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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

COMMISSION AMENDS OFF BOARD AGENCY TRADING RULE

The Commission has announced the adoption, effective March 1, 1978, of an amendment to Rule 19c-1 under the Securities Exchange Act of 1934, which expands the scope of the existing rule to require that a member of a national securities exchange be permitted to effect over-the-counter agency transactions in securities listed or admitted to unlisted trading privileges on an exchange with any other person not also represented as agent by that member (i.e., precluding only "in-house" agency cross transactions). (Rel. 34-14325)

FOR FURTHER INFORMATION CONTACT: John Osborn at (202) 755-8961

COURT ENFORCEMENT ACTIONS

KONSTANTINOS M. TSERPES AND BASIL MARTOS ENJOINED

The New York Regional Office announced that on November 30 the Commission's motion for summary judgment was granted and findings of fact and final judgments of permanent injunction were entered against Konstantinos M. Tserpes and Basil Martos. The Court found that both Tserpes and Martos had wilfully violated the antifraud provisions of the securities laws in the offer, purchase and sale of securities of the Research Automation Corporation (RAC). The Commission's complaint was filed on August 17, 1972. A final judgment of permanent injunction by default was entered against RAC, the corporate defendant, on August 7, 1974, and that judgment was affirmed by the U.S. Court of Appeals for the Second Circuit (SEC v. Research Automation Corp., 521 F.2d 585, 2d Cir. 1975). Athan Hamos, the other individual defendant, entered into a stipulation and undertaking in settlement of the Commission's complaint on March 11, 1977. (SEC v. Research Automation Corporation, et al., 72 Civil 3513 [SJR]). (LR-8238)

INVESTMENT COMPANY ACT RELEASES

MASSMUTUAL CORPORATE INVESTORS

An order has been issued on an application of MassMutual Corporate Investors, Inc. (Fund), a registered, non-diversified, closed-end management investment company, and Massachusetts Mutual Life Insurance Company (Insurance Company), the Fund's investment adviser, permitting the Insurance Company to purchase \$6 million of a new issue of 9-1/2% 15-year senior notes of Aberdeen Manufacturing Corporation. (Rel. IC-10076 - Dec. 30)

FIRST VARIABLE LIFE INSURANCE COMPANY

An order has been issued on an application of First Variable Life Insurance Company (First Variable), an Arkansas stock life insurance company, United Variable Annuity Fund A (Fund A), a separate account of First Variable registered under the Act as an open-end management investment company, FVL Growth Fund, Inc., a Maryland corporation registered under the Act as an open-end management investment company, and Variable Annuity Sales Corporation, a wholly-owned subsidiary of First Variable and a broker-dealer registered under the Securities Exchange Act of 1934 which is the principal underwriter for Fund A: (1) pursuant to Section 17(f) and pursuant to Section 6(c) of the Act granting exemption from the provisions of Sections 14(a), 15(a), 15(b), 16(a), 26(a), 27(c)(2) and 32(a) and Rule 17f-2, (2) pursuant to Section 11 of the Act approving an exchange offer and (3) pursuant to Section 17(b) of the Act exempting proposed reorganization transactions from the provisions of Section 17(a) of the Act. (Rel. IC-10077 - Dec. 30)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing 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. 35-20345 - Dec. 29)

GENERAL PUBLIC UTILITIES CORPORATION

An order has been issued authorizing General Public Utilities Corporation, a registered holding company, to issue and sell short-term notes to banks up to an amount of \$71 million outstanding at any one time. (Rel. 35-20346 - Dec. 29)

PENNSYLVANIA ELECTRIC COMPANY

An order has been issued authorizing 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. 35-20347 - Dec. 29)

MIDDLE SOUTH UTILITIES

An order has been issued authorizing 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. 35-20348 - Dec. 29)

An order has also been issued authorizing 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. 35-20349 - Dec. 29)

THE COLUMBIA GAS SYSTEM

A notice has been issued giving interested persons until January 20 to request a hearing on a proposal of The Columbia Gas System, Inc., a registered holding company, and two of its subsidiaries, Columbia Gas of Maryland, Inc., and Columbia Gas of West Virginia, Inc., whereby Columbia of Maryland will issue, and the holding company will acquire, up to \$200,000 of installment notes, due 1998. The holding company will also make short-term advances of up to \$500,000 to Columbia of Maryland. Columbia of West Virginia will issue 200,000 shares of common stock to the holding company for a price of \$5 million. The proceeds of these transactions will be used by the subsidiaries in connection with their construction and gas supply programs. (Rel. 35-20350 - Dec. 29)

PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued approving proposals of Public Service Company of Oklahoma (PSO), subsidiary of Central and South West Corporation, to transfer ownership of certain oil and gas interests from Transok Pipeline Company, PSO's wholly-owned pipeline subsidiary, to PSO and to extend its existing authorization to acquire interests in fuel exploration and development programs. (Rel. 35-20351 - Dec. 29)

CENTRAL POWER AND LIGHT COMPANY

An order has been issued approving a proposal of Central Power and Light Company, subsidiary of Central and South West Corporation, to extend its authorization to acquire interests in fuel exploration and development programs. (Rel. 35-20352 - Dec. 29)

WEST TEXAS UTILITIES COMPANY

An order has been issued approving a proposal of West Texas Utilities Company, subsidiary of Central and South West Corporation, to extend its existing authorization to acquire interests relating to fuel exploration and development. (Rel. 35-20353 - Dec. 29)

INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing a proposal of Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., that it issue and sell short-term notes to banks and a dealer in commercial paper in amounts not to exceed \$125 million outstanding at any one time and that it be granted an exemption from competitive bidding in connection therewith. (Rel. 35-20354 - Dec. 29)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes under Rule 19b-4: (1) Chicago Board Options Exchange Inc. (SR-CBOE-77-29) to permit market makers who are temporarily absent from the exchange floor to initiate options orders from off the exchange floor under certain defined circumstances. (Rel. 34-14318)

Publication of the above proposal is expected to be made in the Federal Register during the week of December 26.

(2) American Stock Exchange, Inc. (SR-Amex-77-38) to establish priority with respect to spread and straddle orders over other types of orders under certain circumstances. (Rel. 34-14319)

Publication of the above proposal is expected to be made in the Federal Register during the week of January 2.

APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved the following rule changes: (1) The Depository Trust Company (SR-DTC-77-9) to establish a Conditional Delivery Order Program for their Institutional Delivery System. (Rel. 34-14322); and (2) The Municipal Securities Rulemaking Board (SR-MSRB-77-13) to specify the minimum scope and frequency of periodic compliance examinations of municipal securities brokers and municipal securities dealers. (Rel. 34-14324)

NOTICE OF WITHDRAWAL OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NYSE-77-7) to withdraw its proposal to amend in a certain respect the NYSE's fidelity bonding requirements for members and member organizations. Publication of the proposal is expected to be made in the Federal Register during the week of January 2. (Rel. 34-14323)

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-1) DIAMOND INSULATION INDUSTRIES, INC., 1393 South Inca St., Denver, Colo. 80223 - 2,800,000 shares of common stock. Underwriter: First Financial Securities, Inc., One Park Central, 1515 Arapahoe St., Suite 1585, Denver, Colo. 80202 (303) 534-7777. The company operates a cellulose insulation manufacturing plant. (File 2-60550 - Dec. 28)
- (S-1) PEOPLES STATE LOAN CO. OF DELAWARE, 14249 Greenfield, Detroit, Mich. 48226 - \$500,000 of 8-1/2% subordinated debentures, Series A, due three years from date of issuance and \$500,000 of 8-1/2% subordinated 180-day demand notes, Series AA. The principal business of the company is the making of cash loans directly to consumers. (File 2-60565 - Dec. 29)
- (S-1) THE REGIS GROUP INCORPORATED, 777 East Wisconsin Ave., Milwaukee, Wis. 53202 - 1,200,000 of common stock and 54 shares of preferred stock. The company conducts no business. (File 2-60568 - Dec. 29)
- (S-1) BROADSCOPE, INC., Albrightsville, Pa. 18210 - 1,000,000 shares of Class A common stock. (File 2-60569 - Dec. 29)
- (S-7) FARM HOUSE FOODS CORPORATION, 733 North Van Buren St., Milwaukee, Wis. 53202 - \$4 million of subordinated capital notes, due 1988. Underwriter: Offerman & Co., Inc., 5100 Gamble Dr., Minneapolis, Minn. 55416 (612) 374-6397. The company is a wholesale distributor of foods and related products. (File 2-60570 - Dec. 29)

- (S-6) E. F. HUTTON TAX EXEMPT TRUST, NATIONAL SERIES 36, One Battery Park Plaza, New York, N.Y. 10004 - 22,500 units. Depositor: E. F. Hutton & Company Inc. The Trust is a diversified portfolio of interest-bearing municipal bonds. (File 2-60571 - Dec. 29)
- (S-1) NATURAL RESOURCE MANAGEMENT CORPORATION, 900 Building of the Southwest Midland, Tex. 79701 - 640 limited partnership units. (File 2-60572 - Dec. 30)
- (S-7) SOUTH CAROLINA ELECTRIC & GAS COMPANY, 328 Main St., Columbia, S.C. 29218 (803) 799-1234 - \$30 million of first and refunding mortgage bonds, due 2008. Underwriter: Kidder, Peabody & Co. Inc. The company is an electric and gas utility company. (File 2-60573 - Dec. 30) and 1,500,000 shares of common stock. (File 2-60574 - Dec. 30)
- (S-1) BDOL 1978 PROGRAM, LTD., Suite 200 South, 2000 Classen Center Bldgs., Oklahoma City, Okla. 73106 (405) 528-2323 - \$5 million of participations. (File 2-60575 - Dec. 30)
- (S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS, SERIES 31, 300 West Washington St., Chicago, Ill. 60606 - 5,500 units. Depositor: Wauterlek & Brown, Inc. (File 2-60576 - Dec. 30)
- (S-6) ANPLAN VARIABLE ACCOUNT, Anchor National Life Plaza, Camelback at 22nd St., Phoenix, Ariz. 85016 - flexible purchase payment annuity contracts. Depositor: Anchor National Life Insurance Company. (File 2-60577 - Dec. 30)
- (S-8) PETROLITE CORPORATION, 100 North Broadway, St. Louis, Mo. 63102 - 36,000 shares of common stock. (File 2-60578 - Dec. 30)
- (S-1) HAV-RESOURCES CORPORATION 1978-79 OIL AND GAS PROGRAMS, 69 West Washington St., Chicago, Ill. 60602 - \$25 million of preformation limited partnership interests. Underwriter: Hav-Securities Corporation. The partnership will engage in drilling for oil and gas. (File 2-60579 - Dec. 30)
- (S-11) K & K PROPERTIES, INC., 1801 Century Park East, Suite 1450, Los Angeles, Cal. 90067 (213) 556-2704 - 80,030 shares of common stock. (File 2-60580 - Dec. 30)
- (S-1) SOLARON CORPORATION, 300 Galleria Tower, 720 South Colorado Blvd., Denver, Colo. 80222 (303) 759-0101 - 1,996,000 shares of common stock. The company is engaged in the marketing, manufacture, design, research and development of equipment and systems for the heating of residences and commercial buildings. (File 2-60581 - Dec. 30)
- (S-7) PACIFIC POWER & LIGHT COMPANY, 150C Public Service Bldg., Portland, Ore. 97204 (503) 243-1122 - 1,000,000 shares of common stock. The company is an operating public utility. (File 2-60582 - Dec. 30)
- (S-6) NUVEEN TAX EXEMPT BOND FUND, SERIES 103, 209 South LaSalle St., Chicago, Ill. 60604 - 110,000 units. Depositor: John Nuveen & Co. Incorporated. (File 2-60583 - Dec. 28)

REGISTRATIONS EFFECTIVE

Dec. 27: Carrier Corp., 2-60368; Dun & Bradstreet Companies, Inc., 2-60355; ENI Oil & Gas Development Drilling Series 1978, 2-60120 (90 days).
 Dec. 28: Allied Chemical Corp., 2-60139; The First Trust of Insured Municipal Bond, Series 30, 2-60169; Kemper High Yield Fund, Inc., 2-60330; Lear Petroleum Corp., 2-60328; Unarco Industries, Inc., 2-60149; Washington Energy Co., 2-60352.

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.

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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