

# sec news digest

Issue 79-156

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## CIVIL PROCEEDINGS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION ENJOINED

The Commission announced that on August 8 the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction and Other Equitable Relief against International Telephone and Telegraph Corporation (ITT) in the actions cited below. The Final Judgment enjoins ITT from engaging in conduct violative of the antifraud, reporting and proxy provisions of the securities laws. The Final Judgment also requires ITT to comply with certain provisions of the securities laws which require ITT to make and keep accurate books and records and maintain adequate internal accounting controls, to take reasonable steps to implement and enforce a resolution of its board of directors which requires ITT to obey the laws of the jurisdictions in which it does business and to follow certain procedures to ensure compliance with this resolution, and to satisfy certain obligations specified in the Consent and Undertaking of ITT which was filed simultaneously with the Final Judgment. ITT consented to the entry of the Final Judgment without admitting or denying the allegations in the Commission's complaint.

The Final Judgment requires the Special Review Committee (SRC) of the board of directors of ITT to supplement and complete its previous internal investigation of ITT's improper payments and specifically obligates ITT to provide the SRC, in its investigation, with the documents previously withheld from the SRC by four of ITT's foreign subsidiaries. The Final Judgment provides for the appointment of Harry H. Wellington, Esquire, Dean of the Yale Law School, to review the work of the SRC and to conduct such additional investigation of ITT's operations as needed to determine the adequacy of the SRC's investigation and ITT's previous disclosures concerning improper payments and other matters.

The Final Judgment also requires Dean Wellington to prepare a report of his review and investigation setting forth his findings and conclusions concerning the adequacy of the SRC's investigation and additional disclosures to be made by ITT concerning its improper payments and other matters. Dean Wellington is required to submit his report to ITT. ITT is required either to make Dean Wellington's conclusions and recommendations public or notify the Commission that it will not do so. If ITT does not make these matters public, the Commission, in its discretion, may reinstate the above-mentioned court proceedings against ITT. The reinstatement of these proceedings, however, will have no effect on the Final Judgment's injunctive provisions or directives requiring ITT to make and keep accurate books and records and maintain adequate internal accounting control and to comply with the previously mentioned resolution of ITT's board of directors. (SEC v. International Telephone and Telegraph Corporation, U.S.D.C. D.C., Civil Action Nos. 78-0807 and 76-0060). (LR-8834)

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## HOLDING COMPANY ACT RELEASES

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### OHIO POWER COMPANY

A notice has been issued giving interested persons until September 6 to request a hearing on a proposal of Ohio Power Company, subsidiary of American Electric Power Company, Inc., and Ohio Power's subsidiary, Ohio Electric Company, that Ohio Electric be merged into Ohio Power. (Rel. 35-21181 - Aug. 10)

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved proposed rule changes filed by the following: The Municipal Securities Rulemaking Board (SR-MSRB-79-7) to amend MSRB rule G-3 to specify that any person who is required to serve an apprenticeship period under MSRB rule G-3 may engage in the limited activities of an apprentice without passing the examination required by that rule and to limit the maximum apprenticeship period to 180 days. (Rel. 34-16089) and The Stock Clearing Corporation of Philadelphia (SR-SCCP-79-5) amending the period of time the Board of Directors must wait before taking disciplinary action against SCCP members delinquent in paying dues, fees, fines or other SCCP charges. (Rel. 34-16090)

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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 Sections 13 and 15(d) of the Act:

Cott Corporation - (other than the filing of reports of disbursements on Forms 8-K and 10-K). On December 12, 1978, shareholders of Cott approved a Plan of Dissolution and Complete Liquidation of Cott. (Rel. 34-16092)

Tiffany & Co. - Tiffany, which became a wholly-owned subsidiary of Avon Products, Inc. on April 25, 1979, no longer has any publicly held securities. (Rel. 34-16093)

MCI Liquidating Company, Inc. - MCI believes that the filing of the reports is not inconsistent with the public interest or the protection of investors in view of the fact that MCI's businesses have been sold, it is not an operating company, it is in the final stage of dissolution, its outstanding common stock has been brought out for cash and there is no trading in its securities. (Rel. 34-16094)

Dairy Queen Stores, Inc. Liquidating Trust - On February 1, 1979, the principal assets of Dairy Queen Stores, Inc. were transferred to Applicant. There is no trading market for Applicant's certificates of beneficial interest. (Rel. 34-16095)

Western Publishing Company, Inc. - Applicant believes that the exemption from the requirement of filing reports is not inconsistent with the public interest or the protection of investors, in view of the fact that Western was merged into Mattel, Inc. and no longer has any public shareholders. (Rel. 34-16096)

Kearney and Trecker Corporation - On February 9, 1979 Applicant was merged with and became a wholly-owned subsidiary of Cross and Trecker Corporation. Each share of Applicant's common stock was exchanged for one share of common stock of Cross and Trecker. As a result of the merger Cross and Trecker is the sole stockholder of Applicant. (Rel. 34-16098)

Washington Steel Corporation - As the result of a merger, Applicant has become a wholly-owned subsidiary of Blount, Inc. and no longer has any public shareholders. (Rel. 34-16099)

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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-1) NUCLEAR DATA, INC., Golf and Meacham Rds., Schaumburg, Ill. 60196 - 220,000 shares of common stock. Underwriter: Bacon, Whipple & Co. The company is engaged in the design, manufacture and marketing of computer based nuclear radiation analysis systems. (File 2-65204 - Aug. 10)
- (S-18) SPECTRADYNE, INC., 1198 Commerce Dr., Richardson, Tex. 75081 - 400,000 shares of common stock. Underwriter: Rotanmosle. The company designs, manufactures, installs and operates pay-per-view hotel movie viewing systems. (File 2-65205 - Aug. 10)
- (S-6) THIRD GENERATION TAX EXEMPT BOND TRUST, SERIES 1, 41 State St., P.O. Box 52, Albany, N.Y. 12201 - 1,000,000 units. Depositor: First Albany Municipals. (File 2-65206 - Aug. 10)
- (S-14) FIRST INTERNATIONAL BANCSHARES, INC., First International Bldg., 1201 Elm St., Dallas, Tex. 75270 (214) 744-7100 - 312,000 shares of common stock. (File 2-65207 - Aug. 10)
- (S-6) THE MUNICIPAL BOND TRUST, SERIES 59, 140 Broadway, New York, N.Y. 10005 - 12,000 units. Depositor: Paine, Webber, Jackson & Curtis Inc. (File 2-65208 - Aug. 10)
- (S-6) THE MUNICIPAL BOND TRUST, MULTI-STATE PROGRAM, SERIES 4, 140 Broadway, New York, N.Y. 10005 - 22,000 units. Depositor: Paine, Webber, Jackson & Curtis Inc. (File 2-65209 - Aug. 10)
- (S-6) THE MUNICIPAL BOND TRUST, SERIES 58, 140 Broadway, New York, N.Y. 10005 - 12,000 units. Depositor: Paine, Webber, Jackson & Curtis Inc. (File 2-65210 - Aug. 10)
- (S-1) ATICO FINANCIAL CORPORATION, 150 S.E. Third Ave., Miami, Fla. 33131 (305) 577-5492 - 2,042,000 shares of common stock and 175,000 shares of First Series preferred stock. The company is engaged in mortgage lending and related financial activities. (File 2-65211 - Aug. 10)
- (S-1) HERSHEY OIL CORPORATION, 333 South Hope St., Suite 2830, Los Angeles, Cal. 90071 - 880,000 shares of common stock. Underwriters: Eppler, Guerin & Turner, Inc. and Bateman Eichler, Hill Richards Inc. The company is engaged in the exploration for, and development and production of, oil, gas, other hydrocarbon substances and sulphur. (File 2-65212 - Aug. 10)
- (S-1) HERITAGE COMMUNICATIONS, INC., 2195 Ingersoll Ave., Des Moines, Iowa 50312 (515) 245-7585 - 1,033,408 shares of common stock. Underwriters: Blyth Eastman Dillon & Co. Inc. and R. G. Dickinson & Co. The company owns and operates 19 cable television systems. (File 2-65213 - Aug. 10)
- (S-16) WENDY'S INTERNATIONAL, INC., Box 256, 4288 West Dublin-Granville Rd., Dublin, Ohio 43017 (614) 889-0900 - 40,000 common shares. (File 2-65214 - Aug. 10)
- (S-8) SOUTHERN NATURAL RESOURCES, INC., First National-Southern Natural Bldg., Birmingham, Ala. 35203 (205) 325-7410 - \$17,650,000 of participations and 400,000 shares of common stock. (File 2-65215 - Aug. 10)
- (S-16) PUBLIC SERVICE COMPANY OF INDIANA, INC., 1000 East Main St., Plainfield, Ind. 46168 (317) 839-9611 - 2,000,000 shares of common stock. Underwriters: Morgan Stanley & Co. Inc. and Dean Witter Reynolds Inc. The company is engaged in the production, transmission, distribution and sale of electric energy. (File 2-65216 - Aug. 10)
- (S-14) MESA PETROLEUM CO., One Mesa Sq., P.O. Box 2009, Amarillo, Tex. 79189 (806) 378-1000 - 16,727,001 units. (File 2-65217 - Aug. 10)
- (S-8) IDEAL BASIC INDUSTRIES, INC., Ideal Plaza, 950 Seventeenth St., Denver, Colo. 80202 (303) 623-5661 - \$9,600,000 of interests and 384,000 shares of common stock. (File 2-65218 - Aug. 10)
- (S-7) NIAGARA MOHAWK POWER CORPORATION, 300 Erie Blvd. West, Syracuse, N.Y. 13202 (315) 474-1511 - 3,500,000 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Salomon Brothers. The company is engaged in the electric and gas utility business. (File 2-65219 - Aug. 10)

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SECURITIES AND EXCHANGE COMMISSION  
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