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# sec news digest

Issue 81-18

January 28, 1981

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## CIVIL PROCEEDINGS

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### COMPLAINT FILED CHARGING INSIDER TRADING VIOLATIONS AGAINST LAVERE LUND AND ESTLE FINNEY

The Commission announced on January 23 the filing of a civil action for injunctive and other equitable relief against Laverre Lund and Estle Finney for violation of the antifraud provisions of the securities laws. Simultaneously with the filing of the action, Finney, without admitting or denying the allegations of the Commission's complaint, consented to the entry of a Final Judgment of Permanent Injunction and Order of Disgorgement which enjoined him from further violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder and ordered him to disgorge \$11,056.03. The action is pending against Lund.

The Commission alleged in its complaint that Lund and Finney traded in the securities of P&F Industries, Inc. while in possession of material non-public information concerning a proposed joint venture between P&F and the Jockey Club Casino Corporation to operate a gambling casino in Las Vegas, Nevada. (SEC v. Laverre Gilbert Lund and Estle Finney, C.D. Cal., Civil Action No. 81-3071 MML [Kx]). (LR-9278)

### LAWRENCE MARKHAM CONSENTS IN SALE-LEASEBACK CIVIL INJUNCTIVE ACTION

The Seattle Regional Office announced that on December 9, 1980 a Final Decree of Permanent Injunction was entered by the Honorable Judge Quackenbush of the Federal District Court at Spokane, Washington, against Lawrence Markham, permanently enjoining him from further violations of the registration and antifraud provisions of the securities laws. Markham consented to the entry of the Order without admitting or denying the allegations of the Commission's complaint. Earlier, two other defendants in the action had also consented to final decrees without admitting or denying the allegations of the Commission's complaint. (SEC v. Lawrence Markham, Harold Kunz, Phillip Stephan, E.D. Wa., Civil Action No. C-80-436-JLQ). (LR-9277)

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## INVESTMENT COMPANY ACT RELEASES

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### NACIONAL FINANCIERA, S.A.

A notice has been issued giving interested persons until February 20 to request a hearing on an application of Nacional Financiera, S.A. (Applicant), for an order pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant from all provisions of the Act. (Rel. IC-11584 - Jan. 26)

### EDWARD D. JONES & CO. TAX-FREE TRUST

A notice has been issued giving interested persons until February 19 to request a hearing on an application filed by Edward D. Jones & Co. Tax-Free Trust, registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, for an order pursuant to Section 6(c) of the Act, exempting it from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, repurchase and redemption, subject to specific conditions. (Rel. IC-11585 - Jan. 26)

### INSTITUTIONAL LIQUID ASSETS

An order has been issued on an application filed by Institutional Liquid Assets (ILA), a money market fund registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, Salomon Brothers, administrator and distributor for ILA, and The First National Bank of Chicago, investment adviser to ILA (collectively, Applicants), exempting Applicants, pursuant to

Sections 6(c) and 17(b) of the Act. from the provisions of Sections 12(d)(3), 13(a), 15(a), 15(c) and 17(a) of the Act to the extent necessary to permit certain transactions and permitting, pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, certain joint transactions. This order grants relief on a permanent basis that had been granted on a temporary basis in a prior Commission order dated October 7, 1980 [Rel. IC-11388]. (Rel. IC-11586 - Jan. 27)

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## HOLDING COMPANY ACT RELEASES

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### CEDAR COAL COMPANY

A notice has been issued giving interested persons until February 17 to request a hearing on a proposal of Cedar Coal Company, Central Appalachian Coal Company, Southern Appalachian Coal Company, Central Ohio Coal Company, Southern Ohio Coal Company and Windsor Power House Coal Company, which are either coal mining subsidiaries of Appalachian Power Company or of Ohio Power Company, which like Appalachian is a subsidiary of American Electric Power Company, Inc., to include Windsor Power House Coal Company (WPHCCo) as an applicant to the application and amendments filed in this proceeding whereby applicants sought authorization to enter into a separate leasing agreement with certain trustees for the Bank of New York pursuant to which the trustees will commence to lease to such companies coal mining equipment with a total cost to trustees not exceeding \$25 million. The leased equipment is expected to contribute to maintaining and improving the efficiency and capacity of Appalachian's and Ohio's fuel supply operations. (Rel. 35-21897 - Jan. 26)

### INDIANA & MICHIGAN ELECTRIC COMPANY

A notice has been issued giving interested persons until February 23 to request a hearing on a proposal by Indiana & Michigan Electric Company (I&M), subsidiary of American Electric Power Company, Inc., and Blackhawk Coal Company, subsidiary of I&M, that (1) Blackhawk spend up to \$130 million on mine improvements to be made prior to June 30, 1981, and for I&M to invest in Blackhawk up to \$13 million to finance such improvements, and (2) Blackhawk's capitalization be adjusted to reflect the acquisition of a certain coal lease. (Rel. 35-21898 - Jan. 27)

### THE COLUMBIA GAS SYSTEM, INC.

A notice has been issued giving interested persons until February 20 to request a hearing on a proposal by Columbia Gulf Transmission Company (Gulf), an interstate pipeline subsidiary of The Columbia Gas System, Inc. (Columbia), a registered holding company, whereby Gulf proposes to make a \$9 million equity investment and \$21 million short-term loan from funds obtained from Columbia in order to become a partner in a new, exempt gas pipeline company, Ozark Gas Transmission System. (Rel. 35-21899 - Jan. 27)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until February 11 to comment on the applications of the Cincinnati Stock Exchange for unlisted trading privileges in the common stock (\$1 par value) of CSX Corporation and the common stock (\$10 par value) of JWT Group, Inc. (Rel. 34-17475)

### WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until February 12 to comment on the application of Kane-Miller Corp. to withdraw its common stock (\$1 par value) and its 9-1/2% sinking fund subordinated debentures from listing and registration on the Boston Stock Exchange and the Pacific Stock Exchange. (Rel. 34-17481)

### LISTING ACTIONS

Orders have been issued pursuant to Section 12(d) of the Securities Exchange Act of 1934 granting the applications of the following companies to list the specified securities on the following stock exchanges: American Stock Exchange, Inc. - Intercole Inc., common stock, Maple Leaf Mills Ltd., 11% subordinated sinking fund debentures, due 1998, Refinemet International Co., common stock, Sparkman Energy

Corp., 5,000,000 shares of preferred stock and 10,000,000 shares of common stock (all effective as of January 15, 1981); Bowmar Instrument Corp., 13-1/2% convertible subordinated debentures, due December 15, 1995 (effective as of January 16, 1981); Vermont Research Corp., common stock, Warner Communications Inc., common stock purchase warrants (both effective as of January 19, 1981); Universal Communication Systems Inc., common stock (effective as of January 21, 1981); American Israeli Paper Mills Ltd., 11-3/4% convertible subordinated debentures, due November 15, 1997, International Power Machines Corp., common stock (both effective as of January 23, 1981). New York Stock Exchange, Inc. - Amax Inc., \$150 million of 14-1/4% notes, due December 15, 1990, Koppers Co. Inc., \$10 convertible preference stock, Wheelabrator Frye Inc., 5-7/8% debentures, due March 15, 1997 (all effective as of January 12, 1981); Macy Credit Corp., 13-7/8% debentures, due January 1, 1991, Sullair Corp., common shares (both effective as of January 13, 1981); Cincinnati Gas & Electric Co., cumulative preferred stock, 12.52% Series (\$100 par value), 300,000 shares, Kingdom of Sweden, 13.65% notes, due 1985 (both effective as of January 15, 1981); Dyco Petroleum Corp., common stock (effective as of January 16, 1981); Pacific Power & Light Co., \$3.75 no par serial preferred stock, Thompson Medical Co. Inc., common stock (both effective as of January 21, 1981); Tenneco Inc., 13-3/8% notes, due 1991 (effective as of January 23, 1981). Pacific Stock Exchange, Inc. - Lowes Companies Inc., common stock (effective as of January 21, 1981). Philadelphia Stock Exchange, Inc. - Leasco Corp., 11-1/2% sinking fund debentures (effective as of January 21, 1981).

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange, Incorporated has filed a proposed rule change under Rule 19b-4 (SR-CBOE-80-28) to permit two floor officials, in specified circumstances, to modify the bid/ask differential requirements for marketmakers. Publication of the proposal is expected to be made in the Federal Register during the week of February 2. (Rel. 34-17485)

### NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange, Incorporated has filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934 (SR-CBOE-81-1) to enable a CBOE member who has financed the purchase of an Exchange membership for another CBOE member to cause that membership to be sold. Publication of the proposal is expected to be made in the Federal Register during the week of February 2. (Rel. 34-17487)

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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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

(S-8) CSX CORPORATION, 707 East Main St., P.O. Box 1535, Richmond, VA 23212 (804) 788-8200 - 423,172 shares of common stock. (File 2-69515 - Oct. 15) (Br. 5)

(S-8) HARRIS CORPORATION, Melbourne, FL 32919 (305) 727-9100 - 1,200,000 shares of common stock. (File 2-69637 - Oct. 27) (Br. 8)

(S-18) PACIFIC POWER AND PROTEIN, INC., One Lincoln Plaza, New York, NY 10023 - 60,000,000 units, 60,000,000 common shares and 60,000,000 warrants to purchase 60,000,000 shares. Underwriter: Morton Paul Kominsky. The company was formed to engage in the research, development and construction of on-shore, closed cycle OTECs and in related activities. (File 2-70602-NY - Jan. 19) (Br. 9 - New Issue)

- (S-18) INTERNATIONAL INSTITUTE OF APPLIED TECHNOLOGY, INC., 7927 Jones Branch Dr., McLean, VA 22102 - 1,500,000 shares of common stock. Underwriter: OTC Net, Inc., Executive Club Bldg., 1776 South Jackson St., Penthouse Suite 1101, Denver, CO 80210. The company proposes to complete the development of and to market and service educational teaching systems. (File 2-70608-W - Jan. 19) (Br. 10 - New Issue)
- (S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 30 West Broadway, New York, NY 10015 - 100,000 American Depositary Receipts for Malaysian One Dollar Shares of Bandar Raya Development Berhad. (File 2-70677 - Jan. 26) (Br. 99 - New Issue)
- (S-7) GEORGIA POWER COMPANY, 270 Peachtree St., N.W., Atlanta, GA 30303 (404) 526-6526 - \$100 million of first mortgage bonds, 8 Series. The company is engaged in the generation and purchase of electric energy and the distribution and sale of such energy. (File 2-70679 - Jan. 27) (Br. 8)
- (S-16) EL PASO ELECTRIC COMPANY, 303 North Oregon St., El Paso, TX 79901 (915) 543-5711 - 750,000 shares of common stock. The company is engaged in the electric utility business. (File 2-70680 - Jan. 27) (Br. 8)
- (S-8) BROOKS & PERKINS, INCORPORATED, 750 Honeywell Center, 17515 West Nine Mile Rd., Southfield, MI 48075 (313) 962-3674 - 60,000 shares of common stock. (File 2-70681 - Jan. 27) (Br. 6)
- (S-15) BEVERLY ENTERPRISES, 873 South Fair Oaks Ave., Pasadena, CA 91105 (213) 577-6111 - 73,944 shares of common stock. The company is an operator of skilled and intermediate health care facilities. (File 2-70682 - Jan. 27) (Br. 6)
- (S-14) CALIFORNIA PACIFIC CORPORATION, 1325 19th St., Bakersfield, CA 93301 (805) 861-5211 - 1,557,243 shares of common stock. (File 2-70683 - Jan. 27) (Br. 1 - New Issue)
- (S-8) COHERENT, INC., 3210 Porter Dr., Palo Alto, CA 94304 (415) 493-2111 - 70,000 shares of common stock. (File 2-70684 - Jan. 27) (Br. 8)
- (S-7) PARKER-HANNIFIN CORPORATION, 17325 Euclid Ave., Cleveland, OH 44112 (216) 531-3000 - 1,250,000 shares of common stock. Underwriter: Kidder, Peabody & Co. Incorporated. The company is a manufacturer of fluid power systems and related components. (File 2-70686 - Jan. 27) (Br. 9)
- (S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 176, 209 South La Salle St., Chicago, IL 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Incorporated. (File 2-70687 - Jan. 26) (Br. 16 - New Issue)
- (S-16) BOWNE & CO., INC., 345 Hudson St., New York, NY 10014 (212) 924-5500 - 113,000 shares of common stock. The company is engaged in providing nationwide compliance documentation and information management services. (File 2-70689 - Jan. 27) (Br. 1)

REGISTRATION EFFECTIVE

Jan. 22: Charter Medical Corp., 2-70545.

REGISTRATION WITHDRAWN

Jan. 13: Gulfstream Dynavest Corp., 2-69757-A.

## 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 (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period January 5 - 9, 1981. 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 set forth for each beneficial owner. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Celina Mutual Insurance Co.	Celina Financial Corp. (Celina, OH) Common Stock - 550,040 shs. (35.9%)	1-5-81
* National Mutual Insurance Co.	Celina Financial Corp. (Celina, OH) Common Stock - 249,630 shs. (16.3%)	1-5-81
Mutual Shares Corporation Mutual Qualified Income Fund Inc.	Child World Inc. (Avon, MA) Common Stock - 119,850 shs.	1-5-81
* John F. Gemmill Carol D. Gemmill Insurance Management, Inc.	Federated American Insurance Co. (Seattle, WA) Common Stock - 169,251 shs. (72.7%)	1-5-81
* Square D Company	General Semiconductor Industries, Inc. (Tempe, AZ) Common Stock - 450,941 shs. (24.5%) (Square D has an option to acquire above shares.)	1-5-81
* ComBanks Corporation Home State Financial Services, Inc.	Great American Banks, Inc. (No. Miami, FL) Common Stock - 644,104 shs. (31%) Common Stock - 385,000 shs. on conversion of Preferred Stock Common Stock - 600,000 shs. on exercise of warrants	1-5-81
* Ronald M. Wallach	House of Vision, Inc. (Chicago, IL) Common Stock - 131,400 shs.	1-5-81
* Wisconsin Real Estate Invest- ment Trust	Indiana Financial Investors, Inc. (Indianapolis, IN) Common Stock - 125,000 shs. (10.8%)	1-5-81
* R. B. Pamplin Corporation Gwen R. Torgler	Mount Vernon Mills, Inc. (Greenville, SC) Common Stock - 230,682 shs. (28.05%)	1-5-81
Peachtree Towers Apartments Inc. Golden Eagle Industries, Inc. C. D. Spangler Construction Co. C. D. Spangler Construction Co. Pension Trust, et al	NCNB Corporation (Charlotte, NC) Common Stock - 1,457,144 shs.	1-5-81
* Piper, Jaffray & Hopwood Inc. 1975 Amended Employee Stock Ownership Trust	Piper Jaffray Inc. (Minneapolis, MN) Common Stock - 698,796 shs. (60.92%)	1-5-81
* U. S. Recycling Corporation (Wholly-owned subsidiary of Schneider S.A. (France)	Refinemet International Co. (Frackville, PA) Common Stock - 720,926 shs. Common Stock - 1,033,376 shs. on exercise of warrants	1-5-81
William C. Huls	Texas American Resources, Inc. (Dallas, TX) Common Stock - 165,000 shs. (13.5%)	1-5-81
* American Benefit Louis J. Roussel	United Founders Life Insurance Co. (Oklahoma City, OK) Common Stock - 1,327,005 shs. (28.7%)	1-5-81

## ACQUISITION REPORTS CONT.

* Donald C. Carter, Individually and as Trustee Houghton Co. N.V. (Netherlands Antilles) (Linda Shammah Attar (Uruguay), Sole Shareholder) Stockwell Corp., S.A. (Panama)	United Realty Investors, Inc. (Beverly Hills, CA) Shares of Beneficial Interest - 300,900	1-5-81
* American Values N.V. (Netherlands Antilles)	Victoria Station Inc. (Larkspur, CA) Common Stock - 337,350 shs. (11%)	1-5-81
Woodland Investment Partners Kohl Gift Trust Atlee M. Kohl, Trustee Nicole F. Kohl, Trustee	Doughtie's Foods, Inc. (Portsmouth, VA) Common Stock - 39,100 shs.	1-6-81
* Telvest Inc. Telco Leasing, Inc. Technical Equipment Leasing Corp. Libco Corporation Clyde Wm. Engle	Wellco Enterprises, Inc. (Waynesville, NC) Common Stock - 104,900 shs. (24.9%)	1-6-81
* Brinco Limited (Canada) (Controlled by Olympia & York Developments Ltd. (Canada)	Abitibi Asbestos Mining Co. Ltd. (Toronto, Ont., Canada) Common Stock - 3,921,332 shs. (60.13%)	1-7-81
Loews Corporation	American Broadcasting Companies, Inc. (NYC) Common Stock - 1,521,400 shs.	1-7-81
Robert G. Merrick	BTR Realty, Inc. (Baltimore, MD) Common Stock - 27,365 shs.	1-7-81
Bastian Industries, Inc.	Barclay Industries, Inc. (Lodi, NJ) Common Stock - 619,334 shs. (44.7%)	1-7-81
* Gulf + Western Industries Inc. Charles G. Bluhdorn	Cummins Engine Co., Inc. (Columbus, IN) Common Stock - 699,600 shs.	1-7-81
Maurice D. Feinberg Carol Ann Feinberg M. David Feinberg, Jr. Douglas S. Feinberg Denise M. Feinberg	Cutler Federal, Inc. (Eaton Park, FL) Common Stock - 400,000 shs. (19.89%)	1-7-81
* American Values N.V. (Netherlands Antilles)	Higbee Company (Cleveland, OH) Common Stock - 113,485 shs.	1-7-81
Sun Life Insurance Company of America (Wholly-owned subsidiary of Kaufman and Broad, Inc.)	San Francisco Real Estate Investors (San Francisco, CA) Shares of Beneficial Interest - 162,630	1-7-81
Nacional Financiera, S.A. (Mexico)	Tubos de Acero de Mexico, S.A. (Mexico City, Mexico) Common Stock - 5,554,480 shs. (13.88%)	1-7-81
* National Mortgage Fund	Commonwealth Corp. (Tallahassee, FL) Common Stock - 445,313 shs. (17.8%)	1-8-81
* William Bolton Commonwealth Holding Co. Oliver R. Grace, Jr. Bank of Bermuda, Ltd. (Bermuda)	Terrydale Realty Trust (Kansas City, MO) Shares of Beneficial Interest - 103,295 (22.43%)	1-8-81
* Seville Corporation	American Fletcher Mortgage Investors (Boston, MA) Shares of Beneficial Interest - 249,445 (18.4%)	1-9-81
Paul Bonar Knight Jerry Wayne Allen	American Wind Turbine, Inc. (Denver, CO) Common Stock - 5,000,000 shs. (27.21%) Common Stock - 5,000,000 shs. (27.21%) on exercise of options	1-9-81

ACQUISITION REPORTS CONT.

* Hoosier Holding, Inc. (Wholly-owned subsidiary of Life Investors Inc.)	Baldwin & Lyons, Inc. (Indianapolis, IN) Common Stock - 184,550 shs. (18.4%)	1-9-81
Fredric E. Schluter, Jr., Individually and as Trustee	Buck Engineering Co., Inc. (Farmingdale, NJ) Common Stock - 104,024 shs. (15%)	1-9-81
* Harry Brainin	Chatham Corporation (Wilmette, IL) Common Stock - 319,926 shs. Common Stock - 7,973 shs. on conversion of Debentures (Included above are shares owned by his wife.)	1-9-81
* Firestone Bank, Trustee of Coastal Industries, Inc. Employee Stock Ownership Plan and Trust	Coastal Industries, Inc. (Akron, OH) Common Stock - 108,913 shs. (10.9%)	1-9-81
* Rocky Mountain Holdings, Inc. (Wholly-owned subsidiary of Life Investors Inc.)	Continental Life & Accident Co. (Boise, ID) Common Stock - 301,756 shs. (14.4%)	1-9-81
Estate of Walter H. Simson Gwendolyn J. Hazel J. M. Ross, Co-Executors and Trustees	Duro-Test Corporation (North Bergen, NJ) Common Stock - 479,258 shs. (11.2%)	1-9-81
Intercole Inc.	FDI, Inc. (Cleveland, OH) Common Stock - 9,250,000 shs. (81.09%) Common Stock - 124,542 shs. on exercise of options Common Stock - 216,052 shs. on conversion of Preferred Stock	1-9-81
* Dr. Hussein M. Alamoudi (Saudi Arabia)	Fashion Two Twenty, Inc. (Aurora, OH) Common Stock - 531,723 shs. (38.8%)	1-9-81

**NOTICE**

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*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, registration statements, and other filings may be ordered by writing to 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 by registrant name to expedite service. Two types of service are available.*

*REGULAR SERVICE – The regular service reproduction cost is 10¢ per page, including applicable sales taxes, plus postage (\$5.00 minimum order). Regular service orders will be shipped within seven calendar days of the receipt by the SEC's service contractor of your request. Slight delays may occur if the materials to be copied are not already in the contractor's master files.*

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