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COURT ENFORCEMENT ACTIONS

SETTLEMENTS ENTERED AGAINST HAITAIN EQUITIES, S.A., OTHERS

The SEC announced that Haitain Equities, S.A. (HE), Gilbert Pasquet (G. Pasquet) and Alix Pasquet (A. Pasquet) have entered into settlements with the Commission regarding a civil injunctive action filed on September 15, 1977, in the U.S. District Court for the District of Columbia charging Basic Food Industries, Inc. (BFI), Allan H. Applestein, HE, G. Pasquet and A. Pasquet with violations of various provisions of the securities laws.

HE and the Pasquets, without admitting or denying the allegations, consented to be permanently enjoined from violating the antifraud, reporting, stock ownership reporting and proxy provisions of the securities laws. Additionally, the Pasquets agreed to be enjoined for a period of five years from serving as an officer or director of BFI or any other issuer. The Pasquets and HE also agreed to correct filings made on Schedule 13D so as to make them accurate and complete. (SEC v. Basic Food Industries, Inc., et al., U.S.D.C. D.C., Civil Action No. 77-1587). (LR-8335)

INDICTMENT ENTERED AGAINST MARVIN MAULTASCH AND RICHARD D. REDDOCK

The New York Regional Office announced that on February 21 a federal grand jury in Manhattan returned a four count indictment charging Marvin Mautasch and Richard D. Reddock each with two counts of false testimony under oath (Title 18, U.S. Code, Section 1621) in connection with an investigation conducted by the Commission. (U.S. v. Marvin Mautasch, et al., 78 Cr. 119, S.D.N.Y.). (LR-8324)

LARRY L. STEVENS PLEADS GUILTY

The Seattle Regional Office announced that on March 2 Larry L. Stevens of Seattle, Washington, formerly the president of North Western Mortgage Investors Corporation, pled guilty to two counts of bankruptcy fraud. The 39 count indictment returned against him had alleged 10 counts of securities fraud, 14 counts of mail fraud, and 15 counts of bankruptcy fraud. Sentencing has been set for March 28. (U.S. v. Larry L. Stevens, also known as Frank Goodman, W.D. Wa. No. CR-77-325M). (LR-8325)

JOHN A. KAYE AND JOHN B. CALANDRELLA CONVICTED, SENTENCED

The Washington Regional Office announced that on March 7 a jury of the U.S. District Court for the Western District of Kentucky convicted John A. Kaye and John B. Calandrella on each count of a three count indictment. Kaye, former chief executive officer of Globe Natural Gas Company, and Calandrella, former executive vice-president of Bannon International, Inc., were each found guilty of participation in a conspiracy to defraud banks in Ohio, West Virginia, and Kentucky by means of false financial statements relating to the acquisition of certain coal properties. In addition, the defendants were convicted of wire fraud violations. The defendants were sentenced the same day by the Honorable Charles M. Allen, U.S. District Judge, to ten years imprisonment. Two other defendants in this matter, Phillip Karl Kitzer, Jr., and Carl Thomas Bannon, Jr., also known as Thomas Carl Bannon had entered pleas of guilty prior to the commencement of the trial. (U.S. v. John A. Kaye, et al., W.D. Ky., Criminal Action No. 77-00087-L). (LR-8326)

RAYMOND K. HORTON INDICTED

The Fort Worth Regional Office announced that on March 7 a federal grand jury at Houston, Texas, returned a fourteen count indictment against Raymond K. Horton, Midland, Texas, charging him with mail fraud and wire fraud. The indictment alleges that in 1972 and 1973 Horton defrauded a Los Angeles, California real estate investment trust in connection with a \$2,700,000 Houston real estate loan. (U.S. v. Raymond K. Horton, S.D. Tex., H. 78-41). (LR-8327)

COMPLAINT NAMES BOOKKEEPERS, LTD., OTHERS

The Los Angeles Regional Office announced on March 9 the filing of a civil injunctive action in the U.S. District Court for the Central District of California seeking to enjoin Bookkeepers, Ltd. of Ontario, California; Walter Wencke of Rancho Santa Fe, California; Joseph Margala of Upland, California and Jerry Whitley of Whittier, California from further violations of the registration and antifraud provisions of the securities laws. The Commission's complaint also seeks further equitable relief in the form of a court-appointed officer to preserve and manage the interests of Bookkeepers and its former minority shareholders; and disgorgement by the individual defendants.

The complaint alleged that Wencke, Margala and Whitley engaged in a fraudulent scheme to reduce the number of Bookkeepers' shareholders from over 800 to approximately 25 by dissemination of false and misleading Bookkeepers financial statements, two reverse stock splits (with fractional share repurchase) without notice to shareholders, and the sale of illegally issued Bookkeepers' common stock to Margala, Whitley and two Wencke controlled corporations with funds advanced by a Bookkeepers subsidiary. The complaint also alleged that in furtherance of the fraudulent scheme, the defendants failed to register Bookkeepers with the Commission in an effort to evade the filing and disclosure requirements of the securities laws. (SEC v. Bookkeepers, Ltd., et al., C.D. CA, CV-78-905-AAH). (LR-8328)

DONALD F. HOYT INDICTED

The Chicago Regional Office announced that on March 8 a federal grand jury at Detroit, Michigan returned a 9-count indictment charging Donald F. Hoyt of Utica, Michigan with 3 counts of embezzlement from a federally insured credit union; 3 counts of making false entries in the books and records of the credit union; and 3 counts of securities fraud. The indictment charged that Hoyt was both general manager of a credit union and a partner in the brokerage firm of Manley, Bennett, McDonald and Company, and that, from about January, 1975 to about November, 1977, Hoyt embezzled and converted \$2.13 million of credit union funds for his own use and benefit. The indictment further charged that although credit union funds were supposedly being used to purchase U.S. Government securities, the funds were instead used to purchase other securities in seven other accounts at the brokerage firm.

Hoyt was arraigned on the charges in the federal court at Detroit on March 9. Pleas of not guilty were entered for Hoyt as to all charges. (U.S. v. Donald F. Hoyt, E.D. Mich., Criminal No. 8-80112). (LR-8329)

INVESTMENT COMPANY ACT RELEASES

FIRST WEST TEXAS CAPITAL CORPORATION

An order has been issued declaring that First West Texas Capital Corporation, a registered closed-end, non-diversified management investment company, has ceased to be an investment company. (Rel. IC-10155 - Feb. 14)

AMERICAN MEDICAL ASSOCIATION TAX-EXEMPT INCOME FUND

An order has been issued on an application of American Medical Association Tax-Exempt Income Fund Inc. (Fund), a Maryland corporation registered as a diversified, open-end management investment company under the Investment Company Act of 1940, and Continental Illinois National Bank and Trust Company of Chicago, the Fund's investment adviser, pursuant to Section 10(f) of the Act, for an order exempting certain transactions of the Fund from the provisions of Section 10(f) of the Act so as to permit the Fund to purchase Municipal Bonds in public offerings in which the Fund's investment adviser participates as a principal underwriter, subject to certain conditions specified in the application. (Rel. IC-10156 - Mar. 14)

MUTUAL TRUST

An order has been issued on an application of Mutual Trust, a closed-end, management investment company, declaring that it has ceased to be an investment company. (Rel. IC-10157 - Mar. 14)

VANCE, SANDERS MUNICIPAL BOND FUND, LTD.

An order has been issued pursuant to Section 6(c) of the Act on an application of Vance, Sanders Municipal Bond Fund, Ltd. (a California limited partnership) (Fund), registered under the Act as an open-end, diversified management investment company, and Vance, Sanders & Company, Inc., Advisor General Partner and investment adviser

of, and principal underwriter for, the Fund, granting exemptions from (1) Section 2(a)(19) of the Act to the extent that the Fund's general partners would otherwise be deemed to be "interested persons" of the Fund or its Advisor General Partner solely because they are partners in the Fund, and (2) Section 15(c) of the Act so that the Director General Partners will not be deemed to be parties to the Fund's investment advisory contract solely by reason of their being parties to the Fund's partnership agreement. (Rel. IC-10158 - Mar. 15)

MASSACHUSETTS CAPITAL RESOURCE COMPANY

A notice has been issued giving interested persons until April 10 to request a hearing on an application of Massachusetts Capital Resource Company, a Massachusetts limited partnership, for an order, pursuant to Section 6(c) of the Act, exempting it, as well as wholly-owned subsidiaries it may form, from all provisions of the Act. (Rel. IC-10159 - Mar. 15)

HOLDING COMPANY ACT RELEASES

THE CONNECTICUT LIGHT AND POWER COMPANY

An order has been issued authorizing The Connecticut Light and Power Company, subsidiary of Northeast Utilities, to issue and sell at competitive bidding up to \$40 million of first mortgage bonds. (Rel. 35-20452 - Mar. 15)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-PSE-78-5) to clarify the procedure for executing closing orders to sell options at \$.01 per share at option. Publication of the proposal is expected to be made in the Federal Register during the week of March 20. (Rel. 34-14566)

NOTICE AND APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by the Boston Stock Exchange, Inc. (SR-BSE-78-1) which modifies the Exchange's restrictions on the ability of members to effect agency transactions, over-the-counter, in securities admitted to dealings thereon. Publication of the proposal is expected to be made in the Federal Register during the week of March 20. (Rel. 34-14567)

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-8) ALBERTO-CULVER COMPANY, 2525 Armitage Ave., Melrose Park, Ill. 60160 - 150,000 shares of common stock. The principal business of the company is developing, manufacturing, promoting and marketing products. (File 2-60942 - Mar. 15)
- (S-8) CRONUS INDUSTRIES, INC., 3000 Southland Center, Dallas, Tex. 75201 (214) 651-8421 - \$5 million of participations and 1,250,000 shares of common stock. (File 2-60943 - Mar. 15)
- (S-1) BELDEN & BLAKE AND COMPANY LIMITED PARTNERSHIP NO. 68, 7555 Freedom Avenue, N.W., North Canton, Ohio 44720 - 396 limited partnership units. The company was formed for the purpose of engaging in the oil and gas drilling and exploration business. (File 2-60944 - Mar. 15)
- (S-1) NEW MEXICO FINANCIAL CORPORATION, P.O. Box 1008, Albuquerque, New Mexico 87103 - 160,000 shares of common stock. The company is a savings and loan holding company. (File 2-60945 - Mar. 14)
- (S-7) COMMONWEALTH EDISON COMPANY, One First National Plaza, P.O. Box 767, Chicago, Ill. 60690 (312) 294-4321 - 750,000 shares of cumulative preference stock. The company is

principally engaged in the production, purchase, transmission, distribution and sale of electricity. (File 2-60946 - Mar. 15)

- (S-8) BANK BUILDING & EQUIPMENT CORPORATION OF AMERICA, 1130 Hampton Ave., St. Louis, Mo. 63139 - 60,000 shares of common stock. (File 2-60947 - Mar. 15)
- (S-8) NATIONAL UTILITIES & INDUSTRIES CORPORATION, One Elizabethtown Plaza, Elizabeth, N.J. 07207 (201) 351-2900 - \$780,000 of participations and 32,842 shares of common stock. (File 2-60948 - Mar. 15)
- (S-8) ENSERCH CORPORATION, 301 South Harwood St., Dallas, Tex. 75201 (214) 651-8700 - \$3,102,000 of interests. (File 2-60949 - Mar. 15)
- (S-16) COMSHARE, INC., 3001 South State St., Ann Arbor, Mich. 48106 (313) 994-4800 - 195,000 shares of common stock. (File 2-60950 - Mar. 15)
- (S-5) COPLEY FUND, INC., 120 Hillside Ave., Rehoboth, Mass. 02769 (617) 252-3741 - 1,000,000 shares of capital stock. The fund is an open-end investment company. (File 2-60951 - Mar. 15)
- (S-1) ECC RESOURCES OIL & GAS DRILLING PROGRAM 1978-79, Suite 725, Fresno Townhouse, Fresno, Cal. 93721 - \$5,500,000 of preformation limited partnership interests. Underwriter: Forden Financial Corporation, Suite 725, Fresno Townhouse, Fresno, Cal. 93721 (209) 485-8060. (File 2-60952 - Mar. 14)
- (S-8) COMBUSTION EQUIPMENT ASSOCIATES, INC., 555 Madison Ave., New York, N.Y. 10022 - 262,500 shares of common stock. (File 2-60953 - Mar. 14)
- (S-7) SIERRA PACIFIC POWER COMPANY, P.O. Box 10100 (100 East Moana Lane) Reno, Nev. 89510 (702) 789-4011 - 500,000 shares of common stock. The company is engaged in the generation, purchase, transmission, distribution and sale of electric energy. (File 2-60954 - Mar. 15)
- (S-1) TEXAS INTERNATIONAL AIRLINES, INC., 8451 Lockheed St., Houston, Tex. 77061 - 75,000 units of subordinated debentures, due 1998 and \$15 million not more than 1,000,000 shares of common stock and 7,500 units of subordinated debentures, due 1998 and \$1,500,000 not more than 100,000 shares of common stock. Underwriters: Smith Barney, Harris Upham & Co. Inc. and White, Weld & Co. Inc. The company is a certificated regional airline. (File 2-60955 - Mar. 15)

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 on request. All other reference material is available in the SEC Docket.

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