

sec news digest

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COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND
EXCHANGE COMMISSION

COMMISSIONER KARMEI SPEAKS BEFORE
THE NORTHWEST STATE-FEDERAL-PROVINCIAL
COOPERATIVE SECURITIES CONFERENCE

Commissioner Karmel spoke before the Northwest State-Federal-Provincial Cooperative Securities Conference in Portland, Oregon, on Wednesday, May 24, 1978. The title of her address was "Judicial Dialogues on the Securities Laws."

COURT ENFORCEMENT ACTIONS

JAMES DONDICH, OTHERS INDICTED

The Los Angeles Regional Office and the San Francisco Branch Office announced the return of an 18 count indictment on April 27 against five defendants charging a conspiracy to commit securities fraud, mail fraud, wire fraud and charging violations of securities fraud, mail fraud, wire fraud and inducement to travel in interstate commerce in the execution of a scheme to defraud.

Indicted were James Dondich, for one count of conspiracy, one count of inducement to travel in interstate commerce in the execution of a scheme to defraud and nine counts of securities fraud; Louis M. Mayo, of Las Vegas, Nevada, for one count of conspiracy, and eight counts of securities fraud; Max H. Mortensen, of Oakland, California, for one count of conspiracy, one count of wire fraud, nine counts of securities fraud and six counts of mail fraud; Roger W. Osness, of St. George, Utah, for one count of conspiracy, and five counts of securities fraud; and Roy J. Jackson, of Ogden, Utah, for two counts of securities fraud.

This indictment charges the defendants with making misrepresentations of material facts and omitting to state material facts in connection with the offers and sales of \$1.2 million of general obligation bond anticipation notes issued by Reclamation District No. 2090, a Special District of the State of California located in Contra Costa County. The securities were sold to sixty investors residing in three states. (U.S. v. James Dondich, et al., CR-78-0202-WHO, N.D. Cal.). (LR-8421)

INVESTMENT COMPANY ACT RELEASES

JOHN HANCOCK INVESTORS

A notice has been issued giving interested persons until June 19 to request a hearing on an application of John Hancock Investors, Inc. (Investors), a registered, closed-end diversified management investment company, and John Hancock Mutual Life Insurance Company (Life Company), for an order permitting (1) The Life Company to purchase in a direct placement \$3 million (out of a total offering of \$12 million) of a new issue of unsecured notes (1978 Notes) of Gray Drug Stores, Inc. (Gray Drug), and (2) Investors, as the holder of another class of Gray Drug unsecured notes (1971 Notes), to approve the amendment to certain of the financial covenants contained in the 1971 Notes, thereby conforming those financial covenants to the financial covenants contained in the 1978 Notes which will have the effect of consenting to issuance of the 1978 Notes. (Rel. IC-10256 - May 25)

MADISON FUND

A request for a hearing on an application of Madison Fund, Inc., and First National Stores Inc. (Finast) has been denied, and an order has been issued on said application pursuant to Section 17(b) of the Act and Rule 17d-1 under the Act to permit certain transactions in connection with the proposed merger of Pick-N-Pay Supermarkets, Inc. into Finast. (Rel. IC-10257 - May 25)

HOLDING COMPANY ACT RELEASES

CONNECTICUT YANKEE ATOMIC POWER COMPANY

A notice has been issued giving interested persons until June 22 to request a hearing on a proposal of Connecticut Yankee Atomic Power Company, subsidiary of Northeast Utilities and New England Electric System, whereby Connecticut Yankee will issue and sell from time to time through June 30, 1979, notes to banks and commercial paper to a dealer in commercial paper in an amount of \$30 million at any one time outstanding. The proceeds of the sales will be used to repay outstanding short-term debt, to provide funds for construction, and to provide a portion of the funds required for the purchase of nuclear fuel. (Rel. 35-20556 - May 25)

OHIO EDISON COMPANY

A notice has been issued giving interested persons until June 22 to request a hearing on a proposal of Ohio Edison Company, subsidiary of Pennsylvania Power Company, that they guarantee a portion of first mortgage bonds and notes to be issued by a non-affiliated coal supplier and that their short-term borrowing authorizations be increased and extended through June 30, 1979. (Rel. 35-20557 - May 26)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until June 23 to request a hearing or comment upon the application submitted by Kollmorgen Corporation to withdraw its common stock (par value \$2.50) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-14806)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Inc. has filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934 (SR-MSE-78-12) to place into the MSE rules the existing authority the MSE Board of Governors has delegated to the Exchange staff to set the various Exchange fees. Publication of the proposal is expected to be made in the Federal Register during the week of May 29. (Rel. 34-14805)

NOTICE OF AMENDMENT OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. has filed an amendment to its proposed rule change submitted under Rule 19b-4 (SR-NASD-77-23) to regulate its members' activities relating to certain options transactions. The amendment modifies the proposed rules to conform them to certain exchange rules governing options transactions and makes clear that the proposed rules would apply to trading in conventional options on common stocks, as well as exchange-listed options. Publication of the amendment is expected to be made in the Federal Register during the week of May 29. (Rel. 34-14804)

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-8) INDIANAPOLIS WATER COMPANY, 1220 Waterway Blvd., Indianapolis, Ind. 46202 - 25,000 shares of common stock. (File 2-61715 - May 25)
- (S-16) THE KANSAS POWER AND LIGHT COMPANY, 818 Kansas Ave., Topeka, Kan. 66612 (913) 296-6300 - 150,000 shares of common stock. (File 2-61722 - May 26)

- (S-16) REVELL, INCORPORATED, 4223 Glencoe Ave., Venice, Cal. 90291 (213) 870-7651 - 406,525 shares of common stock. (File 2-61723 - May 26)
- (S-1) BAKCO ACCEPTANCE, INC., 2200 Century Parkway, N.E., Suite 688, Atlanta, Ga. 30345 - \$4 million of 9% promissory notes, due nine months from the date of issuance. (File 2-61724 - May 26)
- (S-7) SECURITY PACIFIC CORPORATION, 333 South Hope St., Los Angeles, Cal. 90071 (213) 613-6027 - \$100 million of notes, due 1985. Underwriters: The First Boston Corporation, Merrill Lynch White Weld Capital Markets Group and Dean Witter Reynolds Inc. The company is a bank holding company. (File 2-61725 - May 26)
- (S-7) CONNER HOMES CORPORATION, U.S. 70 Bypass East, Newport, N.C. 28570 (919) 223-5121 - \$4 million of subordinated notes, due June 1, 1985. Underwriter: Interstate Securities Corporation, Charlotte, N.C. The company manufactures and sells medium priced mobile homes. (File 2-61726 - May 26)
- (S-1) COMPUTER COMMUNICATIONS, INC., 2610 Columbia St., Torrance, Cal. 90503 - 920,000 shares of common stock. Underwriter: Allen & Company. The company is engaged in the design, development, programming, manufacture, marketing and servicing of computer equipment. (File 2-61727 - May 26)
- (S-1) BROOKS FASHION STORES, INC., 370 Seventh Ave., New York, N.Y. 10001 - 500,000 shares of common stock. Underwriter: Goldman, Sachs & Co. The company operates a chain of women's junior apparel specialty stores. (File 2-61728 - May 26)

REGISTRATIONS EFFECTIVE

May 17: BBDO International, Inc., 2-61296; Empire Petroleum Fund, Ltd - 1978, 2-60437; Map 1978 Drilling Partnerships, 2-60764.

May 19: Hexcel Corp., 2-61543 & 2-61544; Intermedics, Inc., 2-59189; Paine Webber Inc., 2-60598; Pencor, Inc., 2-61111; Pepsico, Inc., 2-61334; The Toledo Edison Co., 2-61350; Twentieth Century-Fox Film Corp., 2-61237; Union Electric Co. Tax Reduction Act Stock Ownership Plan, 2-61254.

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.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13D-5) may in lieu of filing a Schedule 13D file a Form 13D-5 within ten days after the end of the calendar quarter in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period May 1 - May 12, 1978. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Edmond de Rothschild	Bancal Tri-State Corporation (San Francisco, CA) Common Stock - 1,304,254 shs.	5-1-78
* Lafayette Corporation (Wholly-owned by California European Company - Calrop S.A. (Luxembourg)	Bancal Tri-State Corporation (San Francisco, CA) Common Stock - 989,054 shs.	5-1-78
* Mitchell Corporation of America	MWA Company (Owosso, MI) Common Stock - 290,536 shs. (44.2%)	5-5-78
Manufacturers Life Insurance Company (Canada)	Anglo Company Limited (NYC) Class A Stock - 387,860 shs. (Manufacturers has agreed to transfer 94,600 shares of Common Stock of Nabors Drilling Ltd. in exchange for above shares of Anglo.)	5-8-78

ACQUISITION REPORTS CONT.

Newell Companies, Inc.	Bernzomatic Corporation (Rochester, NY) Common Stock - 450,000 shs. (23.5%) Common Stock - 103,125 shs. on conversion of Debentures (Newell proposes to acquire above shares pursuant to an Agreement.)	5-8-78
Cromart Investment S.A. (Panama)	Citizens and Southern Realty Investors (Tucker, GA) Common Stock - 500,000 shs. (12%) on exercise of Series B Warrants	5-8-78
Goldman, Sachs & Co.	Foodways National, Inc. (Hawthorne, NY) Common Stock - 82,000 shs.	5-8-78
Goldman, Sachs & Co.	Houston Lighting and Power Co. (Houston, TX) \$9.52 Preferred Stock - 20,000 shs.	5-8-78
Goldman, Sachs & Co.	Illinois Gas & Electric Co. (Quad Cities, IA) \$2.31 Preferred Stock - 40,170 shs.	5-8-78
CompuDyne Corporation General Indicator Corp.	LaPointe Industries Inc. (Rockville, CT) Common Stock - 104,980 shs. (15.1%)	5-8-78
Morse F. Van Horn	Lincoln Mortgage Investors (Fullerton, CA) Shares of Beneficial Interest - 74,000 (Included above are shares held by his wife, individually and as custodian.)	5-8-78
Robert M. Shay Richard Kaufman Edwin J. Pittcock	Mountain States Financial Corp (Albuquerque, NM) Common Stock - 28,078 shs. (Included above are shares owned by Messrs. Shay & Pittcocks' wives. Also included are shares owned by affiliates.)	5-8-78
Frederick H. Prince Trust	Pebble Beach Corporation (Pebble Beach, CA) Common Stock - 16,000 shs.	5-8-78
D. James Bentley Irene A. Bentley	Phone-A-Gram System, Inc. (San Francisco, CA) Common Stock - 200,000 shs.	5-8-78
Orville M. Griffin Carmelita Griffin Ronald T. McDaniel Frances K. Welsh James L. Mitchell	Telex Corporation (Tulsa, OK) Common Stock - 600,000 shs.	5-8-78
WJA Realty	World Jai-Alai, Inc. (Miami, FL) Common Stock - 1,000,000 shs. (23%) on exercise of Warrant (A limited partner of WJA also owns 2,000 shares of Common Stock.)	5-8-78
* Telco Marketing Services, Inc. LIBCO Corporation Sierra Capital Group Clyde Wm. Engle	Berkeley Bio-Medical, Inc. (Columbus, OH) Common Stock - 357,312 shs. (14.77%)	5-8-78
* Masco Corporation	Braun Engineering Company (Detroit, MI) Common Stock - 85,900 shs. (15.94%)	5-8-78
* Oakbrook Consolidated, Inc. Joseph C. Szabo	Chemical Leaman Corp. (Downington, PA) Common Stock - 377,583 shs. (28.9%)	5-8-78
* AMBG Corp. (Wholly-owned subsidiary of Tyco) Tyco Laboratories, Inc.	Cutler-Hammer, Inc. (Milwaukee, WI) Common Stock - 1,554,000 shs. (26%)	5-8-78

ACQUISITION REPORTS CONT.

* Danco, Inc. (Controlled by Dayco Industries Inc.)	Contran Corporation (Dallas, TX) Common Stock - 160,244 shs. (Danco has an Option to purchase 27,600 shares of Common Stock on conversion of Note. Danco also has proxies to vote 41,120 shares. 77,760 of above shares were acquired pursuant to the Tender Offer.)	5-8-78
* Perry Goldberg	Esquire Radio & Electronics, Inc. (Brooklyn, NY) Common Stock - 42,900 shs.	5-8-78
* William Belzberg (Canada) Samuel Belzberg (Canada) Hyman Belzberg (Canada)	Far West Financial Corporation (Newport Beach, CA) Common Stock - 894,900 shs. (45.5%)	5-8-78
* Transco Realty Trust	Hospital Mortgage Group (No. Miami, FL) Shares of Beneficial Interest - 185,300	5-8-78
* Capital Investments of Hawaii, Inc.	InterIsland Resorts, Ltd. (Honolulu, HI) Common Stock - 131,687 shs.	5-8-78
* Neuberger & Berman	National Aviation & Technology Corp. (NYC) Capital Stock - 232,325 shs.	5-8-78
* Robert Pace Schofield, Jr.	Oneida Ltd. (Oneida, NY) Common Stock - 229,475 shs. (12.8%) Common Stock - 1,794 shs. on conversion of Debentures	5-8-78
* Ash Grove Cement Company	Oregon Portland Cement Co. (Portland, OR) Common Stock - 113,498 shs. (12.26%)	5-8-78
* Slattery Associates, Inc.	RET Income Fund (Boston, MA) Common Stock - 344,000 shs.	5-8-78
* Lionel Corporation	Telefile Computer Corp. (Irvine, CA) Common Stock - 261,406 shs.	5-8-78
* Chris-Craft Industries, Inc.	Twentieth Century-Fox Film Corp. (Los Angeles, CA) Common Stock - 583,000 shs.	5-8-78
* Federated Reinsurance Corp. (Wholly-owned subsidiary of Federated Development Co.)	United Realty Trust (Beverly Hills, CA) Shares of Beneficial Interest - 285,700	5-8-78
* R. Allan Martin	Valmac Industries, Inc. (Memphis, TN) Common Stock - 172,000 shs. (Title to above shares are held in Trusts, Corporations and/or individuals. Mr. Martin has voting and investment power of above shares.)	5-8-78
Robert S. MacClure Robert A. Podesta Francis C. Woolard (Stockholder Group)	Calumet Industries, Inc. (Chicago, IL) Common Stock - 56,520 shs. (Included above are shares owned by Mr. Podest's wife and Mr. MacClure's daughter.)	5-9-78
Steven J. Kumble	Mallory Randall Corporation (NYC) Class A Stock - 73,573 shs.	5-9-78
Andrew N. Heine	Mallory Randall Corporation (NYC) Class A Stock - 58,550 shs. (Mr. Heine also owns 19,500 shares as a nominee for his mother.)	5-9-78
Kenneth Monfort, Individually and as Trustee Patricia Ann Monfort, Individually and as Custodian Kaye C. Monfort	Monfort of Colorado, Inc. (Greeley, CO) Common Stock - 2,105,930 shs. (42.61%)	5-9-78

ACQUISITION REPORTS CONT.

Kyle Monfort Walsh, Individually and as Custodian	Monfort of Colorado, Inc. (Greeley, CO) Common Stock - 415,123 shs.	5-9-78
Richard Lee Monfort	Monfort of Colorado, Inc. (Greeley, CO) Common Stock - 414,730 shs.	5-9-78
Henry Ford II	Pebble Beach Corp. (Pebble Beach, CA) Common Stock - 32,000 shs.	5-9-78
Frank Kell Cahoon Carlton Wilde L. D. Crumly, Jr.	Research Fuels, Inc. (Fort Worth, TX) Common Stock - 529,382 shs. (23.4%)	5-9-78
William A. Morse Leslie T. Ahrenholz	Sonoma International (San Jose, CA) Common Stock - 508,000 shs. (32%)	5-9-78
* Phyllis Malkin Cohen Barcone Pension Trust Barry F. Cohen	Claussing Corporation (Kalamazoo, MI) Common Stock - 101,400 shs. (10.7%)	5-9-78
* Central Cortage Co. (Wholly-owned subsidiary of Centra, Inc.) Centra, Inc. M. J. Moroun	Detroit International Bridge Co. (Detroit, MI) Common Stock - 292,475 shs. (23.07%)	5-9-78
* American General Insurance Company	Lincoln American Corp. (Lake Success, NY) Common Stock - 2,044,484 shs. (39.71%)	5-9-78
* LGS Employees' Savings and Investment Trust	Louisiana General Services, Inc. (Harvey, LA) Common Stock - 170,112 shs.	5-9-78
Drexel Burnham Lambert Inc.	A. P. I. Trust (NYC) Common Stock - 53,835 shs.	5-10-78
Bankhaus Gebrueder Bethmann (West Germany)	General Semiconductor Industries, Inc. (Tempe, AZ) Common Stock - 17,450 shs. (Above shares are owned by customers of Bethmann Bank.)	5-10-78
Federated Reinsurance Corp. (Wholly-owned subsidiary of Federated Development Co.) Federated Development Co.	McCulloch Oil Corporation (Los Angeles, CA) Common Stock - 1,000,000 shs. (Federated Reinsurance has the right to acquire an additional 1,216,931 shares.)	5-10-78
Central National Corp. Gottesman & Company Inc. Arthur Ross Cenro Corporation, et al	Tishman Realty & Construction Co. Inc. (NYC) Common Stock - 478,900 shs.	5-10-78
Edwin Morgens Bruce Waterfall, General Partners	Tri-South Mortgage Investors (Doraville, GA) 7% Convertible Debentures - \$1,750,000	5-10-78
* Consumers' Gas Company (Canada)	Home Oil Company Ltd. (Calgary, Alberta, Canada) Class A Non-Voting Stock - 1,431,015 shs. (25.36%) Class B Voting Stock - 276,788 shs. (10.76%)	5-10-78
Windcrest Partners Worldwide Special Fund N.V. (Netherland Antilles) Harvey E. Sampson, Individually and as Custodian C. Virgil Martin, et al	Harvey Group Inc. (Woodbury, NY) Common Stock - 713,666 shs. (34.6%) Common Stock - 50,280 shs. on conversion of Debentures Common Stock - 50,000 shs. on exercise of Options	5-11-78
Thomas J. Fogarty, M.D.	Phone-A-Gram System, Inc. (San Francisco, CA) Common Stock - 100,000 shs.	5-11-78

ACQUISITION REPORTS CONT.

Great American Insurance Co. (Wholly-owned subsidiary of American Financial Corp.) American Financial Corp.	United Liberty Life Insurance Co. (Cincinnati, OH) Common Stock - 1,436,082 shs. (90.5%) (118,492 of above shares were acquired pursuant to the Tender Offer.)	5-11-78
* USF Holding Corporation (Wholly-owned subsidiary of United States Filter Corp.)	Filtrol Corporation (Los Angeles, CA) Common Stock - 2,622,604 shs. (84%)	5-11-78
* Transco Realty Trust	Hospital Mortgage Group (No. Miami, FL) Shares of Beneficial Interests - 186,300	5-11-78
* E. Peter Hoffman, Jr., Individually and as Custodian	Midland Mortgage Investors Trust (Oklahoma City, OK) Shares of Beneficial Interest - 258,000 (10.83%)	5-11-78
BOC Merger Corporation (Wholly-owned subsidiary of BOC International Ltd. (U.K.))	Airco, Inc. (Montvale, NJ) Common Stock - 11,873,501 shs. (94.5%)	5-12-78
Kinta, S. A. (France) (Controlled by Jean-Marc and George Vernes (France))	Bancal Tri-State Corp. (San Francisco, CA) Common Stock - 269,575 shs.	5-12-78
Fiscal Systems Corporation North Central Companies, Inc.	First Federated Life Insurance Co. (Baltimore, MD) Capital Stock - 17,855 shs.	5-12-78
O. Eberly	GNB Corporation (Uniontown, PA) Common Stock - 252,032 shs. (38%) (Included above are shares owned by his wife.)	5-12-78
Consolidated Financial Corp. Opticron Corporation E. Howard King, Jr.	Invesco International Corp. (Atlanta, GA) Common Stock - 171,500 shs.	5-12-78

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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