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COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND EXCHANGE COMMISSION

CHAIRMAN WILLIAMS SPEAKS BEFORE THE INSTITUTE OF INTERNAL AUDITORS

Chairman Williams spoke before the Institute of Internal Auditors in San Francisco, California, on Monday, June 19, 1978. The title of his address was "The Emerging Responsibilities of the Internal Auditor."

COURT ENFORCEMENT ACTIONS

COMPLAINT FILED AND JUDGMENTS ENTERED AGAINST BASIC FOOD INDUSTRIES, INC., OTHERS

The Commission filed in the U.S. District Court for the District of Columbia a civil injunctive action against Basic Food Industries, Inc. (BFI), Allan H. Applestein, the Fremont Company (Fremont), Fremont of Delaware, Inc. (Fremont-Delaware) and Alexander C. Kono. Upon consent of the parties, the Court entered an order consolidating this action with SEC v. Basic Food Industries, Inc., et al. (Civil Action No. 77-1587). The defendants consented to the entry of permanent injunctions against them without admitting or denying the allegations of either complaint.

The complaints alleged violations of Section 10(b), 13(a) and 13(d) of the Securities Exchange Act of 1934 and Rules 10b-5, 12b-20, 13a-11 and 13d-1 in connection with transactions involving the sale of a controlling block of stock of BFI to Fremont-Delaware.

The judgments consented to by the defendants provided that: (1) BFI and Applestein are enjoined from violating the antifraud, reporting, stock ownership reporting and proxy provisions of the Securities Exchange Act of 1934; (2) Fremont, Fremont-Delaware and Kono are enjoined from violating the reporting provisions of the Exchange Act and from making false statements of material facts or omitting to state material facts in the acquisition of controlling interests, tender offers and mergers; (3) BFI, Fremont, Fremont-Delaware and Kono will make an offer to the public shareholders in BFI of at least \$3.75 per share for BFI common stock; (4) in the event BFI remains a public company, as defined in the order, after the required offer to the public shareholders, BFI will appoint three independent directors to its Board and establish an audit committee with certain delineated functions; (5) BFI will correct reports previously filed with the Commission; (6) Applestein will be enjoined from serving as an officer, director, employee or consultant of any public company for a period of nine months and thereafter for five years subject to certain notice requirements, including notifying the Commission prior to assuming any such position; (7) Applestein be prohibited from acquiring any securities of BFI; (8) in the event BFI remains a public company, as defined in the order, we will correct all reports previously filed with the Commission; and (9) Applestein will disgorge \$72,500 which will be remitted to the public shareholders of BFI. (SEC v. Basic Food Industries, Inc., et al., Civil Action No. 77-1587 and 78-1127). (LR-8440)

INVESTMENT COMPANY ACT RELEASES

INTEGRATED GROWTH FUND

A notice has been issued giving interested persons until July 10 to request a hearing on an application of Integrated Growth Fund, Inc., an open-end, diversified, management investment company, declaring that it has ceased to be an investment company. (Rel. IC-10280 - June 16)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES

An order has been issued authorizing Middle South Utilities, Inc., a registered holding company, to enter into a revolving credit agreement with a group of banks. Under the agreement Middle South may borrow and reborrow up to an aggregate of \$174,800,000 at any one time outstanding through June 24, 1979. The proceeds of the borrowings will be used to repay short term debt and to purchase additional common stock in Middle South's subsidiaries. (Rel. 35-20593 - June 15)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

LISTING ACTIONS

Orders have been issued, pursuant to Section 12(d) of the Securities Exchange Act of 1934, granting the applications of the following companies to list the specified securities on the following stock exchanges: New York Stock Exchange, Inc. - Heath Tecna, Corp., common stock (effective as of June 7, 1978); Continental Illinois, Corp., 8-1/2% notes, due November 1, 1985 and Monsanto, Co., 8-3/4% sinking fund debentures, due May 15, 2008 (both effective as of June 8, 1978); Data Terminal Systems, Inc., common stock (effective as of June 9, 1978); Occidental Petroleum Corp., \$2.30 cumulative preferred stock, \$1 par value (effective as of June 12, 1978).

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the National Securities Clearing Corporation (SR-NSCC-77-11) amending the agreements pertaining to NSCC's Correspondent Delivery and Collection Service. (Rel. 34-14862)

MISCELLANEOUS

COLONIAL NATURAL GAS COMPANY

A notice has been issued giving interested persons until July 5 to request a hearing on an application of Colonial Natural Gas Company (Applicant), pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting Applicant from the provisions of Section 13 and 15(d) of that Act.

Applicant, a public utility, was originally organized under the laws of the State of Virginia in 1961. On June 14, 1977, Volunteer Natural Gas Company entered into an agreement with the ten principal shareholders of Applicant to acquire 180,919 shares of common stock of Applicant. On July 8, 1977 and November 11, 1977, Volunteer commenced tender offers to acquire shares of common stock of Applicant. As of March 22, 1978, Volunteer owned 453,691 of such shares. Presently there are 15,864 shares of Applicant's common stock (3.38% of the outstanding stock) which are held by 101 recordholders other than Volunteer. (Rel. 34-14865)

MODERN MAID FOOD PRODUCTS, INC.

A notice has been issued giving interested persons until July 5 to request a hearing on an application of Modern Maid Food Products, Inc. (Applicant), pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting Applicant from the provisions of Sections 13 and 15(d) of the Act. (Rel. 34-14866)

SECURITIES ACT REGISTRATIONS

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-14) AMERICAN MICROSYSTEMS, INC., 3800 Homestead Rd., Santa Clara, Cal. 95051 (408) 246-0330 - 572,000 shares of common stock. (File 2-61912 - June 19)
- (S-14) MINNESOTA MINING AND MANUFACTURING COMPANY, 3M Center, St. Paul, Minn. 55101 (612) 733-1110 - 1,266,968 shares of common stock. (File 2-61913 - June 19)
- (S-8) UNIVERSAL RESOURCES CORPORATION, 1000 Carillon Tower East, 13601 Preston Rd., Dallas, Tex. 75240 (214) 661-3876 - 179,360 shares of common stock. The company is engaged in the exploration for and development of oil and gas. (File 2-61914 - June 19)
- (S-8) SIMMONDS PRECISION PRODUCTS, INC., 150 White Plains Rd., Tarrytown, N.Y. 10591 - 50,000 shares of common stock. (File 2-61915 - June 19)

REGISTRATIONS EFFECTIVE

June 12: Bangor Punta Corp., 2-61159; Bank Securities, Inc., 2-61213; Chemical Financial Corp., 2-61370; Dutch Boy, Inc., 2-61375; Heath Tecna Corp., 2-61688; The Interpublic Group of Companies, Inc., 2-61346 & 2-61347; Minnesota Power & Light Co., 2-61706; NFC 1978 Drilling Programs, 2-60509 (90 days); Sterling Drug Inc., 2-61345; Southwest Bancshares, Inc., 2-61612; Tandem Computers Inc., 2-61603.

June 13: Arrow Electronics, 2-61587; Fidelity Union Bancorp., 2-61478; First Capital Income Properties, Ltd. - Series IV, 2-61404; Micro Mask Inc., 2-61782; Municipal Investment Trust Fund, Eighty-Seventh Monthly Payment Series, 2-61601; SB Partners, 2-51288; Science Applications, Inc., 2-61679; Transcontinental Oil Corp., 2-61519; Valtec Corp., 2-61609; Valtek Inc., 2-61492.

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.

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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