

sec news digest

SECURITIES & EXCHANGE COMMISSION
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Issue 77-80

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APR 27 1977

April 26, 1977

RULES AND RELATED MATTERS

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AMENDMENTS TO FOCUS REPORT

The SEC has adopted previously proposed amendments to the Financial and Operational Combined Uniform Single (FOCUS) Report and accompanying rules. The amendments integrate the information previously required to be reported on Form X-17A-10 and Form X-17A-20, thus eliminating the need for brokers and dealers to file these reports.

In addition, technical modifications were proposed to certain statements and schedules contained in Part I, Part II and Part IIA of Form X-17A-5. (Rel. 34-13461 and 34-13462)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

FIRST WESTERN SECURITIES

The Commission issued an order revoking the broker-dealer registration of First Western Securities, Inc. and barred William C. Lasswell, Jr. from association with any broker-dealer. The Commission found that First Western violated and Lasswell aided and abetted violations of the financial reporting, net capital and customer protection provisions of the Exchange Act. First Western and Lasswell were found to be in default based on their failure to answer the allegations against them. (Rel. 34-13438)

NOTICE OF COMMISSION MEETINGS

ANNOUNCED TIME AND DATE OF MEETING

2:30 P.M., April 28, 1977 (Previously changed from 10:00 A.M. same date)

Changes in the Meeting:

Item 1, respecting H.R. 3222, Item 2, respecting H.R. 3518 and Item 3, relating to the Freedom of Information Act Appeal of Norman F. Dacey have been rescheduled for an open meeting to be held at 10:00 A.M. on Thursday, May 5, 1977. Additional staff consideration of the matters are required.

COMMISSION ANNOUNCEMENTS

HAROLD M. WILLIAMS TAKES OATH AS CHAIRMAN

Harold M. Williams, of California, took the oath of office as Chairman of the Commission on April 21, 1977. Since July 1, 1970, Mr. Williams served as Dean and Professor of Management of the UCLA Graduate School of Management.

Mr. Williams received his B.A. from UCLA, graduating Phi Beta Kappa at age 18. Three years later he was awarded his J.D. degree from Harvard University Law School. He joined a Los Angeles law firm in 1949 where he specialized in tax and corporation law and remained until 1955 except for a brief interruption to serve as a U.S. Army legal officer during the Korean crisis. He joined Hunt Foods in 1955 as an associate tax counsel and was subsequently elected vice president, executive vice president and director, and president of Hunt-Wesson Foods, Inc. In 1968 he was elected president of Hunt Foods and Industries, Inc. and with the formation of Norton Simon, Inc. later that year - - resulting from the consolidation of Canada Dry Corporation, Hunt Foods and Industries, Inc. and McCall Corporation - - he was named Chairman of the new company's Finance Committee. In 1969 he assumed the additional post of chairman of the board of Norton Simon, Inc.

With the occurrence of the 1973 energy crisis, Mr. Williams was appointed Energy Coordinator for the City of Los Angeles. While at UCLA, Mr. Williams also served as director of Norton Simon, Inc., Phillips Petroleum Company, ARA Services, Inc., CNA Financial Corporation, Signal Companies, Inc. and Montgomery Street Income Securities; he also served as a trustee of the Aerospace Corporation. In his service to the community, Mr. Williams acted as co-chairman for the Public Commission on County Government, a subcommittee chairman of the Mayor's ad hoc Committee on City Revenues, a member of the California Citizens Commission on Tort Reform, and advisor to the Committee on Productivity and the Private Sector, Committee on Economic Development.

Mr. Williams is married and the father of a son and daughter; the family resides in Beverly Hills, California.

LOS ANGELES REGIONAL OFFICE TO
CO-SPONSOR COOPERATIVE SECURITIES CONFERENCE

The Los Angeles Regional Office is co-sponsoring its Annual Cooperative Securities Regulation Seminar to be held at the Ambassador Hotel in Los Angeles, California on May 9 and 10. The program will provide an up-to-date comprehensive review of developments in federal and state securities regulation. Members of the public are invited to attend. There is a \$50 registration fee. Persons wishing to make reservations for the Seminar may send their registration fee to: Securities and Exchange Commission, Attn: Mrs. M. Acosta, 10960 Wilshire Blvd., Suite 1710, Los Angeles, Cal. 90024. The seminar provides up to 16 hours of credit applicable for continuing education requirements of the California Board of Accountancy.

COURT ENFORCEMENT ACTIONS

JERRY D. TIMOTHY ENJOINED

The Denver Regional Office announced that on March 30 the Federal District Court in Salt Lake City, Utah, issued an order of permanent injunction against Jerry D. Timothy, Salt Lake City, Utah, enjoining him from violating the registration and antifraud provisions of the securities laws in the offer and sale of Bingham Silver Lead Company securities or any other securities of any other issuer of which Timothy is a control person. Timothy consented to the order without admitting or denying the allegations of the complaint. (SEC v. Bingham Silver Lead Company, et al., D. Utah, Civil Action No. C-75-523). (LR-7879)

FORMER FRANKLIN VICE-CHAIRMAN ENJOINED

The New York Regional Office announced that on March 30 the Honorable Dudley B. Bonsal of the U.S. District Court for the Southern District of New York signed an order of permanent injunction against Howard D. Crosse of Glen Rock, New Jersey. The order enjoins Crosse, who was formerly the vice chairman of Franklin New York Corporation (Franklin) and Franklin National Bank (FNB), from violating the antifraud provisions of the securities laws.

The complaint alleged, among other things, that Crosse participated in conduct that resulted in an overstatement by \$5.6 million of FNB's domestic securities portfolio which overstatement was reflected in Franklin's releases disclosing earnings for the first quarter of 1974. Crosse consented to the entry of the order without admitting or denying the allegations contained in the complaint. (SEC v. Harold V. Gleason, et al., S.D.N.Y., 74 Civ. 4557). (LR-7886)

HOLDING COMPANY ACT RELEASES

SOUTH WESTERN ELECTRIC POWER COMPANY

A Memorandum Opinion and Order has been issued approving a proposal of South Western Electric Power Company, subsidiary of Central and South West Corporation, to amend its charter provisions relating to calculation of earnings, to increase by 500,000 the number of shares of authorized preferred stock, to issue and sell, at competitive bidding, up to 300,000 shares of such additional preferred stock and denying a request for hearing and consolidation. (Rel. 35-19997 -Apr. 25)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the New England Securities Depository Trust Company (NESDTC) under Rule 19b-4 (SR-NESDTC-77-4) to provide for the appointment of NESDTC as a depository facility for the Midwest Securities Trust Company. (Rel. 34-13466)

The Commission has also approved a proposed rule change filed by NESDTC (SR-NESDTC-77-3) to provide for the appointment of NESDTC as a depository facility for the Depository Trust Company. (Rel. 34-13467)

SECURITIES ACT REGISTRATIONS

(S-14) MISSOURI PORTLAND CEMENT COMPANY

7711 Carondelet Ave., St. Louis, Mo. 63105 - \$24,900,780 of 10% subordinated sinking fund debentures, due 1997, to be issued in connection with merger with wholly-owned subsidiary of H. K. Porter Company, Inc. The company's principal business is the production and sale of portland cement. (File 2-58779 - Apr. 22)

(S-6) WEEDEN TAX EXEMPT BOND TRUST, SERIES 6

c/o Weeden & Co. (its Depositor), 25 Broad St., New York, N.Y. 10004 - \$20 million of units, consisting of 20,000 units, to be offered for sale through underwriters headed by Weeden & Co. The issuer is a unit investment trust being formed for the purpose of investing in a diversified portfolio of tax exempt bonds, with the principal objective of earning interest income free from Federal income taxes. (File 2-58780 - Apr. 22)

(S-16) TONKA CORPORATION

10505 Wayzata Blvd., Hopkins, Minn. 55343 - 65,700 shares of common stock, to be offered for sale by the selling shareholders from time to time at prices current at the time of sale. The company is engaged in the design, manufacture and sale of toys and hydraulic components. (File 2-58786 - Apr. 22)

(S-6) E. F. HUTTON CORPORATE INCOME FUND, NINTH SERIES

One Battery Park Plaza, New York, N.Y. 10004 - \$15 million of units. The Fund is one of a series of unit investment trusts created under a trust indenture and agreement among E. F. Hutton & Company Inc., as sponsor, New England Merchants National Bank, as trustee and Telstat Advisory Service, Inc., as evaluator. The Fund's primary objective is providing a high level of current income consistent with preservation of capital through investment in a fixed portfolio of long-term corporate debt obligations and fixed dividend sinking fund preferred stocks. (File 2-58788 - Apr. 22)

(S-16) PEPSICO, INC.

Purchase, N.Y. 10577 - 149,243 shares of capital stock, being offered for sale by certain selling stockholders. PepsiCo is engaged principally in the soft drink, snack food, transportation and athletic equipment businesses. (File 2-58792 - Apr. 22)

(S-14) HIGH VOLTAGE ENGINEERING CORPORATION

South Bedford St., Burlington, Mass. 01803 - 302,722 shares of common stock, to be issued to the shareholders, other than High Voltage, of Electronized Chemicals Corporation at the rate of 1.25 High Voltage shares for each share of Electronized Chemicals Corporation common stock pursuant to the proposed merger of a wholly-owned subsidiary of High Voltage into Electronized Chemicals Corporation. High Voltage is a diversified manufacturer of plastic insulation products, electrical connectors and switches, builders' instruments, electron processing systems and scientific equipment. (File 2-58793 - Apr. 22)

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. 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	ITEM NO.	DATE
LEAR PETROLEUM CORP	7	04/01/77 *
LIFE OF MONTANA INSURANCE CO	2,6	03/77
LONE STAR INDUSTRIES INC	3	03/77 *
MAGMA ENERGY INC	2,13	03/77 *
MAGMA POWER CO	2,13	03/77 *
MEDSERCO INC	13	03/77 *
MICHIGAN MOBILE HOMES CORP	2	03/77
MID ATLANTIC REAL ESTATE INVESTMENT TRUS	3,7	03/77 *
NORTHROP CORP	5	03/77
NORTHWESTERN FINANCIAL CORP	13	04/77 *
PETRO SEARCH EXPLORATION & DEVELOPMENT P	13	03/77 *
PROFILE BANKSHARES INC	2,6	03/31/77
PUBLICKER INDUSTRIES INC	5	04/07/77
RAYBESTOS MANHATTAN INC	11,14	04/77 *
REDLAKE CORP	5	01/77
REEVES TELECOM CORP	2,6	03/31/77
REYNOLDS METALS CO	5	03/31/77
SANTA FE INTERNATIONAL CORP	2,14	04/01/77 *
SAVOY INDUSTRIES INC	5,6	04/77
SCHICK INC	1,5,6	03/24/77
SILVER BELL INDUSTRIES INC	7	03/77 *
SPENCER FOODS INC	11	03/77 *
STEPHENS JOHN & CO INC	5,6	04/07/77

^{*/} The Form 8-K was amended (Rel. 34-13156, January 13, 1977) effective for all events which occur subsequent to February 28, 1977. Those companies above which are noted with an asterisk (*) have filed pursuant to the old Form 8-K; the captions of the item numbers under which such reports are filed are as follows:

- | | |
|---|---|
| Item 1. Changes in Control of Registrant | Item 9. Options to Purchase Securities |
| Item 2. Acquisition or Disposition of Assets | Item 10. Extraordinary items, other material charges and credits and capital restatements |
| Item 3. Legal Proceedings | Item 11. Submission of Matters to a Vote of Security Holders |
| Item 4. Changes in Securities | Item 12. Changes in Registrant's Certifying Accountant |
| Item 5. Changes in Security for Registered Securities | Item 13. Other Materially Important Events |
| Item 6. Defaults upon Senior Securities | Item 14. Financial Statements and Exhibits |
| Item 7. Increase in Amount of Securities Outstanding | |
| Item 8. Decrease in Amount of Securities Outstanding | |

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ per page plus postage for priority service overnight (\$5.00) minimum. Cost estimates are given on request. All other reference material is available in the SEC Docket.

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