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Issue 81-233

December 7, 1981

DEC 8 1981

RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

INTERPRETATION OF RULES RELATING TO DISCLOSURE OF MANAGEMENT REMUNERATION

The Commission has authorized the publication of a release interpreting the provisions of Item 4 of Regulation S-K, which relates to the disclosure of management remuneration in Commission filings. The release sets forth the views of the Division of Corporation Finance on various issues which have arisen since the adoption of the most recent amendments to Item 4 in November 1980. The release also reiterates prior staff interpretations with continuing validity, in order to provide a more convenient reference source for those who must comply with the requirements of Item 4. (Rel. 33-6364)

FOR FURTHER INFORMATION CONTACT: Ann M. Glickman at (202) 272-2573

COMMISSION ANNOUNCEMENTS

SEC AND CFTC RESOLVE JURISDICTIONAL ISSUES

The Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) announced today that the two agencies have resolved a range of issues regarding their respective jurisdictions.

The agreement was reached following discussions between SEC Chairman John S.R. Shad and CFTC Chairman Philip MCB. Johnson. This marks the first time since the establishment of the CFTC in 1974 that the two agencies, by cooperative action, have agreed on the jurisdictional bounds of each agency.

Among other things, the agreement provides for clarifying amendments to the federal securities and commodities laws. The SEC and CFTC will jointly urge Congress to revise these laws within the near future. Because the recommended legislation will contain language clarifying existing statutory provisions, the agencies have agreed to consult with their respective Congressional oversight committees and, absent objection, to place the understanding into effect prior to formal codification.

The agreement will not affect any trading that is now taking place on the national securities exchanges or boards of trade. It resolves questions of jurisdiction over a host of instruments generally described as "financial futures" or "financial options." (Press Release 81-66)

RICHARD P. WESSEL NAMED ASSISTANT DIRECTOR

Richard P. Wessel has been named Assistant Director of the Division of Enforcement in charge of the Branch of Regional Office Assistance.

Mr. Wessel joined the staff of the Commission in 1973 as a staff attorney. He subsequently served as Special Counsel and Branch Chief in that Division, and in 1980 was appointed Branch Chief, Branch of Organized Crime.

Mr. Wessel received his J.D. degree, cum laude, in 1973 from Boston University School of Law, earned an A.B. degree, magna cum laude, in 1970 from Oberlin College, and graduated from Landon School in 1966. He is a member of the bars of the Commonwealth of Massachusetts and the District of Columbia.

INVESTMENT COMPANY ACT RELEASES

KEYSTONE CUSTODIAN FUNDS, INC.

A notice has been issued giving interested persons until December 30 to request a hearing on an application of Keystone Custodian Funds, Inc. (Keystone), as trustee for the Keystone Custodian Funds, Series B-1, B-2, B-4, K-1, K-2, S-1, S-3, and S-4 (Funds), registered as open-end investment companies under the Investment Company Act of 1940, for an order pursuant to Section 6(c) of the Act conditionally exempting each principal underwriter for each fund from the provisions of Section 15(b)(1) of the Act. (Rel. IC-12074)

TAX EXEMPT INCOME FUND, SERIES 3, 2, 4, AND 1

Notices have been issued giving interested persons until December 28 to request a hearing on an application of Tax Exempt Income Fund, Series 3, 2, 4, and 1, registered unit investment trusts, for an order that they have ceased to be investment companies. (Rel. IC-12075, 12076, 12077 and 12078 - Dec. 4)

E.F. HUTTON INVESTMENT SERIES, INC.

A notice has been issued giving interested persons until December 28 to request a hearing on an application filed by E.F. Hutton Investment Series, Inc. (Applicant), an open-end, diversified, management investment company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant, subject to conditions, from the provisions of Sections 2(a)(32), 2(a)(35), 2(a)(41) and 22(c) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit Applicant to use the amortized cost method of valuation in pricing the securities of its Short Term Investment Fund series and to permit Applicant to impose a contingent deferred sales charge upon all of its various series. (Rel. IC-12079 - Dec. 4)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND ENERGY INCORPORATED

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal by New England Energy Incorporated (NEEI), subsidiary of New England Electric System, to invest up to \$45 million in its oil and gas exploration and development partnership with Dorchester Exploration Inc. in the calendar year 1982. (Rel. 35-22296 - Dec. 4)

NATIONAL FUEL GAS COMPANY

An order has been issued authorizing National Fuel Gas Company, a registered holding company, to issue and sell its common stock pursuant to a Dividend Reinvestment and Stock Purchase Plan. (Rel. 35-22297 - Dec. 4)

AMERICAN ELECTRIC POWER COMPANY, INC.

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal by American Electric Power Company (AEP), a registered holding company, to issue and sell up to \$165 million of notes to banks and commercial paper to a dealer prior to January 1, 1982. AEP also proposes to make capital contributions to certain subsidiaries in an aggregate amount of \$190 million, prior to January 1, 1983. (Rel. 35-22298 - Dec. 4)

CENTRAL POWER AND LIGHT COMPANY

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal by Central Power and Light Company (CPL), Public Service Company of Oklahoma (PSO), Southwestern Electric Power Company (SWEPCO), and West Texas Utilities (WTU), subsidiaries of Central and South West Corporation, together with Central and South West Fuels, Inc. (CSWF), subsidiary of CPL, PSO, SWEPCO and WTU, whereby CPL, PSO, SWEPCO, WTU, and CSWF, acting as their agent, will engage in fuel exploration and development through December 31, 1982. These companies propose to spend \$61,636,000 in the aggregate for these purposes. (Rel. 35-22299 - Dec. 4)

PHILADELPHIA ELECTRIC POWER COMPANY

An order has been issued authorizing Philadelphia Electric Power Company, a registered holding company and a subsidiary of Philadelphia Electric Company, to issue and sell up to \$7 million of promissory notes to a group of banks through December 31, 1983. (Rel. 35-22300 - Dec. 4)

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 the specified securities of the following companies which are listed and registered on one or more other national securities exchanges and are reported on the consolidated transaction reporting system: Pacific Stock Exchange, Inc. - Sun Company, Inc., common stock (\$1 par value) and Manville Corporation, common stock (\$2.50 par value). (Rel. 34-18307); and the Cincinnati Stock Exchange - Dome Petroleum Ltd., common stock (no par value) and Beatrice Foods Company, common stock (no par value). (Rel. 34-18308)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved rule changes filed by the Options Clearing Corporation (SR-OCC-81-9) giving OCC the flexibility to authorize repayment of subordinated loans that would otherwise be precluded by OCC rules, whenever the Clearing Member has satisfied OCC that it is not necessary for OCC to restrict the repayment. (Rel. 34-18304)

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGES

Rule changes filed by the following have become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934: The Midwest Securities Trust Company (SR-MSTC-81-5) which changes its policy regarding penalties for settlement violations. Under the rule change these penalties will be borne directly by participants in relationship to the frequency of their settlement violations. (Rel. 34-18303); and The Boston Stock Exchange, Inc. (SR-BSE-81-11) to levy a revised, one-time assessment on all members. (Rel. 34-18310)

Publication of the proposals are expected to be made in the Federal Register during the week of December 7.

NOTICE OF PROPOSED RULE CHANGE

The American Stock Exchange, Inc. has filed a proposed rule change pursuant to Rule 19b-4 (SR-Amex-81-22) to amend the Amex Company Guide to revise the exchange's listing fee schedules and to change the month in which annual fees are due and payable. Publication of the proposal is expected to be made in the Federal Register during the week of December 7. (Rel. 34-18309)

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; and whether the registration statement is a New Issue.

- (S-1) ADAC LABORATORIES, 255 San Geronimo Way, Sunnyvale, CA 94086 - 500,000 shares of common stock. Underwriters: Hambrecht & Quist and Alex. Brown & Sons. The company designs, manufactures, markets and services microcomputer-based, software-controlled image processing systems used in medical diagnostic imaging. (File 2-75160 - Dec. 3) (Br. 3)
- (N-1) IDS GOVERNMENT SECURITIES MONEY FUND, INC., 1000 Roanoke Bldg., Minneapolis, MN 55402 (612) 372-3717 - an indefinite number of shares of capital stock. (File 2-75165 - Dec. 3) (Br. 17 - New Issue)
- (S-16) PUBLIC SERVICE COMPANY OF INDIANA, INC., 1000 East Main St., Plainfield, IN 46168 - 2,000,000 shares of common stock. (File 2-75166 - Dec. 3) (Br. 8)
- In a separate (S-8) statement the company seeks registration of 50,000 shares of common stock. (File 2-75167 - Dec. 3)
- (S-8) CONNELLY CONTAINERS, INC., Bala Cynwyd, PA 19004 (215) 839-6400 - 40,000 shares of common stock. (File 2-75169 - Dec. 3) (Br. 8)
- (S-1) THE ROVAC CORPORATION, 100 Rovac Pkwy., Rockledge, FL 32955 (305) 631-0300 - 810,000 shares of common stock. The company is engaged in the development of high efficiency model "Rovac" Circulators and Systems for air conditioning and other uses. (File 2-75170 - Dec. 3) (Br. 10)
- (S-8) SERVICE FRACTURING COMPANY, Highway 152 West, P.O. Box 1741, Pampa, TX 79065 (806) 665-7221 - 100,000 shares of common stock. (File 2-75180 - Dec. 4) (Br. 3)
- (N-1) SELECT CASH MANAGEMENT FUND, INC., 20 Washington Avenue South, Minneapolis, MN 55440 (612) 372-6505 - an unlimited amount of common stock. (File 2-75184 - Dec. 4) (Br. 20 - New Issue)
- (S-6) NWNL SELECT VARIABLE ACCOUNT, 20 Washington Avenue South, Minneapolis, MN 55440 - an indefinite amount of variable annuity contracts. Depositor: Northwestern National Life Insurance Company. (File 2-75185 - Dec. 4) (Br. 9)
- (S-8) MAGNUSON COMPUTER SYSTEMS, INC., 2902 Orchard Park Way, San Jose, CA 95134 (408) 946-8100 - 500,000 shares of common stock. (File 2-75186 - Dec. 4) (Br. 9)
- (S-1) CTI INTERNATIONAL, INC., 100 West 10th St., Wilmington, DE 19801 - \$50 million of $\frac{3}{4}$ notes, due December 15, 1988. Underwriters: Drexel Burnham Lambert Incorporated and Blyth Eastman Paine Webber Incorporated. The company is engaged in leasing marine cargo containers. (File 2-75190 - Dec. 4) (Br. 1)
- (S-16) BAKER INTERNATIONAL CORPORATION, 500 City Parkway West, Orange, CA 92668 (714) 634-2333 - \$150 million of $\frac{3}{4}$ notes, due 1991. Underwriters: Goldman, Sachs & Co. and Blyth Eastman Paine Webber Incorporated. The company and its subsidiaries manufacture and market products and furnish services for the drilling of new oil and gas wells. (File 2-75189 - Dec. 4) (Br. 3)
- (S-16) SOUTHWEST BANCSHARES, INC., 20th Floor, Southwest Tower, 707 McKinney, Houston, TX 77002 (713) 751-7800 - 200,000 shares of common stock. (File 2-75197 - Dec. 4) (Br. 1)