

# sec news digest

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## RULES AND RELATED MATTERS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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### SOLICITATION OF COMMENTS ON ACCOUNTING PRACTICES BY OIL AND GAS PRODUCERS

The Commission announced the solicitation of comments regarding the accounting practices of oil and gas producers. The Energy Policy and Conservation Act (Public Law 94-163) requires that the Commission assure the development and observance of accounting practices to be followed by persons engaged in the production of crude oil or natural gas in the United States. The release contains a discussion of a number of issues relating to the development of accounting practices pursuant to the Act. Although the Act pertains directly to reporting certain financial and operating data to the Federal Energy Administrator, the Commission is considering revising its disclosure requirements relating to these types of data in filings under the Securities Acts. Comments from interested parties are requested to provide assistance to the Commission in formulating proposed rules for reporting under both the Energy Policy and Conservation Act and the Securities Acts. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549 by August 12. All such communications should refer to File No. S7-708 and will be available for public inspection. (Rel. 33-5837)

### EFFECTIVE DATE OF RULE 17f-1 DELAYED

The SEC announced a delay in the effective date of Rule 17f-1, the Lost and Stolen Securities Program. The rule which was scheduled to take effect on July 1 will now become effective on October 3, with respect to reporting requirements and on January 2, 1978 with respect to inquiry requirements. (Rel. 34-13648)

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION AUTHORIZES GUIDE 4

The Commission has authorized the publication of Guide 4, "Integrated Reports to Shareholders," of the Guides for Preparation and Filing of Reports and Registration Statements under the Securities Exchange Act of 1934. The guide reflects policies and practices of the Division of Corporation Finance permitting an issuer to integrate its annual report to shareholders with its report on Form 10-K and its quarterly report to shareholders with its report on Form 10-Q when certain conditions are satisfied. (Rel. 34-13639)

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## COURT ENFORCEMENT ACTIONS

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### HARRY E. NILES SENTENCED

The Denver and Fort Worth Regional Offices announced that on May 13 the Honorable Sarah T. Hughes, Judge, sentenced Harry E. Niles, Tulsa, Oklahoma, to confinement in a jail-type institution for a period of two months and probation for a period of 2-1/2 years. The sentence was imposed upon a plea of guilty to Count 2 of an information charging misprision of a felony by concealing knowledge of commission of a felony by others in the offer and sale of securities. Additionally, Niles was fined \$5,000 on his plea of guilty to Count 1 of the information charging fraud in the purchase and sale of securities, without knowledge. (U.S. v. Niles, et al., USDC, No. Dist. of Texas, CR-3-77-15). (LR-7979)

### CRAIG MORRIS OIL, INC., OTHERS ENJOINED

The Fort Worth Regional Office announced that on June 10 Federal District Judge Wesley E. Brown, at Wichita, Kansas, entered an order of permanent injunction by consent against Craig Morris Oil, Inc., Arkansas City, Kansas, and Craig Leon Morris, Winfield, Kansas, enjoining them from violations of the registration provisions of the

securities laws in the offer and sale of fractional undivided working interests in oil and gas leases located in Kay County, Oklahoma and Cowley and Sumner Counties, Kansas, issued by Craig Morris Oil, Inc. The defendants consented to the entry of the order of permanent injunction by consent without admitting or denying the allegations in the Commission's complaint. The complaint, which names Craig Morris Oil, Inc., Craig Leon Morris and Myrl Hoppe, Denver, Colorado, was filed on June 9. (SEC v. Craig Morris Oil, Inc., et al., District of Kansas, Civil Action No. 77-1221). (LR-7980)

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## HOLDING COMPANY ACT RELEASES

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### CONSOLIDATED NATURAL GAS COMPANY

A supplemental order has been issued authorizing Consolidated Natural Gas Company and three of its subsidiaries to engage in intrasystem financing. (Rel. 35-20081 - June 20)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Incorporated has filed a proposed rule change under Rule 19b-4 (SR-MSE-77-11) to eliminate certain filing requirements with respect to reporting open options exercise positions. According to the exchange the information is available through the Options Clearing Corporation. Publication of the proposal is expected to be made in the Federal Register during the week of June 20. (Rel. 34-13645)

The Midwest Clearing Corporation and the Midwest Securities Trust Company have filed proposed rule changes pursuant to Rule 19b-4 (SR-MCC-77-1/SR-MSTC-77-5) to establish, and to set fees for, a Stock Today Program, which expedites certain securities deliveries. Publication of the proposal is expected to be made in the Federal Register during the week of June 20. (Rel. 34-13650)

### NOTICE OF FILING AND ORDER APPROVING PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed on June 7 by the National Association of Securities Dealers, Inc. The rule change (SR-NASD-77-7) specifies qualification as a registered representative as a prerequisite to registration as a principal. Publication of the approval order is expected to be made in the Federal Register during the week of June 20. (Rel. 34-13646)

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Pacific Stock Exchange Incorporated (SR-PSE-77-5) to provide for the trading of certain securities on an alternate specialist basis. (Rel. 34-13644)

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## SECURITIES ACT REGISTRATIONS

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### (S-1) COMPUTER AUTOMATION, INC.

18651 Von Karman Ave., Irvine, Cal. 92713 - 106,261 shares of common stock, which may be offered from time to time for sale by certain stockholders at prices current at the time of sale. Computer Automation, Inc. primarily designs, manufactures and markets low-priced minicomputers for both use as components in computers manufactured by others and end-line use. (File 2-59117 - May 26)

### (S-7) RAYMOND PRECISION INDUSTRIES, INC.

217 Smith St., Middletown, Conn. 06457 - 204,000 shares of common stock, to be offered for sale through underwriters represented by E.F. Hutton & Company Inc., 1 Battery Park Plaza, New York, N.Y. at a price to be determined. 54,000 of such shares will be offered for the accounts of certain stockholders. The company produces precision electromechanical devices and torquing equipment, heating products and honeycomb panels and time recording equipment and telephone interrupters. (File 2-59279 - June 15)

### (S-7) APL CORPORATION

1 Linden Pl., Great Neck, N.Y. 11021 - \$30 million of subordinated debentures, due 1997. Bear, Stearns & Co., 55 Water St., New York, N.Y. 10041 is the representative

of the underwriters. The company is primarily engaged in the manufacture and sale of tissue paper products and packaging materials. (File 2-59283 - June 16)

(S-16) CHART HOUSE INC.

666 Jefferson St., Lafayette, La. 70501 - 10,000 shares of common stock, to be offered for sale from time to time by a selling shareholder at market prices prevailing at the time of sale. The company operates steakhouses and franchised Burger King restaurants. (File 2-59287 - June 17)

(S-6) MUNICIPAL INVESTMENT TRUST FUND,  
SEVENTY-THIRD MONTHLY PAYMENT SERIES

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust agreement among Merrill Lynch, Bache Halsey Stuart Inc. and Reynolds Securities Inc., as sponsors, The Bank of New York, as trustee, and Standard & Poor's Corp., as evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-59289 - June 17)

(S-6) TAX-EXEMPT SECURITIES TRUST, SERIES 14

42 Wall St., New York, N.Y. 10005 - \$10 million of units. The Trust is one of a series of unit investment trusts created under a trust indenture and agreement among Loeb, Rhoades & Co., Smith Barney, Harris Upham & Co. Inc. and Blyth Eastman Dillon & Co. Inc., as sponsors, United States Trust Company of New York, as trustee, and Standard & Poor's Corp., as evaluator. The Trust consists of interest-bearing obligations of states, counties, territories, possessions and municipalities of the United States and authorities or political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. (File 2-59291 - June 17)

(S-14) THE PERKIN-ELMER CORPORATION

Main Ave., Norwalk, Conn. 06856 - 540,640 shares of common stock. Of the shares, it is estimated that 507,720 shares will be issued in connection with the merger of a subsidiary of the company with and into Physical Electronics Industries, Inc. on the basis of 4 Perkin-Elmer shares for each Physical Electronics share. The remaining 32,920 shares are to be reserved for issuance in connection with the exercise of certain options to be assumed by the company. The company is engaged primarily in the development, manufacture and sale of scientific instrumentation and related systems, small digital computers, computer peripheral equipment and flame spray equipment and supplies. (File 2-59292 - June 17)

(S-B) REPUBLIC OF AUSTRIA

\$50 million of seven-year bonds, due 1984, and \$50 million of fifteen year bonds, due 1992, to be offered for sale through underwriters headed by Morgan Stanley & Co. Inc., 1251 Avenue of the Americas, New York, N.Y. 10020. The Republic of Austria is an independent sovereign state. (File 2-59294 - June 17)

REGISTRATIONS EFFECTIVE

June 8: American Home Shield Corp., 2-58571; The Andersons, 2-58778; The Corporate Income Fund, Fifty-Fourth Monthly Payment Series, 2-58961; First Charter Financial Corp., 2-58920; Kingdom of Norway, 2-59067; Mid-Continent Industries Inc., 2-58890; Lear Petroleum Corp., 2-58914; NCR Corp., 2-59041; Petroleum & Resources Corp., 2-59020; Public Service Co. of Indiana, Inc., 2-59041; Tetra Tech, Inc., 2-59018.

June 14: Autotrol Corp., 2-58937; Beef and Bison Breeders Inc., 2-57363; Continental Telephone Corp., 2-59074; General Telephone Co. of the Midwest, 2-59071; McDonald's Corp., 2-59141; Memorex Corp., 2-58749; Municipal Investment Trust Fund, Seventy-First Monthly Payment Series, 2-58871; The Parker Pen Co., 2-58937; Republic of Venezuela, 2-59010; Woodward & Lothrop Inc., 2-59128.

June 15: ACE Hardware Corp., 2-58568; Alco Standard Corp., 2-58308; American Finance System Inc., 2-58981; Arkansas Power & Light Co., 2-59002; British Columbia Hydro & Power Authority, 2-59102; Centennial Corp., 2-58332; Central Illinois Light Co., 2-58918; Deere & Co., 2-59057; E. F. Hutton Tax Exempt Fund, National Series 32, 2-59062; Elfum Tax Exempt Income Fund, 2-58407; Federal Mogul Corp., 2-58994; Fieldcrest Mills, Inc., 2-58902; Hawkeye Bancorporation, 2-58932; Jewel Companies, Inc., 2-59016; Lear Siegler Inc., 2-58866; Occidental Petroleum Corp., 2-59042; Portland

REGISTRATIONS EFFECTIVE CONT.

General Electric Co., 2-59129; Public Service Electric and Gas Co., 2-59127; Trans Union Corp., 2-59163; Voplex Corp., 2-59079; Walter Kidde & Co. Inc., 2-59272; The Western Pacific Railroad Co., 2-58992; The Williams Companies, 2-59123.

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ 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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