

sec news digest

Issue 83-142*

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RULES AND RELATED MATTERS

U.S. SECURITIES AND
EXCHANGE COMMISSION

REQUEST FOR COMMENTS ON THE UNIFORMITY OF SECURITIES LAWS

The Commission has published a release announcing public hearings and a request for comments on effectuating increased uniformity in the state and federal regulation of securities matters. This inquiry is intended to carry out the policies and purposes of Section 19(c) of the Securities Act of 1933, as adopted as part of the Small Business Investment Incentive Act of 1940 to maximize the effectiveness of securities regulation and reduce burdens on capital formation through increased cooperation between the Commission and the state securities regulatory authorities.

Hearings will commence on September 12, 1983 at 10:00 a.m. All witnesses desiring to make oral presentations are requested to call or write Paul A. Belvin or Suzanne S. Brannan, Office of Small Business Policy, Division of Corporate Finance, Securities and Exchange Commission, 450 Fifth Street, N.W., Stop 3-11, Washington, DC 20549 at (202) 272-2644. Witnesses are also requested to submit 10 copies of their prepared statements by September 8, 1983.

Written comments not prepared in connection with an oral presentation at the hearings should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC 20549, on or before September 9, 1983 and should refer to File No. S7-985. All comments received will be available for public inspection and copying in the Commission's Public Reference Room. (Rel. 33-6474)

FOR FURTHER INFORMATION CONTACT: Suzanne S. Brannan at (202) 272-2644

AMENDMENTS TO RULES 13e-3 AND 13e-4 ADOPTED

The Commission has adopted amendments to Securities Exchange Act Rule 13e-4. The amendments except from the application of that Rule offers by issuers to purchase shares from their security holders who hold a specified number of shares that is less than one hundred, provided that the offer is extended to all record and beneficial holders (exclusive of participants in certain of the issuer's employee benefit or shareholders plans) who hold that number of shares as of a specified date prior to the announcement of the offer. The Commission has also adopted a companion amendment to Securities Exchange Act Rule 13e-4. (Rel. 34-19988)

FOR FURTHER INFORMATION CONTACT: Kenneth B. Orenbach at (202) 272-7391 or
Deren E. Manasevit at (202) 272-7376

ADMINISTRATIVE PROCEEDINGS

ORDER INSTITUTING PROCEEDINGS AGAINST STEVEN R. GRAYSON

The Commission has instituted public administrative proceedings against Steven R. Grayson, who presently is incarcerated at the federal prison camp in Lompoc, California. The Order for Proceedings contains allegations that Grayson has been permanently enjoined from further violations of the antifraud provisions of the securities laws, and that he was convicted, under a guilty plea, of mail fraud and securities fraud in the offer and sale of municipal bonds.

A hearing will be scheduled to determine whether the allegations against Grayson are true and, if so, what, if any, remedial action is appropriate. (Rel. 34-19978)

* The News Digest dated July 22, 1983 (Issue 83-141) listed an incorrect year. The year is 1983, not 1982.

CRIMINAL PROCEEDINGS

BRIAN PATRICK SMITH SENTENCED

The U.S. Attorney for the Eastern District of New York and the New York Regional Office announced that on July 13 the Honorable Eugene H. Nickerson, U.S. District Judge for the Eastern District of New York, sentenced Brian Patrick Smith to one year and one day in prison and a five year probationary period thereafter arising from a 17-count conviction against him on June 7, 1983. Smith was convicted of securities and wire fraud in transactions in the securities of Jupiter Development Corporation, Ltd. Smith devised and executed a free-riding scheme where he would open numerous brokerage accounts in his own and nominee names, place orders for the stock of Jupiter, and then fail to pay for the stock ordered. (U.S. Brian Patrick Smith, 82 Cr. 536, E.D.N.Y., EHN). (LR-10074)

INVESTMENT COMPANY ACT RELEASES

WASHINGTON NATIONAL INSURANCE COMPANY

A notice has been issued giving interested persons until August 11 to request a hearing on an application filed by Washington National Insurance Company, Separate Account I of Washington National Insurance Company, and Washington National Equity Company, for an order under Section 6(c) of the Investment Company Act of 1940 exempting them from the provisions of Sections 2(a)(32), 2(a)(35), 12(b), 17(f), 22(c), 22(e), 27(a)(3), 27(c)(1), and 27(d) of the Act and Rules 12(b)-1, 17f-2, and 22c-1 to permit transactions described in the application. (Rel. IC-13393 - July 21)

KEMPER TAX-EXEMPT INSURED INCOME TRUST

An order has been issued on an application of Kemper Tax-Exempt Insured Income Trust, Kemper Financial Services, Inc., and Kemper Reinsurance Co.: (1) under Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 permitting Kemper Reinsurance to participate with certain unaffiliated third parties in providing insurance guaranteeing the payment of interest and/or principal in a timely manner on the units of each series of the Trust; (2) under Section 17(b) of the Act permitting the Trust to purchase such insurance coverage and to accept any settlement which might arise from a claim made upon the insurance; and (3) under Section 6(c) of the Act granting exemption from the provisions of Section 26(a)(2)(C) of the Act to allow the Trustee of the Trust to make (and deduct as a Trust expense) premium payments on the insurance notwithstanding the fact that a portion thereof might be deemed to be made to an affiliated person. (Rel. IC-13394 - July 21)

AETNA TAX EXEMPT MONEY SERIES TRUST

An order has been issued under Section 8(f) of the Investment Company Act of 1940 and Rule 8f-1 declaring that Aetna Tax-Exempt Money Series Trust, a registered open-end, diversified, management investment company, has ceased to be an investment company. (Rel. IC-13395 - July 21)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM, INC.

A supplemental order has been issued authorizing the terms and conditions of the sale of 1,000,000 shares of adjustable rate preferred stock by The Columbia Gas System, Inc., a registered holding company. The jurisdiction previously reserved over the terms and conditions of said sale has been released. (Rel. 35-23007 - July 21)

NEW ENGLAND ENERGY INCORPORATED

An order has been issued authorizing New England Energy Incorporated (NEEI), subsidiary of New England Electric System, to amend its Partnership Agreement with Samedan Oil Corporation, a non-affiliate. The amendment would substantially reduce NEEI's share of lease acquisition and geophysical costs related to prospects placed in the partnership on or after January 1, 1983. (Rel. 35-23008 - July 21)

NORTHEAST NUCLEAR ENERGY COMPANY

A notice has been issued giving interested persons until August 15 to request a hearing on a proposal of Northeast Nuclear Energy Company, The Connecticut Light and Power Company, and Western Massachusetts Electric Company, subsidiaries of Northeast Utilities, regarding the proposed financing of certain nuclear plant control room simulator systems and a new building therefor in an amount not to exceed \$40 million. (Rel. 35-23009 - July 21)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING GRANTED

Orders have been issued granting the applications of the following stock exchanges for unlisted trading privileges in issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system: Cincinnati Stock Exchange - 18 issues. (Rel. 34-19989); Philadelphia Stock Exchange - Intermedics, Inc., common stock (\$.01 par value). (Rel. 34-19992); Boston Stock Exchange, Inc. - 13 issues. (Rel. 34-19993);

DELISTING GRANTED

Orders have been issued granting the applications of the following stock exchanges to strike the specified securities of the following companies from listing and registration thereon: Pacific Stock Exchange, Inc. - Public Service Company of Indiana, Inc., common stock (\$1 par value). (Rel. 34-19990); and the American Stock Exchange, Inc. - Texas General Resources, Inc., common stock (\$.10 par value), warrants to purchase common stock at \$11, warrants to purchase common stock at \$28.50, and 11-1/4% subordinated notes, due 10-1-86. (Rel. 34-19991)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGES

The New York Stock Exchange, Inc. has filed proposed rule changes under Rule 19b-4 (SR-NYSE-83-23 and SR-NYSE-82-22) to revise its options trading rules to adapt them to the Commission's present options disclosure rules, revise the method of calculating position and exercise limits, conform various options and index options rules to those established by the American Stock Exchange and the Chicago Board Options Exchange, and to make various technical amendments. Publication of the proposal is expected to be made in the Federal Register during the week of July 25. (Rel. 34-19985)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange, Incorporated has filed a proposed rule change which became effective under Section 19(b)(3)(A) (SR-CBOE-83-23) to establish a schedule of charges to members for orders to buy or sell Standard & Poor's 500 options contracts that are executed through the Order Book Official. Publication of the proposal is expected to be made in the Federal Register during the week of July 25. (Rel. 34-19986)

RULE 12g3-2(b) EXEMPTIONS

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The following foreign private issuers submitted materials that appeared sufficient to establish an exemption under Rule 12g3-2(b) during the specified weeks: June 20-24, 1983 - PLM AB (82-748); Canadian Natural Resources Ltd. (82-749); and Treasure Island Resources Corp. (82-750). June 27 - July 1, 1983 - March Resources Ltd. (82-467); Mar-Gold Resources (82-751); Eastern Petroleum Australia Ltd. (82-752); Tunkwa Copper Mines Ltd. (82-753); Golden Sceptre Resources Ltd. (82-754); and Bank of Canton (82-755). July 5-8, 1983 - Gulf Titanium Ltd. (82-756); Lintex Minerals Ltd. (82-757); and Consolidated Modderfontein Mines Ltd. (82-758). July 11-15, 1983 - FMC Telecomputer Ltd. (82-759); Pola Resources Ltd. (82-760); Galactic Resources Ltd. (82-761); Elders IXL (82-762); Svenska Cellulosa Aktiebolaget (82-763); Northern

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; File number and date filed; Assigned Branch; if the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION pursuant to Rule 415.

- (S-1) COMPUTER DIALYSIS SYSTEMS, INC., 2400 Central Ave., Boulder, CO 80301 (303) 443-3131 - 8,323,307 shares of common stock. The company was formed to engage in the medical products industry. (File 2-85269 - July 20) (Br. 8)
- (S-8) GAMMA BIOLOGICALS, INC., 3700 Mangum Rd., Houston, TX 77092 (713) 681-8481 - 250,000 shares of common stock. (File 2-85284 - July 20) (Br. 4)
- (S-1) APOLLO COMPUTER INC., 15 Elizabeth Dr., Chelmsford, MA 01824 (617) 256-6600 - 2,000,000 shares of common stock. Underwriters: Morgan Stanley & Co. Incorporated and Hambrecht & Quist Incorporated. The company designs, manufactures, markets and services computer systems. (File 2-85289 - July 21) (Br. 10)
- (S-1) BIOTECHNOLOGY DEVELOPMENT CORPORATION, 400-1 Totten Pond Rd., Waltham, MA 02154 (617) 890-0018 - 650,000 units, 1,300,000 shares of common stock and 1,300,000 Class A common stock purchase warrants. Underwriter: D.H. Blair & Co., Inc. The company has performed strategic, technology, market and financial analysis services for pharmaceutical companies, among other things. (File 2-85290 - July 21) (Br. 8 - New Issue)
- (S-14) MERCANTILE BANCORP, INC., 440 Maine St., Quincy, IL 62301 (217) 223-7300 - 360,000 shares of common stock. (File 2-85294 - July 21) (Br. 1 - New Issue)
- (S-14) NORSTAR BANCORP INC., 1450 Western Ave., Albany, NY 12203 (518) 447-4043 - 5,000,000 shares of common stock. (File 2-85297 - July 21) (Br. 1)
- (S-8) DECISION DATA COMPUTER CORPORATION, 100 Witmer Rd., Horsham, PA 19044 (215) 674-3300 - 708,207 shares of common stock. (File 2-85304 - July 21) (Br. 9)
- (S-2) MAY PETROLEUM INC., 800 One Lincoln Centre, 5400 LBJ Freeway LBB, Dallas, TX 75240 (214) 934-9600 - 1,500,000 shares of common stock with warrants to purchase 750,000 shares of common stock. Underwriters: Dean Witter Reynolds Inc. and Bateman Eichler, Hill Richards Incorporated. The company explores for, develops, and produces natural gas and oil. (File 2-85305 - July 21) (Br. 4) [S]
- (S-14) LAKE ARIEL BANCORP, INC., Main St., Lake Ariel, PA 18436 - 28,522 shares of common stock. (File 2-85306 - July 20) (Br. 2 - New Issue)
- (S-3) AMERICAN BROADCASTING COMPANIES, INC., 1330 Avenue of the Americas, New York, NY 10019 (212) 887-7777 - 327,000 shares of common stock. (File 2-85310 - July 22) (Br. 7) [S]
- (S-3) CENTRAL AND SOUTH WEST CORPORATION, 2121 San Jacinto St., Suite 2500, P.O. Box 220164, Dallas, TX 75222 (214) 754-1000 - 2,000,000 shares of common stock. Underwriter: Goldman, Sachs & Co. (File 2-85311 - July 22) (Br. 8) [S]
- (S-2) PEOPLES BANKING CORPORATION, 719 Adams St., P.O. Box 426, Bay City, MI 48707 (517) 893-6531 - 200,000 shares of common stock. Underwriter: Edward D. Jones & Co. The company engages in the banking business. (File 2-85312 - July 22) (Br. 2)
- (S-3) NL INDUSTRIES, INC., 1230 Avenue of the Americas, New York, NY 10020 (212) 621-9400 - \$200 million of debt securities. (File 2-85315 - July 22) (Br. 4) [S]
- (S-8) CHEM-TRONICS, INC., 1150 West Bradley Ave., El Cajon, CA 92020 (619) 448-2320 - 150,000 shares of common stock. (File 2-85316 - July 22) (Br. 2)
- (S-8) COMPUTER SCIENCIAS CORPORATION, 650 No. Sepulveda Blvd., El Segundo, CA 90245 (213) 615-0311 - 719,641 shares of common stock. (File 2-85319 - July 22) (Br. 10)