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Issue 77-90  
(SEC Docket, Vol. 12, No. 1 - May 24)

MAY 11 1977

May 10, 1977

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## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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PEAT, MARWICK, MITCHELL & CO.

The Commission released an amendment to the opinion and order previously published in regard to Peat, Marwick, Mitchell & Co. The amendment changes the dates of the subsequent reviews from 1976 and 1977 to 1977 and 1978. A copy of the December 22, 1976 report by the review committee was also released. (Rel. 34-11517A)

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## NOTICE OF COMMISSION MEETINGS

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Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as seating is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or tape record Commission meetings must obtain permission in advance from the Secretary of the Commission.

Open Meeting, Monday, May 16, 1977 - 10:00 a.m.

The subject matter of the May 16th open meeting will be: Proposed Rule Relating to "going private" transactions.

Closed Meeting - Tuesday, May 17, 1977 - 10:00 a.m.

The subject matter of the May 17th closed meeting will be: (1) Formal Orders of Investigation; (2) Institution of Injunctive Actions; (3) Settlement of Injunctive Actions; (4) Other litigation matters; (5) Referral of investigative files to Federal, State or Self Regulatory authorities; (6) Suspension of trading; (7) Institution of Administrative Proceedings; (8) Institution and settlement of Administrative proceedings; (9) Opinion; (10) Propriety of certain industry practice.

Open Meeting - Wednesday, May 18, 1977 - 10:00 a.m.

(1) Recommendation that the Commission authorize transmittal of a letter drafted by the Office of the General Counsel informing petitioner Holding Trust that the Commission declines to issue an order of the type requested.

(2) Proposed legislation respecting certain transactions by Foreign financial institutions.

(3) Recommendations with respect to the regulation of advertising by registered investment companies.

(4) Recommendation that the Commission adopt Proposed Rule 206(3)-2 under the Investment Advisers Act of 1940 as revised to reflect meaningful public comments.

(5) Recommendation that the Commission publish a release which states the Division's opinions on certain disclosure and regulatory matters concerning registered investment companies which invest principally in tax-exempt bonds.

(6) Recommendation that the Commission authorize publication for comment the petition of Tax Analysts and Advocates for expansion of the Commission's disclosure requirements regarding income tax expense.

(7) Recommendation that the Commission authorize the publication of a final release to correct errors in the publication in ASR 197 of the amendment to quarterly reporting requirements for life insurance companies and related holding companies and make a technical amendment to Rule 3-16(t) of Regulation S-X regarding foreign private issuers.

(8) Recommendation of the publication for comment of a release which announces the Division's intention to develop disclosure guidelines for electric and gas utility companies and requests suggestions on the content of such guidelines.

Open Meeting - Wednesday, May 18, 1977 - 2:00 p.m.

(1) Recommendation that the Commission authorize issuance of a release announcing the adoption of amendments and interpretations to Rules 15c3-1 and 15c3-3 under the Exchange Act.

(2) Recommendation for extension of time period for Commission action on applications for registration by clearing agencies and proposal to seek public comment on standards relating to the registration of clearing agencies.

(3) Proposed amendment of Rules 15b10-6 and 17a-4 under the Securities Exchange Act of 1934 to establish an orderly procedure for the disposition of broker-dealer books and records upon the liquidation of the broker-dealer.

(4) Proposed Rule 15b7-1 under the Exchange Act.

(5) Recommendation that the Commission approve the New York Stock Exchange proposal to redefine the term "percentage order" and to adopt procedures for the execution of such orders.

(6) Recommendation that the Commission issue an order granting Bradford National Clearing Corporation an exemption from registration as a securities information processor.

Open Meeting, Thursday, May 19, 1977 - 10:00 a.m.

(1) Recommendation that the Commission authorize issuance of an opinion and order granting to Central Power and Light Company an extension of time for the acquisition of interests in fuel exploration and development and denying motions of Texas Utilities Company and Houston Lighting and Power Company motions for hearing and consolidation.

(2) Recommendation that the Commission authorize issuance of an opinion and order granting the application of West Texas Utilities Company authority for the proposed acquisition of interests in fuel exploration and development activities and denying requests of Texas Utilities Company and Houston Lighting and Power Company for hearings and a motion to consolidate the proceeding with another pending proceeding.

(3) Recommendation that the Commission authorize issuance of an opinion and order authorizing a proposed charter amendment of Central and South West Corporation and denying the motion of Texas Utilities Company for a hearing and consolidation of this proceeding with another pending proceeding.

(4) Recommendation that the Commission authorize issuance of an opinion and order in the matter of Central and South West Corporation, Transok Pipe Line Company and Public Service Company of Oklahoma authorizing proposed acquisition of interests in coal and lignite acquisition and development projects and denying motions of Texas Utilities Company and Houston Power and Lighting Company to intervene and for a hearing and consolidation with another pending proceeding.

(5) Proposal for Public Comment on Revisions to Rule 19b-4.

(6) Proposed amendment to Rule 12a-6 under the Exchange Act to extend the exemption from registration under Section 12(a) of that Act to certain underlying securities which are traded solely in the over-the-counter market.

Open Meeting - Thursday, May 19, 1977 - 2:00 p.m.

The subject matter of the May 19th Open Meeting at 2:00 p.m. will be: Oral presentation by officials of the American Stock Exchange, Inc. on a request that the Commission reconsider its position that that exchange should require its options specialists to be subject to position limits applicable to all other persons.

Closed Meeting - Thursday, May 19, 1977 - 4:30 p.m.

The subject matter of the May 19th closed meeting will be: Investigation re option trading practices.

For further information contact Howard B. Scherer (202) 755-1280.

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## INVESTMENT COMPANY ACT RELEASES

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### NOMURA CAPITAL FUND OF JAPAN

A notice has been issued giving interested persons until May 31 to request a hearing on an application of Nomura Capital Fund of Japan, Inc. (Fund), registered as an open-end, diversified management investment company, for an order pursuant to Sections 6(c) and 10(f) of the Act, exempting from the provisions of Section 10(f) of the Act the Fund's proposed purchases of equity securities in Japan at a discount from market prices in public offerings in which persons affiliated with the Fund's investment advisers participate as principal underwriters. (Rel. IC-9756 - May 6)

### AXE-HOUGHTON INCOME FUND

A notice has been issued giving interested persons until May 31 to request a hearing on an application of Axe-Houghton Income Fund, Inc., Axe-Houghton Fund B, Inc. and Axe-Houghton Stock Fund, Inc. (collectively the Funds), registered open-end management investment companies, and Axe Securities Corporation, the Funds' principal underwriter, for an order of the Commission permitting Fund shareholders to redeem some or all of their Fund shares, deposit the proceeds thereof in a special savings account to be established with the Funds' transfer agent and custodian (The First Jersey National Bank), and subsequently reinvestment amounts so deposited which have remained continuously on deposit in the account (plus interest credited thereon) in shares of one of the Funds at the then current net asset value without paying a sales charge. (Rel. IC-9757 - May 6)

### NARRAGANSETT CAPITAL CORPORATION

An order has been issued on an application of Narragansett Capital Corporation (Narragansett), a registered non-diversified, closed-end management investment company, Amtel, Inc. (Amtel), and Dr. A. T. Yu, Mr. Anthony Palladino, and Mr. Charles H. Ricker, Jr. (the Executive Stockholders), (1) pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, permitting a purchase by Amtel, a portfolio affiliate of Narragansett, of 80% of the outstanding common stock of Orba Corporation (Orba) from Narragansett and the Executive Stockholders, and (2) pursuant to Section 17(b) of the Act exempting from the provisions of Section 17(a) of the Act such proposed purchase from Narragansett. Orba is a company presumed to be controlled by Narragansett, and the Executive Stockholders are employees, officers and directors of Orba. (Rel. IC-9758 - May 9)

### PUTNAM CONVERTIBLE FUND

A notice has been issued giving interested persons until May 31 to request a hearing on an application of Putnam Convertible Fund, Inc., Putnam Equities Fund, Inc., The George Putnam Fund of Boston, The Putnam Growth Fund, The Putnam Income Fund, Inc., Putnam Investors Fund, Inc., Putnam Tax Exempt Income Fund, Putnam Vista Fund, Inc., Putnam Voyager Fund, Inc. and Putnam Option Income Trust (the Putnam Funds), all open-end investment companies, and Putnam Fund Distributors, Inc. (Distributors), the principal underwriter for the Putnam Funds, for an order permitting the sale of the Putnam Funds' securities at net asset value to certain tax qualified employee benefit plans for employees of Distributors and its affiliates. (Rel. IC-9759 - May 9)

### PUTNAM TAX EXEMPT INCOME FUND

A notice has been issued giving interested persons until May 31 to request a hearing on an application of Putnam Tax Exempt Income Fund (Putnam Tax Exempt), Putnam Convertible Fund, Inc., Putnam Equities Fund, Inc., The George Putnam Fund of Boston, The Putnam Growth Fund, The Putnam Income Fund, Inc., Putnam Investors Fund, Inc., Putnam Vista Fund, Inc., Putnam Voyager Fund, Inc., and Putnam Option Income Trust (the Putnam Funds), Putnam Daily Dividend Trust, and Putnam Fund Distributors, Inc., for an order permitting an offer of exchange of the shares of Putnam Tax Exempt for the shares of the other Putnam Funds on a basis other than the relative net asset values of the shares to be exchanged. (Rel. IC-9760 - May 9)

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## HOLDING COMPANY ACT RELEASES

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### EASTERN UTILITIES ASSOCIATES

An order has been issued authorizing a proposal of Eastern Utilities Associates (EUA) and two of its subsidiaries, that EUA issue and sell up to 600,000 shares of common stock at competitive bidding, that one subsidiary sell additional common stock to EUA, and that one subsidiary sell additional common stock to the second subsidiary. (Rel. 35-20019 - May 6)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The American Stock Exchange, Inc. (Amex) has filed a proposed rule change under Rule 19b-4 (SR-Amex-77-7) to clarify the scope of permissible communications between specialists and officials of listed companies. Publication of the proposal is expected to be made in the Federal Register during the week of May 9. (Rel. 34-13516)

The Amex has also filed a proposed rule change under Rule 19b-4 (SR-Amex-77-9) to permit exercise price intervals at 5 points for option series below \$100 and 10 point intervals for option series above \$100. Publication of the proposal is expected to be made in the Federal Register during the week of May 9. (Rel. 34-13518)

The Amex has also filed proposed rule changes under Rule 19b-4 (SR-Amex-77-5) which would revise its membership requirements and modify its rules regarding associated persons and member organizations. Publication of the proposal is expected to be made in the Federal Register during the week of May 9. (Rel. 34-13514)

The Midwest Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-MSE-77-9) to amend Rule 22 of its Rules and Practices for Trading (Charges by Member and Specialist for Execution of Orders) to modify language which relates back to the time when fixed rates were still in existence. Publication of the proposal is expected to be made in the Federal Register during the week of May 16. (Rel. 34-13515)

The Philadelphia Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-PHLX-77-5) to permit exercise intervals of 5 points for option series below \$100 and 10 points for option series at or above \$100. Publication of the proposal is expected to be made in the Federal Register during the week of May 9.

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## SECURITIES ACT REGISTRATIONS

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### (S-7) MODERN MERCHANDISING, INC.

1300 South Second St., Hopkins, Minn. 55343 - 1,050,000 common shares, of which 850,000 will be offered by the company and 200,000 by selling shareholders through underwriters headed by Paine, Webber, Jackson & Curtis Inc., 140 West Broadway, New York, N.Y. 10005, and Dain, Kalman & Quail, Inc., 100 Dain Tower, Minneapolis, Minn. 55402. The company sells general merchandise through catalog showrooms and publishes merchandise catalogs for its own use and for sale to other showroom operators. (File 2-58929 - May 5)

### 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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