

# sec news digest

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Issue 77-224

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## RULES AND RELATED MATTERS

### U.S. SECURITIES AND EXCHANGE COMMISSION

#### DELAY IN EFFECTIVE DATE OF RULE 10b-10

The Commission has announced the delay in the effective date of Securities Exchange Act Rule 10b-10 from January 1, 1978 until April 1, 1978. Rule 10b-10 prescribes confirmation delivery and disclosure requirements applicable to brokers and dealers. (Rel. 34-14184)

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## ADMINISTRATIVE PROCEEDINGS

#### GOLDMAN, SACHS & CO. AND FIRST NATIONAL BANK OF CHICAGO, BOND DEPARTMENT

Public administrative proceedings have been ordered against Goldman, Sachs & Co., First National Bank of Chicago, Bond Department, and Glenn Caan, Milwaukee, Wisconsin. The proceedings are based upon alleged violations of the antifraud provisions of the securities laws in connection with adjusted trading of securities at prices in excess of the market price in effect at the times of the transactions. The order further alleges that Goldman Sachs and First National also failed to supervise their employees who committed the violations. In addition, the order also alleges that Goldman, Sachs & Co. violated the recordkeeping provisions of the securities laws in connection with its adjusted trading activity. The order alleges that the respondents engaged in adjusted trades with American City Bank and Trust Company, N.A., a former Milwaukee bank which was declared insolvent by the Comptroller of the Currency. A hearing will be scheduled to take evidence on the staff's allegations and to afford the respondents an opportunity to raise any defenses. The hearing is to determine whether the allegations are true and, if so, whether any action of a remedial nature should be ordered by the Commission. (Rel. 34-14187)

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## COURT ENFORCEMENT ACTIONS

#### THOMAS A. CURRY AND TIMOTHY J. CURRY INDICTED

The Fort Worth Regional Office announced that on November 9 two indictments were returned by a Federal Grand Jury at Fort Worth, Texas, naming Thomas A. Curry and Timothy J. Curry, both of Dallas, Texas. The first indictment charges the Currys with five counts of fraudulent sale of securities in the sale of fractional undivided working interests in oil and gas leases and wells located in LaSalle Parish, Louisiana and Coleman County, Texas issued by Thomas A. Curry and Timothy J. Curry, doing business as Curry Petroleum, Dallas, Texas. The second indictment charges Thomas A. Curry and Timothy J. Curry with six counts of mail fraud in the offer and sale of investment contracts issued by Federal Resources, Inc., Dallas, Texas, relating to the awarding of oil and gas leases on federally owned lands by the Bureau of Land Management, United States Department of Interior, in New Mexico, Colorado, Wyoming and Utah. (U.S. v. Thomas A. Curry and Timothy J. Curry, N.D. Tex.). (LR-8193)

#### MOTION BY JERRY A. MCFARLAND FOR NEW TRIAL DENIED

The Denver Regional Office announced that on November 8 the Honorable Sarah T. Hughes, Judge, U.S. District Court for the Northern District of Texas, denied Jerry A. McFarland's motion for a new trial for his earlier conspiracy conviction. On April 5 Jerry A. McFarland and Howard P. Carroll, Denver, Colorado and Robert C. Wilson, Scottsdale, Arizona were found guilty of conspiring to violate the antifraud, mail fraud and false filing provisions of the U.S. Code. (U.S. v. Harry E. Niles, et al., N. Dist. Texas, Cr. No. 3-77-15). (LR-8194)

COMPLAINT NAMES SAN ANTONIO MUNICIPAL UTILITY  
DISTRICT NO. 1, OTHERS

The SEC announced the filing of a complaint on November 10 in the U.S. District Court in Houston, Texas seeking to enjoin San Antonio Municipal Utility District No. 1 (District), San Antonio Ranch Ltd. No. 1 and Surety Savings Association from further violations of the antifraud provisions of the securities laws arising from the offer and sale of municipal securities issued by the District, namely \$2.5 million of Unlimited Tax Bonds, Series 1976, bearing a coupon interest rate of 9.03%. The defendants, without admitting or denying the allegations of the complaint, consented to the entry of orders of permanent injunction enjoining them from further violating the aforementioned provisions of the securities laws. (SEC v. San Antonio Municipal Utility District No. 1, et al., S.D. Texas, Houston Division, Civil Action No. H-77-1868). (LR-8195)

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## HOLDING COMPANY ACT RELEASES

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### NATIONAL FUEL GAS COMPANY

A notice has been issued giving interested persons until December 13 to request a hearing on a proposal of National Fuel Gas Company, a registered holding company, National Fuel Gas Supply Corporation, whereby the maturity of a \$5 million note issued by National Fuel Gas Supply Corporation to National Fuel Gas Company will be extended from December 31, 1977 to December 31, 1978. (Rel. 35-20261 - Nov. 18)

### APPALACHIAN POWER COMPANY

A notice has been issued giving interested persons until December 13 to request a hearing on proposals of Appalachian Power Company, subsidiary of American Electric Power Company, Inc., and Cedar Coal Company, subsidiary of Appalachian. The proposals concern a sale and leaseback of coal facilities by Cedar, and a guaranty of said lease by Appalachian. (Rel. 35-20262 - Nov. 18)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc. (NYSE) has filed a proposed rule change under Rule 19b-4 (SR-NYSE-76-26) to amend margin requirement Rules 431 and 432 to ensure that member organizations understand that Regulation T supercedes any Exchange margin requirement, permit member organizations who carry options accounts to utilize the Uniform Net Capital Rule, and eliminate Form MF-1 (Margin Requirements Met by Liquidation). Publication of the proposal is expected to be made in the Federal Register during the week of November 21. (Rel. 34-14183)

The American Stock Exchange (AMEX) has filed a proposed rule change under Rule 19b-4 (SR-AMEX-77-25) to provide alternative supervisory procedures governing, the discretionary power in customer accounts. Publication of the proposal is expected to be made in the Federal Register during the week of November 21. (Rel. 34-14178)

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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) GUARDIAN EXPLORATION, LTD. - 1978A, 615 W.W. Jones Bldg., Corpus Christi, Tex. 78401 - 800 units of preformation limited partnership units. Underwriter: First Guardian Investment Corp. (File 2-60327 - Nov. 18)

(S-1) CENCOR, INC., 1003 Walnut, Kansas City, Mo. 64106 - \$10 million of subordinated notes. (File 2-60329 - Nov. 18)

- (S-5) KEMPER HIGH YIELD FUND, INC., 120 South LaSalle St., Chicago, Ill. 60603 - 10,000,000 shares of common stock. Underwriters: Drexel Burnham Lambert Inc., Bache Halsey Stuart Shields Inc., Hornblower, Weeks, Noyes & Trask Inc. and Shearson Hayden Stone Inc. (File 2-60330 - Nov. 18)
- (S-8) SOMERSET IMPORTERS, LTD. THRIFT AND SAVINGS PLAN, 277 Park Ave., New York, N.Y. 10017 (212) 832-1000 - \$500,000 of interest. (File 2-60331 - Nov. 18)
- (S-8) HUNT-WESSON PROFIT SHARING INVESTMENT PLAN AND TRUST, 277 Park Ave., New York, N.Y. 10017 - \$3 million of interest. (File 2-60332 - Nov. 18)
- (S-7) CAESARS WORLD, INC., 1801 Century Park East, Los Angeles, Cal. 90067 (213) 552-2711 - \$15 million of senior sinking fund debentures, due 1997 and 300,000 shares of common stock. Underwriter: E.F. Hutton & Company Inc. (File 2-60334 - Nov. 18)
- (S-7) VIRGINIA ELECTRIC AND POWER COMPANY, 700 East Franklin St., Richmond, Va. 23261 (804) 771-3225 - 5,000,000 shares of common stock. Underwriters: Merrill Lynch, Pierce, Fenner & Smith Inc., Morgan Stanley & Co. Inc., and Wheat, First Securities, Inc. (File 2-60335 - Nov. 18)
- (S-1) LOUISIANA GENERAL SERVICES, INC., 1233 West Bank Expressway, Harvey, La. 70058 - \$6 million of subordinated investment notes, Series E-1, E-2, E-3, and E-4. (File 2-60340 - Nov. 21)

#### REGISTRATIONS EFFECTIVE

Nov. 14: Crown Finance Corp., 2-59407.

Nov. 16: American Income Trust, Series 4, 2-59705.

Nov. 17: Cutler-Hammer, Inc., 2-60263; Delmarva Power & Light Co., 2-60004; Eastern Airlines, Inc., 2-60155; Falcon Seaboard Inc., 2-60164; Flagg Industries, Inc., 2-60085; Gannett Co., Inc., 2-60266; Handleman Co., 2-60162; Harris Corp., 2-60218; Harsco Corp., 2-60245; Johns-Manville Corp., 2-60211; Kansas Gas & Electric Co., 2-60089; Lowe's Companies, Inc., 2-60221; National Municipal Trust, Twenty-Third Series, 2-60075; Solaron Corp., 2-59528.

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.

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#### RECENT 8K FILINGS

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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
ADVANCED CHEMICAL TECHNOLOGY	2,6	10/31/77
AMERICAN BRANDS INC	5	10/31/77
AMERICAN FUNERAL HOMES INC	5	10/28/77
AMERICAN PACIFIC INTERNATIONAL INC	5	10/05/77
AMERICAN UNDERWRITERS INC	4,6	10/25/77
APACHE CORP	5	10/17/77
ATLANTIC RICHFIELD CO	5	10/10/77
BURNS R L CORP	5,6	10/05/77
CAMERON BROWN INVESTMENT GROUP	5,6	10/17/77
CB&T BANCSHARES INC	13,14	10/01/77 *
COMMUNICATIONS SATELLITE CORP	5,6	10/14/77

RECENT 8K FILINGS CONT.

CONNECTICUT LIGHT & POWER CC	5	10/25/77
CONTINENTAL CONNECTOR CCRP	5,6	10/31/77
DATA ACCESS SYSTEMS INC	5,6	10/09/77
DATA LEASE FINANCIAL CCRP	5,6	10/31/77
DIAL CORP	5	10/31/77
DWG CORP	4	10/28/77
ERNST E C INC	5,6	10/04/77
FALCON SEABOARD INC	5,6	10/13/77
FIRST TENNESSEE NATIONAL CORP	5,6	10/11/77
GENERAL REAL ESTATE SHARES	2,6	10/19/77
GLOUCESTER ENGINEERING CO INC	5	11/02/77
GUARANTY NATIONAL CORP	5	10/31/77
HARTFORD ELECTRIC LIGHT CC	5	10/25/77
HEALTH CARE FUND	5,6	10/25/77
HICKORY FARMS OF CHIC INC	5,6	10/09/77
IDEAL BASIC INDUSTRIES INC	5,6	10/17/77
IMPERIAL CCRP OF AMERICA	5,6	10/25/77
INCO LTD	5,6	11/09/77
JACOBS F L CC	4	11/01/77
LANDMARK BANKING CORP OF FLORIDA	5	10/31/77
LOMAS & NETTLETON FINANCIAL CCRP	5,6	10/01/77
LONG ISLAND LIGHTING CC	5	10/01/77
MANAGEMENT ASSISTANCE INC	13	10/31/77 *
MCD HOLDINGS INC	5	10/01/77
MCDERMOTT J RAY & CO INC	5	06/30/77
MGF CIL CCRP	2,6	10/26/77
MIDLAND MORTGAGE INVESTORS TRUST	5,6	09/30/77
MOBILAND INC	13	10/01/77 *
NATIONAL HERITAGE MANAGEMENT CCRP	5,6	10/01/77
NATIONAL STUDENT MARKETING CCRP	2,6	11/01/77
NEW JERSEY NATIONAL CORP	5	11/09/77
NEW YORK TIMES CC	5	10/31/77
NORTH AMERICAN PUBLISHING CC	5	10/06/77
NORTH ATLANTIC INDUSTRIES INC	5,6	10/27/77
NORTHEAST UTILITIES	5	10/25/77
NVF CC	4	10/28/77

\*/ 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 2. Acquisition or Disposition of Assets  
 Item 3. Legal Proceedings  
 Item 4. Changes in Securities  
 Item 5. Changes in Security for Registered Securities  
 Item 6. Defaults upon Senior Securities  
 Item 7. Increase in Amount of Securities Outstanding  
 Item 8. Decrease in Amount of Securities Outstanding

Item 9. Options to Purchase Securities  
 Item 10. Extraordinary items, other material charges and credits and capital restatements  
 Item 11. Submission of Matters to a Vote of Security Holders  
 Item 12. Changes in Registrant's Certifying Accountant  
 Item 13. Other Materially Important Events  
 Item 14. Financial Statements and Exhibits

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 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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