

# sec news digest

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## U.S. SECURITIES AND EXCHANGE COMMISSION

### COURT ENFORCEMENT ACTIONS

#### WILLIAM B. CLARK SENTENCED

The Denver and Fort Worth Regional Offices announced that on July 29 the Honorable Sarah T. Hughes, Judge, sentenced William B. Clark, Dallas, Texas to confinement in a jail type institution for a period of two months and probation for a period of two years, ten months. Such sentence was imposed upon a plea of guilty to Count 2 of an information charging misprision of a felony. Additionally, Clark was fined \$5,000 on his plea of guilty to Count 1 of the information charging fraud in the purchase and sale of securities without knowledge. (U.S. v. Harry E. Niles, et al., USDC, D. of Texas, Dallas Division, CR-3-77-15). (LR-8075)

#### CHARLES E. STITES ENJOINED

The Denver Regional Office announced that on August 8 the Honorable Earl E. O'Connor, U.S. District Judge for the District of Kansas entered a final order of permanent injunction against Charles E. Stites of Kansas City, Kansas, enjoining him from violating the registration and antifraud provisions of the securities laws in the offer and sale of investment contracts in chinchilla breeding herds offered by Royal American Chinchilla, Inc. of Kansas City, Kansas, or any other securities of any issuer. The defendant consented to the entry of the final order of permanent injunction without admitting or denying the allegations of the complaint filed by the Commission on July 5. The action against the remaining five defendants is still pending before the Court and scheduled for hearing on September 9. (SEC v. Royal American Chinchilla, Inc., et al., D.C. Kansas, No. 77-2176). (LR-8076)

#### CORTES W. RANDELL, OTHERS ENJOINED

The SEC announced that Judge Barrington D. Parker of the U.S. District Court for the District of Columbia caused entry of final judgments of permanent injunction against Cortes W. Randell, Roger O. Walther and Donald A. Fergusson, three defendants in the Commission's action against National Student Marketing Corporation and others. The individual judgments were entered against Randell on January 25 and against Walther and Fergusson on May 16. Each of the defendants consented to entry of the judgment against him without admitting or denying the allegations in the Commission's complaint which was filed on February 3, 1972, and which charged them and others with various antifraud, reporting and proxy violations in NSMC's operations. The judgments enjoin the defendants from future violations. Randell, Walther and Fergusson each served as officers of NSMC at various times during and prior to 1970. (SEC v. National Student Marketing Corp., et al., M.D.L. No. 105, D.D.C., Civil Action No. 225-72). (LR-8077)

#### ANTHONY M. NATELLI ENJOINED

The SEC announced that on January 25 Judge Barrington D. Parker of the U.S. District Court for the District of Columbia, caused entry of a final judgment of permanent injunction against Anthony M. Natelli, a certified public accountant, who was one of the defendants in the Commission's action against National Student Marketing Corporation and others. Natelli, who was a partner at Peat, Marwick, Mitchell & Co. when the Commission's complaint was filed in February, 1972, consented to entry of the injunction without admitting or denying the allegations in the complaint. The complaint alleged antifraud, reporting and proxy violations by Natelli in the issuance of NSMC financial statements in 1968 and 1969. The judgment enjoins him from any future violations. (SEC v. National Student Marketing Corp., et al., 225-72, D.D.C.). (LR-8078)

### INVESTMENT COMPANY ACT RELEASES

#### INVESTORS SYNDICATE OF AMERICA

A notice has been issued giving interested persons until September 15 to request a hearing on an application of Investors Syndicate of America, Inc., a face-amount certificate company, pursuant to Section 28(c) of the Act to permit its agreement with its depository bank to be amended so as to require annual rather than semi-annual audits and certifications of its financial statements by an independent public accountant. (Rel. IC-9901 - Aug. 22)

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## HOLDING COMPANY ACT RELEASES

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### JERSEY CENTRAL POWER & LIGHT COMPANY

A notice has been issued giving interested persons until September 16 to request a hearing on a proposal of Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company, subsidiaries of General Public Utilities Corporation, that each be authorized to acquire up to \$50,000 in evidences of indebtedness from their residential electric customers pursuant to a residential insulation and related improvements program. (Rel. 35-20145 - Aug. 22)

### NORTHEAST UTILITIES

A notice has been issued regarding a proposal of Northeast Nuclear Energy Company, subsidiary of Northeast Utilities, to increase NNEC's overall rate of return on total capitalization to in excess of 10% per annum. (Rel. 35-20146 - Aug. 22)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### DELISTING SOUGHT

A notice has been issued giving interested persons until September 16 to submit facts bearing upon an application by Frigitronics, Inc. to withdraw its common stock, \$.10 par value from listing and registration on the American Stock Exchange, Inc. (Rel. 34-13881)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGES

The New York Stock Exchange, Inc. (NYSE) has filed proposed rule changes under Rule 19b-4 (SR-NYSE-77-21) to amend its Certificate of Incorporation and Constitution to grant on an annual fee basis, new memberships which would permit physical access to the floor of the NYSE, electronic order access to the floor, and physical access to the proposed options floor of the NYSE. It would also permit equity members of the NYSE to enter into contractual arrangements to lease their memberships. Publication of the proposal is expected to be made in the Federal Register during the week of August 22. (Rel. 34-13882)

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Midwest Stock Exchange, Inc. The rule change (SR-MSE-77-22) allows representatives of the MSE Floor Procedure Committee to authorize deviations from the MSE option quotation parameters when it would be impossible or impracticable to convene a meeting of the full Floor Procedure Committee. (Rel. 34-13878)

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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-8) MEDALIST INDUSTRIES, INC., 735 North 5th St., Milwaukee, Wis. 53203 (414) 271-8186 - 250,000 shares of common stock. (File 2-59722 - Aug. 19) and 63,176 shares of common stock. (File 2-59723 - Aug. 19)
- (S-7) DIGITAL EQUIPMENT CORPORATION, 146 Main St., Maynard, Mass. 01754 (617) 897-5111 - \$250 million of convertible subordinated debentures, due 2002. Underwriter: Lehman Brothers. (File 2-59724 - Aug. 22)
- (S-16) KNUDSEN CORPORATION, 231 East 23rd St., Los Angeles, Cal. 90011 (213) 747-6471 - 109,956 shares of common stock. (File 2-59725 - Aug. 22)
- (S-8) MTS SYSTEMS CORPORATION, P.O. Box 24012, Minneapolis, Minn. 55424 - 40,000 shares of common stock. (File 2-59726 - Aug. 22)

- (S-16) RECOGNITION EQUIPMENT INC., 2701 East Grauwylar Rd., Irving, Tex. 75061 (214) 438-8611 - 357,355 shares of common stock. (File 2-59727 - Aug. 22)
- (S-8) THE WESTERN COMPANY OF NORTH AMERICA, 2525 Ridgmar Blvd., Fort Worth, Tex. 76116 - 212,367 shares of common stock. (File 2-59728 - Aug. 22)
- (S-8) SAM SOLOMON COMPANY, INC., P.O. Box 10327, 5935 Rivers Ave., Charleston, S.C. 29411 - 90,000 shares of common stock. (File 2-59729 - Aug. 22)
- (S-1) AMERICAN HOSPITAL SUPPLY CORPORATION 1740 Ridge Ave., Evanston, Ill. 60204 (312) 869-2580 - 1,020 shares of common stock. (File 2-59730 - Aug. 22)
- (S-14) FIRST INTERNATIONAL BANCSHARES, INC., First International Bldg., 1201 Elm St., Dallas, Tex. 75270 (214) 744-7100 - 530,550 shares of common stock. (File 2-59731 - Aug. 23)

REGISTRATIONS EFFECTIVE

Aug. 12: American Medical Buildings, Inc., 2-59312; Damson 1977-78 Exploration Fund, 2-58641; Delta Western 1977 Drilling Fund, 2-59148; First Okmulgee Corp., 2-58201; Interco Inc., 2-59529; McGill Manufacturing Co., Inc., 2-59445; Wainoco Oil Corp., 2-59379.

Aug. 15: Computer Automation, Inc., 2-59117; JMB Income Properties Ltd V, 2-58026; Marriott Corp., 2-59558; Moore McCormack Resources, Inc., 2-59421; Nuveen Income Fund, Series 4, 2-59225; Nuveen Tax Exempt Bond Fund, Medium Term Series 6, 2-58962.

Aug. 16: American Hospital Supply Corp., 2-59563; Dayton Power and Light Co., 2-59572; Foremost-McKesson, Inc., 2-59503; Iowa Public Service Co., 2-59515; Moran Bros., Inc., 2-59525; Municipal Investment Trust Fund, Thirteenth Intermediate Term Series, 2-59101; Newpark Resources, Inc., 2-59140.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events: <sup>\*/</sup>

- 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
PIPER AIRCRAFT CORP	1	07/28/77
RACON INC	2,6	07/29/77
SOUTHEASTERN TIMBERLAND TRUST	2,6	07/27/77
SWEITZER HOLDINGS INC	5,6	07/26/77
TRANS SERVICES CORP	2,6	08/01/77
UNIVERSAL CONTAINER CORP	2,6	08/05/77
UNIVERSAL DRILLING CO INC	3	07/31/77
WELLS FARGO KEOGH PLAN TRUST	7	07/31/77 *
WHITE MOTOR CORP	5,6	07/26/77
XONICS INC	13	07/31/77 *
ZENITH RADIO CORP	5	08/09/77
ASG INDUSTRIES INC	5	07/01/77
BANKS OF IOWA INC	2,5,6	07/31/77
BETHLEHEM STEEL CORP	5	07/22/77
BROOKS INTERNATIONAL INC	4,6	08/01/77
BUILDERS INVESTMENT GROUP	2,6	07/25/77
CHEMICAL LEAMAN TANK LINES INC	5	07/31/77

RECENT 8K FILINGS CONT.

COMPUTER ELECTION SYSTEMS INC	1,8	08/05/77 *
CONSOLIDATED CAPITAL GROWTH FUND	2,5	07/01/77
DAISY CORP	1,2,5	07/31/77
DATUM INC	4	07/29/77
DECISION DATA COMPUTER CORP	5,6	07/11/77
EQUILINK CORP	5	07/25/77
FIDELITY FINANCIAL CORP	5	08/01/77
FIRST NORTHWEST INDUSTRIES OF AMERICA IN	2,6	07/31/77
HONEYWELL INC	4,6	07/29/77
ILLINI BEEF PACKERS INC	2	07/23/77
INTERNATIONAL MANUFACTURING & MARKETING	2	07/31/77
KAWECKI BERYLCO INDUSTRIES INC	1	07/29/77
KINDER CARE LEARNING CENTERS INC	2,6	08/01/77
MICROTRON INDUSTRIES INC	4,6	08/01/77
NATIONAL TELEPHONE CO INC	5,6	07/31/77
NORTHERN RAILROAD	1	04/30/77
PANNATIONAL GROUP INC	2	07/29/77
PATO CONSOLIDATED GOLD DREDGING LTD	1	07/08/77
PETRO LEWIS FUNDS INC	5	07/31/77
PIONEER INDUSTRIES INC	5	07/14/77
REPUBLIC CORP	5,6	07/29/77
RPM INC	2,6	08/01/77
UNITED COMPANIES FINANCIAL CORP	5	07/28/77
VIRGINIA INTERNATIONAL CO	1	07/01/77
ZAUSNEP FOODS CORP	1,2	08/04/77
AMENDMENTS TO REPORTS ON FORM 8-K		
BOND INDUSTRIES INC	2,6	06/16/77
LAWRYS FOODS INC	2	04/22/77
WADSWORTH PUBLISHING CO INC	2,6	06/30/77
WARNER COMMUNICATIONS INC	6	07/26/77
WEIMAN CO INC	2,5	06/29/77
CARDIFF INDUSTRIES INC	5	05/20/77
CENTURY PROPERTIES FUND XI	14	12/31/76 *
CENTURY PROPERTIES FUND 10	14	12/31/76 *
NEWCOR INC	6	06/30/77

\*/ 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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SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.