

# sec news digest

Issue 77-235

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December 7, 1977

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## ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

DONALD E. R. LANG

The Commission has simultaneously (1) instituted public administrative proceedings against Donald E. R. Lang and (2) upon the acceptance of his offer of settlement, suspended Lang for 90 business days from association with any broker-dealer, investment adviser or investment company and thereafter barring him from association in a supervisory capacity, provided that after two years he may apply to the Commission for permission to become re-associated in a supervisory capacity. Lang consented to the findings and sanctions without admitting or denying the allegations against him.

In connection with this action, Lang consented to the entry of an order of permanent injunction, enjoining him from further violations of the Securities Exchange Act of 1934. The Commission's complaint alleged violations of the antifraud provisions of the securities laws in the offer, purchase and sale of government securities, primarily Government National Mortgage Association (GNMA) mortgage-backed securities to national and state banks, savings and loan associations and credit unions. Lang consented to the injunction without admitting or denying the allegations contained in the Commission's complaint. (Rel. 34-14200 and LR-8202)

## COURT ENFORCEMENT ACTIONS

PCX, OTHERS ENJOINED

The Washington Regional Office announced that on November 22 Judge Albert V. Bryan, Jr. of the Federal Court in Alexandria, Virginia, entered final judgments of permanent injunction against Producers and Consumers Cooperative Exchange, Inc. (PCX) of Fairfax, Virginia, Dennis H. Marshall of Washington, D.C., and Wallace G. Dickson of Arlington, Virginia. The judgments enjoin the defendants from violations of the registration and antifraud provisions of the securities laws. The defendants consented to the entry of the injunctions without admitting or denying the allegations of the Commission's complaint, which was filed on November 21. The complaint alleges that the defendants offered and sold PCX stock and bonds in violation of the registration provisions and that Marshall and Dickson took for their personal use and benefit monies entrusted to them by investors, contrary to representations made to said investors. (SEC v. Producers and Consumers Cooperative Exchange, Inc., et al., E.D. Va., Civil Action No. 77-854-A). (LR-8214)

SUMMARY JUDGMENT GRANTED AGAINST GEORGE CROCKETT

The SEC announced that on November 22 the Honorable Alfonso J. Zirpoli, U.S. District Judge for the Northern District of California granted in part the Commission's motion for summary judgment against George Crockett of Las Vegas, Nevada, a defendant in SEC v. William R. Lummis, et al., as Administrators of the Estate of Howard R. Hughes, et al., and ordered Mr. Crockett to disgorge \$86,000 to be paid into the court's registry for distribution to those Air West shareholders entitled to it, or other distribution as the court may decide.

The Court denied the Commission's prayer for issuance of an injunction although finding that undisputed facts established a violation of the antifraud provisions of the securities laws. (SEC v. William R. Lummis, et al., as Administrators of the Estate of Howard R. Hughes, et al., U.S.D.C., N.D. California, Civil Action No. C-75-0589 AJZ). (LR-8215)

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## HOLDING COMPANY ACT RELEASES

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### MIDDLE SOUTH UTILITIES

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal of Middle South Utilities, Inc., a registered holding company, to issue and sell 8,500,000 additional shares of its common stock at competitive bidding. (Rel. 35-20288 - Dec. 2)

A notice has also been issued giving interested persons until December 28 to request a hearing on a proposal of Middle South Utilities, Inc., to extend for one year until December 31, 1978, its authorization to acquire from Arkansas-Missouri Power Company, its subsidiary, up to \$2,100,000 of Ark-Mo's unsecured short-term promissory notes. (Rel. 35-20293 - Dec. 2)

### ALABAMA POWER COMPANY

A notice has been issued giving interested persons until December 27 to request a hearing on a proposal of Alabama Power Company, Georgia Power Company, Gulf Power Company and Mississippi Power Company, subsidiaries of The Southern Company, to issue first mortgage bonds and surrender such bonds to the trustees under their respective indentures for the purpose of satisfying the sinking fund requirements thereunder for 1978. (Rel. 35-20289 - Dec. 2)

### JERSEY CENTRAL POWER & LIGHT COMPANY

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal of Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, to issue and sell short-term notes to banks up to an amount of \$127 million outstanding at any one time. (Rel. 35-20290 - Dec. 2)

### METROPOLITAN EDISON COMPANY

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal of Metropolitan Edison Company, subsidiary of General Public Utilities Corporation, that it issue short-term notes to banks in the amount of \$66 million through December 31, 1978. (Rel. 35-20291 - Dec. 1)

### PENNSYLVANIA ELECTRIC COMPANY

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal of Pennsylvania Electric Company, subsidiary of General Public Utilities Corporation, that it issue and sell short-term notes to banks in the amount of \$87 million through December 31, 1978. (Rel. 35-20292 - Dec. 2)

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## TRUST INDENTURE ACT RELEASES

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### REAL ESTATE PARTICIPATIONS IN ISRAEL LTD.

An order has been issued on an application of Real Estate Participations in Israel Ltd., an Israeli corporation pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Bank Leumi Trust Company of New York under (a) an indenture, dated as of January 1, 1970, relating to the 6-1/2% subordinated guaranteed debentures maturing serially 1976-1985 of Real Estate Participations in Israel Ltd. and guaranteed by Tefahot Israel Mortgage Bank Limited, and (b) an indenture, dated as of September 1, 1976, relating to the 4% to 7% redeemable investment notes of Tefahot Israel Mortgage Bank Limited is 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 Leumi Trust from acting as trustee under either of the above indentures. (Rel. TI-496)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-MSE-77-37) to make technical changes to its rule governing Withdrawal of Approval of Underlying Securities. Publication of the proposal is expected to be made in the Federal Register during the week of December 5. (Rel. 34-14232)

## APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the American Stock Exchange, Inc. The rule change (SR-Amex-77-13) eliminates restrictions on members executing agency orders off the Amex with a third market maker or non-member block positioner, eliminates restrictions on wire connections between offices of members and non-members, and amends its rules relating to short sales, the retention of fingerprinting records, and the procedures which must be utilized to revoke wire connection privileges between offices and members and the Amex floor. (Rel. 34-14231)

## 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) AMERICAN TAX-EXEMPT BOND TRUST, SERIES 24, 215 North Main St., West Bend, Wis. 53095 - 6,000 units. Depositor: B. C. Zielger and Company. The Trust is a unit investment trust. (File 2-60419 - Dec. 5)
- (S-6) AMERICAN INCOME TRUST, SERIES 5, 215 North Main St., West Bend, Wis. 53095 - 4,500 units. Depositor: B. C. Ziegler and Company. The Trust is a unit investment trust. (File 2-60422 - Dec. 5)
- (S-8) NORTHROP CORPORATION, 1800 Century Park East, Los Angeles, Cal. 90067 (213) 553-6262 - 1,127,774 shares of common stock. (File 2-60426 - Dec. 6)
- (S-1) QUAKER STATE 1978 PUBLIC DRILLING PROGRAM, 255 Elm St., Oil City, Pa. 16301 - \$6 million of performance limited partnership interests. Underwriter: William Blair & Company. (File 2-60427 - Dec. 6)
- (S-8) SCIENTIFIC-ATLANTA, INC., 3845 Pleasantdale Rd., Atlanta, Ga. 30340 - 16,000 shares of common stock. (File 2-60428 - Dec. 5)
- (S-1) BELL CANADA, 1050 Beaver Hall Hill, Montreal, Quebec, Canada H3C 3G4 - \$200 million of debentures, Series DE, due 2008. Underwriters: Salomon Brothers, Merrill Lynch, Pierce, Fenner & Smith Inc., A. E. Ames & Co. Inc., and Wood Gundy Inc. (File 2-60429 - Dec. 6)
- (S-14) MICHIGAN GENERAL CORPORATION, 1100 Dallas Federal Savings Tower, 8333 Douglas Ave., Dallas, Tex. 75225 (214) 369-1500 - 388,000 Class A-31 Series preferred stock. (File 2-60430 - Dec. 7)

## REGISTRATIONS EFFECTIVE

Dec. 5: Ampex Corp., 2-60182; Arizona-Colorado Land & Cattle Co., 2-57942; Dyco 1978 Oil & Gas Programs, 2-59769 (90 days); MFY Industries, Inc., 2-60313; The Manhattan Life Corp., 2-59635; Thomson Industries Limited, 2-59366; Tymshare, Inc., 2-60316.  
Dec. 6: Allegheny Power System, Inc., 2-60292; Southern Indiana & Gas & Electric Co., 2-60262.

**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.

## REGISTRATIONS WITHDRAWN

Dec. 2: Esmark, Inc., 2-59888; Garber Co., 2-57601; The Royal Group, Inc., 2-59662.

## RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events: <sup>\*/</sup>

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	DATE
CARLSBERG MOBILE HOME PROPERTIES LTD 73	2	11/15/77
CENCOM INC	2,6	09/12/77
CURTIS NCLL CORP	1,6	10/21/77
INTEGRITY ENTERTAINMENT CORP	5,6	11/14/77
INTERNATIONAL BANK	5,6	11/29/77
KIDDE WALTER & CO INC	5	10/77
KMC MORTGAGE INVESTORS	2	09/13/77
MONCO INVESTMENT CORP	5	11/17/77
PROVIDENCE & WORCESTER CO	5	11/01/77
REAL ESTATE INVESTMENT TRUST OF CALIFORNIA	5	11/28/77
TAX CORP OF AMERICA	2	09/30/77
ALCON LABORATORIES INC	4,6	11/15/77
AMERICAN REALTY TRUST	5	11/77
BARWICK E T INDUSTRIES INC	4,6	11/17/77
BROADVIEW FINANCIAL CORP	5,6	11/30/77
BURLINGTON NORTHERN INC	5	11/01/77
CLAUSING CORP	5,6	11/29/77
CGGDIING ENTERPRISES	5	11/01/77
DAIRY QUEEN STORES INC	7	11/16/77
DEVELOPMENT CORP OF AMERICA	2,6	11/15/77
FEDERAL CO	5	11/18/77
FLICKINGER S M CO INC	5	11/28/77
GILBERT COMPANIES INC	5	08/22/77
GUARDIAN CORP	5	11/01/77
LEISURE GROUP INC	2,5,6	11/16/77
LIBCC CORP	5	11/23/77

### 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 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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