

sec news digest

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RULES AND RELATED MATTERS

U.S. SECURITIES AND
EXCHANGE COMMISSION

ADOPTION OF PERMANENT NOTIFICATION FORMS FOR BUSINESS DEVELOPMENT COMPANIES; STATEMENT OF STAFF POSITION

The Commission has adopted, on a permanent basis, three forms under the Investment Company Act of 1940, as amended, by the Small Business Investment Incentive Act of 1980. The forms are: Form N-6F, a notice of intent to elect to be regulated as a business development company; Form N-54A, a notification of such election; and Form N-54C, a notification of withdrawal of such election. The Commission also has authorized the publication of an interpretive position taken by the Division of Investment Management in response to a "no-action" request concerning the distribution of preliminary prospectuses by a company after it has filed a notice of intent to elect but before it has filed a notice of election. (Rel. IC-12274)

FOR FURTHER INFORMATION CONTACT: Kathleen A. Jackson at (202) 272-2115 or
Eric H. Pookrum at (202) 272-2118

ADMINISTRATIVE PROCEEDINGS

APPEAL BY TAGUE SECURITIES CORP. DISMISSED

The Commission has dismissed for lack of jurisdiction an appeal by Tague Securities Corporation of Bryn Mawr, Pennsylvania, from action taken by the Philadelphia Stock Exchange.

Tague was the registered Exchange specialist in the call options in Inexco Oil Co. (INX). In October 1979, the Exchange received two complaints from member firms on behalf of customers who had purchased INX May 30 calls on September 26, 1979, at the opening price set by Tague. The letters questioned the INX opening price and asked the Exchange to investigate. After referring the matter to its Options Committee, the Exchange determined that Tague's opening price was out of range in relation to the price of the underlying security, and Tague was directed to contact the complaining firms concerning appropriate adjustments.

The Commission noted that it is empowered by the Securities Exchange Act of 1934 to review "any final disciplinary sanction" imposed on a member by the Exchange. It concluded, however, that the Exchange had not imposed any "disciplinary sanction" on Tague, but had merely sought to resolve a trade dispute. The Commission accordingly determined that it lacked jurisdiction to review the Exchange's action. (Rel. 34-18510)

COMMISSION ANNOUNCEMENTS

STAFF ACCOUNTING BULLETIN NO. 44

The Commission has issued Staff Accounting Bulletin No. 44 which provides the staff's views on certain matters related to the implementation of ASR No. 302, and which deletes certain topics published in Staff Accounting Bulletin No. 40 which are no longer relevant because of amendments to the proxy rules and to Regulation S-X. (SAB-44)

FOR FURTHER INFORMATION CONTACT: Marc D. Oken at (202) 272-2130

CIVIL PROCEEDINGS

FINAL ORDER ENTERED AGAINST PACER TECHNOLOGY & RESOURCES, INC.

The Commission announced on March 4 the entry of a Final Order by the U.S. District Court for the District of Columbia ordering Pacer Technology & Resources, Inc., a Wyoming corporation headquartered in Campbell, California, to comply with Section 5 of the Securities Act of 1933. Pacer stipulated to the entry of the Final Order of the Court without admitting or denying the allegations in the Commission's complaint which was filed on the same date.

The complaint alleged that Pacer violated Section 5 of the Securities Act by its sales of 3,780,700 shares of its stock and options to purchase an additional 656,400 shares from March 1, 1979 through April 3, 1981 without registering those shares with the Commission. In its Stipulation of Settlement, Pacer agreed to adopt policies and procedures including the establishment of an Audit Committee to oversee future unregistered securities offerings. Pacer, in consultation with the staff, recently made an offer of rescission to those to whom its stock and options were sold without registration. (SEC v. Pacer Technology & Resources, Inc., Civil Action No. 82-0619, D.D.C.). (LR-9604)

INVESTMENT COMPANY ACT RELEASES

HUTTON AMA CASH FUND, INC.

An order has been issued on an application filed by Hutton AMA Cash Fund, Inc. (Applicant), an open-end, diversified, management investment company, exempting Applicant, pursuant to Section 6(c) of the Investment Company Act of 1940 and subject to conditions, from the provisions of Section 2(a)(41) 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. (Rel. IC-12267 - Mar. 3)

DELAWARE FUND, INC.

An order has been issued pursuant to Section 6(c) of the Investment Company Act of 1940 on an application filed by Delaware Fund, Inc., Decatur Income Fund, Inc., Delta Trend Fund, Delchester Bond Fund, Inc., DMC Tax-Free Income Trust-Pennsylvania, Delaware Cash Reserve, Inc., Delaware Tax-Free Money Fund, Inc. (collectively the Funds), each registered under the Act as a diversified, open-end, management investment company, Delaware Management Co., Inc. (DMC), investment adviser to the Funds and principal underwriter for certain of the Funds, and Delaware Investment Advisors, Inc. (DIA), investment adviser to a number of pension, retirement accounts and various clients (the Funds, DMC and DIA are collectively referred to as the Applicants), exempting Applicants from the provisions of Section 22(d) of the Act and Rule 22d-1 thereunder to the extent necessary to permit the sale of shares of the Funds and new funds which may be organized in the Delaware Group of Funds at net asset value without a sales charge to directors and employees of Applicants (and to spouses or their children under 21 years of age) who are participants in qualified and non-tax qualified employee benefit plans. (Rel. IC-12268 - Mar. 4)

MASSACHUSETTS FINANCIAL INTERNATIONAL TRUST

An order has been issued on an application by Massachusetts Financial International Trust, Massachusetts Financial Bond Fund, Inc., Massachusetts Income Development Fund, Inc., Massachusetts Investors Trust, Massachusetts Investors Development Fund, Inc., Massachusetts Investors Growth Stock Fund, Inc., Massachusetts Financial High Income Trust, Massachusetts Capital Development Fund, Inc., Massachusetts Financial Emerging Growth Trust (Member Funds) and Massachusetts Financial Services Company (MFS), and any other funds (Future Funds) which may ultimately be created and managed by MFS and registered under the Act (Member Funds, MFS and the Future are collectively referred to as Applicants), exempting Applicants from the provisions of Section 22(d) of the Act to the extent necessary to permit participants in the State of Washington Deferred Compensation Plan to purchase shares of the Member Funds and the Future Funds at a price other than the current public offering price described in the applicable prospectus of each Member Fund or any Future Fund. (Rel. IC-12269 - Mar. 4)

HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY

A notice has been issued giving interested persons until March 26 to request a hearing on a proposal of The Southern Company, a registered holding company, and two subsidiaries, Georgia Power Company and Mississippi Power Company, to issue and sell short-term notes to banks and commercial paper to dealers prior to April 1, 1983. The proposed maximum aggregate principal amounts of borrowings by each company are: Southern, \$100 million; Georgia, \$625 million; and Mississippi, \$94 million. Southern proposed to make capital contributions through March 31, 1983 of \$280 million to Georgia and \$8 million to Mississippi, as well as \$140 million to Alabama Power Company and \$8 million to Gulf Power Company, two other subsidiaries of Southern. (Rel. 35-22408 - Mar. 3)

NORTHEAST UTILITIES

A notice has been issued giving interested persons until March 29 to request a hearing on a proposal by Northeast Utilities, a registered holding company, to increase the number of its authorized common shares from 100,000,000 to 130,000,000. An order has been issued on the same date authorizing the solicitation of proxies in connection therewith. (Rel. 35-22409 - Mar. 3)

NEW ENGLAND ELECTRIC SYSTEM

A notice has been issued giving interested persons until March 29 to request a hearing on a proposal by New England Electric System (NEES), a registered holding company, and its subsidiaries, Granite State Electric Company, Massachusetts Electric Company, The Narragansett Electric Company, New England Power Company, and New England Power Service Company, whereby the subsidiaries would make short-term borrowings not to exceed \$281,500,000 outstanding at any one time through March 31, 1983. The companies propose to borrow from NEES, banks, and a system money pool and/or to issue commercial paper. (Rel. 35-22410 - Mar. 3)

MONONGAHELA POWER COMPANY

A supplemental order has been issued authorizing Monongahela Power Company, The Potomac Edison Company and West Penn Power Company, subsidiaries of Allegheny Power System, Inc., to enter into revised lines of credit totaling \$265 million with seven banks. (Rel. 35-22411 - Mar. 4)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

A rule change filed by the Midwest Clearing Corporation pursuant to Rule 19b-4 (SR-MCC-82-2) has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. MCC has restated, for the benefit of its participants, current procedures with respect to when and how a buy-in notice may be submitted and executed. Publication of the notice is expected to be made in the Federal Register during the week of March 1. (Rel. 34-18529)

ORDER DENYING A STAY

The Commission has issued an order denying a joint request of the Board of Trade of the City of Chicago and the Chicago Mercantile Exchange that the Commission stay its order approving proposed rule changes of the American Stock Exchange and the Chicago Board Options Exchange relating to options on U.S. Treasury securities. (Rel. 34-18523)

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-16) THE WASHINGTON WATER POWER COMPANY, East 1411 Mission Ave., Spokane, WA 99202 (509) 489-0500 - \$60 million of first mortgage bonds, % Series due 2012. Underwriters: Kidder, Peabody & Co. Incorporated and Dean Witter Reynolds Inc. The company is engaged in the generation, purchase, transmission, distribution and sale of electric energy and the purchase, distribution and sale of natural gas. (File 2-76288 - Mar. 1) (Br. 8)
- (S-16) THE KANSAS POWER AND LIGHT COMPANY, 818 Kansas Ave., Topeka, KS 66612 (913) 296-6300 - \$60 million of first mortgage bonds, % Series due 2012. Underwriters: Merrill Lynch White Weld Capital Markets Group and Dean Witter Reynolds Inc. The company is engaged in the generation, transmission, distribution and sale of electric energy and the purchase, transmission, distribution and sale of natural gas. (File 2-76312 - Mar. 3) (Br. 8)
- (N-1) STEADMAN ASSOCIATED FUND, 1730 K Street, N.W., Washington, DC 20006 (202) 223-1000 - 500,000 shares of beneficial interest. (File 2-76313 - Mar. 2) (Br. 16 - New Issue)
- (S-8) LAND RESOURCES CORPORATION, Suite 206, 1125 N.E. 125th St., North Miami, FL 33161 (305) 895-6500 - 162,500 shares of common stock. (File 2-76314 - Mar. 3) (Br. 6)
- (S-6) THE CORPORATE BOND TRUST, DISCOUNT SERIES B-1, 140 Broadway, New York, NY 10005 - 15,000 units. Depositor: Paine, Webber, Jackson & Curtis Incorporated. (File 2-76316 - Mar. 3) (Br. 16 - New Issue)
- (S-8) LILLY INDUSTRIAL COATINGS, INC., P.O. Box 946, Indianapolis, IN 46206 (317) 634-8512 - 160,000 shares of Class A stock. (File 2-76317 - Mar. 3) (Br. 1)
- (S-8) ANDREW CORPORATION, 10500 West 153rd St., Orland Park, IL 60462 (312) 349-3300 - 100,000 shares of common stock. (File 2-76318 - Mar. 3) (Br. 7)
- (S-14) SUSQUEHANNA BANCSHARES, INC., 9 East Main St., Lititz, PA 17542 (717) 626-4721 - 1,015,140 shares of common stock. (File 2-76319 - Mar. 3) (Br. 1 - New Issue)
- (S-15) TEXAS COMMERCE BANCSHARES, INC., 712 Main St., Houston, TX 77002 (713) 236-4865 - 2,346,696 shares of common stock. (File 2-76321 - Mar. 4) (Br. 1)
- (S-1) IBM CREDIT CORPORATION, P.O. Box 10183, 1200 High Ridge Rd., Stamford, CT 06904 (203) 329-4500 - \$100 million of three-year extendable notes. Underwriters: Salomon Brothers Inc. and The First Boston Corporation. The company is currently financing installment payment agreements arising out of sales by International Business Machines Corporation. (File 2-76322 - Mar. 4) (Br. 2)
- (S-1) MALLON 1982 OIL AND GAS PROGRAM, 1616 Glenarm Pl., Suite 2750, Denver, CO 80202 - \$10 million in preformation partnership units. (File 2-76323 - Mar. 4) (Br. 4 - New Issue)
- (S-8) ICOT CORPORATION, 830 Maude Ave., Mountain View, CA 94043 (415) 964-4635 - 300,000 shares of common stock. (File 2-76324 - Mar. 4) (Br. 10)

REGISTRATIONS EFFECTIVE

Feb. 26: Billings Property Partners I, 2-75616; Dixie Equipment Company, Inc., 2-74269; FB&T Corporation, 2-76048; First Union Bancorporation, Inc., 2-75667; Tennis Club Associates, 2-74926.

CORRECTION RE INTERNATIONAL CONTROLS CORP.

In the News Digest dated March 4, under the heading "Securities Act Registrations," it was erroneously stated that the S-14 filing for International Controls Corp. was a "New Issue." The filing is a "Repeat" filing.