

# sec news digest

Issue 79-127

July 2, 1979

---

## RULES AND RELATED MATTERS

---

### CONFIDENTIAL TREATMENT UNDER THE INSTITUTIONAL INVESTMENT DISCLOSURE PROGRAM

The Commission has announced the amendment of the instructions to Form 13F under Rule 13f-1 which implements the authority granted to the Commission under Section 13(f) of the Securities Exchange Act of 1934. Rule 13f-1 governs the reporting requirements of institutional investment managers exercising investment discretion over accounts having in the aggregate more than \$100 million in exchange-traded or NASDAQ-quoted securities. Only the instruction in Form 13F pertaining to requests for confidential treatment is being amended. The amendment, as adopted, sets forth procedures to be followed in submitting a request for confidential treatment of information filed under Rule 13f-1. In addition, certain substantive issues have been established which are to be addressed in any request for confidential treatment. (Rel. 34-15979)

FOR FURTHER INFORMATION CONTACT: Lawrence R. Bardfeld at (202) 755-0212

---

## COMMISSION ANNOUNCEMENTS

---

### COMMISSION CAUTIONS BROKER-DEALERS REGARDING AGREEMENTS TO ARBITRATE FUTURE DISPUTES

The Commission cautioned broker-dealers today about the use of certain clauses in customer agreements which purport to require arbitration of all disputes between broker-dealers and customers.

Customers are generally not informed by broker-dealers that an advance agreement to arbitrate does not waive their right to bring suit under the securities laws. The use of these clauses may mislead customers as to their rights and is therefore inconsistent with just and equitable principles of trade. The Commission also expressed the view that use of the clauses may raise questions of compliance with the antifraud provisions of the securities laws.

---

## CIVIL PROCEEDINGS

---

### COMMISSION SUES JOHN WAGENER, OTHERS

The New York Regional Office announced that on June 20 the Commission filed a complaint in the U.S. District Court for the Northern District of New York against John Wagener, Robert Hayes, Gary Grieco, General Tool and Die Company, Inc., First Alleghany Corporation, Financing Associates, Inc., Midwest Engineered Housing Corp., David C. Walters, Robert C. Rogers, Howard W. Wells, John H. Schell, and Stephen A. Hosid, seeking (a) to enjoin the defendants from violating certain registration and antifraud provisions of the securities laws, and (b) other equitable relief, including disgorgement of the proceeds from the sale of debentures issued by the corporate defendants and the appointment of a Special Fiscal Agent to oversee disgorgement.

The Commission's complaint alleges that the defendants defrauded over 75 investors of more than \$1.6 million in connection with the offer, sale, and delivery after sale of debentures issued by General Tool, First Alleghany, Midwest Engineered Housing, Financing Associate and Great Lakes Systems, Ltd., a bankrupt corporation located in Clarinda, Iowa.

Simultaneously with the filing of the Commission's complaint, Grieco, Midwest Engineered Housing, Wells, and Hosid consented to the entry of Final Judgments of Permanent Injunction against them, without admitting or denying the allegations contained in the Commission's complaint. The Honorable Howard G. Munson, U.S. District Judge for the Northern District of New York, signed the Final Judgments on June 21, which enjoined the defendants from violating the above stated provisions of the securities laws and provided for the other equitable relief stated above. (SEC v. John Wagener, et al., N.D.N.Y., 79 Civil 410 HGM). (LR-8799)

---

## INVESTMENT COMPANY ACT RELEASES

---

### THE CAPITAL FUND OF AMERICA, INC.

A notice has been issued giving interested persons until July 23 to request a hearing on an application of The Capital Fund of America, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, declaring that Applicant has ceased to be an investment company. (Rel. IC-10750 - June 27)

### THE DREYFUS LEVERAGE FUND, INC.

A notice has been filed giving interested persons until July 23 to request a hearing on an application of The Dreyfus Leverage Fund, Inc., a Delaware corporation, declaring that it has ceased to be an investment company. (Rel. IC-10751 - June 28)

---

## HOLDING COMPANY ACT RELEASES

---

### CENTRAL AND SOUTH WEST FUELS, INC.

A notice has been issued giving interested persons until July 25 to request a hearing on a proposal of Central and South West Fuels, Inc. and five other subsidiaries of Central and South West Corporation, that certain subsidiaries' fuel budgets be increased for the 15-month period ending March 31, 1980. An order has been issued authorizing fuel budgets for the period July 1 through July 31, 1979. (Rel. 35-21124 - July 28)

### CONNECTICUT YANKEE ATOMIC POWER COMPANY

A supplemental order has been issued authorizing a proposal of Connecticut Yankee Atomic Power Company, subsidiary of Northeast Utilities and New England Electric System, regarding the issuance and sale by Connecticut Yankee of notes to banks and commercial paper to a dealer in commercial paper in an amount of \$25 million at any one time outstanding. Connecticut Yankee proposes to extend the period of such borrowings from June 30, 1979 to June 30, 1980, to provide for the latest maturity for the borrowings to be March 31, 1981 and to revise the list of participating banks. (Rel. 35-21125 - June 28)

### NORTHEAST UTILITIES

A supplemental order has been issued authorizing proposals of Northeast Utilities, a registered holding company, and four of its subsidiaries, Western Massachusetts Electric Company, The Connecticut Light and Power Company, The Hartford Electric Light Company, and Holyoke Water Power Company, regarding the issuance and sale by each company of notes to banks or a dealer in commercial paper. The maximum amounts, at any one time outstanding, of such notes are as follows: Northeast, \$20 million; Connecticut Light and Power, \$135 million; Hartford Electric, \$60 million; Western Massachusetts Electric, \$55 million; and Holyoke, \$6 million. Northeast will use the proceeds of the sales to make capital contributions and open account advances to certain subsidiaries. The subsidiaries will use the proceeds of their sales to finance their respective construction and nuclear fuel programs. (Rel. 35-21126 - June 28)

---

## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

---

### WITHDRAWAL GRANTED

An order has been issued granting the application requesting withdrawal of the following securities of Fibreboard Corporation from listing and registration on the New York Stock Exchange, Inc.: 4-3/4% convertible subordinated debentures, due October 15, 1993; and 6-3/4% convertible subordinated debentures, due October 15, 1998. (Rel. 34-15961)

### WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until July 27 to comment on the application requesting withdrawal of the common stock of Documation Incorporated from listing and registration on the American Stock Exchange, Inc. (Rel. 34-15971)

## 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-14) OLD KENT FINANCIAL CORPORATION, One Vandenberg Center, Grand Rapids, Mich. 49503 (616) 774-5000 - \$8,850,000 of 9-1/4% installment notes. (File 2-64886 - June 28)
- (S-8) TOYS "R" US, INC., 299 Market St., Saddle Brook, N.J. 07662 (201) 845-5033 - 1,200,000 shares of common stock. The company is engaged in the operation of retail toy store supermarts. (File 2-64887 - June 28)
- (S-8) COHERENT, INC., 3210 Porter Dr., Palo Alto, Cal. 94304 (415) 493-2111 - 50,000 shares of common stock. The company designs, develops, manufactures and markets electro-optical products. (File 2-64888 - June 28)
- (S-14) AMERICAN CAN COMPANY, American Lane, Greenwich, Conn. 06830 (203) 552-2000 - 63,711 shares of common stock. (File 2-64889 - June 28)
- (S-14) THE CONTINENTAL GROUP, INC., 633 Third Ave., New York, N.Y. 10017 (212) 551-7000 - 2,425,000 shares of \$4.50 cumulative preference stock, Series C. (File 2-64890 - June 28)
- (S-18) SHOPSMITH, INC., 750 Center Dr., Vandalia, Ohio 45377 - 380,000 common shares. Underwriter: McDonald & Company. The company manufactures and markets a line of power woodworking tools. (File 2-64891 - June 28)
- (S-8) PARADYNE CORPORATION, 8550 Ulmerton Rd., Largo, Fla. 33540 - 411,277 shares of common stock. (File 2-64892 - June 28)
- (S-8) SOLID STATE SCIENTIFIC, INC., Montgomeryville Industrial Center, Montgomeryville, Pa. 18936 (215) 643-5566 - 300,000 shares of common stock. (File 2-64895 - June 29)
- (S-7) ASSOCIATES CORPORATION OF NORTH AMERICA, 1 Gulf & Western Plaza, New York, N.Y. 10023 (212) 333-4744 - \$100 million of medium-term notes. Underwriters: AFC Securities Inc., Kidder, Peabody & Co. Inc. and Warburg Paribas Becker. The company, among other things, is engaged in making direct installment loans. (File 2-64896 - June 29)
- (S-16) SAM P. WALLACE COMPANY, INC., 2102 Empire Central, Dallas, Tex. 75235 (214) 357-4361 - 6,074 shares of common stock. The company is engaged in the construction business. (File 2-64897 - June 29)
- (S-14) GERBER PRODUCTS COMPANY, 445 State St., Fremont, Mich. 49412 (616) 928-2000 - 697,970 shares of common stock. (File 2-64898 - June 29)
- (S-7) PAINE WEBBER INCORPORATED, 140 Broadway, New York, N.Y. 10005 (212) 437-2121 - \$25 million of sinking fund debentures, due July 15, 1999. Underwriters: Paine, Webber, Jackson & Curtis Inc., Drexel Burnham Lambert Inc. and Bache Halsey Stuart Shields Inc. The company is engaged in providing services to individuals in connection with the purchase and sale of securities. (File 2-64900 - June 29)
- (S-7) PSA, INC., 3225 North Harbor Dr., San Diego, Cal. 92101 (714) 574-2100 - \$30 million of convertible subordinated debentures, due 2004. Underwriter: E. F. Hutton & Company Inc. The company provides air transportation services. (File 2-64901 - June 29)
- (S-14) POLY INDUSTRIES, INC., 2006 South Baker Ave., Ontario, Cal. 91761 (714) 986-2066 - 299,497 shares of common stock. (File 2-64902 - June 29)
- (S-8) SANTA FE INTERNATIONAL CORPORATION, Orange Commerce Center, 505 S. Main St., Orange, Cal. 92668 (714) 558-1300 - 1,000,000 shares of common stock and options and stock appreciation rights. (File 2-64903 - June 29)

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549  
FIRST CLASS MAIL

POSTAGE AND FEES PAID  
U. S. SECURITIES AND  
EXCHANGE COMMISSION



**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.*

*SEC NEWS DIGEST is published daily.*

*Subscription rates: \$100.00/yr in U.S. first class mail;  
\$125.00 elsewhere.*

*SEC DOCKET is published weekly.*

*Subscription rates: \$79.00/yr in U.S. first class mail;  
\$98.75 elsewhere.*

*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.*