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SECURITIES AND EXCHANGE COMMISSION news digest

Issue 78-9

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NOTICE OF COMMISSION MEETINGS

CHANGES IN THE MEETING

The Commission will consider the following additional item at the open meeting scheduled for Tuesday, January 17, at 10 a.m.: Consideration of the notification of certain investment company registrants of an intention to disclose, pursuant to a Freedom of Information Act Request, certain information contained in annual reports and the consideration of delegating authority to the Director of the Division of Investment Management to issue notices pursuant to future notices of this kind.

ADMINISTRATIVE PROCEEDINGS

THOMAS ROBERTS GILLY BARRED

The Commission has determined to accept an offer of settlement by Thomas Roberts Gilly of London, Kentucky, in which he agreed, without admitting or denying the allegations in the Commission's order for proceeding, to be barred from association with any broker or dealer. The Division of Enforcement alleged that Gilly violated the registration and antifraud provisions of the securities laws in the offer and sale of stock of the Glendevron Corporation, a now defunct broker-dealer, and for aiding and abetting violations of the bookkeeping and reporting provisions of the Securities Exchange Act of 1934. (Rel. 34-14337)

COMMISSION ANNOUNCEMENTS

COMMISSIONER EVANS SPEAKS TO AMERICAN SOCIETY OF CORPORATE SECRETARIES

Commissioner John R. Evans spoke before the Middle Atlantic Regional Group of the American Society of Corporate Secretaries in Washington, D.C., on Wednesday, January 11, 1978. The title of his address was "Corporate Checks and Balances."

MARVIN G. PICKHOLZ NAMED ASSISTANT DIRECTOR

Stanley Sporkin, Director of the Division of Enforcement has announced the appointment of Marvin G. Pickholz as Assistant Director with primary responsibility for the work of two branches of Home Office Enforcement.

Mr. Pickholz, formerly Assistant Chief Trial Attorney for the Division's Trial Unit, joined the Commission's staff in its New York Regional Office in 1967 progressing to Chief Enforcement Attorney, Branch of Enforcement before leaving for private practice in New York. He rejoined the staff in 1975. Mr. Pickholz received his A.B. from New York University in 1963 and thereafter received both his L.L.B. and his L.L.M. from New York University's School of Law. He is a member of the adjunct law faculty of Catholic University's School of Law in Washington, D.C.

COURT ENFORCEMENT ACTIONS

ROBERT REID AND JOSEPH MELTZER INDICTED

The Miami Branch Office announced that on November 4, 1977, the U.S. Grand Jury for the Southern District of Florida returned a three count indictment against Robert Reid of New York City, and Joseph Meltzer of Delray Beach, Florida. The indictment charges Reid and Meltzer with the interstate transportation of stolen securities, the sale and receipt of stolen securities, and the conspiracy statutes. (U.S. v. Robert Reid and Joseph Meltzer, S.D. Fla., Criminal Action No. 77-8068-CR-CF). (LR-8247)

VINCENT F. CHIARELLA INDICTED

The New York Regional Office announced that on January 4, a Federal Grand Jury returned a seven count indictment against Vincent F. Chiarella of New York City, formerly a printer of Pandick Press Inc., for purchasing stock on the basis of confidential information obtained by him in the course of his employment.

The indictment charges that from September 1975 until November 1976, Mr. Chiarella obtained confidential information in the course of his employment in the composing room of Pandick that USM Corporation, Riviana Foods, Inc., Food Town Stores, Inc., Booth Newspapers, Inc. and Sprague Electric Company were to be the subject of tender offers or, in the case of Riviana Foods, Inc. a merger. The indictment charges that Mr. Chiarella purchased the common stock of these companies without disclosing the confidential information and later, after the tender offers and merger were announced publicly, sold the stock at gross profits of approximately \$30,000.

Mr. Chiarella will be arraigned on the charges on January 12 in the U.S. District Court, Foley Square, New York, New York. (U.S. v. Vincent F. Chiarella, U.S.D.C. S.D.N.Y. 78 CR). (LR-8248)

LARRY HAMMOND SENTENCED

The Miami Branch Office announced that on December 28, 1977 Larry Hammond, also known as Larry Hoover (Hammond) was sentenced by the Honorable William Hoevener in the U.S. District Court for the Southern District of Florida to a split term of three years, with four months incarceration, the balance suspended, followed by three years probation and a \$1,500 fine.

Hammond had been found guilty, after a jury trial, of fraud by wire and violations of the antifraud provisions of the securities laws in a scheme to defraud a securities broker involving a transaction in I.I., Inc., in which an order was to be placed to purchase said security without the intention of paying for same. (U.S. v. Larry Hammond, a/k/a Larry Hoover, S.D. Fla., Criminal Action No. 77-319-CR-WMH). (LR-8249)

COMPLAINT NAMES NAVSAT SYSTEMS, INC., OTHERS

The Denver Regional Office announced the filing of a complaint on December 16, 1977 in the U.S. District Court for the Central District of California in Los Angeles, seeking to enjoin NAVSAT Systems, Inc., a Nevada corporation doing business in New York City, New York (formerly of Salt Lake City, Utah); International Resources, Inc., a Utah corporation; Snellen M. Johnson, Spencer S. Hooper and Clark B. Oborn, of Salt Lake City, Utah; Lyle E. Johnson of Heber City, Utah; Robert J. Struth, personally and doing business as R. J. S. and Associates, Inc., of Van Nuys, California; Richard E. Smith, of San Diego, California; Continental Drilling and Development Company, a California corporation, and Warren R. Hofstar, of San Jose, California; Charles R. Rietz, personally and doing business as Charles Scott & Company, of Morgan Hill, California; The Silver Light Company, a Washington limited partnership, of Bellview, Washington; and R. Bruce Ripley of Woodinville, Washington, from violating the registration and antifraud provisions of the securities laws.

The complaint alleges, in substance, that the defendants offered and sold the common stock of NAVSAT Systems, Inc., and notes, evidences of indebtedness and investment contracts of International Resources, Inc., Charles Scott & Company, R. J. S. and Associates, Inc., and The Silver Light Company, without first registering those securities with the Commission. (SEC v. NAVSAT Systems, Inc., et al., D. Cal., 77-4683-RF). (LR-8250)

INVESTMENT COMPANY ACT RELEASES

FIDELITY DAILY INCOME TRUST

An order has been issued on an application of Fidelity Daily Income Trust, Fidelity Thrift Trust, Fidelity Municipal Bond Fund, Inc., Fidelity Exchange Fund, Fidelity Limited Term Municipals, Fidelity Aggressive Income Fund and Fidelity High Yield Municipals, each a registered open-end investment company (hereinafter collectively, Applicants), pursuant to Section 6(c) of the Act, declaring that Dwight L. Allison, Jr. shall not be deemed an "interested person" of Applicants within the meaning of Section 2(a)(19) of the Act solely by reason of his status as (1) president and chief executive officer of The Boston Company, Inc.; (2) Chairman of the Board of Directors of Boston Safe Deposit and Trust Company; and (3) director of the Boston Company Financial Strategies, Inc. (Rel. IC-10090 - Jan. 11)

PROFESSIONAL INVESTMENT COMPANY

A notice has been issued giving interested persons until February 6 to request a hearing on an application of Professional Investment Company, Inc., a registered open-end, diversified investment company, declaring that it has ceased to be an investment company. (Rel. IC-10091 - Jan. 12)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC COMPANY

A notice has been issued giving interested persons until February 7 to request a hearing on a proposal of Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., that it issue and sell at competitive bidding up to \$100 million of first mortgage bonds and up to 1,600,000 shares of cumulative preferred stock. (Rel. 35-20377 - Jan. 12)

SOUTHWESTERN ELECTRIC POWER COMPANY

An order has been issued releasing jurisdiction over the terms and conditions of a proposal of Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to enter into an agreement with a state authority for construction of pollution control equipment financed by the sale of Pollution Control Revenue Bonds. (Rel. 35-20378 - Jan. 12)

NEW ENGLAND POWER COMPANY

A supplemental order has been issued releasing jurisdiction over the legal fees involved in the guaranties of certain retrospective insurance premiums of New England Power Company, subsidiary of New England Electric System, and three subsidiaries of Northeast Utilities. (Rel. 35-20379 - Jan. 12)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until January 31 to comment upon or request a hearing on an application submitted by Standard Motor Products, Inc. to withdraw its Class A capital stock, \$2 par value, from listing and registration on the American Stock Exchange, Inc. (Rel. 34-14365)

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike from listing and registration the following securities of Standard Dredging Corporation: common stock par value \$1; and \$1.60 cumulative convertible preferred stock, par value \$20. (Rel. 34-14366)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The American Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-Amex-77-36) to amend certain Constitutional and rule provisions relating to record-keeping and other matters to bring the rules into compliance with the Securities Exchange Act of 1934. Publication of the proposal is expected to be made in the Federal Register during the week of January 16. (Rel. 34-14367)

MISCELLANEOUS

KNOTT HOTELS CORPORATION

A notice has been issued giving interested persons until January 31 to request a hearing on an application of Knott Hotels Corporation (Applicant) pursuant to Section 12(h) of the Securities Exchange Act of 1934 for an order exempting Applicant from the provisions of Section 15(d) of the Act. Applicant's securities are held by one person. (Rel. 34-14369)

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-6) INSURED MUNICIPALS - INCOME TRUST, SERIES 20, 208 South LaSalle St., Chicago, Ill. 60604 - 5,500 units. Depositor: Van Kampen Sauerma Inc. (File 2-60624 - Jan. 12)
- (S-8) CHILTON CORPORATION, 2819 North Fitzhugh, Dallas, Tex. 75221 - 58,650 shares of common stock. The company is engaged in the credit reporting business. (File 2-60625 - Jan. 12)
- (S-8) SIKES CORPORATION, 608 Prospect St., Lakeland, Fla. 33802 - 144,000 Class A common stock. The company is engaged in the business of manufacturing and selling ceramic tile products. (File 2-60626 - Jan. 12)
- (S-8) ROCKWELL INTERNATIONAL CORPORATION, 600 Grant St., Pittsburgh, Pa. 15219 - 1,888,841 shares of common stock. The company is engaged in the research and development, manufacture and sale of many products for commercial and aerospace markets. (File 2-60627 - Jan. 12)
- (S-6) THE DEAN WITTER REYNOLDS TAX-EXEMPT TRUST, THIRTY-THIRD SERIES, 45 Montgomery St., San Francisco, Cal. 94106 - 12,000 units. Depositor: Dean Witter Reynolds Inc. (File 2-60628 - Jan. 12)

REGISTRATIONS EFFECTIVE

Jan. 9: Unicare Services, Inc., 2-60535.
Jan. 10: Central Telephone & Utilities Corp., 2-60441.
Jan. 11: Fischer & Porter Co., 2-60462; Galaxy Oil Co., 2-60523; Jostens, Inc., 2-60528; Municipal Investment Trust Fund, First Minnesota Series, 2-60046; Rollins, Inc., 2-60502; Schultz Sav-O Stores, Inc., 2-59987.

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. 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.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in

U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in

U.S. first class mail; \$54.65 elsewhere.

SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in

U.S. first class mail; \$18.75 elsewhere.

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