

sec news digest

KENTUCKY SECURITIES AND
FINANCE COMMISSION

MAY 7 1980

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COMMISSION ANNOUNCEMENTS

LEGRAND C. KIRBY, III NAMED DEPUTY CHIEF ACCOUNTANT

Clarence Sampson, Chief Accountant, announced that Chairman Harold Williams has appointed LeGrand C. Kirby, III as Deputy Chief Accountant, effective June 30, 1980.

Mr. Kirby, 39, is currently a partner in the Dallas office of Arthur Young & Company, Certified Public Accountants, having joined their staff in 1967. Mr. Kirby attended Southern Methodist University where he received a B.B.A. in 1963 and an L.L.B. in 1965.

The Chief Accountant serves as the principal advisor to the Commission on accounting and auditing matters. The Office of the Chief Accountant strives to improve financial reporting to investors by: (a) evaluating current accounting, auditing and quality control standards; (b) recommending appropriate action to the Commission in situations involving improper reporting of financial information and in the discipline of public accountants and (c) exercising an active role in overseeing the accounting profession's initiatives concerning self-regulation, the independence of auditors, and the accounting and auditing standard-setting processes, including periodic reports to Congress on the profession's progress.

The scope of the duties of the Deputy Chief Accountant encompasses all the functions and operations of the Office of the Chief Accountant. In the absence of the Chief Accountant, the Deputy Chief Accountant assumes the duties of the position. The Deputy Chief Accountant, among other matters, is responsible for giving professional accounting and auditing guidance to the Commission staff, interpreting Commission policies for the Commission staff and developing Commission priorities as they relate to accounting and auditing matters.

FILES ON CORPORATE PAYMENTS MADE PUBLIC

The Commission, pursuant to requests under the Freedom of Information Act, has made available to the public certain previously non-public files in its possession relating to questionable corporate payments. Files concerning the following corporation will be made available beginning today: United Brands Co. These files, and others made available previously, may be inspected at the Commission's Public Reference Room, Room 6101, 1100 L Street, N.W., Washington, D.C., between the hours of 9 a.m. and 5 p.m. Persons wishing further information may call the Public Reference Room at (202) 523-5360.

CIVIL PROCEEDINGS

COMPLAINT NAMES CARDIFF INDUSTRIES, INC.

The Commission announced that on May 5 it filed in the U.S. District Court for the District of Columbia a civil injunctive action against Cardiff Industries, Inc. alleging violations of the reporting provisions of the securities laws and seeking a Judgment of Permanent Injunction and Other Relief.

The complaint alleges that Cardiff, as part of a continuing course of violative conduct, failed to file its Annual Report on Form 10-K for its fiscal year ended December 31, 1979, required to have been filed with the Commission by March 30, 1980. The complaint requests that the Court order forthwith, with the Commission, its Annual Report on Form 10-K for its fiscal year ended December 31, 1979. Further, the Commission requested that the Court enjoin Cardiff from further violations of the reporting provisions of the securities laws. (SEC v. Cardiff Industries, Inc., U.S.D.C., Civil Action No. 80-1117). (LR-9076)

INVESTMENT COMPANY ACT RELEASES

GOLDEN GATE INCOME SECURITIES, INC.

An order has been issued declaring that Golden Gate Income Securities, Inc., registered under the Investment Company Act of 1940 as a closed-end, diversified, management investment company, has ceased to be an investment company. (Rel. IC-11153 - May 2)

LIFE INSURANCE COMPANY OF NORTH AMERICA

An order has been issued on an application filed by Life Insurance Company of North America (LINA), a Pennsylvania stock life insurance company, and Life Insurance Company of North America Separate Separate A, a separate account of LINA registered under the Investment Company Act of 1940 as a unit investment trust, granting an exemption from Section 27(a)(3) of the Act and amending a previous order dated May 1, 1979 [Rel. IC-10678], approving certain offers of exchange pursuant to Section 11 of the Act. (Rel. IC-11154 - May 5)

CARDINAL GOVERNMENT SECURITIES TRUST

A notice has been issued giving interested persons until May 27 to request a hearing on an application filed by Cardinal Government Securities Trust, for an order of exemption from the provisions of Section 2(a)(41) of the Investment Company Act of 1940 and Rules 2a-4 and 22c-1 thereunder, to permit it to utilize the amortized cost method of valuing its portfolio securities. (Rel. IC-11155 - May 5)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL POWER & LIGHT COMPANY

A notice has been issued giving interested persons until May 29 to request a hearing on a proposal by Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, whereby Jersey Central's existing authorization to issue its unsecured short-term promissory notes from time to time through December 31, 1980 be increased from the lesser of \$139 million or the amount permitted by its charter to the lesser of \$160 million or the amount permitted by its charter. (Rel. 35-21549 - May 5)

TRUST INDENTURE ACT RELEASES

TRANS WORLD AIRLINES, INC.

A notice has been issued giving interested persons until May 23 to request a hearing on an application by Trans World Airlines, Inc., pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeships of the Bank of New York (the Bank) under (1) an existing Trust Indenture, which is qualified under the Act, (2) an Equipment Trust Agreement, and (3) an Indenture of Mortgage, neither of which is qualified under the Act, and the agency of the Bank under a Pledge Agreement, which is not qualified under the Act, are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Bank from acting as trustee under the Trust Indenture. (Rel. TI-565)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

The Options Clearing Corporation (OCC) has filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934 (SR-OCC-80-3) to reduce the fee for all Exchange transactions cleared through OCC from \$0.085 per contract to \$0.075 per contract. Publication of the proposal is expected to be made in the Federal Register during the week of May 5. (Rel. 34-16779)

TERMINATION OF OPTIONS EXPANSION MORATORIUM

The Commission has announced its determination to withdraw proposed Rule 9b-1(T) which would have imposed a temporary moratorium on the expansion of standardized options trading. (Rel. 34-16780)

FOR FURTHER INFORMATION CONTACT: Stuart Strauss at (202) 272-2406

INSTITUTION OF PROCEEDINGS TO DETERMINE WHETHER PROPOSED RULE CHANGES SHOULD BE DISAPPROVED

The Commission has issued an order announcing the institution of proceedings to determine whether proposed rule changes filed by the American Stock Exchange, Inc. (SR-Amex-80-6) and the New York Stock Exchange, Inc. (SR-NYSE-80-11) should be disapproved. The proposed rule changes would make permanent NYSE Rule 107, governing registered competitive market makers, and Amex Rule 114, governing registered equity market makers. Persons wishing to be heard on this matter should submit their views in writing by June 15, 1980. (Rel. 34-16781)

NOTICE OF PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board has filed a proposed rule change under Rule 19b-4 (SR-MSRB-80-5) to amend MSRB Rule G-12 to expand the circumstances under which reclamation within 18 months of delivery date would be permitted. Publication of the proposal is expected to be made in the Federal Register during the week of May 12. (Rel. 34-16786)

APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved, on an accelerated basis, proposed rule changes filed by the Chicago Board Options Exchange, Incorporated (SR-CBOE-80-4); The American Stock Exchange, Inc. (SR-Amex-80-3); The Midwest Stock Exchange, Incorporated (SR-MSE-80-3); the Pacific Stock Exchange Incorporated (SR-PSE-80-4); and the Philadelphia Stock Exchange, Inc. (SR-Phlx-80-10), to list additional put options classes. (Rel. 34-16788)

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-18) ENTERTAINMENT SYSTEMS, INC., 6468 Fifth Avenue South, St. Petersburg, Fla. 33707 - 600,000 shares of common stock. The company is engaged in rendering programming and technical services to a Costa Rican closed circuit pay television station, WWTW. (File 2-67530 - Apr. 25) (Br. 7)
- (S-1) FINGERMATRIX, INC., 30 Virginia Rd., North White Plains, N.Y. 10603 - 500,000 shares of common stock. Underwriter: Sherman Fitzpatrick & Co., Inc. The company is in the business of designing, producing and marketing its System 201. (File 2-67591 - Apr. 30) (Br. 9)
- (S-2) IMPERIAL ENERGY CORP., 410 Seventeenth St., Suite 1990, Denver, Colo. 80202 - 15,000,000 shares of common stock. Underwriter: Security Traders, Inc., 909 Seventeenth St., Suite 314, Denver, Colo. 80202 (303) 753-6515. The company is engaged in acquiring leasehold interests in oil and gas properties for exploration and development. (File 2-67599 - Apr. 30) (Br. 3)
- (S-1) AMERICAN INTERNATIONAL GROUP, INC., 70 Pine St., New York, N.Y. 10005 - 125,500 shares of common stock. (File 2-67600 - Apr. 30) (Br. 10)

- (S-7) VARIAN ASSOCIATES, INC., 611 Hansen Way, Palo Alto, Cal. 94303 (415) 493-4000 - \$30 million of convertible subordinated debentures, due May 15, 2005. Underwriter: Goldman, Sachs & Co. The company designs, develops, manufactures, markets and services a broad line of electron tubes and their solid state equivalents. (File 2-67608 - May 1) (Br. 7)
- (S-7) UNITED CITIES GAS COMPANY, 1200 Parkway Towers, Nashville, Tenn. 37219 (615) 244-3766 - 200,000 shares of common stock. Underwriter: Blyth Eastman Paine Webber Inc. The company is primarily engaged in the distribution and sale of natural gas. (File 2-67618 - May 1) (Br. 8)
- (S-16) WARNER COMMUNICATIONS INC., 75 Rockefeller Plaza, New York, N.Y. 10019 (212) 484-8000 - 145,536 shares of common stock. The company is engaged primarily in communications and entertainment businesses. (File 2-67620 - May 1) (Br. 9)
- (S-14) TRI-SOUTH INVESTMENTS INC., 1532 Dunwoody Village Pkwy., Atlanta, Ga. 30338 (404) 393-9800 - 3,034,269 shares of common stock. (File 2-67621 - May 1) (Br. 5)
- (S-16) MIDLAND-ROSS CORPORATION, 20600 Chagrin Blvd., Cleveland, Ohio 44122 (216) 491-8400 - \$50 million of notes, due 1987. Underwriter: Salomon Brothers. The company is engaged in the manufacture of a wide range of thermal systems for the steel, metalworking, paper and other industries. (File 2-67622 - May 1) (Br. 9)
- (S-8) MOHASCO CORPORATION, 57 Lyon St., Amsterdam, N.Y. 12010 (518) 841-2581 - 1,645,161 shares of common stock. The company is engaged in the wholesale distribution of carpet. (File 2-67623 - May 1) (Br. 6)
- (S-1) A.B.A. INDUSTRIES, INC., 10260 U.S. Highway 19 North, St. Petersburg, Fla. 33565 - 450,000 shares of common stock. Underwriter: Bache Halsey Stuart Shields Inc. The company manufactures precision machined parts and assemblies which are used in the manufacture of turbine engines. (File 2-67624 - May 1) (Br. 2)
- (S-7) WANG LABORATORIES, INC., One Industrial Ave., Lowell, Mass. 01851 (617) 459-5000 - \$50 million of convertible subordinated debentures, due 2005. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company designs, manufactures, markets and services computers and related peripheral devices. (File 2-67625 - May 1) (Br. 9)
- (S-14) COASTAL INTERNATIONAL, LTD., c/o Conyers, Dill & Pearman, Bank of Bermuda Bldg., Hamilton, Bermuda (809) 295-1422 - 2,301,666 shares of common stock. (File 2-67626 - May 1) (Br. 3)
- (S-11) FIRST AMERICAN INVESTORS, 622 Third Ave., New York, N.Y. 10017 - 11,000 units of limited partnership interests. Underwriter: Personal Economics Securities Corporation. (File 2-67627 - May 1) (Br. 6)
- (S-8) GULF OIL CORPORATION, Gulf Bldg., Pittsburgh, Pa. 15230 (412) 263-5656 - an indeterminate number of shares of common stock. (File 2-67628 - May 1) (Br. 4)
- (S-8) THE SUPERIOR OIL COMPANY, First City National Bank Bldg., Houston, Tex. 77002 (713) 751-4469 - \$14,400,000 of interests and 100,000 shares of common stock. (File 2-67632 - May 2) (Br. 3)
- (S-8) BOWMAR INSTRUMENT CORPORATION, 850 Lawrence Dr., Newbury Park, Cal. 91320 (213) 557-1000 - 200,000 shares of common stock. The company presently manufactures and sales various electronic and electromechanical products. (File 2-67645 - May 2) (Br. 8)
- (N-1) FEDERATED TRUST FOR GOVERNMENT OBLIGATIONS, 421 Seventh Ave., Pittsburgh, Pa. 15219 (412) 288-1900 - an indefinite number of shares of beneficial interest. (File 2-67655 - Apr. 29) (Br. 16)

ACQUISITION REPORTS CONT.

* Evelyne Potts Ragsdale G. P. Rose & Co., Inc. Wilburn Carroll Potts Robert A. Herbert	McDowell Enterprises, Inc. (Nashville, TN) Common Stock - 534,190 shs. (22.1%) (Included above are shares owned by other family members.)	4-14-80
* Builtland Partners Paul Milstein Seymour Milstein	National Kinney Corp. (NYC) Common Stock - 1,655,061 shs. (23.48%) Common Stock - 4,444 shs. on conversion of Debentures	4-14-80
Updyke Associates (J. Randolph Updyke, Sole General Partner)	National Securities & Research Corp. (NYC) Common Stock - 64,524 shs.	4-14-80
* Ash Grove Cement Company	Oregon Portland Cement Co. (Portland, OR) Common Stock - 214,327 shs. (22.9%)	4-14-80
N. B. Hunt	Penn Central Corporation (NYC) Common Stock - 432,900 shs. Common Stock - 565,294 shs. on conversion of Preference Stock	4-14-80
* Banque Privee (Switzerland) Dreyfus Corporation Compagnie de Banque et d'Investissements (Switzerland), et al	Pneumo Corporation (Boston, MA) Common Stock - 501,900 shs. (17.3%)	4-14-80
* Walco National Corporation	Reece Corporation (Waltham, MA) Common Stock - 412,200 shs. (14.34%)	4-14-80
Bank of Bermuda Limited (Bermuda), Trustee	Reeves Telecom Corporation (Charleston, SC) Common Stock - 157,703 shs.	4-14-80
Loyal American Life Insurance Company Imperial Life Assurance Co. of Canada (Canada) Laurentian Fund, Inc. (Canada) Laurentian Mutual Assurance Company (Canada)	Riviere Realty Trust (Washington, DC) Shares of Beneficial Interest - 89,307 (11.4%)	4-14-80
* Richard A. Manoogian	R. P. Scherer Corporation (Troy, MI) Common Stock - 665,660 shs.	4-14-80
Ernest M. Gross	Solidyne, Inc. (Bay Shore, Long Island, NY) Common Stock - 357,971 shs. (52.6%)	4-14-80
* R. Wayne Oldham Hilltro Corp. Henry R. Hillenmeyer Wanco, Inc.	Southern Hospitality Corporation (Nashville, TN) Common Stock - 1,613,523 shs.	4-14-80
Ralph Thomas Scurfield (Canada) Nu-West Group Ltd. (Canada)	Standard-Pacific Corp. (Costa Mesa, CA) Common Stock - 405,500 shs. (10.4%)	4-14-80
Reliance Financial Services Corp. (Reliance Group, Inc., Parent)	Tiger International, Inc. (Los Angeles, CA) Common Stock - 1,549,900 shs. (10.02%)	4-14-80
* Maurice Wiener	Transco Realty Trust (Boston, MA) Shares of Beneficial Interest - 61,560	4-14-80
Sheila Steinberg Eileen Gold, Individually and Custodian, et al	Unisystems, Inc. (NYC) Common Stock - 260,000 shs. (59%)	4-14-80
* National Health Agency Associates, Inc.	United General Life Insurance Co. (Dallas, TX) Common Stock - 3,841 shs. (77%)	4-14-80

ACQUISITION REPORTS CONT.

* Telvest, Inc. Telco Leasing, Inc. Technical Equipment Leasing Corp. Libco Corporation Clyde Wm. Engle	Weiman Co., Inc. (Chicago, IL) Common Stock - 107,600 shs. (11.1%)	4-14-80
* Republic Financial Services, Inc.	Hawthorne Financial Corp. (Hawthorne, CA) Common Stock - 123,400 shs. (14.2%)	4-15-80
* Telvest, Inc. Telco Leasing, Inc. Technical Equipment Leasing Corp. Libco Corporation Clyde Wm. Engle	Hickory Furniture Company (Hickory, NC) Common Stock - 472,217 shs. (43.1%)	4-15-80
Starlaw Investments Ltd. (Canada) (Controlled by MCFT Holdings Ltd. (Canada) and SLSR Holdings Ltd. (Canada)	Moraga Corporation (Los Angeles, CA) Common Stock - 65,000 shs.	4-15-80
* NOA, Inc. Valhi, Inc. Contran Corporation Flight Proficiency Service, Inc. Harold C. Simmons	National City Lines, Inc. (San Antonio, TX) Common Stock - 183,500 shs.	4-15-80
* Telvest, Inc. Telco Leasing, Inc. Technical Equipment Leasing Corp. Libco Corporation Clyde Wm. Engle	Wisconsin Real Estate Investment Trust (Milwaukee, WI) Common Stock - 296,200 shs. (19.6%)	4-15-80
Wrigley Offield	Wm. Wrigley Jr. Co. (Chicago, IL) Common Stock - 786,644 shs.	4-15-80



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. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

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