

sec news digest

Issue 83-247

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RULES AND RELATED MATTERS

INTERPRETIVE RELEASE RELATING TO ACCOUNTING FOR EXTINGUISHMENT OF DEBT RESCINDED

Recently, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 76, "Extinguishment of Debt." Accordingly, the Commission determined to rescind its interpretive release relating to accounting for extinguishment of debt (FRR-3). The Commission also emphasized the importance of certain aspects of the new standard in the release. (Rel. 33-6501)

FOR FURTHER INFORMATION CONTACT: Dorothy Walker at (202) 272-2130

CIVIL PROCEEDINGS

HARRY SCHARF AND OTHERS ENJOINED; DISGORGEMENT ORDERED

The Commission announced that on December 16 Judge Gerhard A. Gesell entered a Final Judgment of Permanent Injunction and Order of Disgorgement against Harry Scharf, Stanley I. Miller, Marvin Koppelman, and J.M. Home and Office Products, Inc. The defendants consented to the Judgment without admitting or denying the allegations of the Commission's complaint. The Judgment enjoins the defendants from violations of the antifraud and accounting provisions and, in the case of Scharf and Miller, the periodic reporting and proxy solicitation provisions of the securities laws. The Judgment also orders disgorgement in the amounts of \$213,767 from Scharf, \$213,767 from Miller, and \$103,509 from Koppelman and J.M.

The Commission filed a civil action against the defendants on March 29. The complaint alleged that: Scharf, former president of Pentron Industries, Inc., and Miller, former sales manager of Pentron's largest division, diverted monies from Pentron from 1973 to 1976; Scharf authorized about \$140,000 in payments to Miller during this time purportedly to bribe buyers of Pentron customers, but Scharf and Miller in fact divided the funds between themselves; Scharf and Miller continued the scheme from 1976 through April 1982 by arranging payments to Koppelman, a sales representative of Pentron, and to J.M., Koppelman's wholly-owned company (such payments included a variety of unearned or excessive commissions and reimbursement for the expenses of a bogus employee. The defendants divided over \$300,000 among themselves in this aspect of the scheme). (SEC v. Harry Scharf, et al., Civil Action No. 83-0891, D.D.C.). (LR-10243)

INVESTMENT COMPANY ACT RELEASES

GUARANTEED MORTGAGE CORPORATION II

A notice has been issued giving interested persons until January 16, 1984 to request a hearing on an application filed by Guaranteed Mortgage Corporation II for an order exempting it from all provisions of the Investment Company Act. (Rel. IC-13684 - Dec. 21)

SAVINGS BANK INVESTMENT FUND

An order has been issued permitting Savings Bank Investment Fund, et al. (SBIF) to transfer its assets to Massachusetts Financial Bond Fund, Inc. (MFB) and to distribute MFB shares to SBIF shareholders, in liquidation of the Income Series of SBIF. (Rel. IC-13685 - Dec. 22)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until January 13, 1984 to comment on the applications of the Midwest Stock Exchange, Inc. for unlisted trading privileges in nine issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. (Rel. 34-20503)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed under Rule 19b-4 by the New York Stock Exchange, Inc. (SR-NYSE-83-54) to amend Section 313.00 of the New York Stock Exchange Listed Company Manual and the supplemental material to Rule 499. This will permit the Exchange to list non-voting common stock of "quasi-governmental corporations" where by reason of legislative or judicial mandate, the issuance of voting stock to the public is restricted. (Rel. 34-20507)

NOTICE OF PROPOSED RULE CHANGE

The Pacific Clearing Corporation filed a proposed rule change under Rule 19b-4 (SR-PCC-83-6) regarding its letter of credit program. The proposal sets forth PCC's criteria for: (1) approving letter of credit issuers; (2) withdrawing approval of such issuers; and (3) preventing an undue concentration of letters of credit from any one issuer. Publication of the proposal is expected to be made in the Federal Register during the week of December 26. (Rel. 34-20508)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under 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; File number and date filed; Assigned Branch; If the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION under Rule 415.

- (S-18) MOBIL MEDICAL DIAGNOSTICS, INC., c/o Benjamin G. Sprecher, 11 Park Pl., Suite 1715, New York, NY 10007 (212) 227-8692 - 25,000,000 shares of common stock. Underwriter: Dillon Securities, Inc., 810 South Cincinnati, Tulsa, OK 74119. (File 2-88305-NY - Dec. 15) (Br. 7)
- (S-18) CHURCHILL RECORDS & VIDEO, LTD., 3225 South Norwood, Tulsa, OK 74135 (918) 663-3883 - 625,000 shares of common stock. Underwriter: Houchin, Adamson & Company, Inc. (File 2-88398-FW - Dec. 13) (Br. 4 - New Issue)
- (S-18) INTER-RAIL EXPRESS CORP., 19 Rector St., New York, NY 10006 (212) 943-3525 - 4,500,000 shares of common stock. Underwriters: RLR Securities Group, Inc. and Diehl, Speyer & Brown. The company carries freight by using a temperature controlled intermodal vehicle. (File 2-88444-NY - Dec. 15) (Br. 5 - New Issue)
- (S-6) THE MUNICIPAL BOND TRUST, PUT SERIES 1 (INTERMEDIATE TERM), 140 Broadway, New York, NY 10005 - 11,000 units. Depositor: Paine, Webber, Jackson & Curtis Incorporated. (File 2-88522 - Dec. 20) (Br. 16 - New Issue)
- (S-1) NUI CORPORATION, One Elizabethtown Plaza, Elizabeth, NJ 07207 (201) 351-2900 - 1,750,000 shares of common stock, and 1,750,000 shares of \$2.70 cumulative convertible preferred stock. (File 2-88527 - Dec. 21) (Br. 7)
- (S-14) FIRST RAILROAD & BANKING COMPANY OF GEORGIA, 699 Broad St., Augusta, GA 30913 (404) 823-2753 - 2,988,000 shares of common stock. (File 2-88532 - Dec. 21) (Br. 1)

- (S-3) WELLS FARGO & COMPANY, 420 Montgomery St., San Francisco, CA 94104 (415) 396-0123 - 1,160,000 shares of common stock. (File 2-88534 - Dec. 21) (Br. 2)
- (S-3) CENTRAL ILLINOIS PUBLIC SERVICE COMPANY, 607 East Adams St., Springfield, IL 62701 (217) 523-3600 - 2,500,000 shares of common stock. (File 2-88535 - Dec. 21) (Br. 8)
- (S-3) DIGITAL SWITCH CORPORATION, 707 E. Arapaho Rd., P.O. Box 830911, Richardson, TX 75083 (214) 238-4000 - 1,079,500 shares of common stock. The company designs, develops, manufactures and markets digital telecommunications switching equipment. (File 2-88536 - Dec. 21) (Br. 7) [S]
- (S-1) FLAKEY JAKE'S INC., 6170-220th S.W., Mountlake Terrace, WA 98043 (206) 774-6622 - 1,000,000 shares of common stock. Underwriter: Ladenburg, Thalmann & Co. Inc. The company owns, operates and franchises restaurants which specialize in hamburgers. (File 2-88537 - Dec. 21) (Br. 3)
- (S-8) LANCE, INC., 8600 South Blvd., P.O. Box 32368, Charlotte, NC 28232 (704) 554-1421 - 400,000 shares of common stock. (File 2-88540 - Dec. 21) (Br. 4)
- (S-15) FIRST VIRGINIA BANKS, INC., One First Virginia Plaza, 6400 Arlington Blvd., Falls Church, VA 22046 (703) 241-3655 - 370,112 shares of common stock. (File 2-88541 - Dec. 21) (Br. 1)
- (S-15) FOOTE, CONE & BELDING COMMUNICATIONS, INC., 401 North Michigan Ave., Chicago, IL 60611 (312) 467-9200 - 80,000 shares of common stock. (File 2-88544 - Dec. 21) (Br. 5)
- (S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS, SERIES 113, 300 West Washington St., Chicago, IL 60606 - an indefinite number of units. Depositor: Clayton Brown & Associates, Inc. (File 2-88545 - Dec. 21) (Br. 18 - New Issue)
- (S-3) CONSUMERS POWER COMPANY, 212 West Michigan Ave., Jackson, MI 49201 (517) 788-1030 - 2,000,000 shares of common stock. Underwriter: Morgan Stanley & Co. Incorporated. The company generates, purchases, transmits, distributes and sells electricity. (File 2-88546 - Dec. 21) (Br. 8)
- (S-3) THE NARRAGANSETT ELECTRIC COMPANY, 280 Melrose St., Providence, RH 02901 (401) 781-0100 - \$25 million of first mortgage bonds, Series O. (File 2-88547 - Dec. 21)
- (S-3) INTERNATIONAL INCOME PROPERTY INC., 405 Park Ave., New York, NY 10022 (212) 759-9534 - 400,000 shares of common stock. (File 2-88548 - Dec. 21) (Br. 5)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, One Liberty Plaza, 165 Broadway, New York, NY 10080 - an indefinite number of units of beneficial interest. Depositor: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, NY 10080, Dean Witter Reynolds Inc., Prudential-Bache Securities Inc. and Shearson/American Express. (File 2-88549 - Dec. 21) (Br. 17 - New Issue)

REGISTRATIONS EFFECTIVE

Dec. 2: Michigan General Corporation, 2-87471.

Dec. 5: Allied Bancshares, Inc., 2-87906, 2-87907; CCFNB Bancorp, Inc., 2-87306; Capital Sunbelt/Fund 84, Ltd., 2-86562-A; Consumers Power Company, 2-87735; The Merchant Bancorporation of Florida, 2-85993-A; The Peoria Journal Star, Inc., 2-86924; Quinoco Oil and Gas Income Program Inc., 2-86065; Western Steer-Mom 'N' Pop's, Inc., 2-87830.

Dec. 6: American Family Pizza, Inc., 2-86548; Ampco-Pittsburgh Corporation, 2-85714; Analysts International Corporation, 2-87040; Angeles Corporation, 2-87950; Bel Fuse Inc., 2-86854; Biotechnology Development Corporation, 2-85290; Chrysler Financial Corporation, 2-88008; Delta Management Systems, Inc., 2-87250-NY; Entre Computer Centers, Inc., 2-87023; Freedom Income Trust, Special States Series 5, 2-86096; Hospital Staffing Services, Inc., 2-87290-A; LSB Bancshares, Inc., 2-85692; The Mead Corporation, 2-88206; Mississippi Valley Airlines, Inc., 2-86661; National Gypsum Company, 2-87426; Selvac Corporation, 2-86149; Shannon Bancorp, Inc., 2-87130; Southmark Corporation, 2-88083; Squibb Corporation, 2-88227; Supertek, Inc., 2-86898; United Financial Banking Companies, Inc., 2-86770; Washington Homes, Inc., 2-87947.

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
AMERN F S L A COLD PUEBLO GOREN JAMES G	COM 13D	12/12/83	77 6.7	02589410 0.0	NEW
HILLER AVIATION INC CONRAD GROUP	COM 13D	12/12/83	131 25.9	43157510 0.0	NEW
LINCOLN FINL CORP CAMERON BAIRD FOUNDATION ET AL	COM 13D	12/ 5/83	79 7.2	53355210 5.1	UPDATE
OLD NATL BANCORPORATION U S BANCORP	COM 13D	12/ 9/83	809 33.2	68003610 0.0	NEW
REECE CORP JATEL PLC ET AL	COM 13D	12/ 9/83	515 21.0	75811410 19.1	UPDATE