

sec news digest

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NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under 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 morning. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, NW, Washington, DC. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

CLOSED MEETING - TUESDAY, AUGUST 22, 1989 - 2:30 p.m.

The subject matter of the August 22 closed meeting will be: Opinion.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Robert Rosenblum at (202) 272-2400

COMMISSION ANNOUNCEMENTS

TESTIMONY ON PENNY STOCK FRAUD RELEASED

The Commission today released testimony given by Joseph I. Goldstein, on behalf of the Commission, at field hearings on penny stock fraud, before the Subcommittee on Telecommunications and Finance of the House Committee on Energy and Commerce in Portland, Oregon, and before the Senate Commerce, Science and Transportation Committee's Consumer Subcommittee in Las Vegas, Nevada.

Mr. Goldstein, Associate Director of the Division of Enforcement, is also Chairman of the SEC Penny Stock Task Force.

CIVIL PROCEEDINGS

PERMANENT RECEIVER APPOINTED FOR ALPHA TRUST, OTHERS

The Los Angeles Regional Office announced that on August 7 the U.S. District Court for the Central District of California appointed Edward S. Gelfand as permanent receiver for Alpha Trust and Omega Management Network, Inc., both of Costa Mesa, California. This action followed the filing of a Commission Complaint on July 11 seeking injunctions against both entities and the appointment of a temporary receiver. The Complaint also sought injunctive relief against a third defendant, Robert J. Corsaut, trustee of Alpha Trust and president of Omega. On July 17, the Court, following the defendants' consent, entered an order permanently enjoining defendants from registration and fraud violations, and appointing Mr. Gelfand as temporary receiver. (SEC v. Alpha Trust, et al., CDCA, Civil Action No. 89-4131 RSWL, GHKx). (LR-12222)

The Commission announced that on August 21 U.S. District Court Judge Mariana R. Pfaelzer, Central District of California, granted the Commission's motion for summary judgment and issued a permanent injunction against Herbert Stone, trader at Norbay Securities, Inc., enjoining him from violating the securities registration, antifraud, and antimanipulative provisions, and from aiding and abetting violations of the recordkeeping rules, of the securities laws for having participated in a fraudulent distribution of and fraudulently manipulating the market for Magna Technologies, Inc. stock.

According to the summary judgment papers, Stone was a significant participant in the fraudulent distribution of approximately two million unregistered shares of Magna stock. In addition, as the primary and dominant market maker for Magna stock, defendants were able through Stone to dominate and control trading in Magna stock through directed and prearranged trades, through use of controlled and nominee accounts, and through circular and free-riding strategies. By such practices, defendants were able to raise the price of Magna from \$.10 to \$9.50 from March through September 1985, and then were able to unload their shares into the hands of an unsuspecting public, after which the market collapsed. (SEC v. Magna Technologies, Inc., CDCA, Civil Action No. 87-2895 MRP, Gx). (LR-12227)

HOLDING COMPANY ACT RELEASES

QMT HOLDING COMPANY, INC.; OHIO POWER COMPANY;
ALABAMA POWER COMPANY

Notices have been issued giving interested persons until September 11 to request a hearing on a proposal by the following companies filed under Release 35-24941, dated August 17: QMT HOLDING COMPANY, INC. - an Illinois corporation, to acquire the common stock of Central Illinois Public Service Company (CIPS), an Illinois corporation and an exempt public-utility holding company, by exchanging shares of its authorized common stock for all of the outstanding shares of CIPS common stock (Stock Exchange). QMT was organized by CIPS to effect the proposed reorganization. As a result of the Stock Exchange, QMT would be the indirect owner of 20% of the outstanding shares of capital stock of Electric Energy, Inc., which are owned by CIPS. QMT also requests an exemption under Section 3(a)(1) of the Act from all provisions of the Act, except Section 9(a)(2), upon consummation of the proposed transaction; OHIO POWER COMPANY - subsidiary of American Electric Power Company, Inc., to issue and sell through December 31, 1990 up to \$100 million aggregate principal amount of its first mortgage bonds. The bonds, which shall be offered in one or more series, will have maturities ranging from five to thirty years, with expected redemption protection for a period not to exceed five years; and ALABAMA POWER COMPANY - subsidiary of The Southern Company, to sell to Chemical Waste Management, Inc. certain distribution facilities for a sale price of \$139,972.97.

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange to strike from listing and registration the depository units of LAURENTIS FILM PARTNERS L.P. (Rel. 34-27140)

SELF-REGULATORY ORGANIZATIONS

PERMANENT APPROVAL OF PROPOSED RULE CHANGE

The Commission permanently approved a proposed rule change filed by The Depository Trust Company (SR-DTC-88-10) implementing the Automated Tender Offer Program. (Rel. 34-27139)

NOTICE OF PROPOSED RULE CHANGES

A proposed rule change has been filed under Rule 19b-4 by: The Philadelphia Stock Exchange (SR-Phlx-89-44) revising its Automated Communication and Execution System limit order execution criteria. (Rel. 34-27141); The National Association of Securities Dealers (SR-NASD-89-34) to modify its Rule 59, which governs buy-ins, to refine buy-in procedures and to authorize electronic notice and response methods for buy-in communications. (Rel. 34-27142); and (SR-NASD-89-36) that would add a new category of registration, Introducing Broker/Dealer Financial and Operations Principal, to its By-Laws. The NASD also submitted the examination specifications and study outline for this category. (Rel. 34-27144); and The National Securities Clearing Corporation (SR-NSCC-89-10) describing its data communications service which facilitates the transmission of data between NSCC and its members. (Rel. 34-27143)

TRUST INDENTURE ACT RELEASES

DELTA AIR LINES, INC.

A notice has been issued giving interested persons until September 10 to request a hearing on an application by Delta Air Lines, Inc., a Delaware corporation, under Section 310(b)(1)(ii) of the Trust Indenture Act of 1939. The application declares that the trusteeship of Citizens and Southern Trust Company (Georgia), National Association under 18 indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trust Company from acting as trustee under each such indenture. The indentures are dated January 1, 1988, October 25, 1988, and July 1, 1989, and the securities outstanding under them are \$253,471,000 of Equipment Trust Certificates (Series A-G), \$44,900,000 of Revenue Bonds, and \$285,963,000 of Equipment Trust Certificates (Series A-J), respectively. (Rel. TI-2219)

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 GENERAL HOST CORP, 22 GATE HOUSE RD, PO BOX 10045, STAMFORD, CT 06904 (203) 357-9900 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-30408 - AUG. 14) (BR. 9)
- S-3 NECO ENTERPRISES INC, 359 BROADWAY ST, PROVIDENCE, RI 02903 (401) 751-7182 - 100,000 (\$1,725,000) COMMON STOCK. (FILE 33-30409 - AUG. 14) (BR. 7)
- S-3 MCDONALDS CORP, ONE MCDONALDS PLZ, OAK BROOK, IL 60521 (312) 575-3000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE 33-30411 - AUG. 14) (BR. 12)
- S-1 ALLEN ETHAN INC, 25 LAKE AVENUE EXTENSION, DANBURY, CT 06810 - 156,000,000 (\$156,000,000) STRAIGHT BONDS. UNDERWRITER: KIDDER PEABODY & CO INC, SMITH BARNEY HARRIS UPHAM & CO INC. (FILE 33-30412 - AUG. 14) (BR. 6)
- S-3 BANK OF NEW YORK CO INC, 48 WALL ST, NEW YORK, NY 10286 (212) 495-1784 - 456,500,000 (\$456,500,000) STRAIGHT BONDS. (FILE 33-30414 - AUG. 14) (BR. 2)
- S-3 FEDERAL EXPRESS CORP, 2005 CORPORATE AVE, MEMPHIS, TN 38132 (901) 369-3600 - 600,000,000 (\$600,000,000) STRAIGHT BONDS. (FILE 33-30415 - AUG. 15) (BR. 4)
- S-8 JEFFERSON PILOT CORP, 101 N ELM ST, GREENSBORO, NC 27401 (919) 378-2011 (FILE 33-30530 - AUG. 14) (BR. 13)
- N-1A PRICE T ROWE U S TREASURY FUNDS INC, 100 EAST PRATT STREET, 8TH FLOOR, LEGAL DEPT., BALTIMORE, MD 21202 (301) 625-6721 - INDEFINITE SHARES. (FILE 33-30531 - AUG. 15) (BR. 22 - NEW ISSUE)

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.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS (000) / % OWNED	CUSIP / PRIOR%	FILING STATUS
ACTION AUTO STORES INC SABO C JAMES ET AL	COM 13D	7/20/89	1,531 51.6	00491110 50.6	UPDATE
ANTONOVICH INC A F ACQUISITION CO	CONV PFD STK 13D	8/ 2/89	1,381 99.9	03721899 0.0	NEW
BROWN ROBERT C & CO INC SCHAEFFER RONALD D ET AL	COM 13D	8/14/89	1,456 56.6	11516710 54.7	UPDATE
COOPER COS INC ADLER FREDERICK R	COM 13D	8/ 9/89	97 0.4	21664810 0.0	NEW
FALCONBRIDGE LTD MORANDA INC ET AL	COM 13D	8/14/89	21,457 28.6	30609910 24.7	UPDATE
JEPSON CORP J ACQUISITION CORP	COM 14D-1	8/17/89	12,749 69.1	47631410 0.0	UPDATE
MINNETONKA CORP UNILEVER N V ET AL	COM 13D	8/11/89	0 100.0	60416110 100.0	UPDATE
NUCLEAR SUPPORT SVCS INC CHARBONNEAU ARTHUR GERARD	COM 13D	8/11/89	262 12.4	67030910 9.2	UPDATE
PENNWALT CORP CENTAUR PARTNERS	COM 13D	8/ 8/89	0 0.0	70931710 12.6	UPDATE
WARD WHITE GROUP BOOTS COMPANY PLC	ORD 13D	8/11/89	47,122 35.3	93409510 11.1	UPDATE
WHITTAKER CORP DEL ALIBRANDI JOSEPH F	COM PAR \$0.01 13D	8/ 2/89	844 11.4	96668040 3.7	RVISION