

sec news digest

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S. SECURITIES
EXCHANGE COMMISSION

Issue 85-153

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CIVIL PROCEEDINGS

TEMPORARY RESTRAINING ORDER ENTERED AGAINST FINANCIAL & BUSINESS SERVICES, INC., OTHERS

The Atlanta Regional Office announced that on July 26 a Temporary Restraining Order was entered against Financial & Business Services, Inc., Arthur B. Jacoby and Joseph J. Pavlico, all from Charlotte, North Carolina, enjoining them from violating the registration and antifraud provisions of the Securities Act of 1933 and the antifraud provisions of the Securities Exchange Act of 1934. Further, the Court imposed a constructive trust freezing the assets of all defendants and their affiliates pending the completion of an accounting of investor funds.

The July 26 complaint alleges that the defendants, while engaged in the business of home improvement financing, offered and sold unregistered promissory notes raising over \$3 million from over 500 investors. The complaint further alleges that the defendants falsely represented to the investors that the securities were insured, that a trust created on behalf of the investors maintained collateral equal to or greater than the total outstanding balance plus accrued interest of all notes outstanding and that a certified public accountant would collect all payments from persons who were loaned the investors' funds to make home improvements. Moreover, the complaint alleges that no financial information was provided to investors.

A hearing on the preliminary injunction is scheduled for September 9, 1985. (SEC v. Financial & Business Services, Inc., et al., WDNC, Civil Action No. CC-85-468-P). (LR-10842)

INVESTMENT COMPANY ACT RELEASES

PUTNAM TAX-FREE INCOME TRUST

A notice has been issued giving interested persons until August 30 to request a hearing on an application by Putnam Tax-Free Income Trust and Putnam Financial Services, Inc. for an order granting exemption from Sections 2(a)(32), 2(a)(35), 11(a) and 22(c) of the Investment Company Act and Rule 22c-1 to permit the assessment (and waiver in certain cases) of a contingent deferred sales charge on redemption of shares. (Rel. IC-14659 - Aug. 6)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed under Rule 19b-4 (SR-Amex-85-13) to amend Section 114 of the Amex Company Guide to permit Amex listing of Real Estate Investment Trusts with total operating expenses of up to 2% of their average invested assets in any fiscal year. (Rel. 34-22291)

NOTICE OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. filed a proposed rule change under Rule 19b-4 (SR-NASD-85-21) to: (1) incorporate with certain amendments index option rules and procedures previously approved in principle by the Commission (Rel. 34-22026, May 8, 1984); and (2) complete the NASD's index option rules consistent with the Commission's determinations in Release 34-22026. The NASD requests accelerated approval of this proposal so that it might begin trading its two proposed index options contracts (SR-NASD-85-5 and 85-10) by early September.

Publication of the proposal is expected to be made in the Federal Register during the week of August 12. (Rel. 34-22292)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- S-3 MATRIX CORP /NEW/, ONE RAMLAND RD. ORANGEBURG, NY 10962 (914) 365-0190 - 34,500,000 (\$34,500,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-99270 - JUL. 30) (BR. 12)
- S-6 MUNICIPAL INVESTMENT TRUST FUND FORTY NINTH INSURED SERIES, ONE LIBERTY PLZ 165 BROADWAY, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10080 - INDEFINITE SHARES. (FILE 2-99271 - JUL. 30) (BR. 17 - NEW ISSUE)
- S-6 CORPORATE INCOME FUND TWO HUNDRED TWENTY SIXTH MO PAYMT SER, ONE LIBERTY PLZ 165 BROADWAY, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10080 - INDEFINITE SHARES. (FILE 2-99272 - JUL. 30) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL INVESTMENT TRUST FUND MULTISTATE SERIES 1N, ONE LIBERTY PLZ 165 BROADWAY, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10080 - INDEFINITE SHARES. (FILE 2-99273 - JUL. 30) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL INVESTMENT TR FD THREE HUNDRED SIXTY SIXTH MO PAY, ONE LIBERTY PLZ 165 BROADWAY, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10080 - INDEFINITE SHARES. (FILE 2-99274 - JUL. 30) (BR. 17 - NEW ISSUE)
- S-3 SAFEGUARD BUSINESS SYSTEMS INC, 400 MARYLAND DR, FORT WASHINGTON, PA 19034 (215) 641-5000 - 162,889 (\$3,054,168.80) COMMON STOCK. (FILE 2-99277 - JUL. 30) (BR. 10)
- S-6 HUTTON E F TAX EXEMPT TRUST MULTISTATE SERIES 24, ONE BATTERY PARK PLZ, C/O E F HUTTON & CO INC, NEW YORK, NY 10004 - 12,000 (\$12,360,000) UNIT INVESTMENT TRUST. DEPOSITOR: HUTTON E F & CO INC. (FILE 2-99293 - JUL. 30) (BR. 17 - NEW ISSUE)
- S-6 HUTTON E F TAX EXEMPT TRUST NATIONAL INSURED SERIES 17, ONE BATTERY PARK PLZ, C/O E F HUTTON & CO INC, NEW YORK, NY 10004 - 15,000 (\$15,450,000) UNIT INVESTMENT TRUST. (FILE 2-99294 - JUL. 30) (BR. 18 - NEW ISSUE)
- S-6 HUTTON E F TAX EXEMPT TRUST CALIF INSURED SERIES 12, ONE BATTERY PARK PLZ, C/O E F HUTTON & CO INC, NEW YORK, NY 10004 - 12,000 (\$12,360,000) UNIT INVESTMENT TRUST. (FILE 2-99295 - JUL. 30) (BR. 18 - NEW ISSUE)
- S-4 LLC CORP, 8300 DUNWOODY PL, ATLANTA, GA 30338 (404) 587-5202 - 28,000,000 (\$31,473,120) COMMON STOCK. (FILE 2-99307 - JUL. 30) (BR. 12)
- S-1 AMPAD CORP, 104 LOWER WESTFALL RD, HOLYOKE, MA 01040 (413) 536-3511 - 25,000,000 (\$25,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-99314 - JUL. 31) (BR. 8)
- S-8 MORTRONICS INC, 1300 S MAIN ST, STE 1000, NORTH CANTON, OH 44720 (216) 494-6722 - 200,000 (\$229,375) COMMON STOCK. (FILE 2-99317 - JUL. 31) (BR. 7)
- S-14 PEOPLE EXPRESS INC, NEWARK INTL AIRPORT N TERMINAL, NEWARK, NJ 07114 (201) 961-2935 - 2,181,676 (\$22,907,598) COMMON STOCK. (FILE 2-99341 - JUL. 31) (BR. 3)
- S-2 WASHINGTON SCIENTIFIC INDUSTRIES INC, 2605 W WAYZATA BLVD, LONG LAKE, MN 55356 (612) 473-1271 - 7,700,000 (\$7,700,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-99342 - JUL. 31) (BR. 9)
- S-1 BORO RECYCLING INC, 7 REWE ST, BROOKLYN, NY 11211 (718) 387-0010 - 4,829,400 (\$3,622,050) COMMON STOCK. 4,829,400 (\$6,439,200) COMMON STOCK. 965,880 (\$1,106,737) COMMON STOCK. 881,900 (\$2,535,462) COMMON STOCK. 1,112,900 (\$2,446,275) COMMON STOCK. (FILE 2-99350 - JUL. 31) (BR. 6)
- S-2 SCIENTIFIC LEASING INC/DE/, 790 FARMINGTON AVE, FARMINGTON, CT 06032 (203) 677-8700 - 37,625 (\$653,734.37) COMMON STOCK. (FILE 2-99357 - JUL. 31) (BR. 11)

REGISTRATIONS EFFECTIVE

July 16: Chicago Pacific Corporation, 2-98463.
 July 25: Municipal Securities Trust, Series 28 and 38th Discount Series, 2-98914.
 July 26: American Prepaid Professional Services, Inc., 2-96766-A; The Armstrong Rubber Company, 2-99020; First Commonwealth Financial Corporation, 2-98354; Freeman Income Real Estate, L.P., 2-97539; IBM Credit Corporation, 2-99133; International Paper Company, 2-92688; Ionics, Inc., 2-98757; Rescon Technology Corp., 2-97870-D; Rotan Mosle Energy Fund III, Ltd., 2-98241; Reebok International Ltd., 2-98367; A. O. Smith Corporation, 2-99010; Sylvan Learning Corporation, 2-98386; Union Exploration Partners, Ltd., 2-98123.
 July 29: Data Link Systems, Inc., 2-90539; F & M National Corporation, 2-98689; First American Group, Inc., 2-96849-D; Liebert Corporation, 2-98901; Lopat Industries, Inc., 2-97760-NY; Medtech International, Inc., 2-97030; North Star Universal, Inc., 2-97445; Phibro-Salomon Inc., 2-99203; Pullman Bancshares, Inc., 2-97626; Vac-Tec Systems, Inc., 2-97808.

REGISTRATIONS WITHDRAWN

June 4: New America Network, Inc., 2-86644-NY (abandoned).
 June 5: IDS/JMB Realty Partnership-1, 2-97315.
 June 6: Automobile & Casualty Underwriters of Florida, Inc., 2-90402-A.
 June 7: Knudsen Foods, Inc., 2-89930; Wellington 1984 Oil & Gas Development Program, 2-88009-FW.
 June 10: Securax, Inc., 2-87537-FW.
 June 11: Harnischfeger Corporation, 2-97595.
 June 14: One Waterfront Plaza Partners, 2-86571.
 June 17: Home Life Financial Separate Account A, 2-86704 (abandoned).
 June 18: Pertron Controls Corporation, 2-91581.
 June 19: First National Bankshares, Inc., 2-89791.
 June 20: CX/Oxytech, Inc., 2-95380-C; National Municipal Lease Fund, First Series, 2-89243.
 June 21: Hawaiian Beach Investment Corporation, 2-86914; Tom Brown, Inc., 2-95835.
 June 24: Sunchase Limited Partnership, 2-97038.
 June 25: General Molecular Applications, 2-89442; The Mediplex Group, Inc., 2-93245; Vistamed, Inc., 2-86239, 2-86444.
 June 26: Energy Research & Development, Ltd., 2-86750-A (abandoned); Mammatech Corp., 2-92044; Sun Life of Canada (U.S.) Variable Account D, 2-83986.
 June 27: Outdoor World Corporation, 2-93609.
 June 28: Centronics Data Computer Corp., 2-95385.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the prior percent owned; and Column 7 - the status of the filing, i.e., new, update or revision.

	FORM	EVENT DATE	SHRS(000) OWNED	CUSIP PRIOR%	FILING STATUS
AMERICAN ADVENTURE INC REGENT PARK PROPERTIES	COM 13D	7/29/85	301 15.6	02368510 0.0	NEW
AMERICAN ADVENTURE INC WSL FINL CORP	COM 13D	7/23/85	0 0.0	02368510 84.2	UPDATE
AUTOMATIX INC GENERAL MOTORS CORP	COM 13D	7/25/85	1,916 17.5	05327110 0.0	NEW

ACQUISITION REPORTS CONT.

CALVIN EXPL INC BROWN NORMAN K TRUSTEE ET AL	COM AL	13D	7/25/85	636 11.6	13165810 9.8	UPDATE
CLOPAY CORP WYGOD MARTIN J	COM	13D	7/25/85	132 8.7	18900010 7.3	UPDATE
COMFED SVGS BK MASS DAVIS J MORTON	COM	13D	7/17/85	132 5.0	20038010 0.0	NEW
DESIGNHOUSE INTL INC ISRAEL A C ENTERPRISES ET AL	COM AL	13D	7/25/85	532 44.0	25057410 0.0	NEW
DIGIGRAPHIC SYS CORP CURTIS SQUIRE INC	COM	13D	7/25/85	24,224 81.1	25390410 0.0	NEW
EVERGREEN RES INC APOLLO ENERGY ET AL	COM	13D	7/26/85	22,252 24.3	29990010 0.0	NEW
EXCEL ENERGY CORP BARRETT RESOURCES	COM	13D	7/26/85	20,635 65.9	30065310 0.0	NEW
EXCEL ENERGY CORP DETIGER JACQUES ET AL	COM	13D	7/26/85	702 2.2	30065310 2.2	UPDATE
EXCEL ENERGY CORP GIESKES H L J M ET AL	COM	13D	7/26/85	4,356 13.9	30065310 13.9	UPDATE
EXCEL ENERGY CORP VITOL BEHEER, B V	COM	13D	7/26/85	15,608 49.9	30065310 50.6	UPDATE
FIRST CITY BANCORP INC WILLIAMS JOHN A	COM	13D	7/24/85	131 68.3	31948890 65.2	UPDATE
FIRST COINVESTORS INC PACE RANDOLPH & ROONEY PATRICK	COM	13D	7/15/85	7 0.7	31970310 24.0	UPDATE
GULF RES & CHEM CORP BARCLAY DAVID	COM	13D	7/25/85	2,501 27.0	40249610 24.8	UPDATE
GULF RES & CHEM CORP BARCLAY FREDERICK	COM	13D	7/25/85	2,501 27.0	40249610 24.8	UPDATE
GULF RES & CHEM CORP GULF EQUITIES INC	COM	13D	7/25/85	2,501 27.0	40249610 24.8	UPDATE
HUBCO INC HUDSON FINL ASSOC ET AL	COM	14D-1	8/ 6/85	194 11.3	40438210 0.0	NEW
INFORMATICS GEN INC STERLING SOFTWARE INC	COM	14D-1	8/ 5/85	406 8.2	45666810 9.3	UPDATE
LIFE OF AMER INS CORP BOSTON LOYAL AMERICAN LIFE INS ET AL	COM	13D	7/23/85	570 35.3	53178810 14.2	UPDATE
MIW INVS WASH GIM ANTILLES CORP N.V. ET AL	SH BEN INT AL	13D	5/31/85	1,943 51.3	55305610 50.7	UPDATE
MIW INVS WASH GIM COMPAGNIE D'INV SA GENEVA	SH BEN INT	13D	5/31/85	191 5.0	55305610 6.5	UPDATE
PATRICK INDS INC SUN EQUITIES ET AL	COM	13D	8/ 2/85	72 3.4	70334310 11.8	UPDATE
SEA LD CORP JEFFERIES & CO	COM	13D	8/ 1/85	0 0.0	81140810 0.0	NEW
SIGNAL COS INC AC ACQUISITION/ALLIED CORP	COM	14D-1	8/ 5/85	44,601 40.3	82662210 40.3	UPDATE