

sec news digest

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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

COMMISSION PUBLISHES REVISED GUIDELINES AND
PROPOSES SAFE HARBOR RULES FOR PROJECTION DISCLOSURE

The Commission has authorized publication of revised Guides 62 and 5, "Guides for Disclosure of Projections of Future Economic Performance"; and has issued a statement encouraging the voluntary disclosure of projections generally. The Guides represent policies followed by the Commission's Division of Corporation Finance in administering the disclosure requirements of the Securities Act and Exchange Act. In a related action, to further encourage the voluntary disclosure of projections by public companies, the Commission is proposing for comment a rule to the effect that registrants generally would not be held liable under the securities laws for reasonably based projections made in good faith that are subsequently proven erroneous. The Guides will be effective upon publication in the Federal Register. Comments on the proposed rule and its interaction with the Guides should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549, or or before December 29, 1978, and should refer to File No. S7-760. (Rel. 33-5992 and 33-5993)

FOR FURTHER INFORMATION CONTACT: Steven J. Paggioli at (202) 376-8090

TRADING SUSPENSIONS

TRADING SUSPENDED IN FOOD FAIR, INC.

The SEC announced the single ten-day suspension of exchange and over-the-counter trading in the securities of Food Fair, Inc., formerly Food Fair Stores, Inc., a Pennsylvania corporation located in Philadelphia, Pennsylvania, for the period beginning on November 6 and terminating at midnight (EST) on November 15. The Commission initiated the suspension because of (a) the current delinquency of the company in its filing requirements under the Exchange Act, in that Food Fair has not filed with the Commission its annual report on Form 10-K for its fiscal year ended July 29, 1978 and the uncertainty as to when the company will be able to file that report, resulting in the lack of current adequate and accurate public information about Food Fair's operations and financial condition and (b) the high degree of uncertainty regarding the outcome of the legal proceedings now underway in regard to the petition filed by Food Fair in the U.S. District Court for the Southern District of New York on October 2, 1978 for protection under Chapter 11 of the Federal Bankruptcy Act. (Rel. 34-15302)

CIVIL PROCEEDINGS

RECEIVER APPOINTED FOR ARNOLD & CO., INC.

The New York Regional Office announced that on October 19 U.S. District Judge George H. Barlow, in Trenton, New Jersey, appointed Joseph Markowitz, formerly temporary receiver for Arnold & Co., Inc. (Registrant), a registered broker-dealer, as receiver for Registrant and extended the receivership to include the ownership and/or control interest of Richard J. Arnold, Registrant's president, director and shareholder, in various entities. Registrant and Arnold consented to the above appointment.

On July 31 Judge Barlow had issued a final judgment of permanent injunction by consent against Registrant and Arnold and appointed Joseph Markowitz as temporary receiver for Arnold & Co., Inc. The injunction enjoins Registrant and Arnold from committing violations of the net capital, bookkeeping, and supplemental reporting provisions of the Securities Exchange Act of 1934. Registrant and Arnold consented to the final judgment and appointment of a temporary receiver without admitting or denying the allegations in the Commission's complaint. (SEC v. Arnold & Co., Inc., et al., D.N.J. 1978, Civil Action No. 78-1613). (LR-8593)

**GALAXY INVESTMENT ADVISORY SERVICE, INC.,
OTHERS ENJOINED**

The Washington Regional Office and the Philadelphia Branch Office announced that on September 15 the Honorable William J. Ditter, Jr. of the U.S. District Court for the Eastern District of Pennsylvania entered final judgments of permanent injunction against Galaxy Investment Advisory Service, Inc. and Main Line Investments, both of Malvern, Pennsylvania. The judgments, to which the defendants consented without admitting or denying the allegations of the complaint, permanently enjoined these defendants from violating the antifraud and bookkeeping provisions of the securities laws. On October 20 Judge Ditter granted the Commission's motion for summary judgment and entered an order, permanently enjoining Don A. Long of Downingtown, Pennsylvania, former Chief Executive Officer of Galaxy and Main Line, from violating the antifraud and bookkeeping provisions of the securities laws. (SEC v. Galaxy Investment Advisory Service, Inc., et al., U.S.D.C. E.D. Pa., Civil Action No. 77-4431). (LR-8594)

**CONSENT JUDGMENT OF PRELIMINARY INJUNCTION
ENTERED AGAINST DONALD F. ROBERTS, OTHERS**

On November 6 the Commission announced the entry of a consent judgment of preliminary injunction enjoining Donald F. Roberts, Julian M. Riley, Multi-Products, Inc., Federal Investment Corporation and Fidusco, Inc., from violations of the antifraud provisions of the securities laws. In addition to the entry of the judgment, the Court ordered an accounting of all bond proceedings, a freeze of the defendant's assets, the deposit of all bonds in the defendants' possession with the Court and a report of all disposition of such bonds since January 1, 1975. The defendants consented to the entry of the judgment without admitting or denying any of the allegations in the complaint.

The complaint alleged that the defendants pursued a fraudulent scheme and made false statements and omitted material facts in the offer and sale of industrial revenue bonds, Series A, 1973, issued by the Osage Industrial Development Authority, Prue, Oklahoma, and in connection with a contract to purchase the common stock of a California plastics company. (SEC v. Donald F. Roberts, et al., U.S.D.C. W.D. Missouri, Civil Action No. 78-0809). (LR-8595)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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. - Wainoco Oil, Corp., 10-3/4% subordinated debentures, due September 1, 1998 (effective as of October 23, 1978). Midwest Stock Exchange, Inc. - Ohio Edison Co., 9.12% preferred stock cumulative, \$100 par value (effective as of October 17, 1978). New York Stock Exchange, Inc. - European Investment Bank, 8-7/8% notes, due October 1, 1986 \$100 million and 9-1/8% bonds, due October 1, 1998 \$125 million; Ohio Edison Co., 9.12% preferred stock cumulative, \$100 par value; Public Service Co. of Indiana, Inc., \$100 million of first mortgage bonds, Series AA, 8-7/8%, due October 1, 2008 (all effective as of October 17, 1978); Century Telephone Enterprises, Inc., common stock (effective as of October 19, 1978); Savin Corp (Del), 11-3/8% subordinated debentures, due October 1, 1998 (effective as of October 20, 1978); Texas International Co., 11-1/2% subordinated debentures, due April 1, 1997 (effective as of October 24, 1978). Pacific Stock Exchange, Inc. - National Health Enterprises, Inc., common stock (effective as of October 17, 1978).

The Commission has also announced that the specified securities of the following companies have become listed on the following stock exchanges: American Stock Exchange, Inc. - Harvey Hubbell, Inc., \$2.06 cumulative convertible preferred stock, Series C (effective as of August 31, 1978); Logicon Inc. (Del), common stock (effective as of September 29, 1978). New York Stock Exchange, Inc. - Philip Morris Inc., 9-1/8% sinking fund debentures, due 2003 (effective as of August 28, 1978); Hydro Quebec, 10% debentures, Series DJ, due 2008 (effective as of September 5, 1978); Global Marine Inc., 12-3/8% senior subordinated debentures, due 1998 (effective as of September 28, 1978); Illinois Power Co., \$100 million of first mortgage bonds 8-7/8% Series, due 2008 (effective as of October 10, 1978); Beatrice Foods Co., 8-1/2% sinking fund debentures, due 2008 (effective as of October 11, 1978); Humana Inc., 11.70% sinking fund subordinated debentures, due 1998 (effective as of October 30, 1978).

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Philadelphia Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-PHLX-78-21) to amend the procedures and standards which member firms must follow in preparing options related advertisements and sales literature, as well as, where required, obtaining PHLX's approval of such material prior to its use. Publication of the proposal is expected to be made in the Federal Register during the week of November 6. (Rel. 34-15294)

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-1) STATE NATIONAL BANCORP, INC., 35 Mason St., Greenwich, Conn. 06830 - 1,954,516 shares of common stock. (File 2-62982 - Nov. 3)
- (S-14) JAMES DOLE CORPORATION, 2018 Russ Bldg., 235 Montgomery St., San Francisco, Cal. 94104 (415) 392-8146 - 775,000 shares of common stock. (File 2-62984 - Nov. 6)
- (S-8) CASCO-NORTHERN CORPORATION, One Monument Sq., Portland, Maine 04101 - 23,213 shares of common stock. (File 2-62985 - Nov. 6)
- (S-16) WISCONSIN ELECTRIC POWER COMPANY, 231 West Michigan St., Milwaukee, Wis. 53201 (414) 277-2345 - 600,000 shares of Serial preferred stock (\$100 par value). The company is engaged in the generation, transmission, distribution and sale of electricity and steam. (File 2-62986 - Nov. 6)
- (S-16) DANA CORPORATION, P.O. Box 1000, Toledo, Ohio 43697 (419) 535-4500 - \$100 million of debentures, due November 15, 2008. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company is a manufacturer of vehicular components and parts. (File 2-62987 - Nov. 6)
- (S-8) E-H INTERNATIONAL, INC., 515 - 11th St., Oakland, Cal. 94604 - 65,000 shares of common stock. (File 2-62988 - Nov. 6)
- (S-8) THE COMMODORE CORPORATION, P.O. Box 300, Danville, Va. 24541 (804) 793-8811 - 100,000 shares of common stock. (File 2-62989 - Nov. 6)
- (S-8) SAVIN CORPORATION, Valhalla, N.Y. 10595 - 570,000 shares of common stock. (File 2-62990 - Nov. 3)

REGISTRATIONS EFFECTIVE

Oct. 31: Coldwell, Banker & Co., 2-62789; Frontier Airlines, Inc., 2-62771; McDonald's Corp., 2-62496; New York State Electric & Gas Corp., 2-62733; Nuveen Tax-Exempt Bond Fund, Series 115, 2-62457; Oakbrook Consolidated Inc., 2-62481; Pioneer Bond Fund, Inc., 2-62436; Scriptomatic, Inc., 2-62562; Younkers, Inc., 2-62658.

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.

REGISTRATION WITHDRAWN

Oct. 31: URS Corp., 2-62774.



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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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SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in U.S. first class mail; \$18.75 elsewhere.

The News Digest, the Docket, and the Statistical Bulletin are for sale by the superintendent of Documents, Government Printing Office, Washington, D.C. 20402.