

# sec news digest

Issue 85-60

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U.S. SECURITIES AND  
EXCHANGE COMMISSION

## ADMINISTRATIVE PROCEEDINGS

### NASD ACTION AGAINST HOWARD B. LABOW AFFIRMED

The Commission affirmed sanctions imposed by the NASD on Howard B. Labow, of Chicago. Labow was formerly a registered representative of The Equitable Life Assurance Society of the United States and its subsidiary, Equico Securities, Inc. The NASD censured Labow and fined him \$2,500.

Equitable's policy was to pay its salesmen annualized commissions on new life insurance. However, that policy did not apply when salesmen sold insurance on the lives of family members. The Commission affirmed the NASD's findings that Labow violated just and equitable principles of trade by falsifying an insurance application to conceal the fact that he was applying for insurance on the life of his wife, and subsequently refusing to return the commission he received although the policy that was issued was quickly cancelled under Equitable's "Money Back Guarantee - 10-day Free Look" program. (Rel. 34-21871)

## CIVIL PROCEEDINGS

### CHARLES D'ANGELO ENJOINED

The Boston Regional Office announced that on March 19 Judge M. Joseph Blumenfeld, U.S. District Court for the District of Connecticut, entered, by consent, an Order of Permanent Injunction against Charles D'Angelo of Torrington, Connecticut. The Order permanently enjoins D'Angelo from future violations of the antifraud provisions of the securities laws.

The complaint alleged that from December 1979 through July 1984, while employed as branch manager of the Waterbury, Connecticut office of Smith Barney, Harris Upham & Co., Inc., D'Angelo misappropriated approximately \$800,000 from the firm's clients. According to the complaint, D'Angelo perpetrated the fraud by causing unauthorized checks to be drawn on clients' accounts, forging the clients' signatures thereon and depositing most of the unauthorized, forged checks in bank accounts he controlled. Thereafter, D'Angelo used most of the misappropriated funds for personal options trading. (SEC v. Charles D'Angelo, USDC CT, 1985, Civil Action No. H85-237). (LR-10707)

### FIRST OIL AND GAS COMPANY AND JOHN GUST WESTINE TEMPORARILY AND PRELIMINARILY ENJOINED

The Los Angeles Regional Office announced that on February 28 Judge Irving Hill, Central District of California, issued a Temporary Restraining Order and on March 11 an Order of Preliminary Injunction restraining and enjoining First Oil and Gas Company and John Gust Westine from further violations of the registration and antifraud provisions of the securities laws. These orders also placed a freeze on First Oil's and Westine's bank accounts.

The February 27 complaint alleges that: from at least March 1984 and continuing to the present, First Oil, Westine and others offered and sold interests in producing oil and gas wells or in oil and gas drilling sites on properties located in Coalinga, California in the form of limited partnership interests and investment contracts; First Oil and Westine misrepresented the existence of drilling operations, the amount of money earned from drilling operations, the use of investors' funds, and the sources of funds used to pay returns to investors in the securities; First Oil violated the broker registration provisions of the securities laws in the offer and sale of limited partnership interests; and through these offers and sales, First Oil and Westine raised approximately \$2.5 million from at least 400 investors located nationwide. (SEC v. First Oil and Gas Company and John Westine, CDCA, Civil Action No. 85-1370IH). (LR-10709)

## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

### UNLISTED TRADING SOUGHT

Notices have been issued giving interested persons until April 17 to comment on the applications of the following stock exchanges for unlisted trading privileges in the specified number of issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system: The Midwest Stock Exchange - three issues. (Rel. 34-21896); and The Philadelphia Stock Exchange - one issue. (Rel. 34-21897)

## SELF-REGULATORY ORGANIZATIONS

### APPROVAL OF PROPOSED RULE CHANGE

The Commission approved an amendment to Municipal Securities Rulemaking Board Rule G-3 (SR-MSRB-85-3) to require a person who otherwise is a municipal securities municipal, and who has been associated for two or more years with a municipal securities broker or municipal securities dealer that has not filed with the MSRB in compliance with Rule Rule A-12 to pass the Municipal Securities Principal Exam and be qualified as a municipal securities representative in order to retain his/her status as a municipal securities principal. (Rel. 34-21898)

## 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-6 INSURED TAX FREE BOND TRUST SERIES 1, 1901 N NAPER BLVD, C/O VAN KAMPEN MERRITT INC, NAPERVILLE, IL 60566 - 1,000 (\$1,010,000) UNIT INVESTMENT TRUST. (FILE 2-96542 - MAR. 20) (BR. 17 - NEW ISSUE)
- S-8 DATUM INC, 1363 S STATE COLLEGE BLVD, ANAHEIM, CA 92806 (714) 533-6333 - 150,000 (\$1,101,648) COMMON STOCK. (FILE 2-96564 - MAR. 21) (BR. 8)
- S-8 GENERAL DEFENSE CORP, 230 SCHILLING CIR, HUNT VALLEY, MD 21031 (301) 666-5900 - 2,000,000 (\$29,260,000) COMMON STOCK. (FILE 2-96569 - MAR. 21) (BR. 6)
- S-15 SUN BANKS INC, SUN BANK NA BLDG 200 S ORANGE AVE, ORLANDO, FL 32801 (305) 237-4585 - 1,280,000 (\$11,229,600) COMMON STOCK. (FILE 2-96571 - MAR. 21) (BR. 1)
- S-2 CENTRONICS DATA COMPUTER CORP, ONE WALL ST, HUDSON, NH 03051 (603) 883-0111 - 34,500,000 (\$34,500,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-96574 - MAR. 21) (BR. 10)
- S-6 SEARS TAX EXEMPT INVESTMENT TRUST INT TR MN POR SERIES 16, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS INC, NEW YORK, NY 10006 - 11,000 (\$11,220,000) UNIT INVESTMENT TRUST. (FILE 2-96575 - MAR. 21) (BR. 16 - NEW ISSUE)
- S-6 SEARS TAX EXEMPT INVESTMENT TRUST SHORT INT TR MN POR SER 6, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS, NEW YORK, NY 10006 - 5,500,000 (\$5,775,000) UNIT INVESTMENT TRUST. (FILE 2-96578 - MAR. 21) (BR. 16 - NEW ISSUE)
- S-2 TRICO BANCSHARES, 780 MANGROVE AVE, CHICO, CA 95926 (916) 345-5151 - 30,600 (\$3,060,000) PREFERRED STOCK. 1,800 (\$1,440,000) STRAIGHT BONDS. (FILE 2-96582 - MAR. 21) (BR. 1)
- S-3 CONTINENTAL CORP, 180 MAIDEN LN, NEW YORK, NY 10038 (212) 440-3980 - 5,000,000 (\$201,875,000) COMMON STOCK. (FILE 2-96584 - MAR. 22) (BR. 10)
- S-14 ICH CORP, 4211 NORBOURNE BLVD, LOUISVILLE, KY 40207 (502) 897-1861 - 1,638,473 (\$132,463,712) COMMON STOCK. (FILE 2-96585 - MAR. 22) (BR. 10)

- S-3 EASTMAN KODAK CO, 343 STATE ST, ROCHESTER, NY 14650 (716) 724-6666 - 400,000,000 (\$400,000,000) STRAIGHT BONDS. (FILE 2-96587 - MAR. 22) (BR. 13)
- S-3 PACIFIC GAS & ELECTRIC CO, 77 BEALE ST, SAN FRANCISCO, CA 94106 (415) 781-4211 - 20,000,000 (\$330,000,000) COMMON STOCK. (FILE 2-96588 - MAR. 22) (BR. 8)
- S-3 IC INDUSTRIES INC, ONE ILLINOIS CTR, 111 E WACKER DR, CHICAGO, IL 60601 (312) 565-3000 - 200,000 (\$5,000,000) COMMON STOCK. (FILE 2-96590 - MAR. 22) (BR. 3)
- S-3 MOTOROLA INC, 1303 E ALGONQUIN RD, SCHAUMBURG, IL 60196 (312) 397-5000 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 2-96591 - MAR. 22) (BR. 7)
- S-3 MDC CORP/CO/, 3600 S YOSEMITE ST 4TH FL, DENVER, CO 80237 (303) 773-1100 - 75,000,000 (\$75,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-96592 - MAR. 22) (BR. 10)
- S-8 GATX CORP, 120 S RIVERSIDE PLZ, CHICAGO, IL 60606 (312) 621-6200 - 600,000 (\$20,028,000) COMMON STOCK. (FILE 2-96593 - MAR. 22) (BR. 13)
- S-6 HUTTON E F TAX EXEMPT TRUST NATIONAL SERIES 113, ONE BATTERY PARK PLZ, C/O E F HUTTON & CO INC, NEW YORK, NY 10004 - 15,000 (\$15,450,000) UNIT INVESTMENT TRUST. (FILE 2-96594 - MAR. 22) (BR. 18 - NEW ISSUE)
- S-6 HUTTON E F TAX EXEMPT TRUST MULTISTATE SERIES 20, ONE BATTERY PARK PLZ, C/O E F HUTTON & CO INC, NEW YORK, NY 10004 - 12,000 (\$2,360,000) UNIT INVESTMENT TRUST. (FILE 2-96595 - MAR. 22) (BR. 18 - NEW ISSUE)
- S-8 PERFECTDATA CORP, 9124 DEERING AVE, CHATSWORTH, CA 91311 (213) 998-2400 - 500,000 (\$1,250,000) COMMON STOCK. (FILE 2-96597 - MAR. 22) (BR. 3)

## 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
BANCSHARES CORP FRILDUX HENRY J SR	COM 13D	2/ 4/85	186 30.6	05975090 29.5	UPDATE
BANCSHARES CORP FRILDUX NASH J	COM 13D	2/ 4/85	186 30.6	05975090 0.0	NEW
BARRY R G CORP OHIO ZACKS GORDON	COM 13D	3/18/85	648 17.7	06879810 27.6	UPDATE
BASIC EARTH SCIENCE SYS INC BREUER G W ET AL	COM 13D	3/25/85	3,184 27.3	06984210 0.0	NEW
BERKLINE CORP INTERCO INC	COM 13D	3/22/85	0 0.0	08450010 0.0	NEW
CHARLOTTE MTR SPEEDWAY SMITH D BRUTON	COM 14D-1	3/25/85	10 63.8	16101520 62.1	UPDATE
DATAVISION INC MICH LINEBERGER JAMES E	COM 13D	3/ 5/85	750 9.6	23815510 0.0	NEW

## ACQUISITION REPORTS CONT.

DICKEY-JOHN CORP SNYDER MCALAINIE CASTLE CAP PRT	COM 13D	3/13/85	98 6.0	25312010 0.0	NEW
DISNEY WALT PRODTNS SIMON WILLIAM E ET AL	COM 13D	2/ 1/85	0 0.0	25468710 11.2	UPDATE
EDGCOMB STL NEW ENGLAND INC BILSTON ENTERPRISES INC ET AL	COM 13D	3/15/85	112 7.5	27983940 0.0	NEW
HARNTSCHFEGER CORP DEL FOSTER WHEELER ENERGY ET AL	COM 13D	10/ 2/84	691 5.6	41334210 0.0	NEW
HDE R & CO INC PACIFIC SAW & KNIFE CO ET AL	COM 14D-1	3/25/85	1,773 93.8	43438030 86.5	UPDATE
HOTEL INVS PARKWAY CO ET AL	COMBINED CTF 13D	3/20/85	207 7.8	44143820 6.6	UPDATE
HYDRO OPTICS INC GOLD MELVIN L	COM 13D	2/15/85	371 19.6	44881210 16.8	UPDATE
INSITUFORM EAST INC CERBERONICS INC	COM 13D	3/15/85	864 32.9	45766210 0.0	NEW
LAFARGE CORP LAFARGE COPPEE SA	COM 13D	3/ 4/84	21,161 57.1	50586210 55.4	UPDATE
MASSMUTUAL MTG & RLTY INVS CENTRUST SAVINGS BK ET AL	COM SH BEN INT 13D	3/22/85	1,551 25.1	57542110 19.4	UPDATE
MEDICAIDE INC SASSON EQUITIES INC	COM 13D	2/ 8/85	16,000 48.1	58442099 0.0	RVSIDN
NEWHALL INVT PPTYS ZILKHA SELIM K ET AL	DEPOSITORY RECPT 13D	3/ 9/83	440 9.9	65141310 0.0	NEW
NEWHALL LD & FARMING CO CAL ZILKHA SELIM K ET AL	COM 13D	1/ 8/85	970 10.8	65142610 0.0	NEW
NEWHALL RES ZILKHA SELIM K ET AL	DEPOSITORY RCPT 13D	3/ 9/83	440 10.0	65143910 0.0	NEW
NUCLEAR DATA INC MOLSGAARD EIGIL	COM 13D	3/ 1/85	193 8.2	67025010 9.6	UPDATE
PACIFIC GAMBLE ROBINSON CO TAYLOR ARTHUR R ET AL	COM 13D	3/13/85	128 6.6	69429110 6.1	UPDATE
RCA CORP BUFFETT WARREN E ET AL	PFD CUM \$3.65 13D	3/13/85	518 4.9	74928550 8.2	UPDATE
STARRETT HSG CORP AMERICAN FINANCIAL CORP ET AL	COM 13D	3/12/85	3,212 86.6	85567710 90.4	UPDATE
STERLING ELECTRS CORP KOHL ATLEE M ET AL	COM 13D	3/19/85	245 6.6	85928110 5.4	UPDATE
TAYLOR DEVICES INC TAYCO DEVELOPMENTS INC	COM 13D	12/31/78	698 28.5	87716310 0.0	NEW
USF&G CORP TELEDYNE INC ET AL	COM 13D	3/14/85	2,241 4.1	90329010 6.1	UPDATE
VAN DYKE RESH CORP SLK-85	COM 13D	3/14/85	250 9.0	92105910 0.0	NEW
WOLVERINE TECHNOLOGIES INC SMITH GREGORY C ET AL	COM 13D	3/14/85	743 35.5	97809010 2.6	UPDATE
WOLVERINE TECHNOLOGIES INC WOLVERINE TECH INC	COM 13D	3/14/85	118 5.6	97809010 0.0	NEW