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November 8, 1978

U.S. SECURITIES AND EXCHANGE COMMISSION

NOTICE OF COMMISSION MEETINGS

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 mornings. 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 seating 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 obtain a tape recording of Commission meetings must obtain permission in advance from the Secretary of the Commission.

CLOSED MEETING - TUESDAY, NOVEMBER 14, 1978 - 10 A.M.

The subject matter of the November 14 closed meeting will be: Access to investigative files by Federal, State or Self-Regulatory authorities; Formal orders of investigation; Freedom of Information Act appeals; Institution of injunctive actions; Litigation matters; Regulatory matters bearing enforcement implications; Settlement of administrative proceedings of an enforcement nature; Settlement of injunctive actions; Subpoena enforcement action.

OPEN MEETING - WEDNESDAY, NOVEMBER 15, 1978 - 10 A.M.

The subject matter of the November 15 open meeting will be:

- (1) Consideration of the application of Charles D. Pulis asking permission for him to become associated with Greentree Securities Co., a registered broker-dealer, as a registered representative in a non-supervisory, non-proprietary capacity. FOR FURTHER INFORMATION CONTACT Michael F. Perlis at (202) 755-1498.
- (2) Consideration of whether to issue an order pursuant to Section 9(c) of the Investment Company Act of 1940 granting Hartford Variable Annuity Life Insurance Company (HVA) and Hartford Equity Sales Company, Inc. (HESCO) an exemption from Section 9(a) of the Act to permit HVA to act as sponsor-depositor of unit investment trusts organized, operated or sponsored by HVA and to permit HESCO to act as principal underwriter with respect to unit investment trusts and investment companies organized, operated or sponsored by HVA. FOR FURTHER INFORMATION CONTACT Gary N. Sundick at (202) 755-1250.
- (3) Consideration of whether to take any action in response to the concerns raised by underwriters with respect to their liability under Section 11 of the Securities Act of 1933 for documents incorporated by reference into a registration statement on Form S-16. FOR FURTHER INFORMATION CONTACT John Granda at (202) 755-1750.
- (4) Consideration of whether to propose for comment an amendment to Regulation A, the small offering exemption promulgated pursuant to Section 3(b) of the Securities Act of 1933, which would permit the use of a preliminary offering circular between the date of filing of a Regulation A notification relating to a firm commitment underwritten public offering of securities and the date on which the offering is commenced. FOR FURTHER INFORMATION CONTACT Ruth D. Appleton at (202) 755-1290.
- (5) Consideration of whether to affirm the action of the duty officer in authorizing two Commission employees, who have been subpoenaed, to be deposed and to produce documents. The subpoenas are from the United States District Court for the Southern District of Florida in the action of Conner, et al. v. Bache & Co., et al., Nos. 75-483-CIV-JE. The Commission is not a party to this litigation. FOR FURTHER INFORMATION CONTACT Frederic Townsend at (202) 376-3315.

(6) Consideration of whether to adopt proposed amendments to Regulation 14A and Schedule 14A as well as related amendments to Forms 8-K and 10-Q, which were designed to increase the information available to investors regarding (1) the structure, composition and functioning of issuers' boards of directors; (2) resignations of directors; (3) attendance at board and committee meetings; (4) the voting policies and procedures of certain institutions subject to the Commission's proxy rules which exercise voting rights with respect to equity securities held for their own accounts or the accounts of others and (5) the terms of settlement of proxy contests. In addition, the Commission will consider whether to adopt a rule which would enable shareholder proponents to review management statements in opposition to shareholder proposals prior to the mailing of issuers' proxy soliciting materials. FOR FURTHER INFORMATION CONTACT Barbara Leventhal, Richard Nesson, Jennifer Sullivan or Michael Stakias at (202) 755-1750.

CLOSED MEETING - WEDNESDAY, NOVEMBER 15, 1978 - IMMEDIATELY FOLLOWING THE OPEN MEETING

The subject matter of the November 15 closed meeting will be: Opinion.

FOR FURTHER INFORMATION CONTACT: Gregg E. Radetsky at (202) 755-1133

COMMISSION ANNOUNCEMENTS

COMMISSIONER EVANS SPEAKS BEFORE THE AMERICAN SOCIETY OF CORPORATE SECRETARIES

Commissioner Evans spoke before the Santa Barbara Conference, American Society of Corporate Secretaries in Santa Barbara, California, on Friday, November 3, 1978. The title of his address was "SEC Corporate Governance Proposals: An Update."

CIVIL PROCEEDINGS

PRIME BUILDERS, INC., OTHERS ENJOINED

The Chicago Regional Office announced that on October 26 a complaint was filed in the U.S. District Court for the Southern District of Ohio, Eastern Division, seeking injunctive relief against Prime Builders, Inc., an Ohio corporation engaged in the building of low cost apartment housing, Charles J. Erdman, Jr., Chairman of the Board of Prime, and Lawrence W. Maxwell, President of Prime. The complaint alleged that the defendants violated the antifraud provisions of the securities laws in their sales of limited partnership interests in Prime's housing projects.

On October 26 Federal District Judge Joseph P. Kinneary entered final judgments and orders of permanent injunction, by consent, against Prime, Erdman and Maxwell, enjoining them from further violations of the antifraud provisions of the securities laws. The defendants consented to the entry of the final judgments without admitting or denying the allegations in the Commission's complaint. (SEC v. Charles J. Erdman, et al., S.D. Ohio, Civil Action No. C2-78-1121). (LR-8591)

IRVING MAIDMAN AND ROBERT MAIDMAN ENJOINED

The New York Regional Office announced the filing of a complaint in the U.S. District Court for the Southern District of New York on October 19 seeking to enjoin Irving Maidman and Robert Maidman from further violations of the antifraud provisions of the securities laws. Simultaneously with the filing of the complaint, without admitting or denying the allegations of the complaint, I. Maidman and R. Maidman consented to the entry of final judgments of permanent injunction, which judgments were signed by the Honorable Charles S. Haight, U.S. District Judge for the Southern District of New York, and entered on October 23.

The Commission's complaint alleged that, in August and September 1975, I. Maidman and R. Maidman arranged for the New York Susquehanna and Western Railroad Company (Susquehanna Railroad), a company in which they were the officers and directors, to purchase approximately \$2 million of Susquehanna General Mortgage Bonds, due 2019, for \$700,00 from W.E. Hutton & Co., a broker-dealer partnership in liquidation. At that time, the Susquehanna Bonds were owned by I. Maidman, but were being held by Hutton as collateral securing a debt owed by I. Maidman to Hutton.

The Commission charged that in order to induce the Susquehanna Railroad to purchase the Susquehanna Bonds, I. Maidman purchased two \$1,000 Susquehanna Bonds and thereby artificially established a market value for the Susquehanna Bonds in excess of the purchase price he proposed that the Susquehanna Railroad pay.

In addition, the Commission's complaint alleged that, in order to effect the scheme outlined above, I. Maidman and R. Maidman made misrepresentations of material fact and omitted to state material facts necessary to make the statement made, in light of the circumstances under which they were made, not misleading. (SEC v. Irving Maidman and Robert Maidman, S.D.N.Y., CSH, 78 Civil 4971). (LR-8592)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND ELECTRIC SYSTEM

A notice has been issued giving interested persons until December 4 to request a hearing on a proposal of New England Electric System, a registered holding company, that it make a capital contribution to New England Power, its subsidiary. (Rel. 35-20765 - Nov. 7)

An notice has also been issued giving interested persons until December 4 to request a hearing on a proposal of New England Electric System that it extend its borrowing authority for short-term notes until December 31, 1979. (Rel. 35-20766 - Nov. 7)

APPALACHIAN POWER COMPANY

A supplemental order has been issued authorizing a proposal of Appalachian Power Company, subsidiary of American Electric Power Company, Inc., that it revise its credit arrangements concerning its short-term notes. (Rel. 35-20767 - Nov. 7)

TRUST INDENTURE ACT RELEASES

THE NORTHERN TRUST COMPANY

A notice has been issued giving interested persons until November 25 to request a hearing on an application of The Northern Trust Company, pursuant to Section 310(b) (1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of that Bank under two equipment trust indentures is not so likely to involve a material conflict of interest as to make it necessary to disqualify The Northern Trust Company from acting as trustee. (Rel. TI-518)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWALS GRANTED

Orders have been issued granting the applications requesting withdrawal of the specified securities of the following companies from listing and registration on the following stock exchanges: American Stock Exchange, Inc. - Allegheny Airlines, Inc., common stock, par value \$1.00; Medenco, Inc., common stock, \$.01 par value; and Realty ReFund Trust, shares of beneficial interest. (Rel. 34-15296) and The Boston Stock Exchange, Inc. - American Medical Buildings, Inc., common stock, \$.01 par value. (Rel. 34-15295)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF A RULE CHANGE

A rule change filed by The Depository Trust Company pursuant to Rule 19b-4 (SR-DTC-78-14) has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The rule change provides for the expansion of DTC's Conditional Deliver Order (CDO) service by enabling participants to conditionally borrow securities to cover urgent withdrawals of securities from their DTC account. Publication of the proposal is expected to be made in the Federal Register during the week of November 6. (Rel. 34-15297)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the following stock exchanges: New York Stock Exchange, Inc. (SR-NYSE-78-48) to amend the financing requirements for the purchase of exchange memberships. (Rel. 34-15298); Philadelphia Stock Exchange, Inc. (SR-PHLX-78-12) to amend Rule 1014 to provide for an additional

Commentary. (Rel. 34-15299); and The American Stock Exchange, Inc. (SR-Amex-78-17) amending Amex Rule 6 to allow members to execute off-board agency transactions in listed bonds other than in-house agency cross transactions. (Rel. 34-15300)

EXTENSION OF TIME FOR CONSIDERATION OF PROPOSED RULE CHANGES

The Commission has extended until January 2, 1979, the time in which it may consider proposed rule changes submitted by the Securities Investor Protection Corporation. SIPC-78-3 sets forth requirements for the closeout or completion of open contractual commitments of SIPC members undergoing liquidation. (Rel. SIPC-80)

MISCELLANEOUS

ESL INCORPORATED

A notice has been issued giving interested persons until November 27 to request a hearing on an application of ESL Incorporated, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting ESL from the provisions of Sections 13 and 15(d) of the Act. ESL was originally organized under the laws of the State of California on January 15, 1964. On June 9, 1978, 7 Up was merged into a wholly-owned shareholder of ESL when it acquired 100% of ESL's outstanding equity securities as a result of a merger of a wholly-owned subsidiary of TRW with and into ESL. The merger was voted upon and approved by ESL's shareholders at a meeting held on June 8, 1978. Upon the terms of the merger, the shares of ESL's common stock outstanding prior to the merger were each converted into \$47.00 cash. The holders of such shares have no continuing interest in, or rights as shareholders of, ESL, TRW or TRW's subsidiary. (Rel. 34-15308)

THE SEVEN-UP COMPANY

A notice has been issued giving interested persons until November 27 to request a hearing on an application of The Seven-Up Company for an order exempting 7 Up from filing periodic reports pursuant to Section 15(d) of the Securities Exchange Act of 1934. On June 19, 1978, 7 Up was merged into a wholly-owned subsidiary of Philip Morris Incorporated, which at that time owned approximately 97% of 7 Up's outstanding shares of common stock as a result of a tender offer in May and June of 1978. The remaining public shareholders of 7 Up received cash for their shares in the merger. (Rel. 34-15309)

CALIFORNIA WINDSOR COMPANY

A notice has been issued giving interested persons until November 27 to request a hearing on an application of California Windsor Company, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting California from the provisions of Sections 12(g), 13 and 15(d) of the Act. On February 21, 1978, pursuant to a Plan of Reorganization and Agreement, E.F. Hutton California Company, a wholly-owned subsidiary of E.F. Hutton Group, Inc., acquired the business and substantially all of the assets of California, and delivered 961,667 shares of Hutton common stock to California. Upon transfer of its assets California ceased doing business and commenced liquidation in accordance with California law. In the liquidation the interest of a former shareholder was .88 share of Hutton common stock for each of California's common stock held. California was formally dissolved in August, 1978. (Rel. 34-15310)

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; and File number and date filed.

- (S-16) VIRGINIA NATIONAL BANKSHARES, INC., One Commercial Pl., Norfolk, Va. 23510 (804) 441-4000 - 200,000 shares of common stock. (File 2-62992 - Nov. 6)
- (S-8) TELENET CORPORATION, 8330 Old Courthouse Rd., Vienna, Va. 22180 (703) 827-9200 - 356,795 shares of common stock. (File 2-62994 - Nov. 7)

- (S-1) BONANZA INTERNATIONAL, INC., 1000 Campbell Centre, 8350 North Central Expressway, Dallas, Tex. 75206 - 660,000 shares of common stock. Underwriter: Rotan Mosle Inc. The company primarily licenses and provides advisory services to a chain of Bonanza restaurants. (File 2-62995 - Nov. 7)
- (S-8) CALIFORNIA WATER SERVICE COMPANY, 1720 North First St., San Jose, Cal. 95112 - \$500,000 of interests and 65,000 shares of common stock. (File 2-62996 - Nov. 7)
- (S-11) CONSOLIDATED CAPITAL INCOME TRUST, Suite 701, TheWells Fargo Bldg., 333 Hegenberger Rd., Oakland, Cal. 94621 - 4,000,000 shares of beneficial interest. (File 2-62997 - Nov. 7)
- (S-7) NEXCEL CORPORATION, 650 California St., Suite 1400, San Francisco, Cal. 94108 (415) 956-3333 - 290,730 shares of common stock. Underwriter: Dean Witter Reynolds Inc. The company develops, manufactures and markets high technology, lightweight structural materials. (File 2-62998 - Nov. 7)
- (S-7) CENTURY TELEPHONE ENTERPRISES, INC., 520 Riverside Dr., Monroe, La. 71201 (318) 387-5541 - \$10 million of convertible subordinated debentures, due 1998. Underwriters: Lehman Brothers Kuhn Loeb Inc. and Stephens Inc. The company is an independent telephone company. (File 2-62999 - Nov. 7)
- (S-8) WALLACE BUSINESS FORMS, INC., 4600 West Roosevelt Rd., Hillside, Ill. 60162 (312) 346-6191 - 100,000 shares of common stock. (File 2-63000 - Nov. 7)

REGISTRATIONS EFFECTIVE

Nov. 1: Security Pacific Corp., 2-62894.

Nov. 2: Arcata National Corp., 2-62854; MGF Oil Corp., 2-62647.

Nov. 3: Eaton Corp., 2-62411; Pay Less Drug Stores, 2-62849; Premier Angus, Inc., 2-62374; Rochester Gas & Electric Corp., 2-62831.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.



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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 and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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