

sec news digest

Issue 84-170

August 30, 1984

COMMISSION ANNOUNCEMENTS

FROM THE MINUTES OF AUGUST 28, 1984 COMMISSION MEETING

The Commission notes with deep sorrow and regret the death of George A. Fitzsimmons, Secretary of the Commission, on August 25, 1984. Mr. Fitzsimmons joined the Commission's staff in 1968 as a trial attorney in the Division of Trading and Markets. He was appointed Secretary of the Commission by Chairman Ray Garrett, Jr. in 1973. Mr. Fitzsimmons served the Commission with great dedication and was a trusted adviser to all of his colleagues. The Commission and its staff extend their deepest sympathy to Mr. Fitzsimmons' family and his many friends. Chairman John S.R. Shad said, "George was one of the most highly regarded and well liked members of the senior staff. His institutional memory of past Commission actions has been an invaluable resource to the Commission. He will be greatly missed by all of us."

CIVIL PROCEEDINGS

CONTEMPORARY PROPERTIES, INC.
AND JOHN L. GORDIN SUED FOR FRAUD

The Los Angeles Regional Office filed a complaint on August 17 in the U.S. District Court for the Central District of California seeking permanent injunctions against Contemporary Properties, Inc. and John L. Gordin. The complaint alleges that the defendants violated the registration and antifraud provisions of the Securities Act of 1933 and the antifraud provisions of the Securities Exchange Act of 1934 in the offer and sale of limited and general partnership interests for investment in real estate from 1979 to July 1983.

The complaint alleges that Contemporary and Gordin raised approximately \$4 million from at least 70 investors in nine partnerships. In connection with the offer and sale of the partnership interests, the complaint also alleges that Contemporary and Gordin made untrue statements of material fact and omitted to state material facts concerning: the amount of profit investors could expect; the commingling of partnership assets; resale of partnership interests without registration with the Commission; financial condition of partnerships; partnership debt; application of investor funds; need for new investment funds from new partnerships; and ownership of partnership assets. (SEC v. Contemporary Properties, Inc. and John L. Gordin, USDC CD CA, Civil Action No. 84-6127 PAR[Px]). (LR-10508)

FINAL JUDGMENTS OF PERMANENT INJUNCTION ENTERED
AGAINST JAMES H. MCELROY AND JAMES J. HAYES

The Commission announced that on August 22 Judge Barrington D. Parker, U.S. District Court for the District of Columbia, entered Final Judgments of Permanent Injunction restraining and enjoining James H. McElroy and James J. Hayes from further violations of Sections 14(a) [proxy solicitation] and 14(d)(4) [tender offer recommendations] of the Securities Exchange Act of 1934 and Rules 14a-3, 14a-4, 14a-6 and 14d-9. The Court, on August 3, entered a Final Judgment of Permanent Injunction restraining and enjoining the Shell Oil Shareholders Committee, the third defendant, from further violations of Section 14(d)(4) of the Exchange Act and Rule 14d-9. All of the defendants consented to the judgments without admitting or denying the allegations in the July 19 complaint. (SEC v. James H. McElroy, et al., USDC DC, Civil Action No. 84-2223). (LR-10509)

PRELIMINARY AND PERMANENT INJUNCTIONS SOUGHT
AGAINST FINANCIAL NEWS ASSOCIATES, OTHERS

The Washington Regional Office filed a motion and a complaint on August 29 in the U.S. District Court for the Eastern District of Virginia seeking to preliminarily and permanently enjoin Financial News Associates, doing business as Center for

Strategic Investing, Patrick William Hope Garrard and Brian Warner Smith from future violations of the registration and antifraud provisions of the Investment Advisers Act of 1940 and of the Commission's advertising rule. The complaint alleges that the defendants failed to register with the Commission as an investment adviser while advertising for and publishing "Investment Intelligence," an investment advisory newsletter, and disseminated false and misleading advertisements for the newsletter. (SEC v. Financial News Associates, et al., Civil Action No. 84-0878A, ED VA). (LR-10511)

CHARLES D. FRASER ENJOINED

The U.S. District Court for the District of Columbia issued a Final Order permanently enjoining Charles D. Fraser, former President of The First National Bank of Midland (Texas), from violating antifraud and periodic reporting provisions and rules of the Securities Exchange Act of 1934. The complaint, filed in an action by both the Commission and the Office of the Comptroller of the Currency, alleged that Fraser made untrue and misleading statements respecting the financial condition and results of operations of The First National Bank of Midland in financial statements as of and for the nine months ended September 30, 1982 and fourth quarter and year ended December 31, 1982. Fraser consented to the Final Order without admitting or denying the complaint's allegations. (SEC and Office of the Comptroller of the Currency v. Charles D. Fraser, USDC DC, Civil Action No. 84-2652). (LR-10512)

INVESTMENT COMPANY ACT RELEASES

CONTINENTAL ASSURANCE COMPANY CNA VARIABLE ACCOUNT

A notice has been issued giving interested persons until September 21 to request a hearing on an application by Continental Assurance Company CNA Variable Account, a registered open-end, diversified, management investment company, for an order declaring that it has ceased to be an investment company. (Rel. IC-14114 - Aug. 28)

PIERPONT TAX EXEMPT FUND

An order has been issued exempting Pierpont Tax Exempt Fund from the provisions of Section 12(d)(3) of the Investment Company Act to permit acquisition of puts from brokers or dealers. (Rel. IC-14115 - Aug. 28)

DISTRICT ASSOCIATES OF WASHINGTON LIMITED PARTNERSHIP

An order has been issued exempting District Associates of Washington Limited Partnership, a proposed Washington, D.C. limited partnership, from all provisions of the Investment Company Act. (Rel. IC-14116 - Aug. 28)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, address and phone number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- 5-18 TODEX MANUFACTURING & DISTRIBUTING CO INC, PAVILION TOWER I STE 1300, 2851 SOUTH PARKER RD, AURORA, CO 80014 (303) 751-4900 UNDERWRITER: GANT J W & ASSOCIATES. (FILE 2-92736-D - AUG. 13) (BR. 10 - NEW ISSUE)
- 5-18 FALCON COMMODITY CORP, 7407 E NICHOLS PL, ENGLEWOOD, CO 80112 (303) 779-6923 - 50,000,000 (\$5,000,000) COMMON STOCK. 5,000,000 (\$100) COMMON STOCK. 5,000,000 (\$600,000) COMMON STOCK. UNDERWRITER: CHESLEY & DUNN INC. (FILE 2-92793-D - AUG. 15) (BR. 12 - NEW ISSUE)
- 5-3 KANSAS GAS & ELECTRIC CO /KS/, 201 N MARKET ST, WICHITA, KS 67201 (316) 261-6611 (FILE 2-92871 - AUG. 21) (BR. 8)
- 5-6 MUNICIPAL INVESTMENT TRUST FUND MULTISTATE SERIES M, ONE LIBERTY PLZ, 165 BROADWAY, NEW YORK, NY 10080 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN AMERICAN EXP. (FILE 2-92872 - AUG. 21) (BR. 17 - NEW ISSUE)

- S-14 QUESTAR CORP, 180 EAST FIRST SOUTH ST, SALT LAKE CITY, UT 84139 (801) 534-5000 - 19,000,000 (\$460,750) COMMON STOCK. (FILE 2-92876 - AUG. 22) (BR. 8 - NEW ISSUE)
- S-3 WELLS FARGO & CO, 420 MONTGOMERY ST, SAN FRANCISCO, CA 94163 (415) 396-0123 - 250,000 (\$250,000,000) STRAIGHT BONDS. (FILE 2-92882 - AUG. 22) (BR. 2)
- S-3 ASTROTECH INTERNATIONAL CORP, TWO CHATHAM CENTER STE 240, PITTSBURGH, PA 15219 (412) 391-1896 - 188,589 (\$377,178) COMMON STOCK. (FILE 2-92886 - AUG. 22) (BR. 6)
- S-6 CORPORATE INCOME FUND TWO HUNDRED SECOND MONTHLY PAYMENT SER, C/O MERRILL LYNCH PIERCE FENNER & SMITH, ONE LIBERTY PLZ 165 BROADWAY, NEW YORK, NY 10080 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH INC, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN AMERICAN EXPRESS INC. (FILE 2-92890 - AUG. 22) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL INVESTMENT TRUST FUND SIXTH CALIFORNIA INSURED SER, C/O MERRILL LYNCH PIERCE FENNER & SMITH, ONE LIBERTY PLZ 165 BROADWAY, NEW YORK, NY 10080 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN AMERICAN EXPRESS INC. (FILE 2-92892 - AUG. 22) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL INVESTMENT TRUST FUND SIXTH PUT SERIES, C/O MERRILL LYNCH PIERCE FENNER & SMITH, ONE LIBERTY PLZ 165 BROADWAY, NEW YORK, NY 10080 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN AMERICAN EXPRESS INC. (FILE 2-92893 - AUG. 22) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL SECURITIES TRUST 28TH DISCOUNT SERIES, C/O BEAR STEARNS & CO, 55 WATER ST, NEW YORK, NY 10041 - 20,000 (\$12,000,000) UNIT INVESTMENT TRUST. DEPOSITOR: BEAR STEARNS & CO. (FILE 2-92897 - AUG. 22) (BR. 16 - NEW ISSUE)

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the prior percent owned; and Column 7 - the status of the filing, i.e., new, update, or revision.

	FORM	EVENT DATE	SHRS(000)/%OWNED	CUSIP/ PRIOR%	FILING STATUS
ALABAMA BY PRODS CORP DRUMMOND COAL CO	CL B NEW 13D	8/21/84	304 30.4	01023940 18.8	UPDATE
AMERACE CORP RACECO INC	COM 13D	8/27/84	248 9.6	02351910 0.0	UPDATE
AMERICAN MTR INNS INC PRIME MOTOR INNS INC	COM 14D-1	8/27/84	4,549 40.4	02759110 40.4	UPDATE
AMERICAN RLTY TR SOUTHMARK CORP	SH BEN INT 13D	8/14/84	2,291 65.4	02917710 64.2	UPDATE
ARUNDEL CORP PHOENIX MANGEMENT CORP	COM 13D	8/22/84	302 15.0	04317710 8.6	UPDATE
ARUNDEL CORP SHELTON THOMAS B	COM 13D	8/22/84	302 15.0	04317710 8.6	UPDATE

ACQUISITION REPORTS CONT.

ATLAS CORP TBK PARTNERS	COM NEW 13D	7/20/84	18 0.6	04926730 0.3	UPDATE
ATLAS CORP VIRIDIAN INVESTMENTS LTD	COM NEW 13D	7/20/84	19 0.6	04926730 0.4	UPDATE
ATLAS CORP WESRAY RESOURCES INC	COM NEW 13D	7/20/84	262 8.9	04926730 11.8	UPDATE
CITY INVESTING CO PFD B MERRILL LYNCH CO/MLPF&S	PFD SER B COMV 13D	\$2.00 8/21/84	0 N/A	17784630 N/A	UPDATE
CRIME CTL INC CCI INVESTMENTS ET AL	COM 13D	8/17/84	1,351 32.1	22660810 37.7	UPDATE
ENERGY VENTURES INC APCO OIL CORP LIQUIDATING TRST	COM 13D	8/ 3/84	900 32.2	29274010 32.2	UPDATE
FAIR GROUNDS CORP MASONI JOHN G	COM 13D	6/13/84	70 17.7	30315310 0.0	NEW
FIFTH AVENUE CARD SHOPS INC UPBIN HAL J	COM 13D	8/15/84	117 6.7	31665730 0.0	NEW
FLORIDA NATL BKS FLA INC CHEMICAL NY CORP & CHEMICAL BK	COM 13D	8/20/84	3,339 28.2	34101810 27.9	UPDATE
GROVE PRESS INC GALLEN RICHARD ET AL	COM 13D	8/ 2/84	330 29.3	39960410 18.2	UPDATE
NATMAR INC ST THOMAS INST/ADV STUDIES	COMMON STOCK 13D	8/15/84	304 5.5	63873010 0.0	NEW
NIKI LU IND INC BASS BROTHERS ENTERPRISES INC	COM 13D	8/14/84	600 20.2	65390310 0.0	NEW
NIKI LU IND INC TEXAS PARTNERS ET AL	COM 13D	8/14/84	430 14.5	65390310 0.0	NEW
REVCO D S INC MARDEN BERNARD A ET AL	COM 13D	8/24/84	2,193 6.0	76133810 5.9	UPDATE
REVCO D S INC PERLMUTTER ISAAC	COM 13D	8/24/84	2,200 6.0	76133810 5.9	UPDATE
SCIENTIFIC INDS INC KOHL ATLEE M ET AL	COM 13D	7/24/84	63 8.6	80875710 10.2	UPDATE
SMART & FINAL IRIS CORP CASINO USA INC ET AL	PART CL A 5% 13D	8/27/84	128 17.5	83168410 8.0	UPDATE
SWENSENS INC FOREMOST DAIRIES INC ET AL	COM 13D	8/15/84	2,400 42.7	87069010 0.0	NEW
UNION ELEC STL CORP BERGSTROM HENRY A JR ET AL	COM 13D	7/23/84	0 N/A	90656510 N/A	UPDATE
UNION ELEC STL CORP HARRER LOUISE C	COM 13D	7/23/84	0 N/A	90656510 N/A	UPDATE
UNION ELEC STL CORP MAY C KENT ET AL	COM 13D	7/23/84	0 N/A	90656510 N/A	UPDATE
UNION ELEC STL CORP WALLACE JANE C	COM 13D	7/23/84	0 N/A	90656510 N/A	UPDATE