

2 sec news digest

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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

PROPOSAL TO CORRECT ERRORS IN PUBLISHED AMENDMENTS

The Commission announced a proposal to correct errors in Regulation S-X Rule 3-16(t) and related rules. The proposed amendments would clarify the Commission's intent to require listed life insurance companies and related holding companies to file Form 10-Q beginning in 1977. The proposal would also correct errors noted in the test of the rules.

The Commission invites written comments on the above proposed amendments. Comments should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549. All such communications must be received on or before April 15, 1977 and should refer to File No. S7-679. (Rel. 34-13309)

SECTIONS 240.17Ad-1 to 240.17Ad-7 PROPOSED

The Commission announced that it has under consideration the adoption of proposed Sections 240.17Ad-1, 240.17Ad-2, 240.17Ad-3, 240.17Ad-4, 240.17Ad-5, 240.17Ad-6 and 240.17Ad-7 under the Securities Exchange Act of 1934, prescribing performance standards for registered transfer agents. Comments should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549, refer to File No. S7-678, and must be received on or before April 13, 1977. (Rel. 34-13293)

TEMPORARY RULE 15c2-11(f)(4)(T) EXTENDED

The SEC announced the extension of temporary Rule 15c2-11(f)(4)(T) which temporarily exempts from the provisions of Rule 15c2-11 certain publications and submissions of quotations reported to and published by an inter-dealer quotations system until April 30, 1977. Publication of the release is expected to be made in the Federal Register during the week of March 7. (Rel. 34-13310)

MINOR AMENDMENTS TO RULES 424 AND 429 ADOPTED

The Commission announced the adoption of certain minor amendments to Rules 424 and 429 under the Securities Act of 1933. The amendments to Rule 424 will reduce from 25 to 10 the number of copies of prospectuses required to be filed under paragraphs (b) and (c) of the rule, and will require that certain non-substantive information be included in the upper right corner of prospectuses filed under the rule. The amendment to Rule 429 will clarify the location in registration statements where certain minor information previously required by the rule should be placed. The amendments will become effective on March 7, 1977. (Rel. 33-5811)

TRADING SUSPENSIONS

TRADING SUSPENDED IN WESTERN GEOTHERMAL & POWER CORP.

The SEC announced the single ten-day suspension of exchange and over-the-counter trading in the securities of Western Geothermal & Power Corp. (WGP), a Montana corporation located in Phoenix, Arizona, for the period beginning on March 1 and terminating at midnight (EST) on March 10, 1977.

The Commission ordered the suspension based on the fact that certificates for shares of WGP stock appear to have been issued and distributed without proper authorization and may be null and void. In addition, it appears that certificates for restricted shares have been issued without an appropriate legend. (Rel. 34-13314)

COURT ENFORCEMENT ACTIONS

UNITED AMERICAS BANK ENJOINED

The Commission announced that on February 24 the Federal District Court for the Southern District of New York entered an order of permanent injunction against United Americas Bank, New York City (formerly Underwriters Bank & Trust Co.) enjoining it from further violations of the margin requirements of Regulation W. The bank consented to the entry of the order of permanent injunction without admitting or denying the allegations in the Commission's complaint which was filed July 2, 1976. (SEC v. United Americas Bank, et al., S.D. New York, Civil Action No. 76-2958 (J. Cannella)). (LR-7799)

ROBERT EDWIN BROWN CONVICTED

The Denver and Los Angeles Regional Offices announced that two of the three defendants indicted by the U.S. Grand Jury on July 7, 1976 on charges of securities fraud, sale of unregistered securities, mail fraud and conspiracy were found guilty or have pled guilty to charges specified in the indictment. The third defendant died prior to trial.

On August 31, 1976, Richard Lapenta of Miami, Florida pled guilty to one count of securities fraud and one count of conspiracy and was sentenced to a three year suspended sentence and three years probation. On February 1, after a two week trial, the Honorable James A. Walsh, Judge of the U.S. District Court for the District of Arizona, found Robert Edwin Brown guilty of ten counts of securities fraud and one count of conspiracy. Sentencing is set for March 14. Brown was the president and controlling person of Arizona-Florida Development Corporation, Buckeye Mines, Inc., Corona de Tucson, Inc. and other associated corporations that controlled or participated in the development of St. John's River Estates, Key Cedar Heights, Ridge Manor Estates, all of Florida, and Lake Mead Rancheros and Corona de Tucson of Arizona. (U.S. v. Robert Edwin Brown, et al., CR-76-356-TUC). (LR-7800)

ORDERS ENTERED AGAINST SHELTER RESOURCES CORP., OTHERS

The SEC announced that on March 1 the U.S. District Court for the District of Columbia entered an order, by consent, against Shelter Resources Corp. (Shelter) of Cleveland, Ohio and orders of permanent injunction, by consent, against Wendell L. Batchelor of Haleyville, Alabama, a plant manager of a subsidiary of Shelter, and John F. Wurster of Englewood, Colorado, a former president of another Shelter subsidiary and former member of the board of directors of Shelter. The order requires Shelter to comply with certain stipulations and undertakings relating to its compliance with the securities laws and the judgment permanently enjoins Batchelor and Wurster from violations of the antifraud provisions of the securities laws. The defendants consented to the entry of the order and judgments without admitting or denying the allegations of the Commission's complaint. (SEC v. Shelter Resources Corp., et al., D.D.C., Civil Action No. 77-0345). (LR-7804)

INVESTMENT COMPANY ACT RELEASES

PETER D. GIACHINI AND JOHN J. MURPHY

The Commission has ordered a hearing pursuant to Section 40(a) of the Investment Company Act on the application of Peter D. Giachini and John J. Murphy for an order of the Commission pursuant to Section 9(c) of the Act exempting them from the provisions of Section 9(a) of the Act. (Rel. IC-9647 - Feb. 15)

STATE MUTUAL LIFE ASSURANCE COMPANY OF AMERICA

An order has been issued on an application of State Mutual Life Assurance Company of America (the Insurance Company), the investment adviser for State Mutual Securities, Inc. (the Fund), a closed-end, diversified investment company, permitting the Insurance Company to purchase at direct placement \$2 million of a new issue of 8-3/4% senior notes, due 1992, of Standex International Corporation, a company in whose securities the Insurance Company and the Fund have previously invested pursuant to an arrangement that prohibits, without order of the Commission, further investments in that company by either the Insurance Company or the Fund unless such investments are identical. (Rel. IC-9657 - Mar. 1)

FUND FOR FEDERAL SECURITIES

A notice has been issued giving interested persons until March 25 to request a hearing on an application of Fund for Federal Securities, Inc., for an order declaring that it has ceased to be an investment company. (Rel. IC-9658 - Mar. 1)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES

A notice has been issued giving interested persons until March 25 to request a hearing on a proposal of Middle South Utilities, Inc., a registered holding company, to amend its Articles of Incorporation so as to alter the preemptive rights of its common shareholders. Proxies will be solicited in connection with the proposed transaction. (Rel. 35-19909 - Mar. 1)

CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until March 24 to request a hearing on a proposal of Central and South West Corporation, a registered holding company, to amend its charter to increase the amount of authorized common stock. In connection therewith, an order has been issued authorizing the solicitation of proxies. (Rel. 35-19910 - Mar. 1)

INDIANA & MICHIGAN POWER COMPANY

A notice has been issued giving interested persons until March 24 to request a hearing on a proposal of Indiana & Michigan Power Company, subsidiary of Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., to issue and sell an additional \$75 million of notes under an existing bank loan agreement. (Rel. 35-19911 - Mar. 1)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

LISTING ACTIONS

Orders have been issued pursuant to the Securities Exchange Act of 1934 granting the applications of the following companies to list the specified securities on the following stock exchanges: American Stock Exchange, Inc. - Consolidated Oil & Gas, Inc., 9-1/4% sinking fund debentures, Series D, due 1992 (effective as of February 4, 1977); Virco Mfg. Corp., capital stock, \$1.00 par value (effective as of February 18, 1977); Pertec Computer Corp., common stock, \$.10 par value (effective as of January 24, 1977). New York Stock Exchange, Inc. - Harrah's, 9-1/2% first mortgage bonds, Series A, due November 1, 1996 (effective as of January 21, 1977); European Coal and Steel Community, 8-1/8% notes, due November 15, 1984, and 8-7/8% bonds, due November 15, 1996 (effective as of February 4, 1977); Honda Motor Co., Ltd., American Depositary shares representing common stock par value 50 Yen shares (effective as of February 7, 1977); Applied Digital Data Systems, Inc., \$1.00 cumulative convertible preferred stock, \$1 par value (effective as of February 14, 1977); Inland Steel Co., 7.90% first mortgage bonds; Series K, due January 15, 2007; Clark Equipment Credit Corp., 8% notes, due 1987; Public Service Company of Indiana, Inc., 7-5/8% first mortgage bonds, Series Y, due January 1, 2007 (all effective as of February 22, 1977); and Columbia Pictures Industries, Inc., 11-3/4% subordinated debentures, due May 1, 1990 (effective as of February 23, 1977). Pacific Stock Exchange, Inc. - Harrah's, 9-1/2% first mortgage bonds, Series A, due November 1, 1996 (effective as of January 21, 1977). (Rel. 34-13321)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The National Securities Clearing Corporation (NSCC) has submitted a proposed rule change pursuant to Rule 19b-4 (SR-NSCC-77-1) to clear through the Stock Clearing Corporation division of NSCC debt securities listed on the American Stock Exchange, Inc. (Amex) and currently cleared through the American Stock Exchange Clearing Corporation division of NSCC. The purpose of the proposed rule change is to permit inclusion of Amex debt securities in NSCC's interfaces with Midwest Clearing Corporation, Pacific Clearing Corporation and Stock Clearing Corporation of Philadelphia. Publication of the proposal is expected to be made in the Federal Register during the week of February 28. (Rel. 34-13308)

The NSCC has also submitted proposed changes (SR-NSCC-77-2) to the rules of the Stock Clearing Corporation (SCC) division of NSCC which would expand the class of persons who may become Special Representatives and would specify those circumstances under which a Special Representative may submit transaction data for members and persons other than members. Publication of the proposal is expected to be made in the Federal Register during the week of March 7. (Rel. 34-13318)

SECURITIES ACT REGISTRATIONS

(S-7) TENNECO INC.

1010 Milam St., Houston, Tex. 77002 - 4,982,045 shares of common stock. It is proposed to offer these shares in exchange for all of the outstanding shares of common stock of Monroe Auto Equipment Company, in the ratio of .3846 Tenneco share for one Monroe share. The company and its subsidiaries are engaged in integrated oil and gas operations, and in natural gas transmission, manufacturing and shipbuilding, chemicals, packaging, agriculture and land management and other businesses. (File 2-58300 - Feb. 28)

(S-1) PETROLEUM EXPLORATION & DEVELOPMENT FUNDS, INC.

(Petroleum Exploration & Development Funds - 1977/D Program, Ltd.), 500 Metro Bldg., Midland, Tex. 79701 - \$5 million of preformation limited partnership interests in Petroleum Exploration & Development Funds - 1977/D Program, Ltd., to be offered for sale at \$5,000 per unit (two unit minimum) by selected NASD members and/or other registered broker-dealers. The Partnership will be formed to engage in the exploration and development of oil and gas properties. (File 2-58302 - Feb. 28)

(S-7) GENERAL TELEPHONE COMPANY OF CALIFORNIA

100 Wilshire Blvd., Santa Monica, Cal. 90401 - \$125 million of first mortgage bonds, Series Y, due 2007, to be offered for sale at competitive bidding. Part of the proceeds will be applied toward the possible redemption of its outstanding issue of \$70 million of first mortgage bonds, Series W, due 2000 (9-3/4%). The company provides telephone services. (File 2-58303 - Feb. 28)

(S-7) ALCO STANDARD CORPORATION

P.O. Box 834, Valley Forge, Pa. 19482 - 1,000,000 shares of common stock, which may be offered from time to time in connection with the acquisition of other businesses or properties. Alco Standard is a diversified corporation engaged in manufacturing, resources and distribution. (File 2-58308 - Feb. 28)

REGISTRATIONS EFFECTIVE

Feb. 28: Champion International Corp., 2-58204; Gulf Power Co., 2-58154; International Harvester Co., 2-58245; Minnesota Mining and Manufacturing Co., 2-58090; Pennsylvania Power & Light Co., 2-58291.

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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