Applicant believes that the exemption from filing the reports is not inconsistent with the public interest or the protection of investors in view of the fact that Applicant's issued and outstanding securities are all owned by a wholly-owned subsidiary of Liggett Soft Drink Company, Inc. and there is no trading in Applicant's securities. (Rel. 34-16091)

### FULBRIGHT & JAWORSKI

A notice has been issued giving interested persons until September 8 to request a hearing on an application of Fulbright & Jaworski, a law firm organized as a partnership under the laws of the State of Texas for an order 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 Pension Plan and Trust Agreement for Attorneys of Fulbright & Jaworski. (Rel. 33-6104)

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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) MUNICIPAL INVESTMENT TRUST FUND, TWENTY-SECOND NEW YORK 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 2-65236 - Aug. 13)
- (S-14) UNITED TELECOMMUNICATIONS, INC., P.O. Box 11315, Kansas City, Mo. 64112 (913) 676-3000 - 1,830,982 shares of common stock. (File 2-65237 - Aug. 13)
- (S-8) UNITED STATES GYPSUM COMPANY, 101 South Wacker Dr., Chicago, Ill. 60606 (312) 321-3763 - 500,000 shares of common stock. (File 2-65240 - Aug. 14)
- (N-1) COMPOSITE CASH MANAGEMENT COMPANY, W. 601 Riverside Ave., Spokane, Wash. 99201 (509) 624-4101 - an indefinite number of shares of common stock. (File 2-65242 - July 30)
- (N-1) FEDERATED CONVERTIBLE INCOME SECURITIES, INC., 421 Seventh Ave., Pittsburgh, Pa. 15219 - 100,000 shares of capital stock. (File 2-65243 - Aug. 13)

## SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS

The following is a list of significant no-action and interpretative letters recently issued by the Division of Market Regulation and the Division of 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 MARKET REGULATION

COMPANY	ACT/SECTION/RULE OR RELEASE	DATE MAILED	PUBLIC AVAILABILITY DATE
Specialized Services, Inc.	'34 Act/§10(b)/ Rule 10b-6	6/28/79	7/28/79
Ulaico Equity Services, Inc.	'34 Act/§15(c)/ Rule 15c3-3(k)(2)(1)	7/10/79	8/9/79
National Association of Church & Institutional Financing Organizations	'34 Act/§15(c)/ Rule 15c3-1(c)(2)(vi)(F)	7/26/79	8/25/79

### DIVISION OF INVESTMENT MANAGEMENT

COMPANY	ACT/SECTION/RULE OR RELEASE	DATE MAILED	PUBLIC AVAILABILITY DATE
Arizona Property Investors, Ltd.	ICA '40/§§2(a)(36), 3(a)(1)	7/10/79	8/9/79
Moran Bros., Inc.	ICA '40/§ 3(c)(11)	5/15/79	6/14/79
The Cleveland Clinic Foundation	ICA '40/§ 3(a) 1933 Act/§ 2(1) 1934 Act/§15(a)(1)	7/13/79	8/12/79
McCulloch Oil and Gas Corporation et. al.	ICA '40/§3(a)(1) §3(a)(3)	6/14/79	7/14/79

## 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 August 3 - 6, 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.

ACQUISITION REPORTS CONT.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Bridget B. Baird, Individually and Trustee Cameron Baird Foundation Brent D. Baird, Individually and Trustee, et al	First Carolina Investors (Charlotte, NC) Shares of Beneficial Interest - 263,700 (17.46%)	8-3-79
* Telco Marketing Services, Inc. Telvest, Inc. Libco Corp. Clyde Wm. Engle	Hickory Furniture Co. (Hickory, NC) Common Stock - 451,217 shs. (40.3%) Common Stock - 33,000 shs. on conversion of a Note	8-3-79
* Joseph E. Giovanini Giovanini Investments, Ltd. John M. Anselmi Paul D. Anselmi, et al	Horizon Corp. (Tucson, AZ) Common Stock - 526,175 shs. (11.83%)	8-3-79
* Maria Elisa Magnoni (Italy)	Interphoto Corp. (Palisades Park, NJ) Common Stock - 12,200 shs. Common Stock - 1,574,000 shs. on conversion of Preferred Stock	8-3-79
* Mayne Nickless Ltd. (Australia)	Loomis Corp. (Seattle, WA) Common Stock - 907,867 shs. on exercise of Options Common Stock - 96,128 shs. on conversion of Preferred Stock	8-3-79
* Marvin H. Peck	Pengo Industries Inc. (Fort Worth, TX) Common Stock - 206,713 shs.	8-3-79
* ISS-International Service System A/S (Denmark)	Prudential Building Maintenance Corp. (NYC) Common Stock - 1,236,400 shs. (49.57%)	8-3-79
Vorwerk & Co. (West Germany)	Ranco Inc. (Columbus, OH) Common Stock - 78,400 shs. Common Stock - 518,100 shs. on exercise of an Option	8-3-79
* GB-Inno-EM, S.A. (Belgium)	Scotty's Inc. (Winter Haven, FL) Common Stock - 65,500 shs. Common Stock - 555,555 shs. on conversion of Note	8-3-79
Edward Torres, Individually and Trustee Rick Ovadia Torres 1979 Trust Brad Edward Torres 1979 Trust, et al	Therm-Air Manufacturing Co., Inc. (York, PA) Common Stock - 556,462 shs. (37.1%)	8-3-79
* Louis Berkman Co.	Ampco-Pittsburgh Corp. (Pittsburgh, PA) Common Stock - 854,504 shs. (29.63%)	8-6-79
* Harold H. George	Blasius Industries Inc. (Clifton, NJ) Common Stock - 68,902 shs. Common Stock - 6,000 shs. on exercise of an Option	8-6-79

ACQUISITION REPORTS CONT.

Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1. The following companies or individuals filed Schedule 14D-1's during the period July 31 - August 8, 1979. \*Amended Tender Offers.

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER &amp; NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
Household Acquisition Corp. (Wholly-owned subsidiary of Household Finance Corp.)	Wien Air Alaska, Inc. (Anchorage, AK) Common Stock - All outstanding shares for cash at \$6.00 net per share	7-31-79
Employers Mutual Casualty Co.	Dakota Fire Insurance Co. (Bismark, ND) Common Stock - All outstanding shares for cash at \$7.00 net per share (Employers presently owns 482,275 shares (84.74%))	8-6-79
McGraw-Hill Holdings Corp. (Wholly-owned subsidiary of McGraw Hill Inc.) McGraw-Hill, Inc.	Data Resources Inc. (Lexington, MA) Common Stock - All outstanding shares for cash at \$50.00 net per share (McGraw Hill has entered into a Stock Purchase Agreement to acquire 910,741 shares (45%) from certain shareholders.)	8-8-79
NEC, Inc. (Wholly-owned subsidiary of National Education Corp.)	Intext, Inc. (Scranton, PA) Common Stock - All outstanding shares for cash at \$14.00 net per share	8-8-79

**RECENT 8K FILINGS**

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	
AIRBORNE FREIGHT CORP /DE/	5	07/30/79	
AMERICAN PIONEER CORP	1,2,6	07/23/79	
BAYSWATER REALTY & INVESTMENT TRUST	4,5,6	07/10/79	
BEEHIVE INTERNATIONAL	5	07/25/79	
BIG V SUPERMARKETS INC	5	07/05/79	
CENTURY 21 REAL ESTATE CORP	5,6	07/25/79	
CITY STORES CO	3	07/27/79	
CUMPARATOR SYSTEMS CORP	5	07/27/79	
DELSTAR CORP	5	07/23/79	
EGOM SYSTEMS INC	6	11/30/77	AMEND
EGOM SYSTEMS INC	6	08/31/78	AMEND
EGOM SYSTEMS INC	6	11/30/78	AMEND
EGOM SYSTEMS INC	6	02/28/79	AMEND
ESQUIRE INC	5	07/09/79	
FEDERAL RESOURCES CORP	5	07/27/79	
FIDELITY OF OKLAHOMA INC	5	08/01/79	
FLEXI VAN CORP	5,6	07/01/79	
GLASCO INC	2,6	07/31/79	
GRUMMAN CORP	5,6	08/02/79	

RECENT 8K FILINGS CONT.

HAMPTON INDUSTRIES INC	5	07/31/79
IDAHO POWER CO	5	07/30/79
LANDMARK BANKING CORP OF FLORIDA	5	08/03/79
LEE ENTERPRISES INC	5	07/02/79
LEIGH PRODUCTS INC	1	08/01/79
MARSHALL & ILSLEY CORP	5,6	07/12/79
MCDONALDS CORP	5	07/01/79
MONOGRAM INDUSTRIES INC /CA/	5,6	07/26/79
MOTTS SUPER MARKETS INC	5	07/18/79
MURCEN ENERGY RESOURCES LTD	5	07/31/79
NORFOLK CAROLINA TELEPHONE CO	5	07/26/79
OKC CORP	2,5	07/23/79
PHH GROUP INC	4	07/01/79
PRINCETON ELECTRONIC PRODUCTS INC	5	08/02/79
RETENTION COMMUNICATION SYSTEMS INC	4	07/19/79
SNELLING & SNELLING INC	5	07/02/79
SOUTHWESTERN GROUP INC	5	08/01/79
TERRAMAR CORP	2	06/27/79
TETRA TECH INC	5	07/16/79
TIDWELL INDUSTRIES INC	2,5,6	07/01/79
UNITOG CO	1	07/23/79
WASHINGTON MUTUAL SAVINGS BANK	6	07/25/79

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